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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.

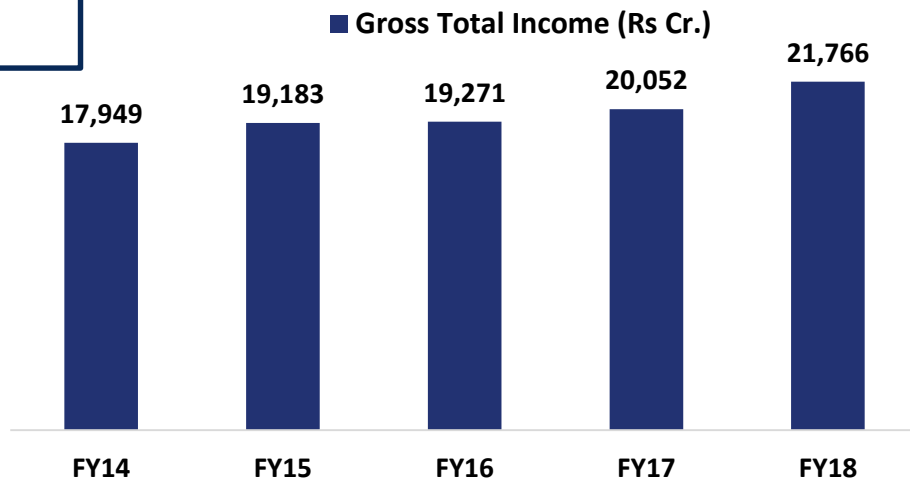


Harrisons Malayalam

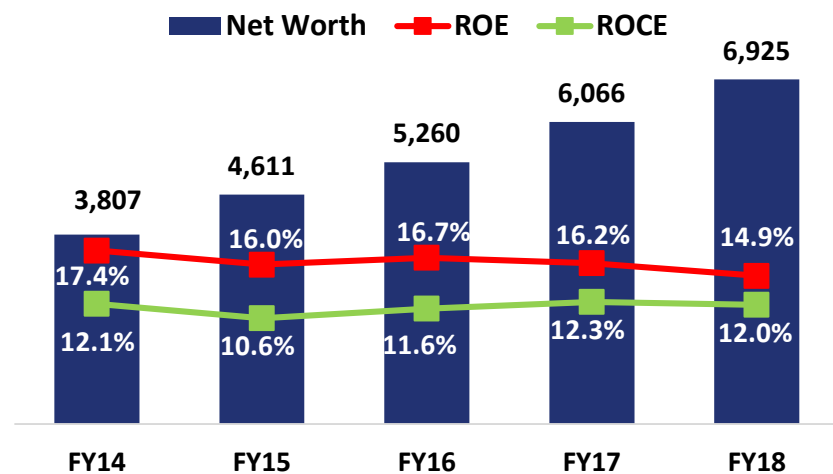
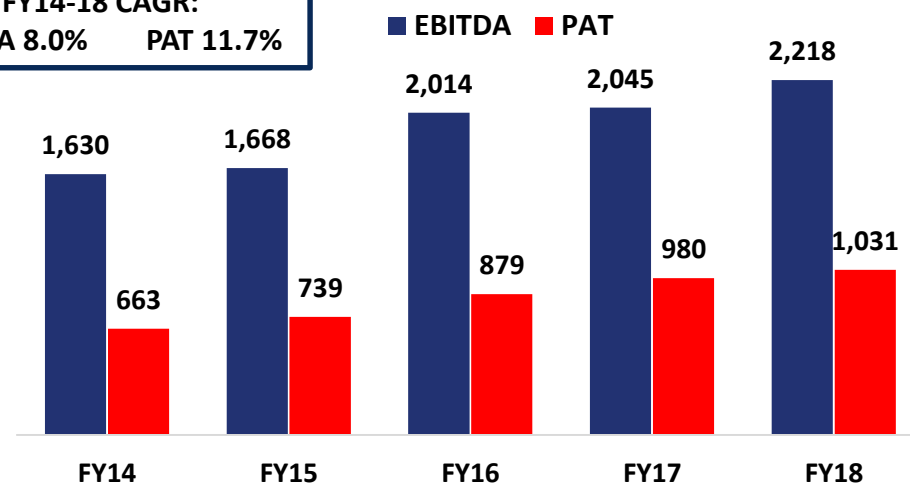
One of India's
largest plantation
companies with
tea, rubber and
other agro
products.

RPG Group: Key Financials

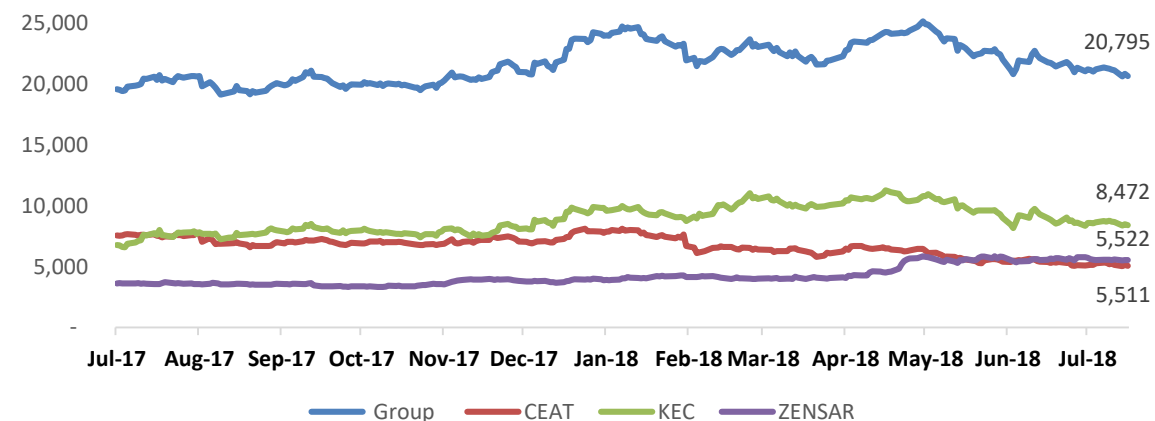
FY14-18
CAGR: 4.9%



FY14-18 CAGR:
EBITDA 8.0% PAT 11.7%



Market Cap



Note:

- 1) ROCE is calculated by taking EBIT*(1-ETR) divided by Capital Employed
- 2) ROE is calculated by taking PAT divided by Net-worth
- 3) Market Cap updated till 18th July 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



Atul C. Choksey
Non Executive
Independent Director



Pierre E. Cohade
Non Executive
Non Independent Director



Hari L. Mundra
Non Executive
Non Independent Director



Haigreva 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

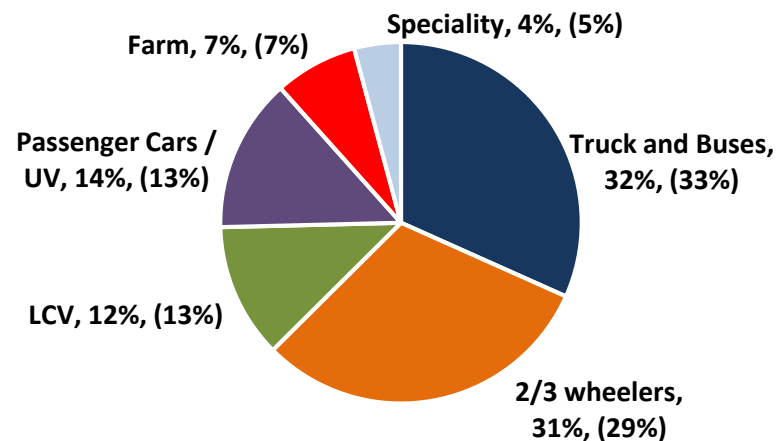
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

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

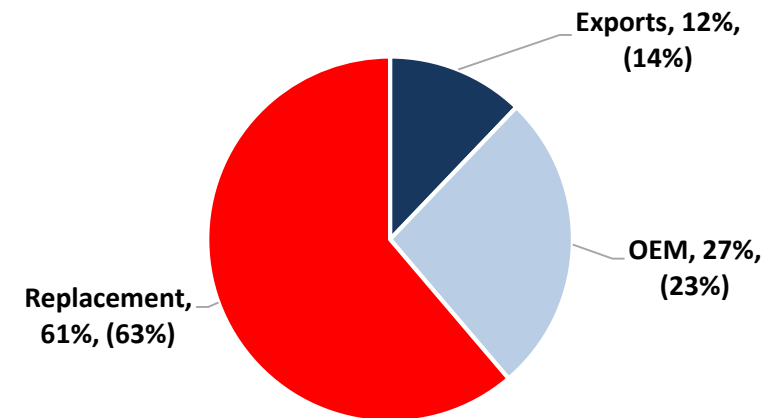
100+ countries where products are sold with strong brand recall

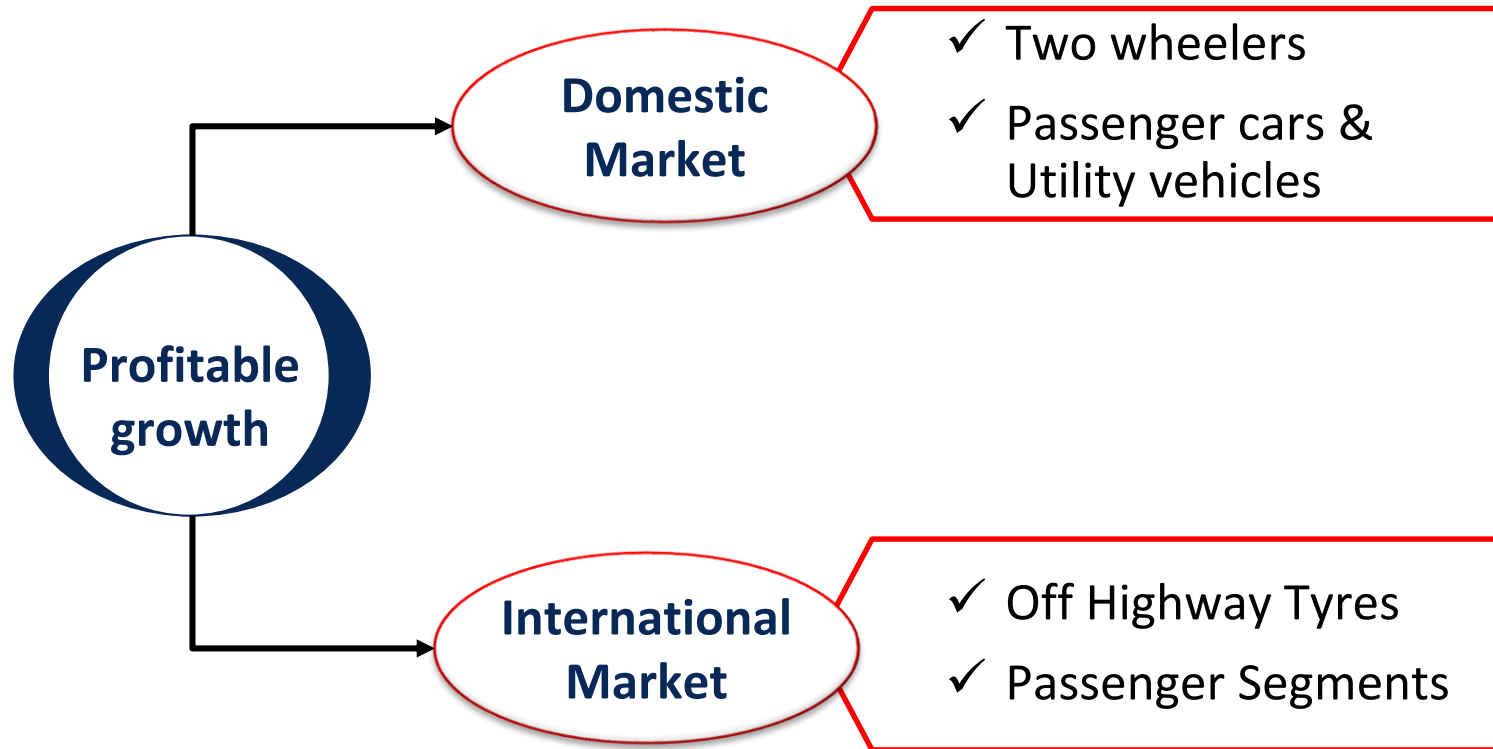
#No 1 player in Sri Lanka in terms of market share

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** – 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, **Himalayan ABS (Royal Enfield)**
- **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

Continues association with
Ultimate Table Tennis Championship



Another innings of
CEAT Cricket Rating
Awards



CEAT's Superior
GRIP Scooter Tyres

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

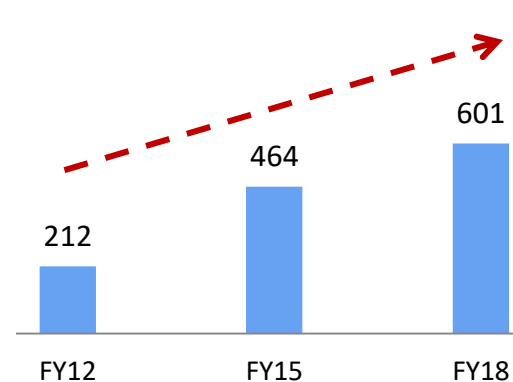
Multi Brand Outlet (MBO)



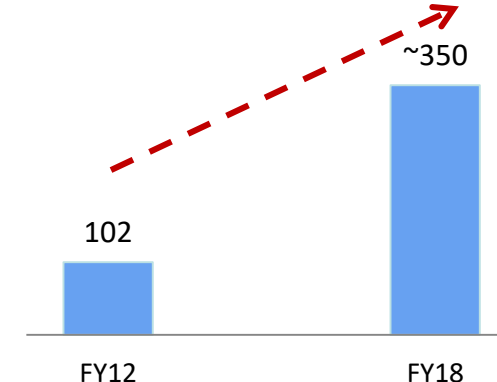
Bike Shoppe



District coverage



No. of CEAT Shoppes



4 Deep OEM Partnerships



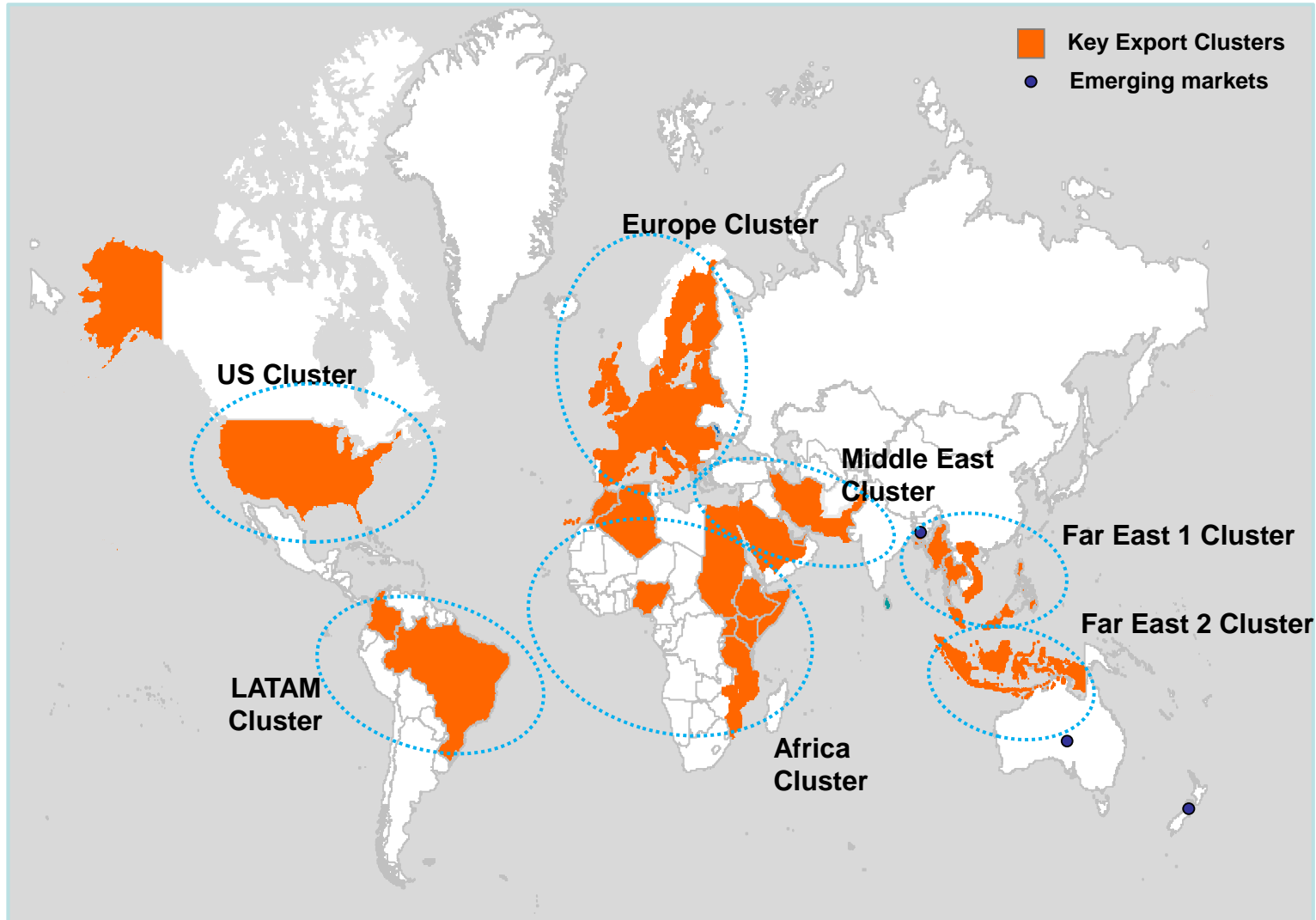


- State of the art R&D facility at Halol plant
- R&D focussed on development of breakthrough products, alternate materials, green tyres & smart tyres
- Partnerships with global institutes and technology partners

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

Section 3: Operational & Financial Overview

Q1 FY19 Operational Highlights

Recognition for CEAT



CEAT won best IR award under the mid-cap category by IR magazine

OEM Model Entry



Royal Enfield Himalayan ABS

Consolidated: Q1 FY19 Financial Highlights

Q1 FY19 v/s Q4 FY18 (Q-o-Q)

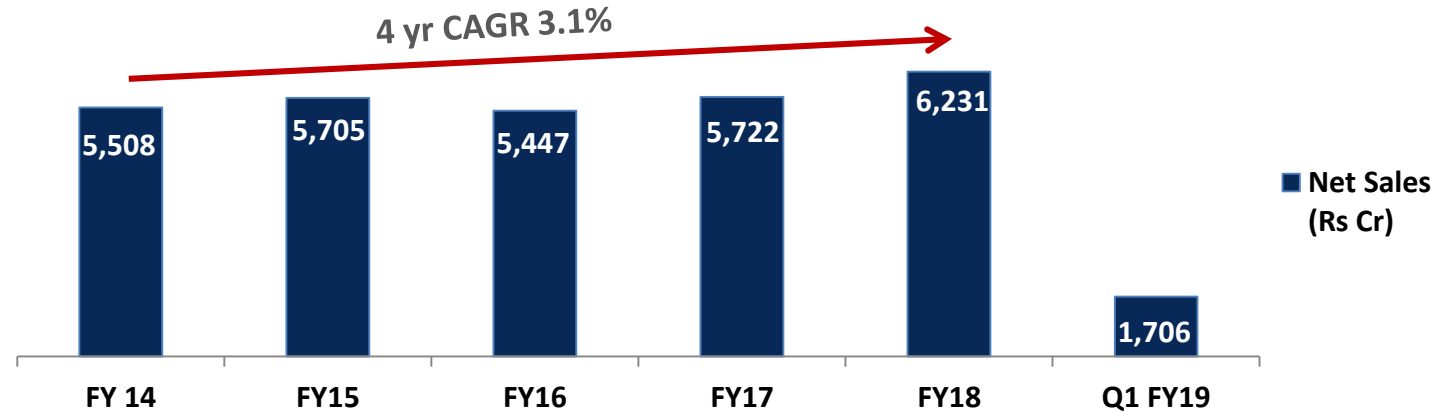
- Net revenue from operations increased by 1.9% at INR 1,706 Crs from INR 1,674 Crs
- Gross margins contracted to 39.3% from 39.7%
- EBITDA stood at INR 181 Crs compared to INR 203 Crs; margins at 10.6% from 12.1%
- PAT stood at INR 71 Crs compared to INR 77 Crs
- Debt / equity at 0.28x compared to 0.33x

Q1 FY19 v/s Q1 FY18 (Y-o-Y)

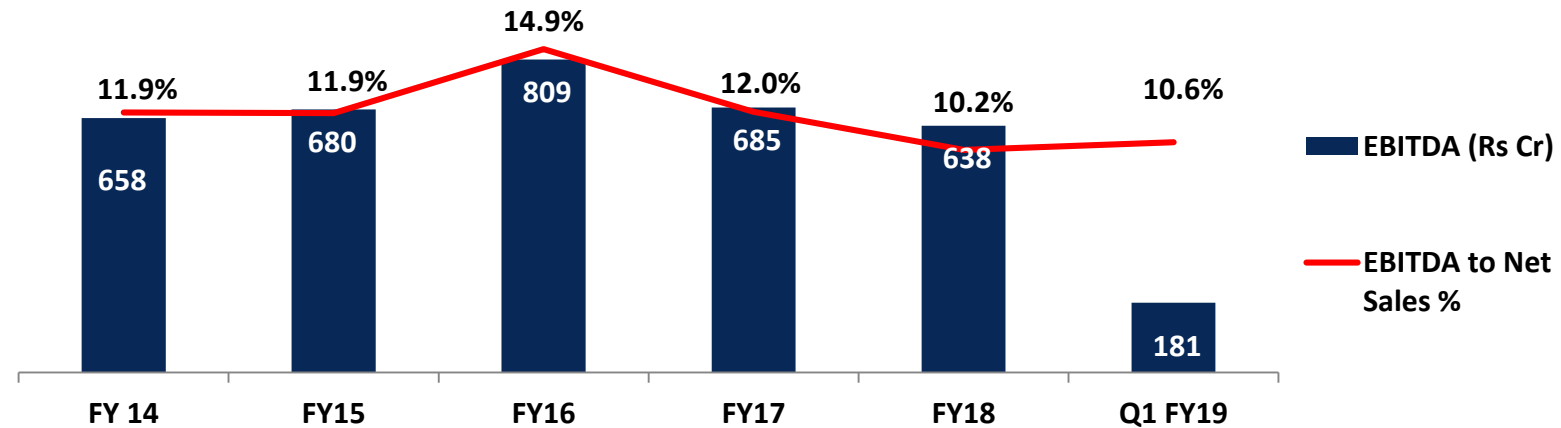
- Net revenue from operations increased by 16.9% at INR 1,706 Crs from INR 1,460 Crs
- Gross margins have expanded to 39.3% from 34.2%
- EBITDA stood at INR 181 Crs compared to INR 58 Crs; margins at 10.6% from 4.0%
- PAT stood at INR 71 Crs compared to INR 1 Crs
- Debt / equity at 0.28x compared to 0.43x

Consolidated: Financial Trends

Revenue growth



Margin trends



Note

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

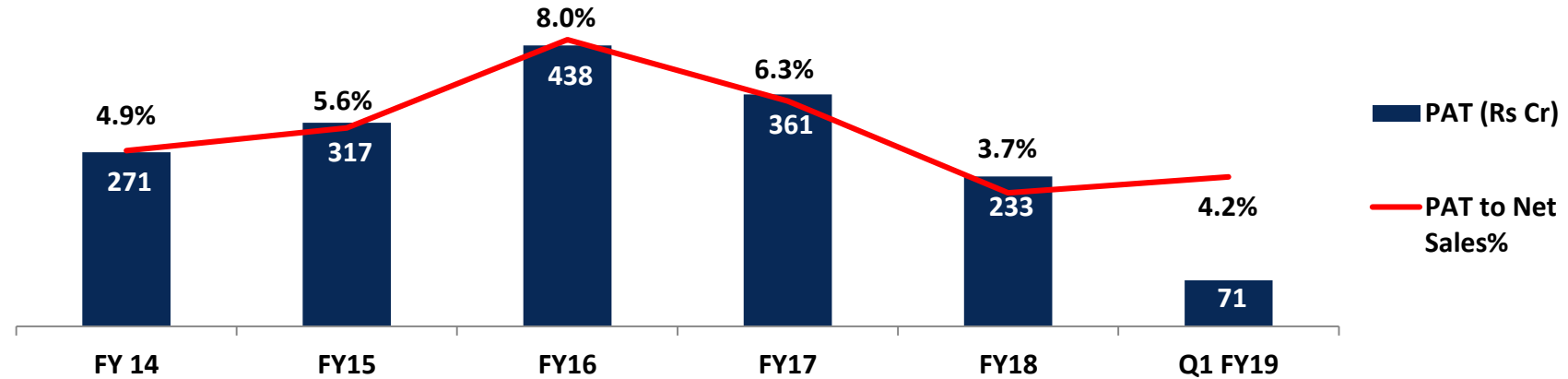
FY16 onwards the Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

FY16 onwards the EBITDA includes profit from Sri Lanka JV

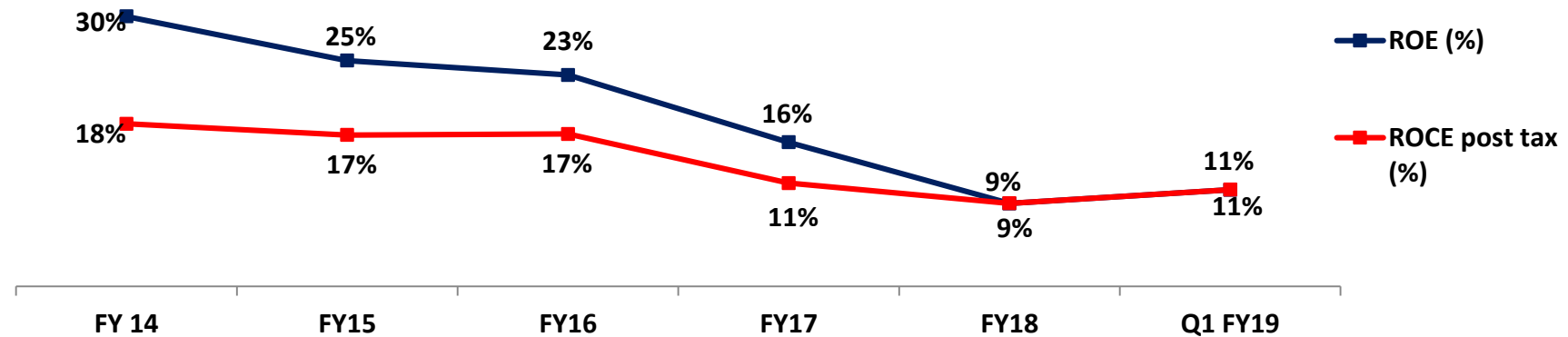
EBITDA does not include Non- operating income

Consolidated: Financial Trends

PAT trends



Return Ratios



Notes

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods
 For ROE and ROCE calculation PAT and Operating PBIT have been annualised
 ROCE is based on $PBIT \times (1 - \text{tax rate})$ and average capital employed is (Total Assets – Current Liabilities)

Consolidated: Q1 FY19 Financials

Parameter	Q1 FY18	Q4 FY18	Q1 FY19	QoQ	YoY
Net Revenue from operations	1,460	1,674	1,706	2%	17%
Raw Material	961	1,010	1,035	2%	8%
Gross margin	499	664	671	1%	35%
Gross margin %	34.2%	39.7%	39.3%	-32 bps	517 bps
Employee	100	115	119	3%	19%
Other Expenses	344	351	377	7%	9%
EBITDA	58	203	181	-10.9%	209.7%
EBITDA %	4.0%	12.1%	10.6%	-153 bps	659 bps
Finance Cost	23	24	20	-14%	-10%
Depreciation	40	45	46	3%	16%
Operating PBT	(4)	134	114	-15%	-3076%
Exceptional expense	0	25	2	-91%	555%
Non-Operating income	10	7	4	-47%	-64%
PBT	6	117	116	-1%	1787%
PAT	1	77	71	-7.0%	5077%

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

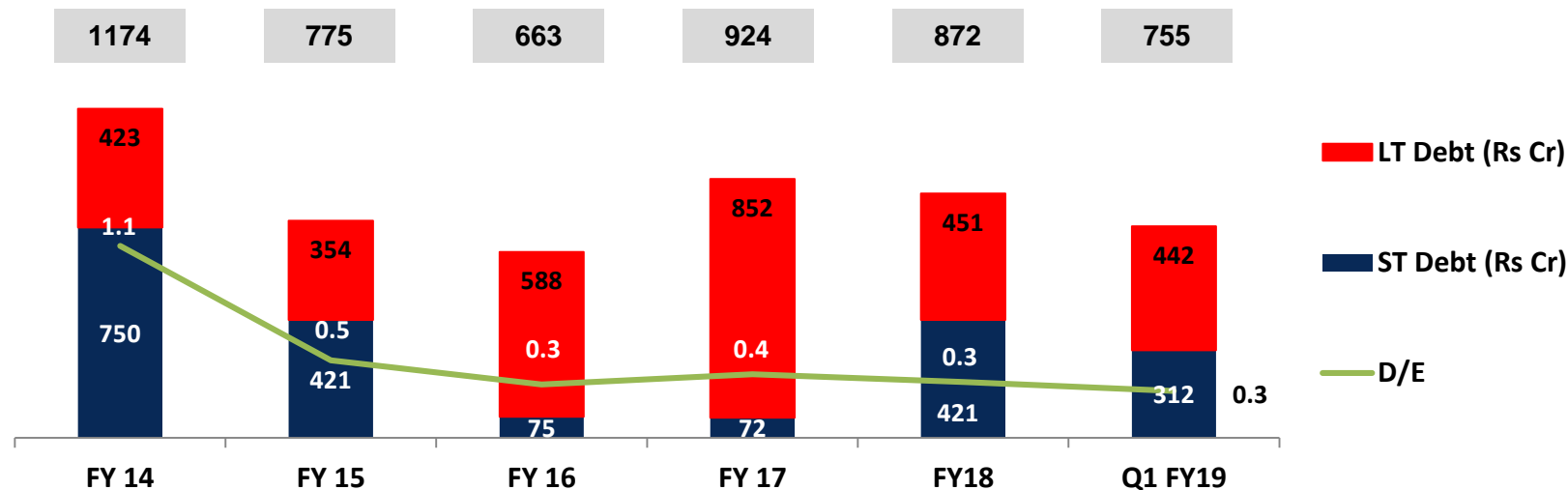
EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

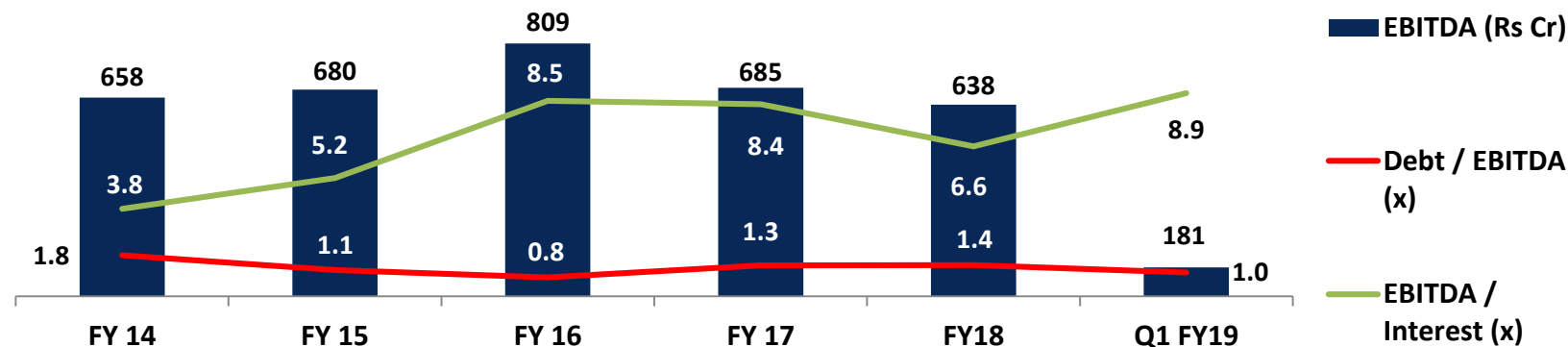
Consolidated: Leverage / coverage Profile

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
 For Debt / EBITDA, Q1 FY19 EBITDA has been annualised

Standalone: Q1 FY19 Financials

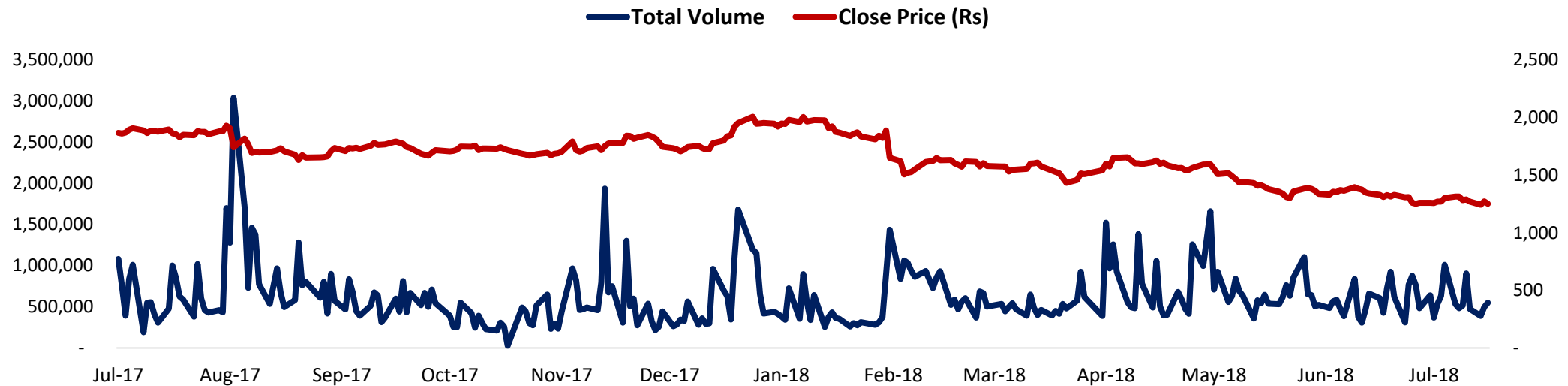
Parameter	Q1 FY18	Q4 FY18	Q1 FY19	QoQ	YoY
Net Revenue from operations	1,451	1,649	1,674	1.6%	15.4%
Raw Material	965	1,008	1,028	2.0%	6.5%
Gross margin	486	640	646	0.9%	32.9%
Gross margin %	33.5%	38.8%	38.6%	-25 bps	510 bps
Employee	96	106	110	3.8%	14.7%
Other Expenses	336	335	362	8.1%	7.7%
EBITDA	139	199	174	-12.7%	25.5%
EBITDA %	9.6%	12.1%	10.4%	-170 bps	84 bps
Finance Cost	22	19	15	-22.1%	-32.2%
Depreciation	39	41	41	0.5%	5.2%
Operating PBT	77	139	118	-15.4%	52.4%
Exceptional expense	0	25	2	-90.7%	559.1%
Non-Operating income	31	9	6	-39.3%	-82.2%
PBT	24	124	121	-2.1%	413.7%
PAT	19	85	78	-8.5%	306.7%

Notes

Financials are as per IND AS

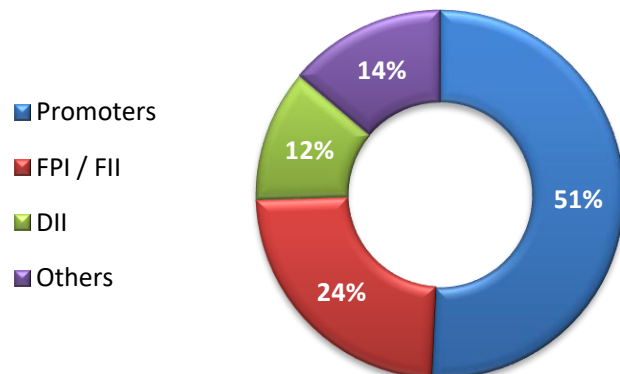
EBITDA does not include Non- operating income

Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 18th July 2018

Shareholding Pattern as on June 30, 2018



Market Information

- Market Price (July 18): INR 1,247/share
- Face Value : INR 10/share
- Market Cap (July 18): INR 5,047 Cr

THANK YOU