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# Table of Contents

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**Section 1: RPG Group Overview**

**5-6**

**Section 2: Business Overview**

**8-17**

**Section 3: Operational & Financial Overview**

**19-26**

# 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 over \$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.



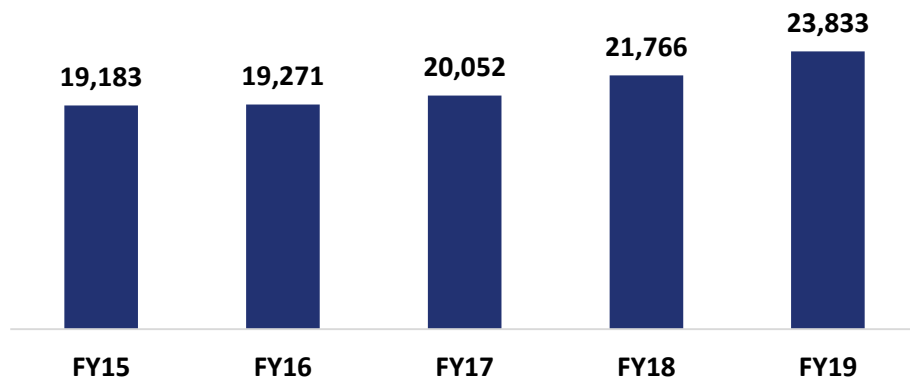
## **Harrisons Malayalam**

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

# RPG Group: Key Financials

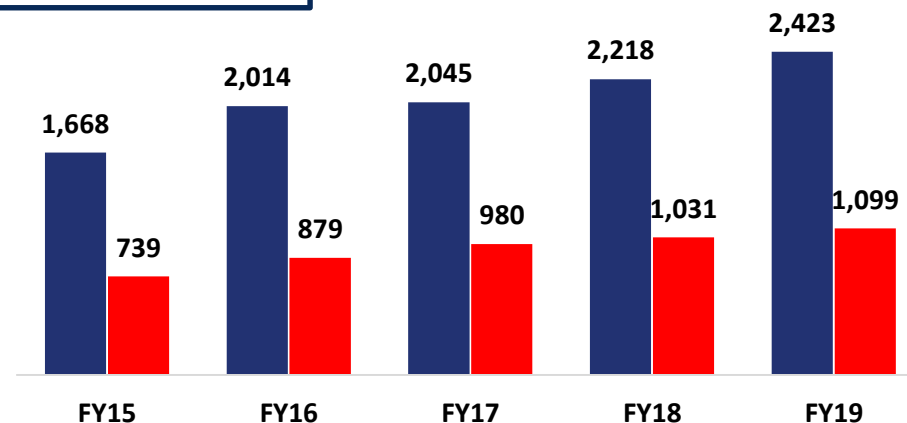
FY15-19  
CAGR: 5.6%

■ Gross Total Income (Rs Cr.)

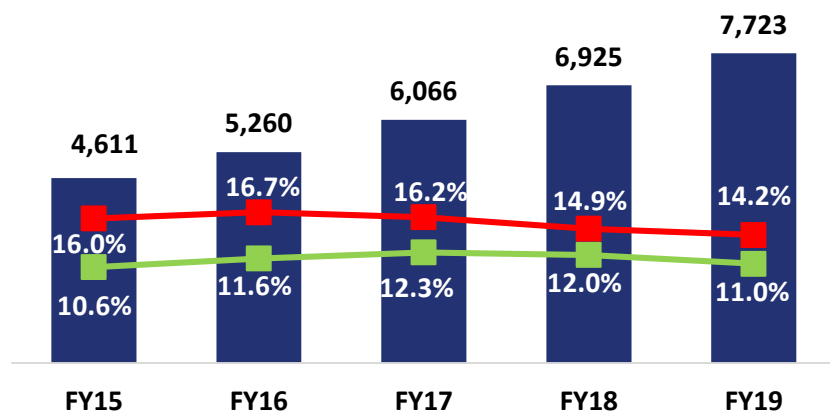


FY15-19 CAGR:  
EBITDA 9.8% PAT 10.4%

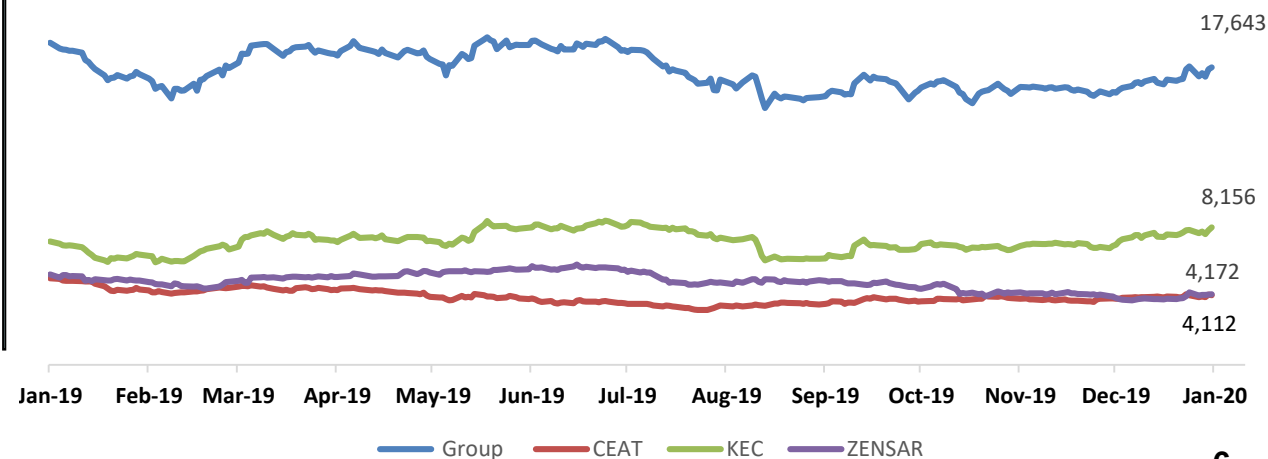
■ EBITDA ■ PAT



■ Net Worth ■ ROE ■ ROCE



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 10<sup>th</sup> January 2020

## Section 2: Business Overview

# Board of Directors

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**Harsh Vardhan Goenka**  
Chairman, Non Executive Director



**Anant Goenka**  
Managing Director



**Arnab Banerjee**  
COO and Whole Time Director



**Atul C. Choksey**  
Non Executive Independent Director



**Pierre E. Cohade**  
Non Executive  
Non 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



**Vinay Bansal**  
Non Executive  
Independent Director



# Leadership Team

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**Anant Goenka**



**Managing Director**

**Kumar Subbiah**



**Chief Financial Officer**

**Arnab Banerjee**



**Chief Operating Officer**

**Milind Apte**



**Senior Vice President  
– Human Resources**

**Tom Thomas**



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

**Dilip Modak**



**Senior Vice President  
– Manufacturing**

**Vijay Gambhire**



**Managing Director – CEAT Specialty,  
Senior Vice President – QBM**

**Peter Becker**



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

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

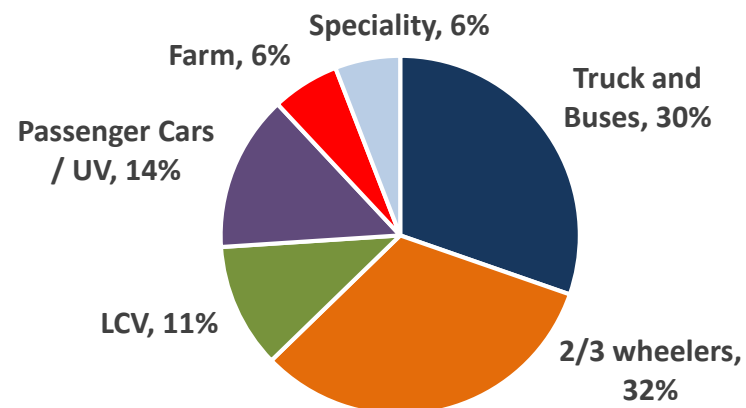
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

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

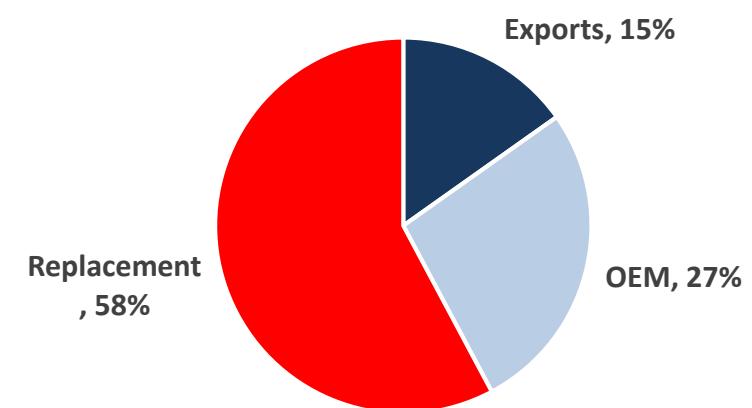
**100+** countries where products are sold with strong brand recall

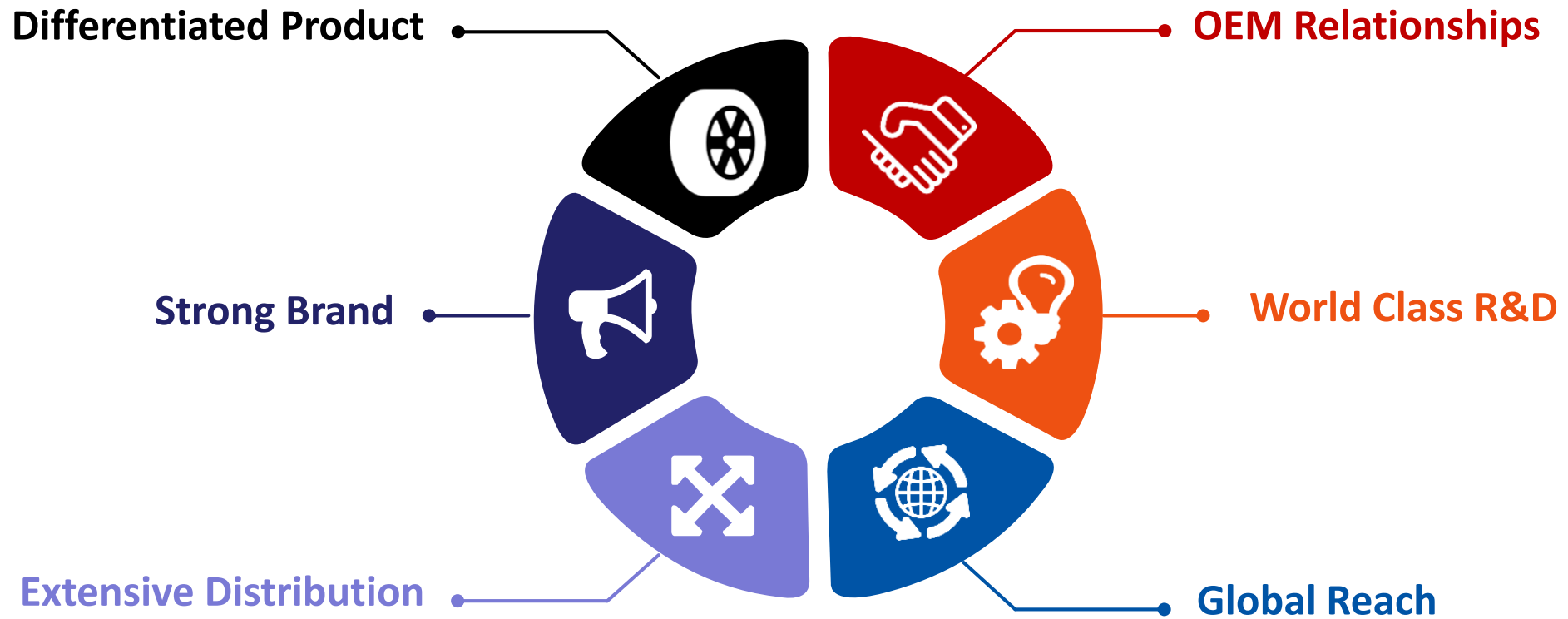
**#No 1** player in Sri Lanka in terms of market share

H1 FY20 Revenue Breakup by Product



H1 FY20 Revenue Breakup by Market





# 1 Differentiated Products

## New Entries and Supplier to OEM's



### Key developments

- Focus on OEM, recent entries in new models – Royal Enfield Classic 350 (BSVI) and Himalayan, Honda Activa (BSVI), Honda CB Shine SP (BSVI), Hero MotoCorp Splendor iSmart (BSVI), Hero MotoCorp HF Deluxe (BSVI), Hero Dare 125, Hero Duet E, Maruti Suzuki Alto VXi+
- Recent entries into OEM's existing models – JBM CNG Bus, Mahindra Scorpio S3, Honda Bikes till 125 CC, Yamaha FZ 150 CC, Suzuki Gixxer 150 CC, Ashok Leyland Truck 1618
- Platforms like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.



## 2 Strong Brand

CEAT Ltd launched range of tyres at  
**India Bike Week 2019**



**Tubeless GRIPP XL**  
Superior Grip for all-terrain



**Zoom X3 & Zoom X3 F Tubeless**  
Superior control at High Speeds



CEAT is associate  
sponsor of  
**Dadagiri Season 8**

CEAT is associate  
sponsor of  
**Big Boss Tamil**



# 3 Extensive Distribution

CEAT Shoppe



Shop in Shop (SIS)



Multi Brand Outlet



CEAT Bike Shoppe



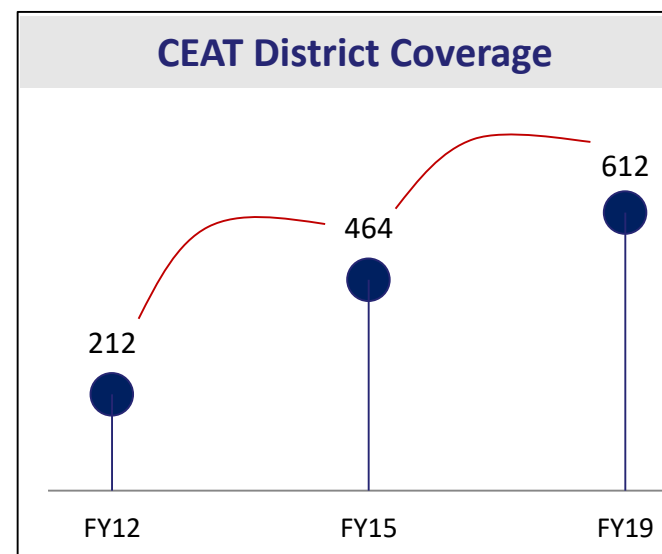
**4500+**  
Dealers

**280+**  
2W Distributors

**500+**  
CEAT Franchisees

**400+**  
MBO / SIS

CEAT District Coverage





## 4 Deep OEM Partnerships



TATA Motors

Ashok Leyland

VECV

Escorts

AMW

TAFE

Mahindra

Daimler

Eicher

SML Isuzu

JBM Group



Maruti Suzuki

TATA Motors

Mahindra

Renault

Hyundai

KIA



Force Motors

Datsun

Skoda

Peugeot

Volkswagen

Morris Garage



Honda

Royal Enfield

Bajaj

Yamaha

Suzuki

Hero

Hero Electric



Piaggio

LML

Tork

Tunwal

Okinawa Scooters

Kawasaki



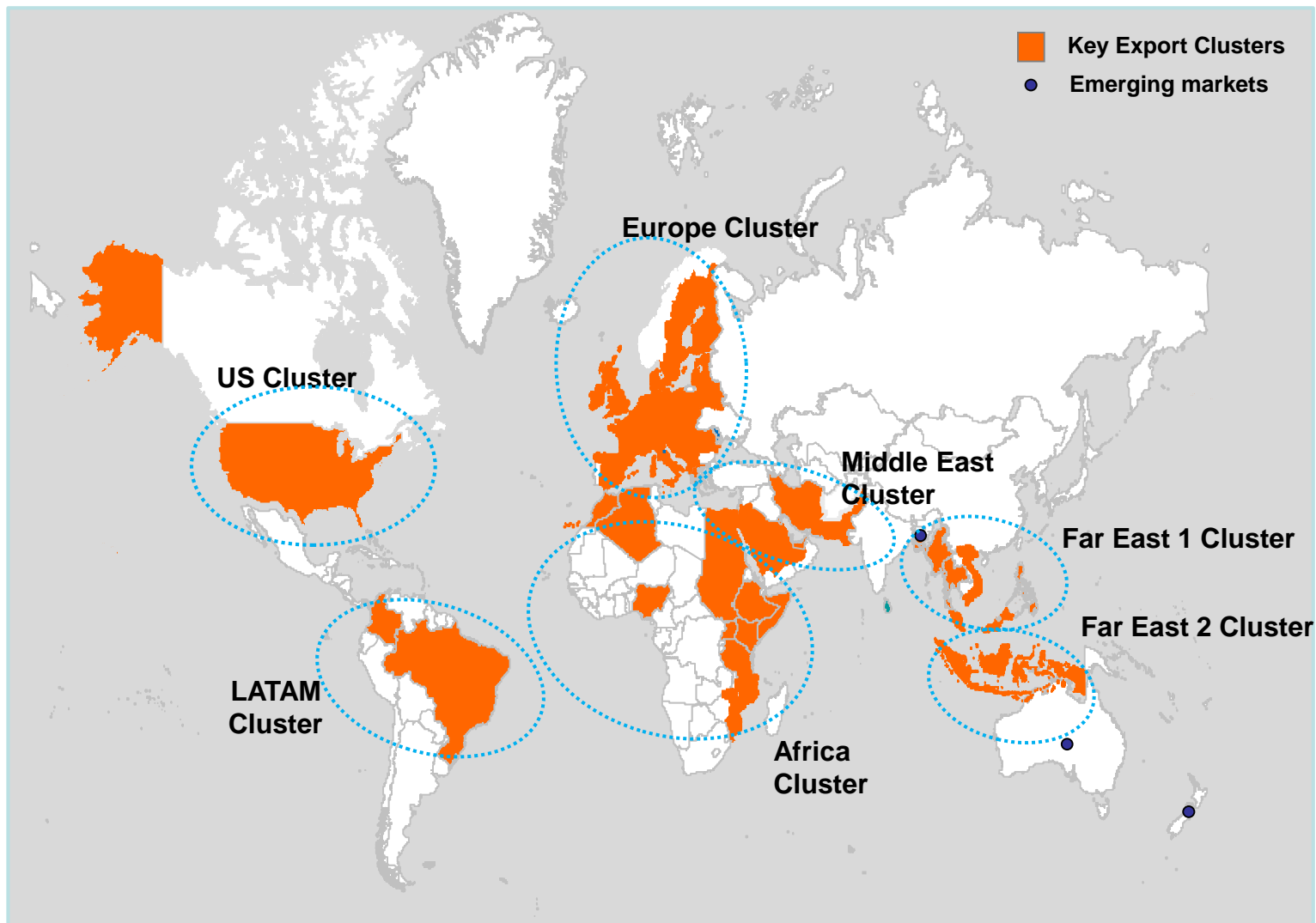
**State-of-the-Art R&D Center, Halol**



**R&D Office, Germany**

- Significant investment on tyre testing infrastructure like Anechoic Chamber, Flat Track Test Machine
- Focus on upcoming technologies like Electric Vehicle, Sustainability and Smart Tyres

## 6 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



# Q3 FY20 Operational Highlights

## Improving Customer Experience

Won the **CII Award of Digital Transformation**  
for the **e-Claims initiative**



## OEM Model Entry



BS VI Compliant  
Honda Activa



BS VI compliant  
Hero Splendour iSmart



M&M Jawa 'Perak'



Hero MotoCorp Duet E

# Consolidated: Q3 FY20 Financial Highlights

## Q3 FY20 v/s Q2 FY20 (Q-o-Q)

- Net revenue from operations grew by 4.2% at INR 1,762 Crs from INR 1,692 Crs
- Gross margin expanded to 43.0% from 41.1%
- EBITDA stood at INR 188 Crs compared to INR 175 Crs; margins at 10.7% from 10.4%
- PAT stood at INR 53 Crs compared to INR 44 Crs
- Debt / equity at 0.65x compared to 0.64x

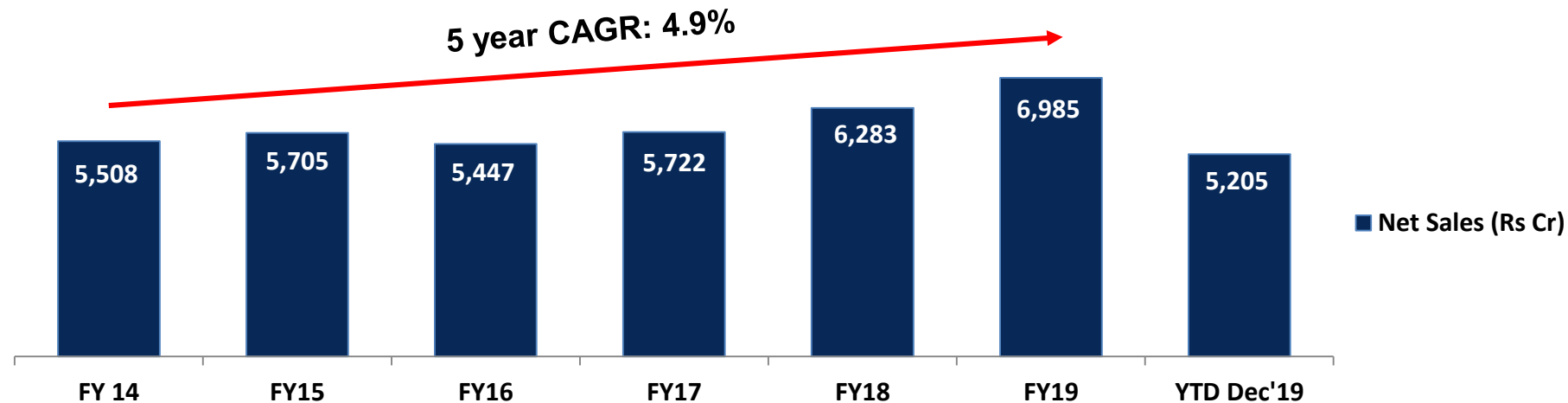
## Q3 FY20 v/s Q3 FY19 (Y-o-Y)

- Net revenue from operations grew by 1.8% at INR 1,762 Crs from INR 1,730 Crs
- Gross margin expanded to 43.0% from 41.5%
- EBITDA stood at INR 188 Crs compared to INR 149 Crs; margins at 10.7% from 8.6%
- PAT stood at INR 53 Crs compared to INR 52 Crs
- Debt / equity at 0.65x compared to 0.47x

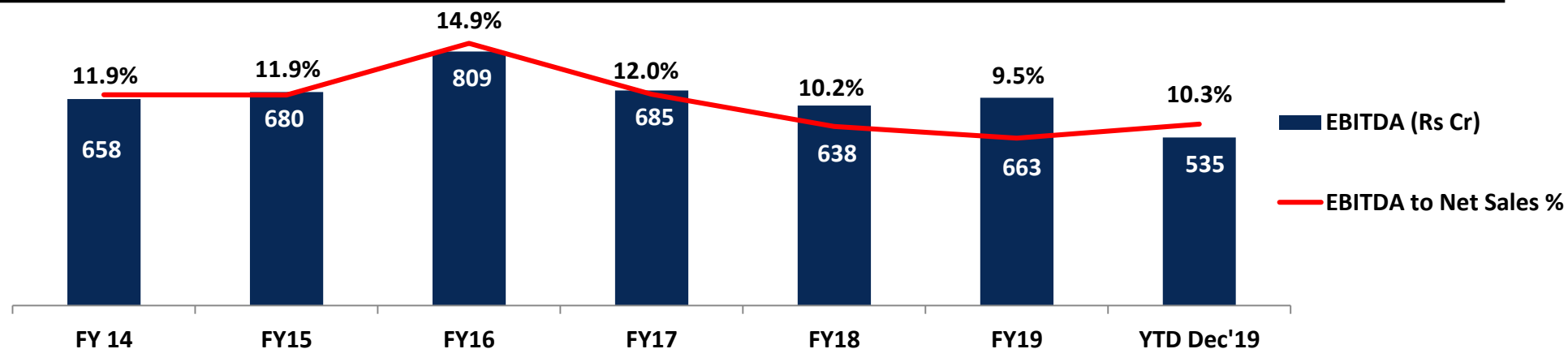


# Consolidated: Financial Trends

Revenue growth



Margin trends



## Note

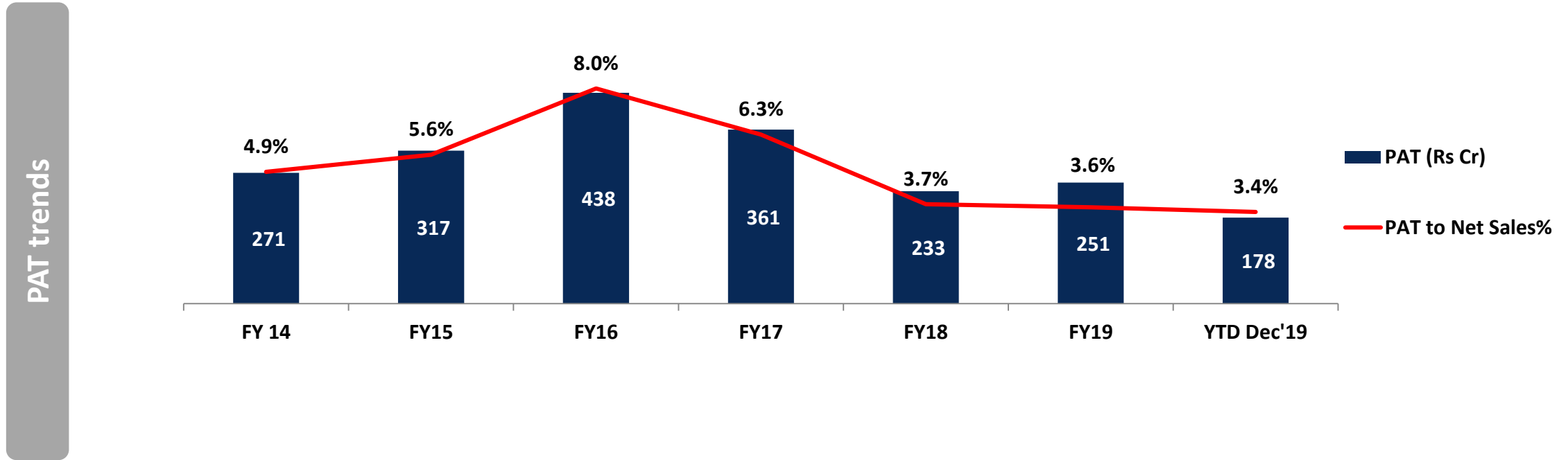
FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

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



## Notes

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

# Consolidated: Q3 FY20 Financials

All figures in INR Cr

Parameter	Q3 FY19	Q2 FY20	Q3 FY20	QoQ	YoY	YTD Dec'18	YTD Dec'19	YoY
<b>Net Revenue from operations</b>	<b>1,730</b>	<b>1,692</b>	<b>1,762</b>	<b>4.2%</b>	<b>1.8%</b>	<b>5,224</b>	<b>5,205</b>	<b>-0.4%</b>
Raw Material	1,013	996	1,005	0.9%	-0.8%	3,113	3,060	-1.7%
<b>Gross margin</b>	<b>717</b>	<b>696</b>	<b>757</b>	<b>8.8%</b>	<b>5.6%</b>	<b>2,112</b>	<b>2,145</b>	<b>1.6%</b>
<b>Gross margin %</b>	<b>41.5%</b>	<b>41.1%</b>	<b>43.0%</b>	<b>183 bps</b>	<b>152 bps</b>	<b>40.4%</b>	<b>41.2%</b>	<b>80 bps</b>
Employee Cost	142	121	144	18.9%	1.9%	402	400	-0.6%
Other Expenses	433	404	430	6.3%	-0.8%	1,230	1,225	-0.4%
<b>EBITDA</b>	<b>149</b>	<b>175</b>	<b>188</b>	<b>7.2%</b>	<b>26.2%</b>	<b>496</b>	<b>535</b>	<b>7.9%</b>
<b>EBITDA %</b>	<b>8.6%</b>	<b>10.4%</b>	<b>10.7%</b>	<b>31 bps</b>	<b>206 bps</b>	<b>9.5%</b>	<b>10.3%</b>	<b>82 bps</b>
Finance Cost	22	37	38	1.6%	71.3%	61	110	80.4%
Depreciation	48	67	71	5.2%	46.2%	142	202	42.3%
<b>Operating PBT</b>	<b>78</b>	<b>71</b>	<b>79</b>	<b>12.2%</b>	<b>1.1%</b>	<b>293</b>	<b>223</b>	<b>-23.9%</b>
Exceptional expense	-	1	0	-69.2%		4	2	-61.1%
Non-Operating income	4	4	4	-16.0%	-11.2%	10	20	104.5%
<b>PBT</b>	<b>82</b>	<b>74</b>	<b>83</b>	<b>11.5%</b>	<b>0.2%</b>	<b>298</b>	<b>241</b>	<b>-19.2%</b>
<b>PAT</b>	<b>52</b>	<b>44</b>	<b>53</b>	<b>20.3%</b>	<b>0.5%</b>	<b>187</b>	<b>178</b>	<b>-4.6%</b>

## 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)

775

663

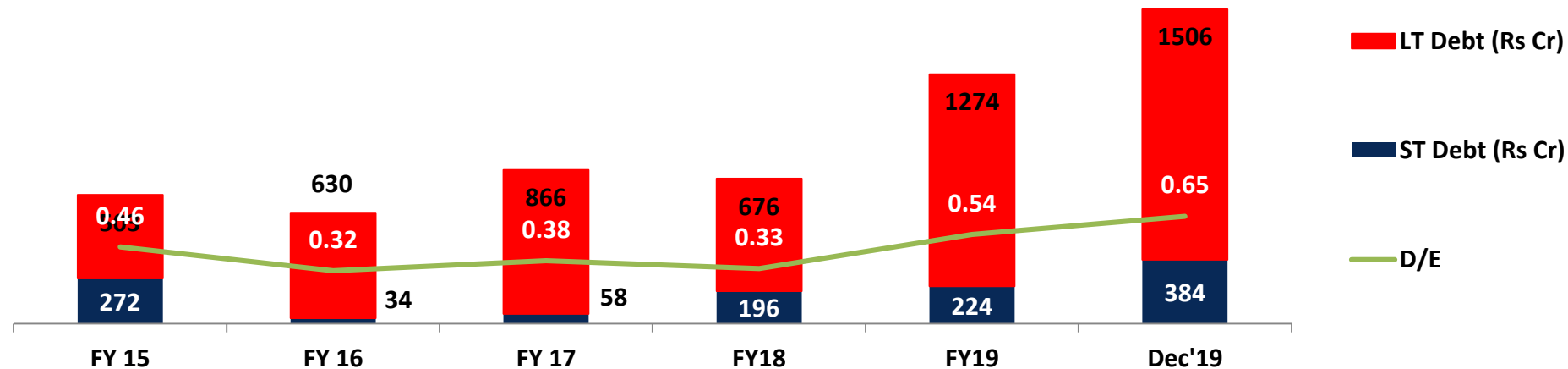
924

872

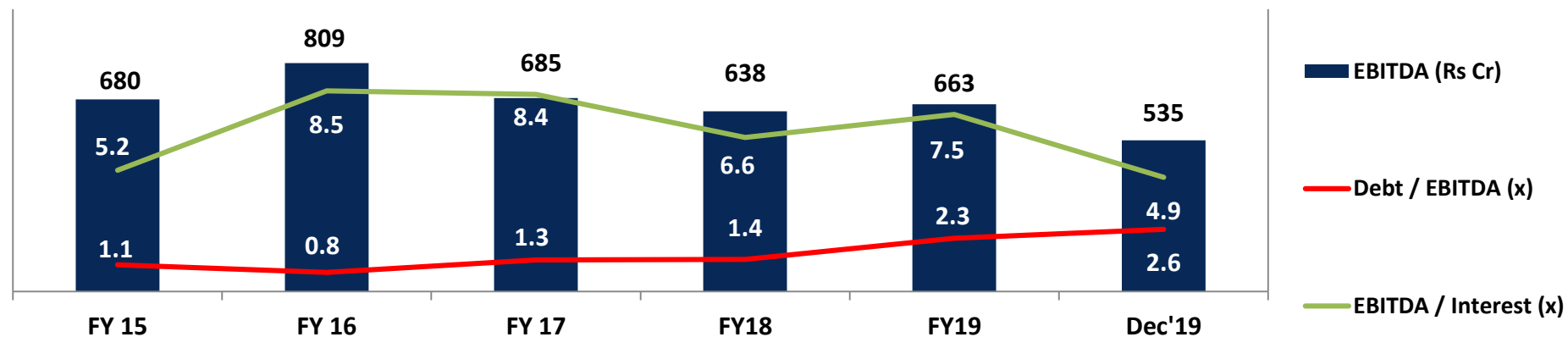
1498

1890

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 break-up, we have reclassified Current Maturities of Long Term Debt under Long Term debt

For H1 FY20 Debt/EBITDA calculation, EBITDA has been annualized

# Standalone: Q3 FY20 Financials

All figures in INR Cr

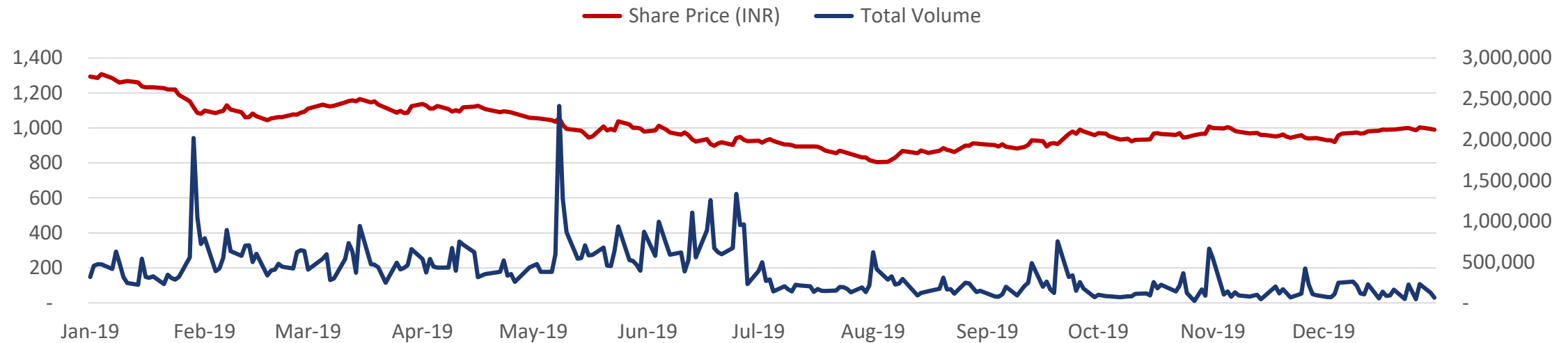
Parameter	Q3 FY19	Q2 FY20	Q3 FY20	QoQ	YoY	YTD Dec'18	YTD Dec'19	YoY
<b>Net Revenue from operations</b>	<b>1,689</b>	<b>1,645</b>	<b>1,709</b>	<b>3.8%</b>	<b>1.2%</b>	<b>5,114</b>	<b>5,057</b>	<b>-1.1%</b>
Raw Material	1,002	976	981	0.6%	-2.0%	3,087	3,004	-2.7%
<b>Gross margin</b>	<b>687</b>	<b>670</b>	<b>727</b>	<b>8.6%</b>	<b>5.8%</b>	<b>2,026</b>	<b>2,053</b>	<b>1.3%</b>
<b>Gross margin %</b>	<b>40.7%</b>	<b>40.7%</b>	<b>42.6%</b>	<b>185 bps</b>	<b>187 bps</b>	<b>39.6%</b>	<b>40.6%</b>	<b>97 bps</b>
Employee Cost	131	112	134	19.4%	2.0%	373	370	-0.8%
Other Expenses	416	387	412	6.5%	-1.1%	1,182	1,170	-1.0%
<b>EBITDA</b>	<b>139</b>	<b>171</b>	<b>181</b>	<b>6.0%</b>	<b>30.0%</b>	<b>471</b>	<b>513</b>	<b>8.7%</b>
<b>EBITDA %</b>	<b>8.3%</b>	<b>10.4%</b>	<b>10.6%</b>	<b>22 bps</b>	<b>235 bps</b>	<b>9.2%</b>	<b>10.1%</b>	<b>94 bps</b>
Finance Cost	16	30	30	1.9%	87.1%	44	89	103.5%
Depreciation	43	62	65	4.6%	49.1%	128	186	45.0%
<b>Operating PBT</b>	<b>80</b>	<b>79</b>	<b>86</b>	<b>8.7%</b>	<b>8.1%</b>	<b>299</b>	<b>237</b>	<b>-20.7%</b>
Exceptional expense	-	1	0	-69.2%		4	2	-61.1%
Non-Operating income	6	17	6	-66.8%	-11.4%	23	38	64.0%
<b>PBT</b>	<b>86</b>	<b>96</b>	<b>92</b>	<b>-4.1%</b>	<b>6.4%</b>	<b>318</b>	<b>273</b>	<b>-14.0%</b>
<b>PAT</b>	<b>58</b>	<b>66</b>	<b>62</b>	<b>-5.8%</b>	<b>6.9%</b>	<b>211</b>	<b>215</b>	<b>1.8%</b>

## Notes

Financials are as per IND AS

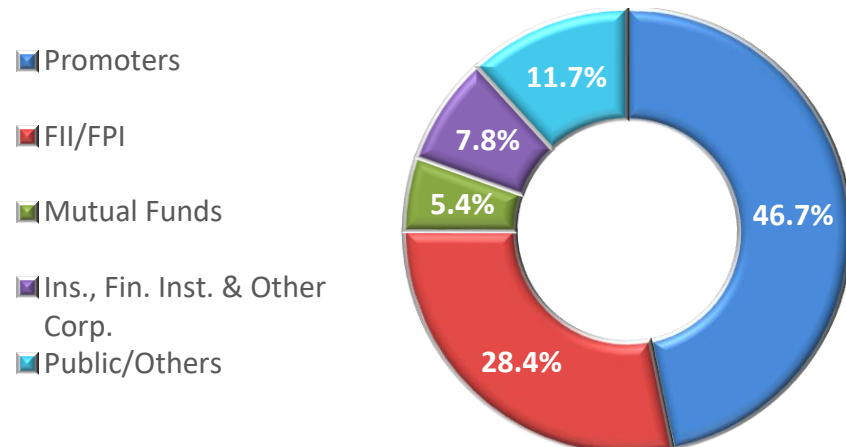
EBITDA does not include Non-operating income

# Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 31<sup>st</sup> December 2019

## Shareholding Pattern as on Dec 31, 2019



## Market Information

- Market Price (Jan 20<sup>th</sup>, 2020): INR 1,010.4/share
- Face Value : INR 10/share
- Market Cap (Jan 20<sup>th</sup>, 2020): INR 4,087 Cr



THANK YOU