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Section 1: RPG Group Overview

RPG Group: Powered by Passion, Driven by Ethics

**UNLEASHTALENT
TOUCHLIVES
OUTPERFORM
AND😊**

RPG Enterprises was founded in 1979. The group currently operates in various industries - Infrastructure, Technology, Life Sciences, Plantations and Tyre Manufacturing. The group has a history of business dating back to 1820 AD in banking, textiles, jute and tea. The Group grew in size and strength with several acquisitions in the 1980s and 1990s. CEAT became a part of the RPG Group in 1982, which is now one of India's fastest growing conglomerates with 20000+ employees, presence in 100+ countries and annual gross revenues of ~\$3 Bn.



KEC International

World leader in
Power
Transmission
EPC space



CEAT

One of India's
leading
manufacturer of
automobile tyres



Zensar Technologies

Software
services provider
spread across 20
countries,
400+ customers.



RPG Life Sciences

Pharma
company with
wide range
medicines in
global generics
and synthetic
APIs.



Raychem RPG

Engineering
products and
services
catering to
infrastructure
segment
of the economy.

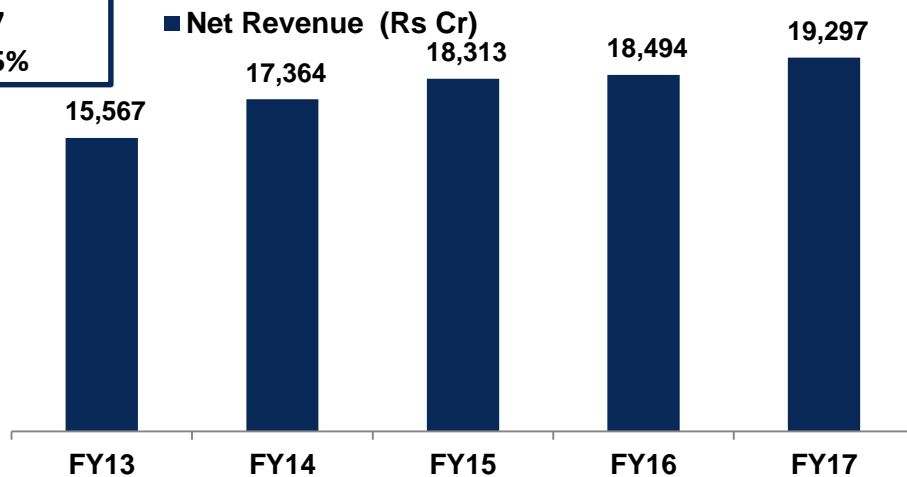


Harrisons Malayalam

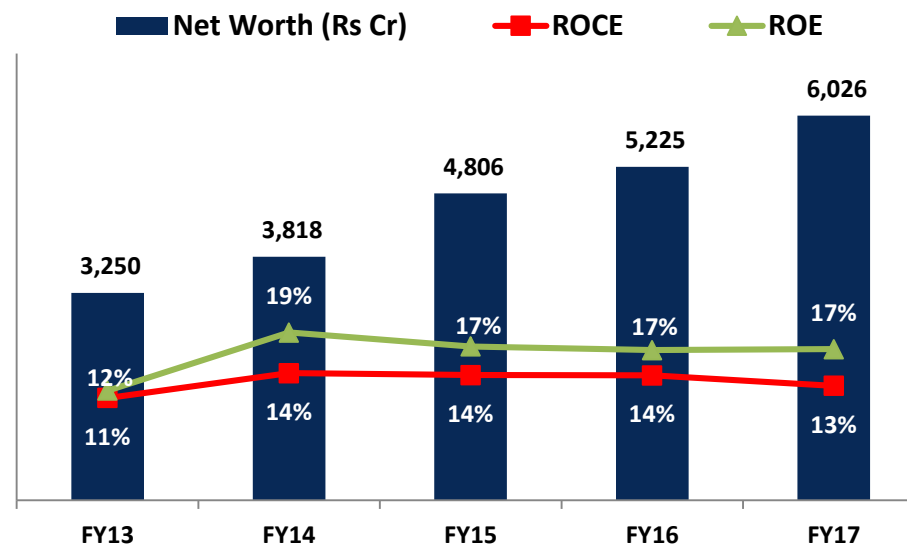
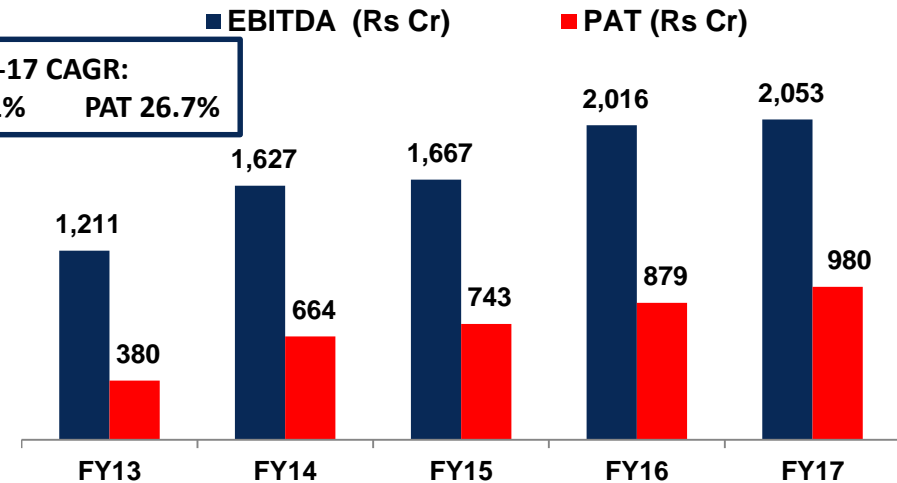
One of India's
largest plantation
companies with
tea, rubber and
other agro
products.

RPG Group: Key Financials

FY13-17
CAGR: 5.5%

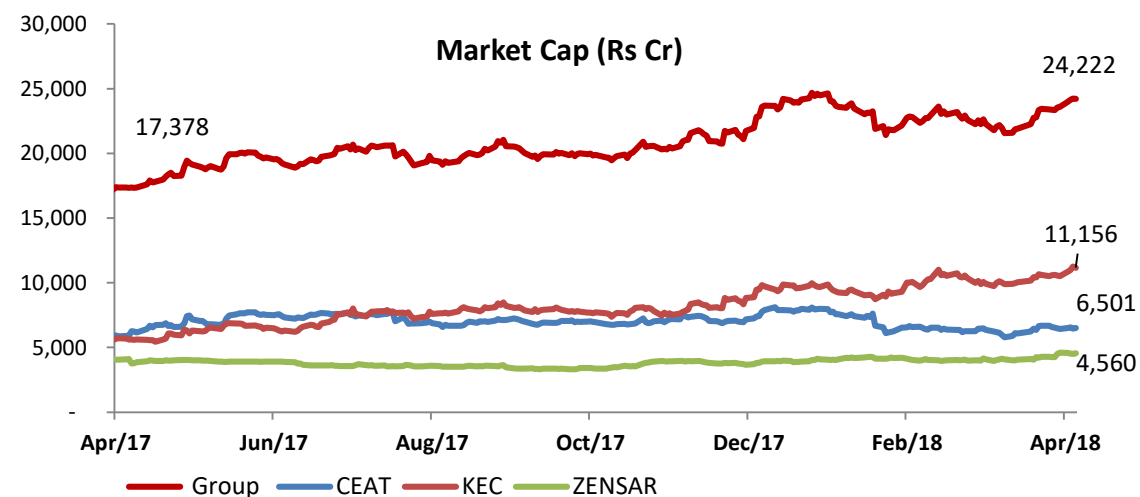


FY13-17 CAGR:
EBITDA 14.1% PAT 26.7%



Note:

- 1) ROCE is calculated by taking EBIT divided by Average Capital Employed
- 2) ROE is calculated by taking PAT divided by Average Net-worth
- 3) Market Cap updated till 19th April 2018



Section 2: Business Overview

Board of Directors



Harsh Vardhan Goenka
Chairman, Non Executive Director



Anant Vardhan Goenka
Managing Director



Arnab Banerjee
Whole -Time Director



Hari L. Mundra
Non Executive
Non Independent Director



Pierre E. Cohade
Non Executive
Non Independent Director



Atul C. Choksey
Non Executive
Independent Director



Haigreve Khaitan
Non Executive
Independent Director



Mahesh S. Gupta
Non Executive
Independent Director



Paras K. Chowdhary
Non Executive
Independent Director



Punita Lal
Non Executive
Independent Director



Ranjit Pandit
Non Executive
Independent Director



S. Doreswamy
Non Executive
Independent Director



Vinay Bansal
Non Executive
Independent Director

Leadership Team

Anant Goenka



Managing Director

Kumar Subbiah



Chief Financial Officer

Arnab Banerjee



**Executive Director
- Operations**

Milind Apte



**Senior Vice President
- Human Resources**

Tom Thomas



**Executive Director - Projects &
Chief Mentor Technology**

Dilip Modak



**Senior Vice President
- Manufacturing**

Chandrashekhar Ajgaonkar



**Senior Vice President
- Quality Based Management**

Peter Becker



**Senior Vice President
- R&D and Technology**

India's leading tyre company with over **50** yrs of presence

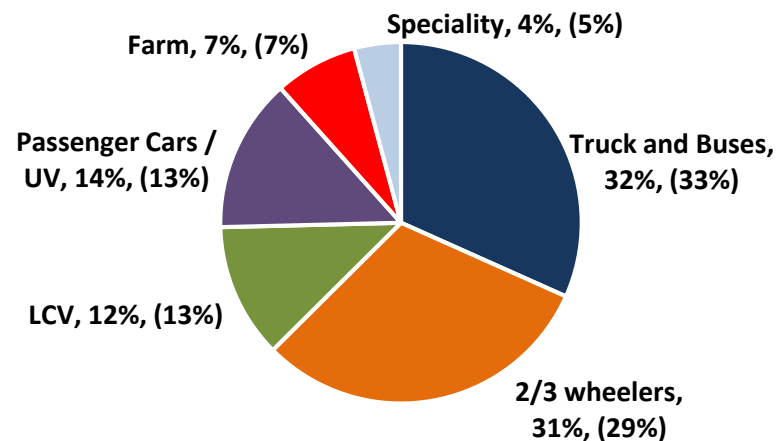
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

6 Manufacturing facilities - Bhandup, Nasik, Halol, Nagpur, Ambernath & Sri Lanka

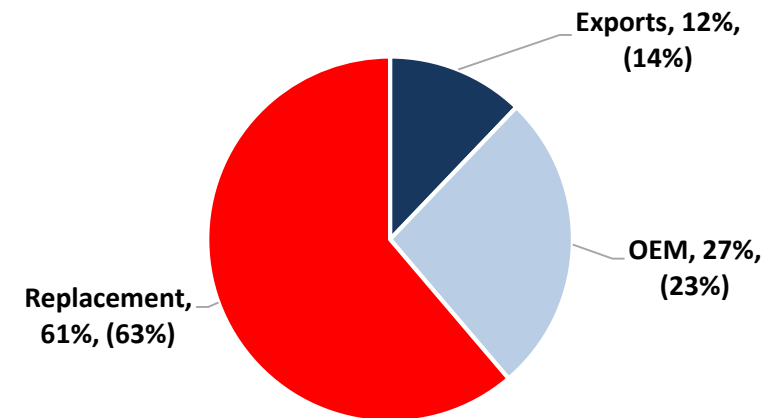
100+ countries where products are sold with strong brand recall

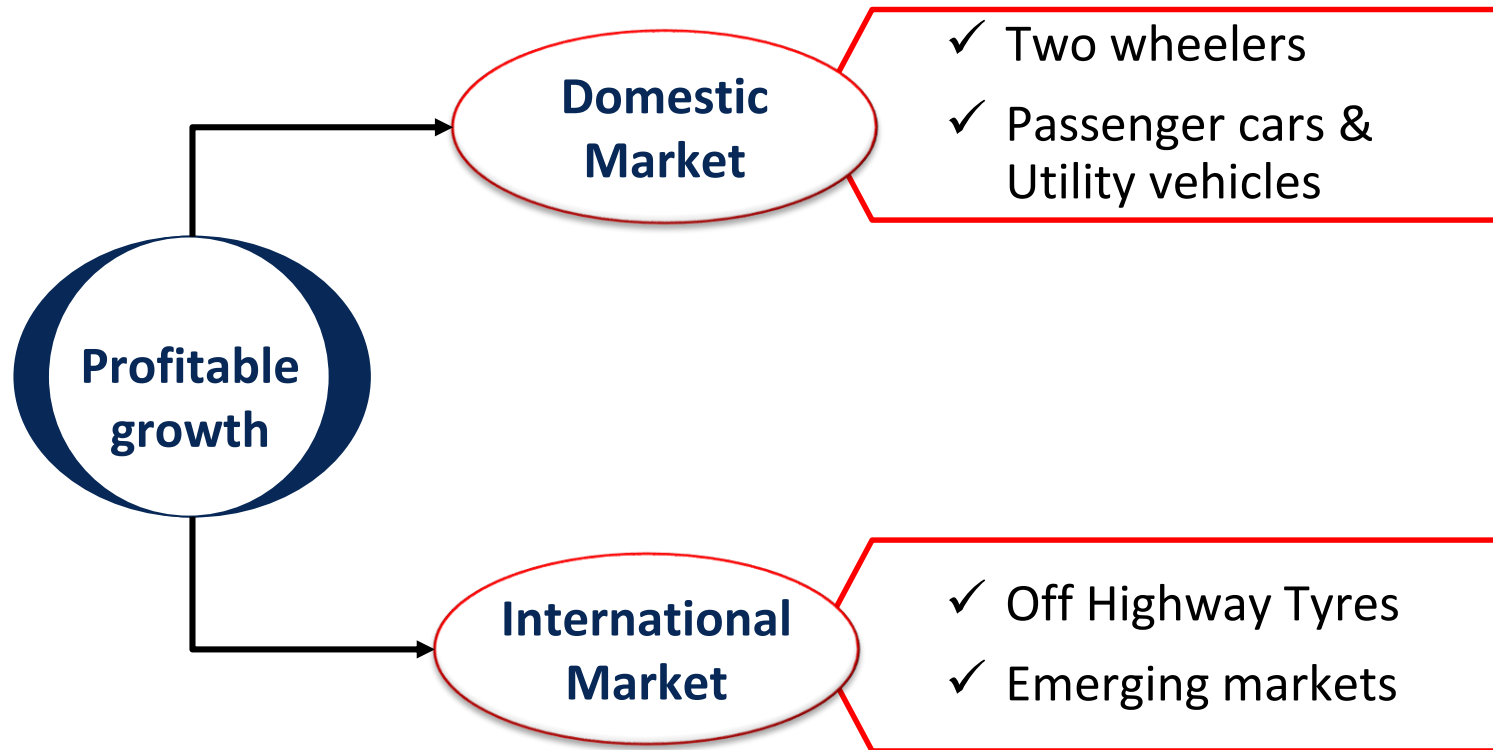
#No 1 player in Sri Lanka in terms of market share

FY18 Revenue Breakup by Product



FY18 Revenue Breakup by Market





1 Differentiated Products

2 Strong Brand

3 Extensive Distribution

4 Deep OEM Partnerships

5 World Class R&D

6 Expanding Global Reach

1 Differentiated Products

New Entries and Supplier to OEM's



Key developments

- **Focus on OEM, recent entries in new models** – Honda Grazia, Hyundai New Verna, Ashok Leyland Dost, Mahindra E Alpha, Bajaj New Platina, Honda Cliq, Ashok Leyland Stag and Partner, Tork T6X, Hero Motocorp Achiever 150, Renault Kwid.
- **Recent entries into OEM's existing models** – Bajaj Pulsar 150, Honda (Livo, Shine and Dream Yuga), Bajaj Pulsar 160, Tata Motors TBR, AL Partner LCV, Escort Tractors, Wagon R, Zylo, Daimler Truck Radials, Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo etc.
- **Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.

2 Strong Brand

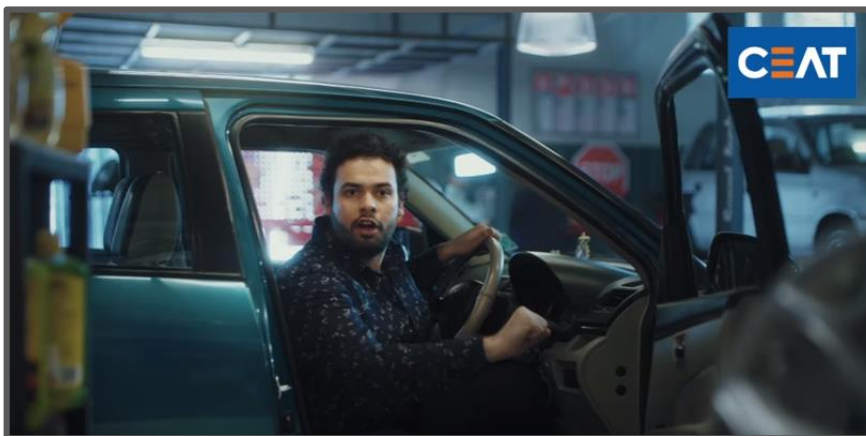


Yet another exceptional cricketer associated with CEAT – **Shubman Gill**, Player of the Tournament in Under-19 Cricket World Cup

IPL's official Strategic Time Out partner



CEAT's long lasting tyre range, Milaze, TVC



3 Extensive Distribution

Shoppe



Shop in Shop (SIS)



Distribution Network

- 4,500+ dealers
- 500+ CEAT Franchisees (Shoppes + Hubs)
- 280+ two-wheeler distributors
- Developed Multi Brand Outlet / Shop in Shop model over last 2 years. Over 400 outlets so far
- Launched CEAT Bike Shoppes in Bangalore and Kolkata

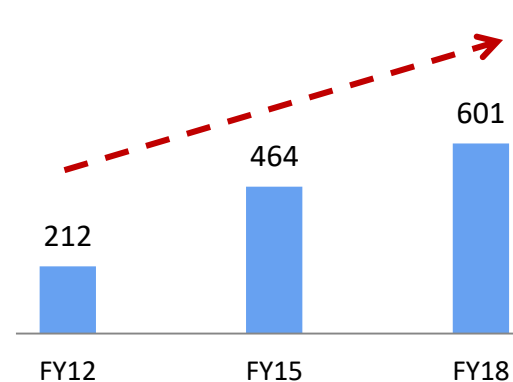
Multi Brand Outlet (MBO)



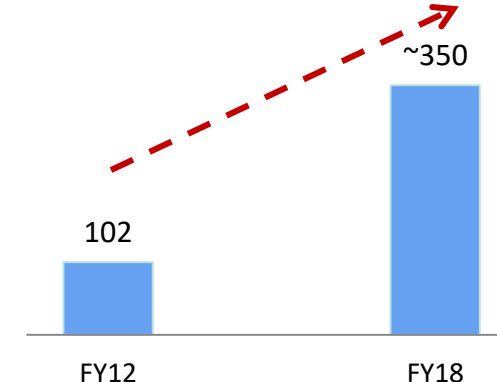
Bike Shoppe



District coverage



No. of CEAT Shoppes



4 Deep OEM Partnerships



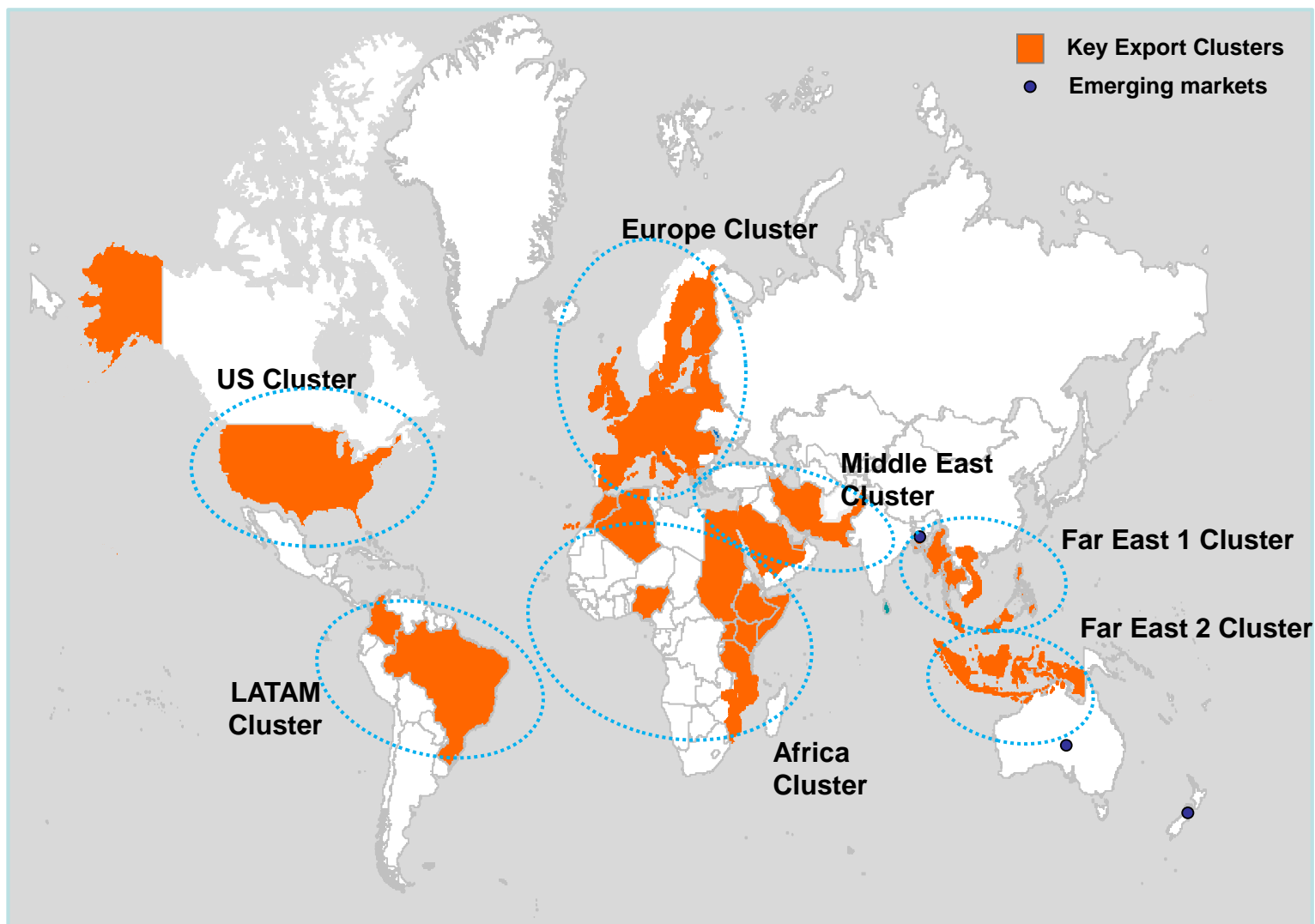


- State of the art R&D facility at Halol plant
- R&D focussed on development of breakthrough products, alternate materials, green tyres & smart tyres
- Partnerships with global institutes and technology partners

Breakthrough Products

- “Puncture Safe” tyres for Two Wheelers – India’s 1st Self Sealing tyre
- “FuelSmarrt Tyres” for Passenger Cars – Reduced rolling resistance, less fuel consumption and more savings
- “Milaze Tyres” for SUV segment– Higher mileage up to 1,00,000 kilometers

Expanding Global Reach



- **Exports to 90+ Countries** in 7 clusters
- **Sri Lanka:** Manufacturing facility and Leadership position in the market and with 50+% market share
- Focused product and distribution strategy for select clusters and countries

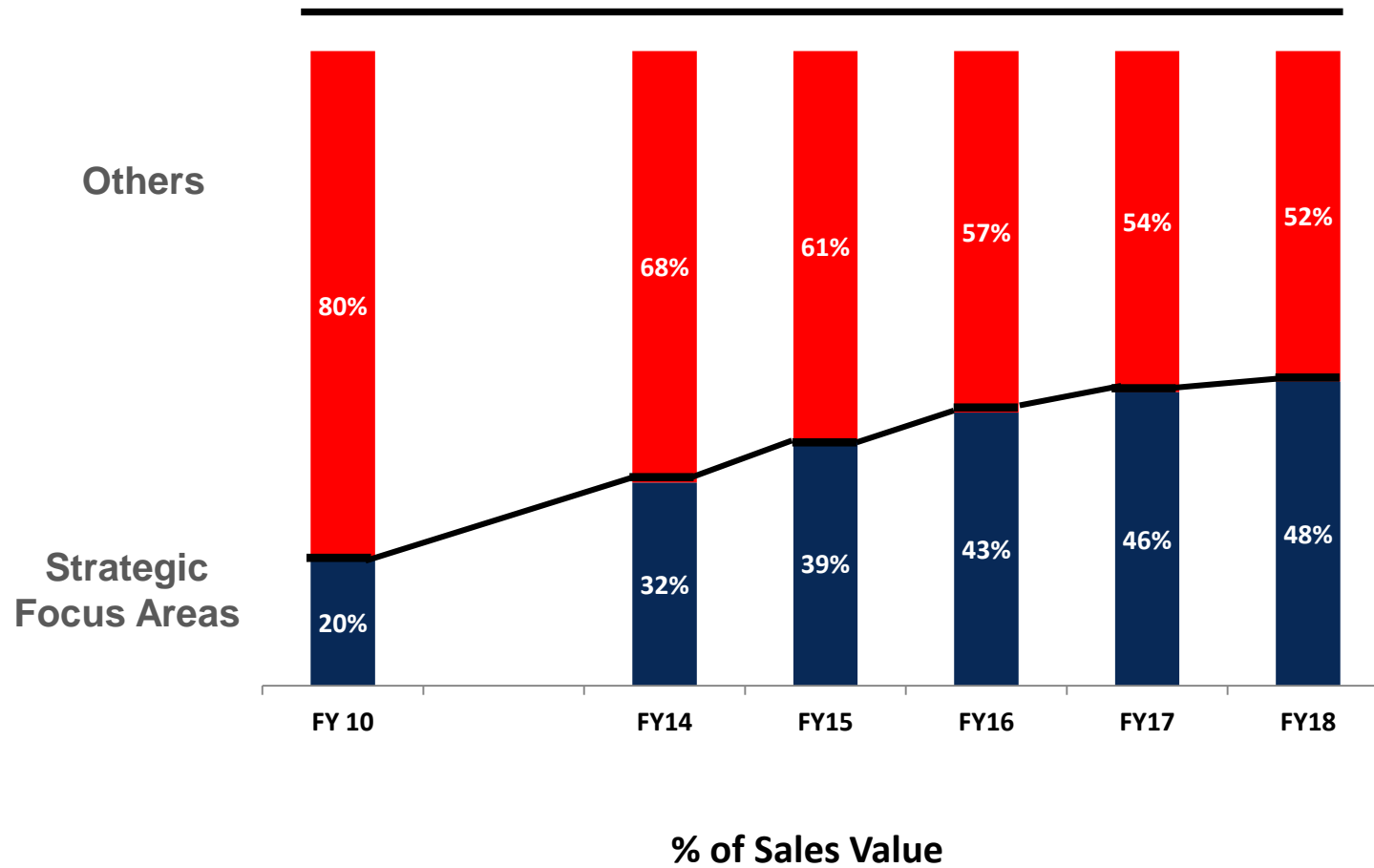
Off Highway Tyres



Status Update

- Greenfield OHT (Off Highway Tyres) radial plant in Ambernath
- Plant is now live and commercial sales have begun across all key markets

Strategic Focus Areas – Continued Momentum



Strategic Focus Areas

(Passenger Segment, Specialty Exports & Emerging Markets)

- CAGR of 23%
- Substantial contribution towards increasing profitability
- Market share growing

Section 3: Operational & Financial Overview

Q4 FY18 Operational Highlights

Product Launch



Zoom Rad X1
Premium Motorcycle Radial tyres

OEM Model Entry



Honda Livo



Honda Yuga



Honda Shine



Bajaj Pulsar 150cc

Consolidated: Q4 FY18 Financial Highlights

Q4 FY18 v/s Q3 FY18 (Q-o-Q)

- Net revenue from operations increased by 6.3% at INR 1,674 Crs from INR 1,574 Crs
- Gross margins contracted to 39.7% from 41.8%
- EBITDA stood at INR 203 Crs compared to INR 195 Crs; margins at 12.1% from 12.4%
- PAT stood at INR 77 Crs compared to INR 82 Crs
- Debt / equity at similar levels at 0.3x

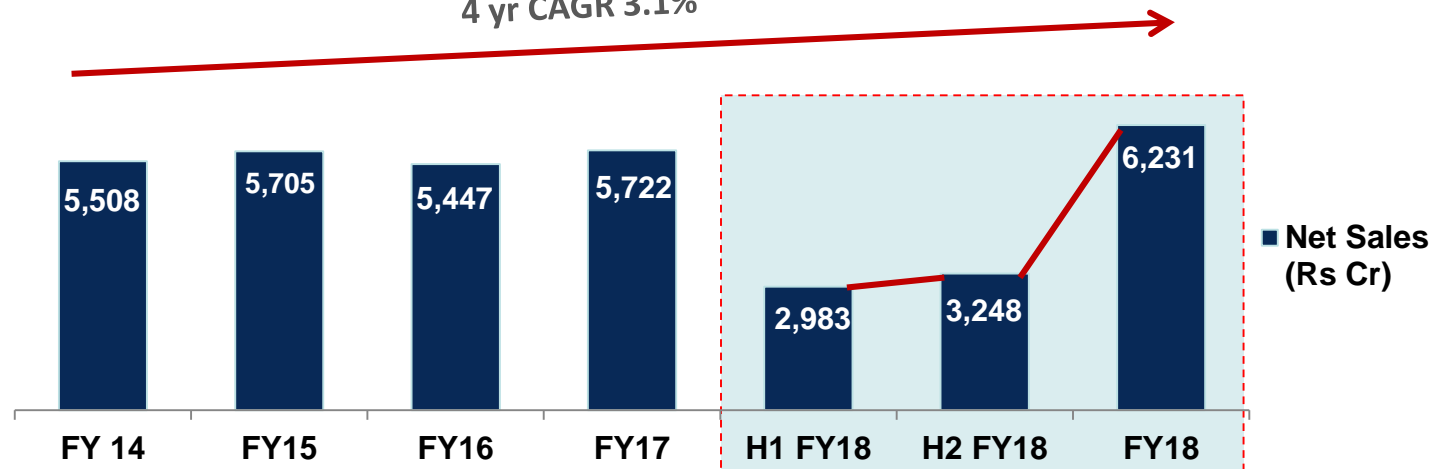
Q4 FY18 v/s Q4 FY17 (Y-o-Y)

- Net revenue from operations increased by 13.7% at INR 1,674 Crs from INR 1,472 Crs
- Gross margins have expanded to 39.7% from 37.1%
- EBITDA stood at INR 203 Crs compared to INR 137 Crs; margins at 12.1% from 9.3%
- PAT stood at INR 77 Crs compared to INR 66 Crs
- Debt / equity at 0.3x compared to 0.4x

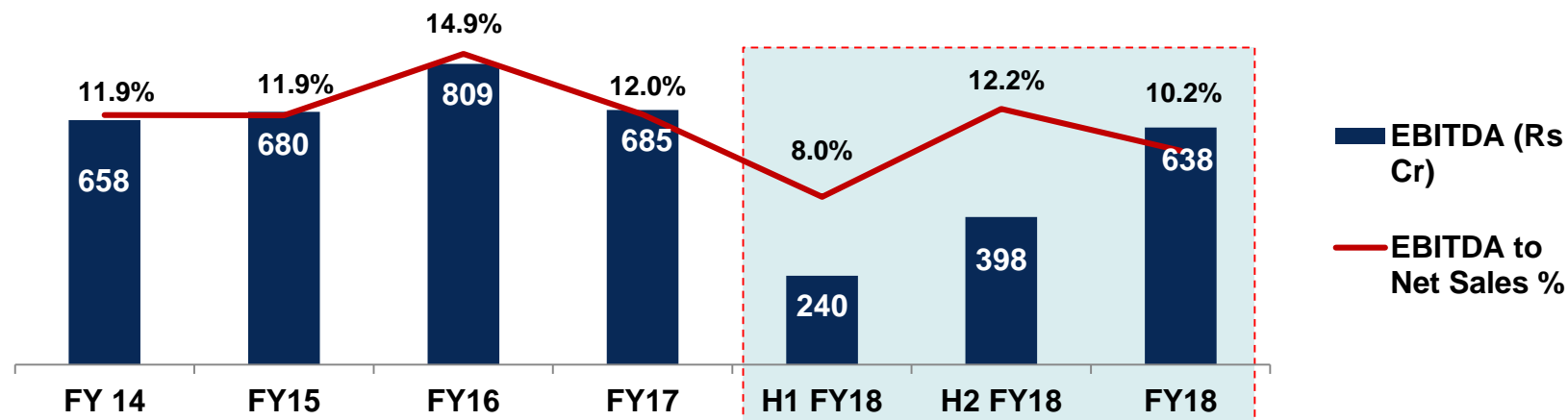
Consolidated: Financial Trends

4 yr CAGR 3.1%

Revenue growth



Margin trends



Note

Blue area denotes FY ending 31st March, 2018

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

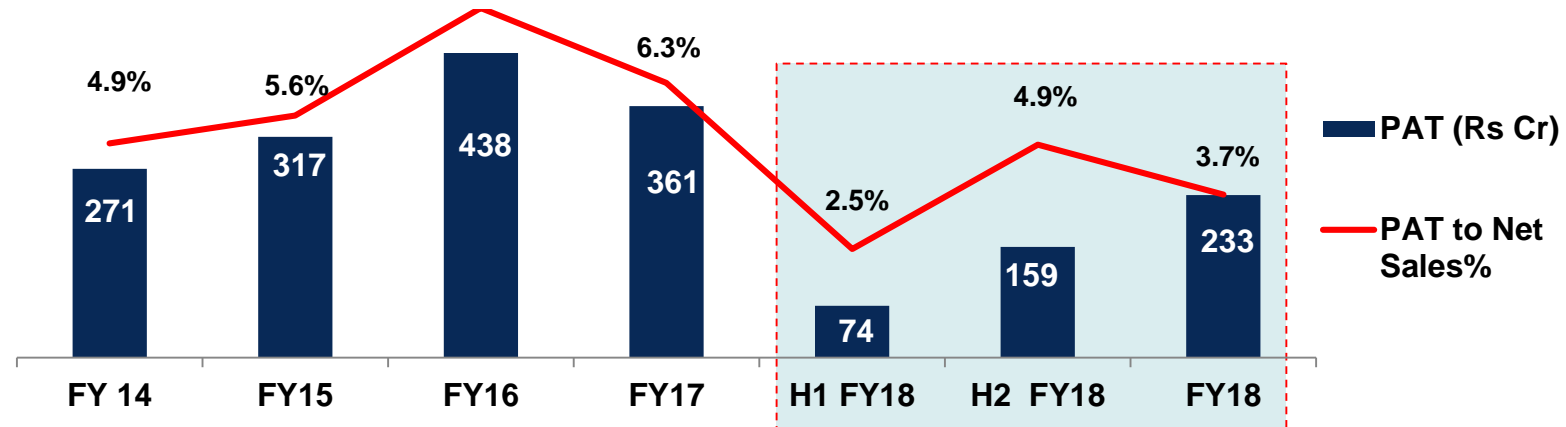
FY16 onwards the Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

FY16 onwards the EBITDA includes profit from Sri Lanka JV

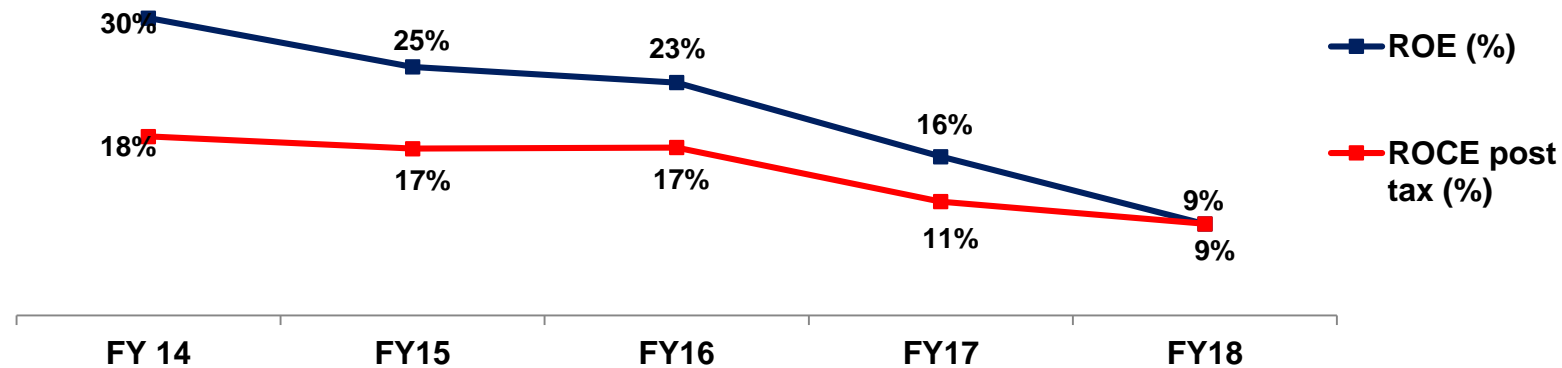
EBITDA does not include Non- operating income

Consolidated: Financial Trends

PAT trends



Return Ratios



Notes

Blue area denotes FY ending 31st March, 2018

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

ROCE is based on PBIT *(1-tax rate) and average capital employed has been considered for calculations

Consolidated: Q4 FY18 Financials

Parameter	Q4 FY17	Q3 FY18	Q4 FY18	QoQ	YoY	INR Cr		
						FY17	FY18	YoY
Net Revenue from operations	1,472	1,574	1,674	6%	14%	5,767	6,231	8%
Raw Material	925	916	1,010	10%	9%	3,400	3,810	12%
Gross margin	547	658	664	1%	21%	2,367	2,421	2%
Gross margin %	37.1%	41.8%	39.7%	-214 bps	252 bps	41.0%	38.9%	-219 bps
Employee	105	112	115	3%	10%	406	438	8%
Other Expenses	310	359	351	-2%	13%	1,304	1,368	5%
EBITDA	137	195	203	4%	48%	685	638	-7%
EBITDA %	9.3%	12.4%	12.1%	-25 bps	278 bps	11.9%	10.2%	-165 bps
Finance Cost	21	27	24	-13%	12%	82	97	19%
Depreciation	46	43	45	3%	-3%	143	169	18%
Operating PBT	70	124	134	8%	91%	460	372	-19%
Exceptional expense	12	1	25	2371%	98%	13	34	155%
Non-Operating income	4	7	7	5%	93%	19	29	58%
PBT	61	130	117	-10%	90%	466	367	-21%
PAT	66	82	77	-6%	17%	359	233	-35%

Notes

Figures are as per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

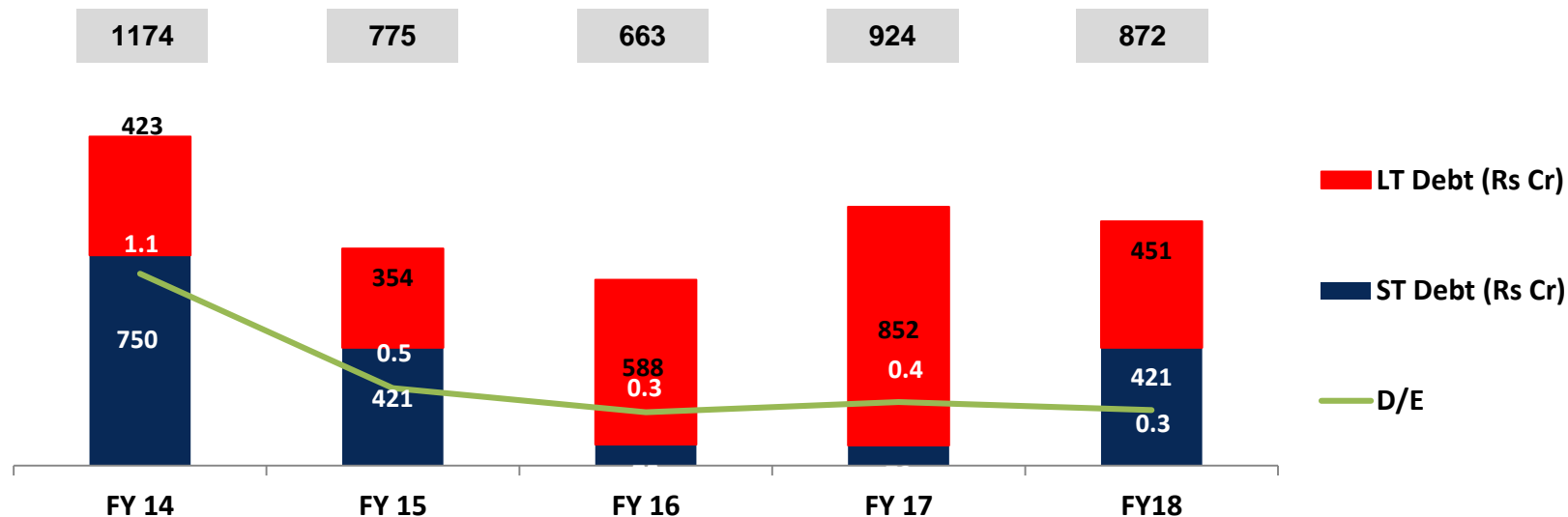
EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

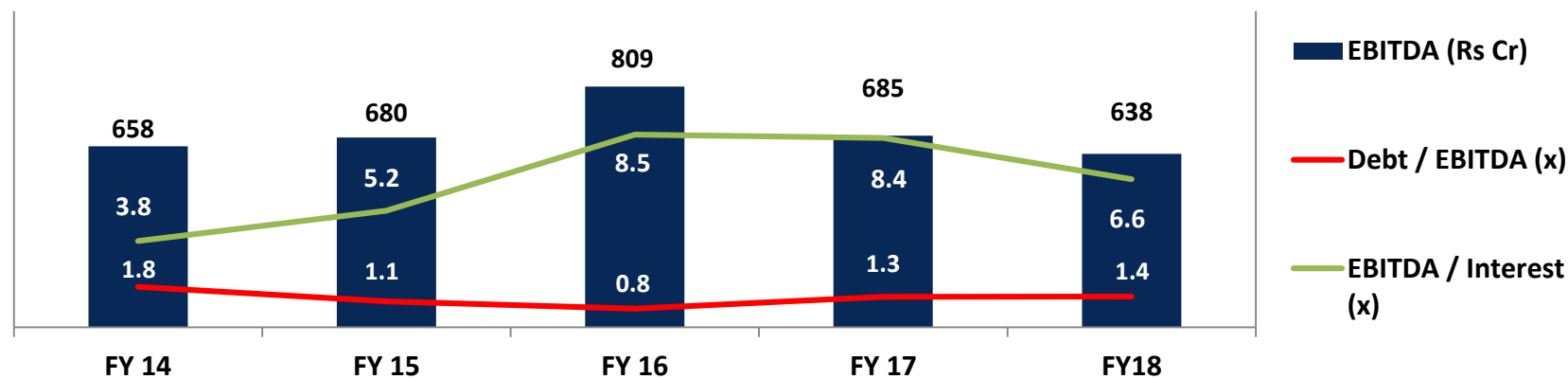
Consolidated: Leverage / coverage Profile

Total Debt
(INR Cr)

Debt breakup



Leverage ratios



Note

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

Standalone: Q4 FY18 Financials

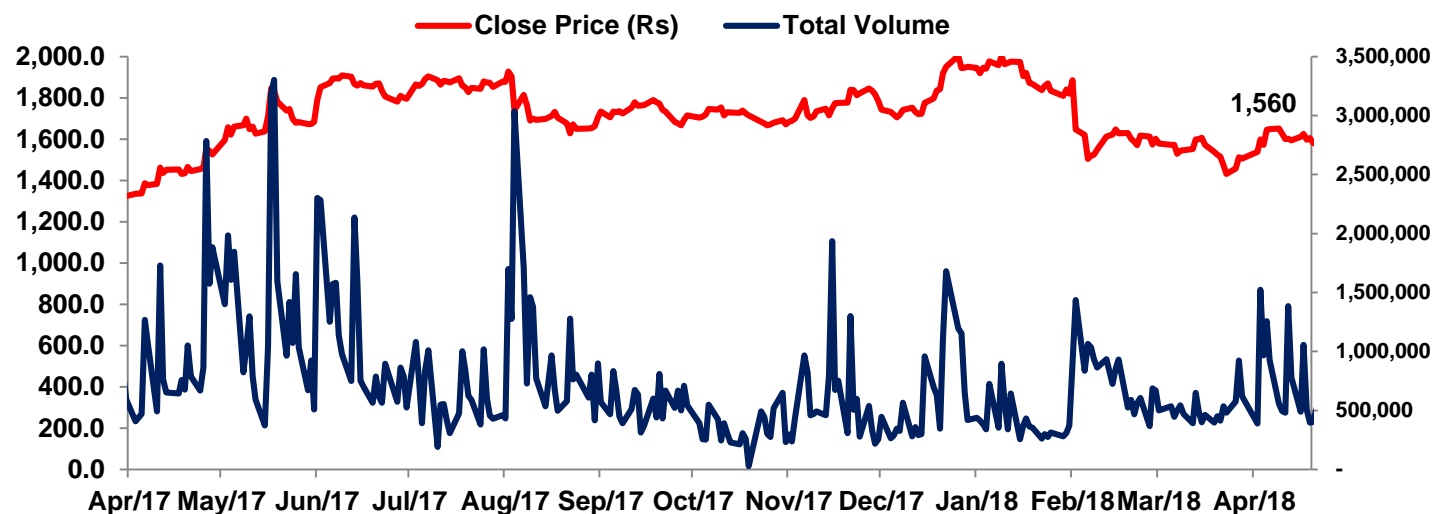
Parameter	Q4 FY17	Q3 FY18	Q4 FY18	QoQ	YoY	INR Cr		
						FY17	FY18	YoY
Net Revenue from operations	1,451	1,550	1,649	6.4%	13.6%	5,702	6,161	8%
Raw Material	912	910	1,008	10.7%	10.6%	3,375	3,804	13%
Gross margin	539	640	640	0.1%	18.9%	2,326	2,358	1%
Gross margin %	37.1%	41.3%	38.8%	-242 bps	171 bps	40.8%	38.3%	-253 bps
Employee	99	106	106	0.7%	7.5%	384	413	8%
Other Expenses	301	342	335	-2.2%	11.1%	1,283	1,317	3%
EBITDA	139	192	199	4.0%	43.8%	660	627	-5%
EBITDA %	9.6%	12.4%	12.1%	-27 bps	254 bps	11.6%	10.2%	-140 bps
Finance Cost	20	22	19	-11.3%	-5.4%	79	86	9%
Depreciation	46	41	41	1.7%	-10.0%	142	162	14%
Operating PBT	73	130	139	7.3%	91.6%	439	379	-14%
Exceptional expense	12	1	25	2798.5%	97.7%	13	26	98%
Non-Operating income	5	9	9	6.6%	84.5%	41	57	37%
PBT	65	137	124	-10.0%	89.9%	467	410	-12%
PAT	70	91	85	-6.4%	21.3%	363	279	-23%

Notes

Financials are as per IND AS

EBITDA does not include Non- operating income

Equity Shareholding & Price trends

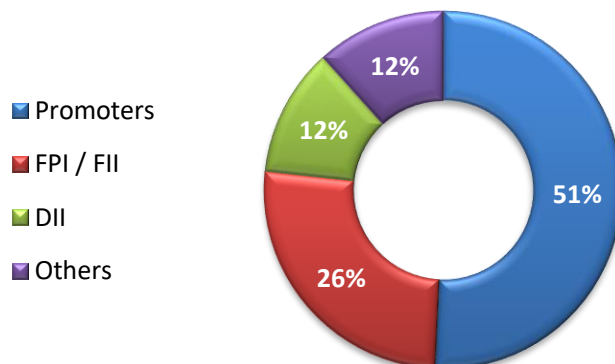


Returns since April '17

- CEAT: 17%
- NIFTY: 16%

Source : Capitaline. The above data is updated till 27th April 2018

Shareholding Pattern as on March 31, 2018



Market Information

- Market Price (April 27): INR 1,560/share
- Face Value : INR 10/share
- Market Cap (April 27): INR 6,310 Cr

THANK YOU