



**CEAT LTD.**  
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463 Dr. Annie Besant Road,  
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+91 22 24930621  
CIN: L25100MH1958PLC011041  
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November 19, 2018

**BSE Limited,**  
Corporate Service Department,  
1<sup>st</sup> Floor, P.J. Towers,  
Dalal Street,  
Mumbai 400 001

**The National Stock Exchange of India Limited,**  
Exchange Plaza, 3<sup>rd</sup> Floor,  
Plot No. C/1, "G" Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai 400 051

**Security Code: 500878**

**Symbol: CEATLTD**

**Sub: Investor conference participation - Disclosure under Reg. 30**

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part A of Schedule III and Company's Policy on Determination of Materiality of Events, please find below details of the investors conference which will be participated by the Company along with the presentation to be made at the same:

<b>Date</b>	<b>Particulars</b>	<b>Location</b>
November 19, 2018	Conference arranged by IDFC	Grand Hyatt, Kalina, Mumbai

Kindly take the same on record and acknowledge receipt.

Thanking you,

Sincerely,  
For **CEAT Limited**

  
**Vallari Gupte**  
Company Secretary & Compliance Officer

Encl. A/a



# Disclaimer

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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.



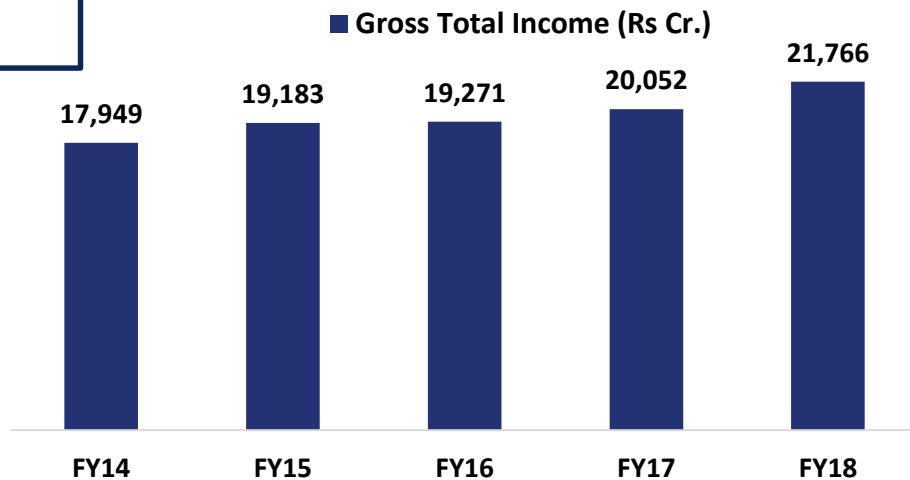
**Raychem RPG**  
  
Engineering products and services catering to infrastructure segment of the economy.



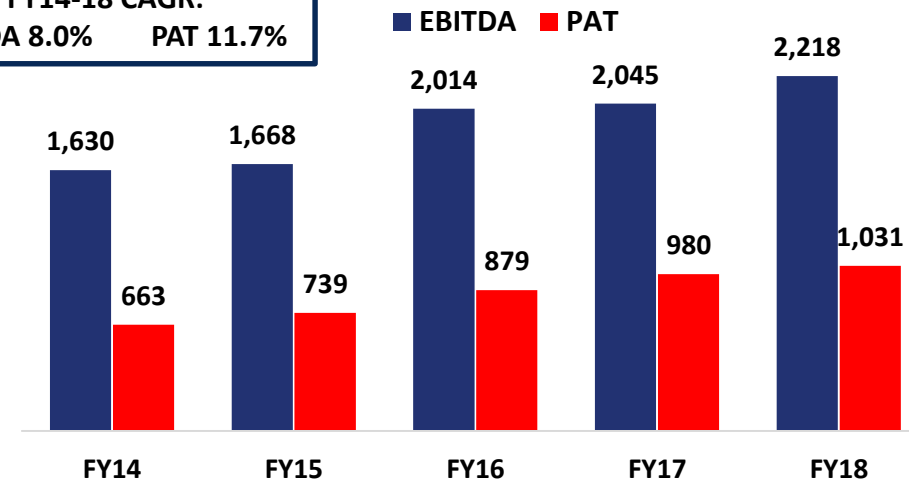
**Harrisons Malayalam**  
  
One of India's largest plantation companies with tea, rubber and other agro products.

# RPG Group: Key Financials

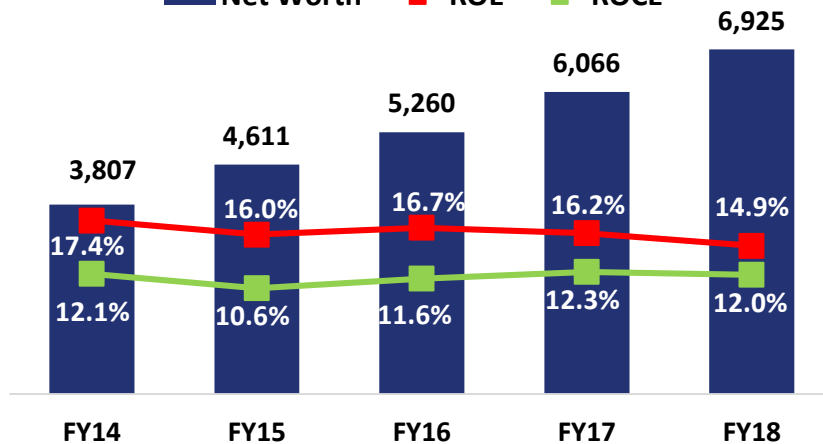
FY14-18  
CAGR: 4.9%



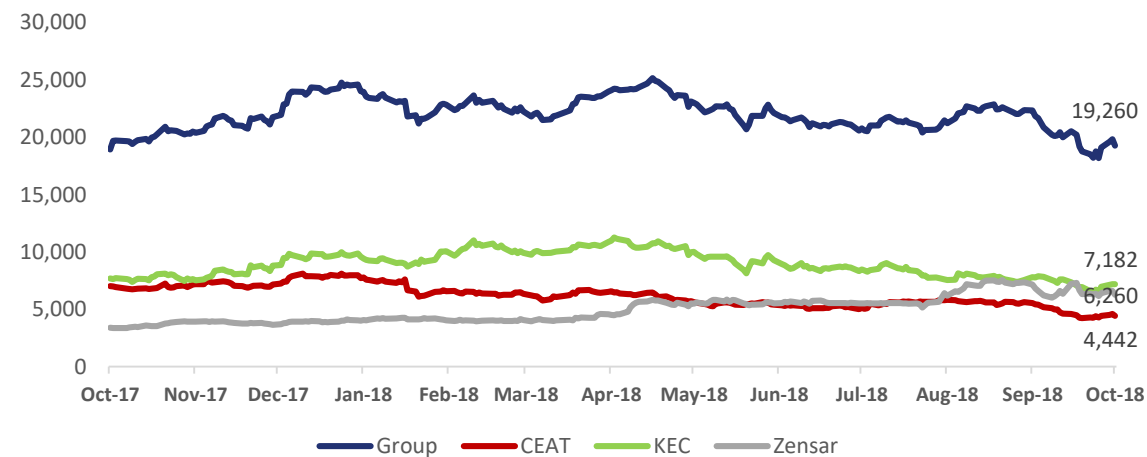
FY14-18 CAGR:  
EBITDA 8.0% PAT 11.7%



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 18<sup>th</sup> 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



**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

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**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

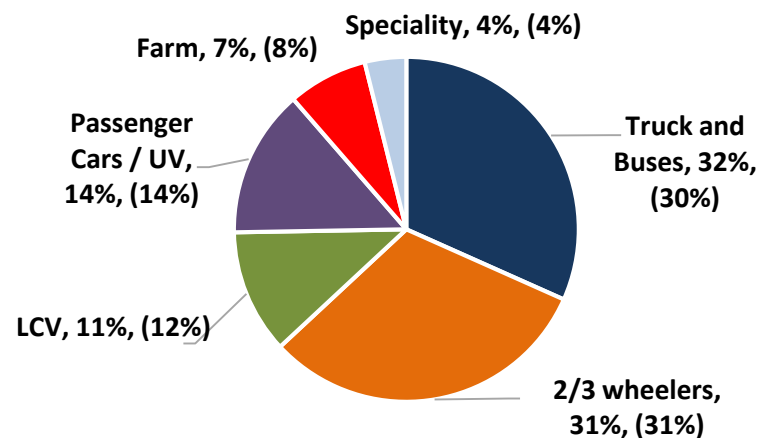
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

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

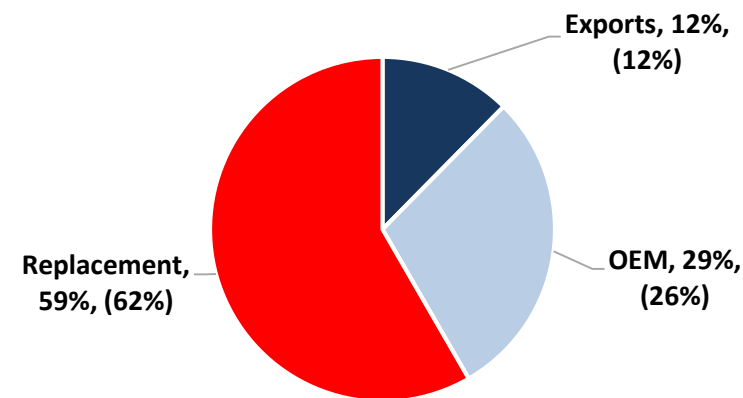
**100+** countries where products are sold with strong brand recall

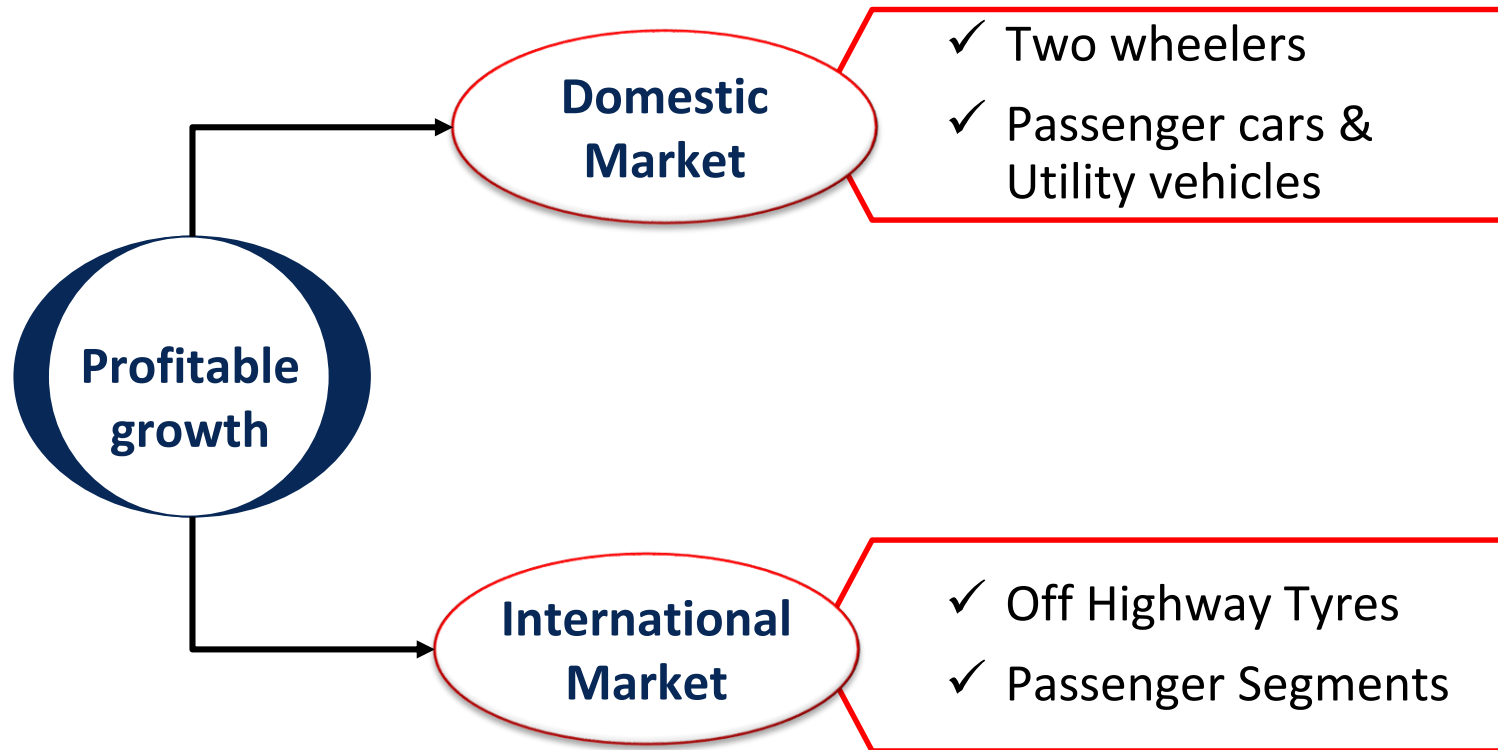
**#No 1** player in Sri Lanka in terms of market share

H1 FY19 Revenue Breakup by Product



H1 FY19 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** – 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), **The Ace Deluxe – Cleveland Cycleworks**
- 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, Zylor, Daimler Truck Radials, Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo etc.
- Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.

## 2 Strong Brand

CEAT became the official tyre partner of Torino FC, an elite Serie A football club based in Italy



CEAT's SecuraDrive platform targeting Superior Control at Higher Speed



# 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

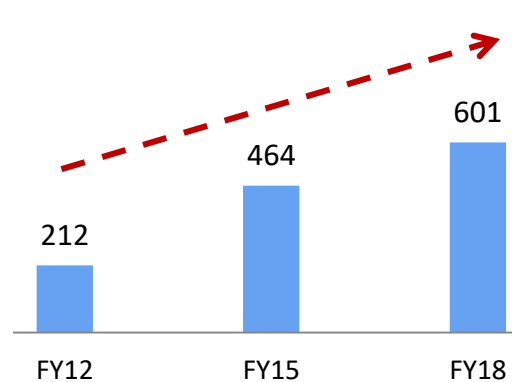
Multi Brand Outlet (MBO)



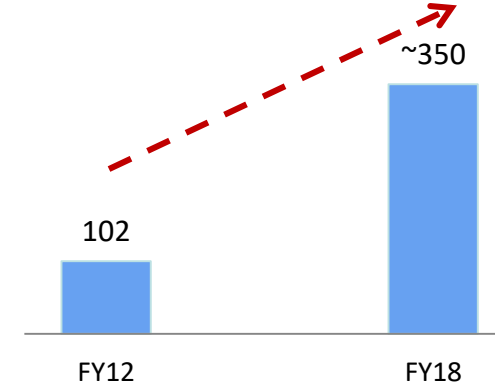
Bike Shoppe



District coverage



No. of CEAT Shoppes



# 4 Deep OEM Partnerships





## 5 World Class R&D

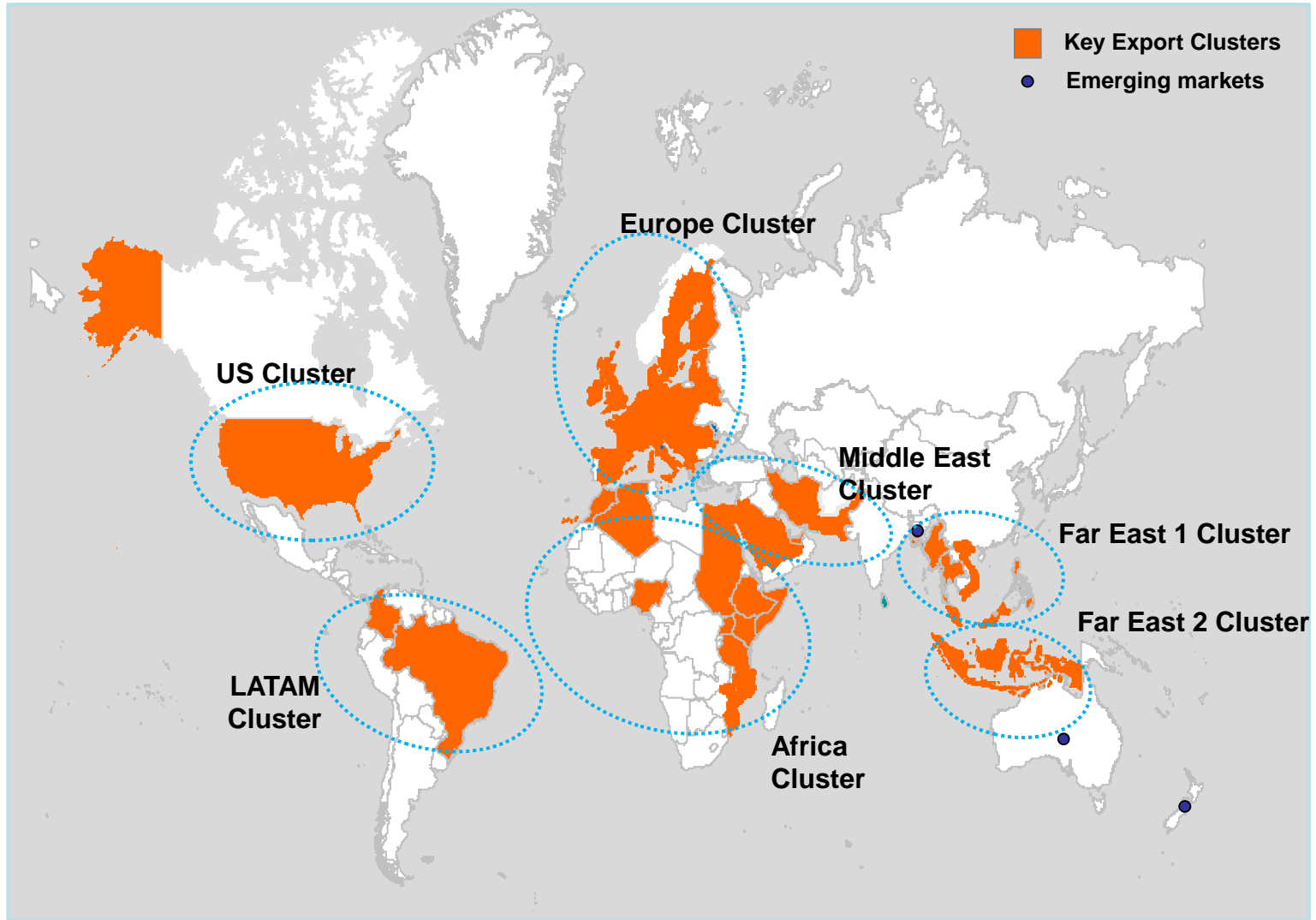


- State of the art R&D facility at Halol plant
- R&D focussed on development of breakthrough products, alternate materials, green tyres & smart tyres
- Partnerships with global institutes and technology partners

### 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

# 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

# Q2 FY19 Operational Highlights

## Manufacturing Excellence



CEAT's Nagpur plant awarded the British Safety Council's 'Sword of Honor'

## OEM Model Entry



**Ace Deluxe Cleveland Cycleworks**

# Consolidated: Q2 FY19 Financial Highlights

## Q2 FY19 v/s Q1 FY19 (Q-o-Q)

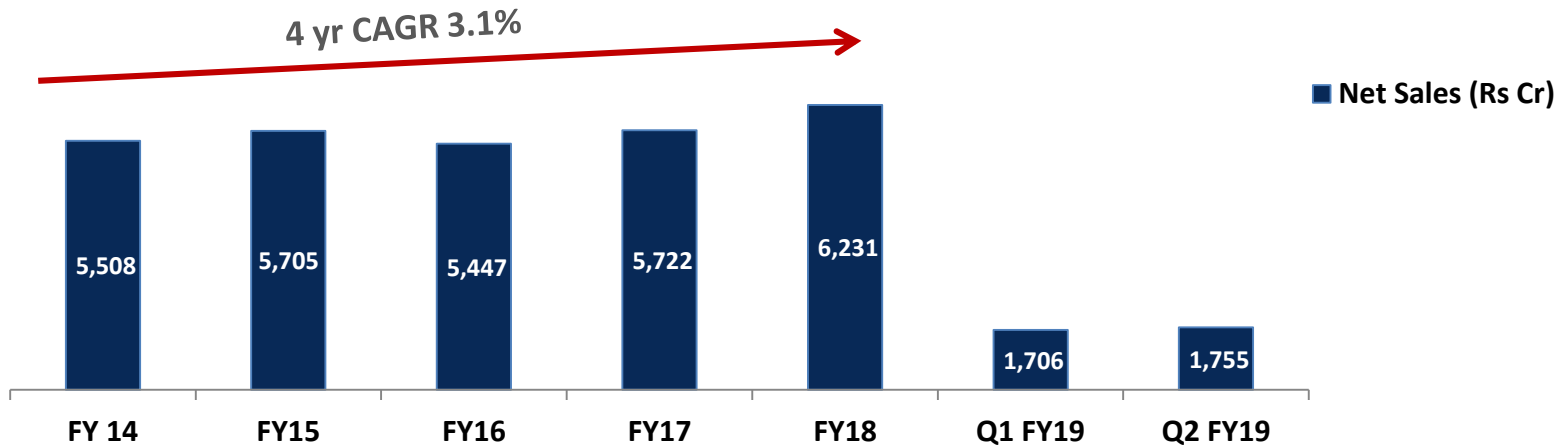
- Net revenue from operations increased by 2.8% at INR 1,755 Crs from INR 1,706 Crs
- Gross margins remained flattish at 39.3%
- EBITDA stood at INR 165 Crs compared to INR 181 Crs; margins at 9.4% from 10.6%
- PAT stood at INR 63 Crs compared to INR 71 Crs
- Debt / equity at 0.34x compared to 0.28x

## Q2 FY19 v/s Q2 FY18 (Y-o-Y)

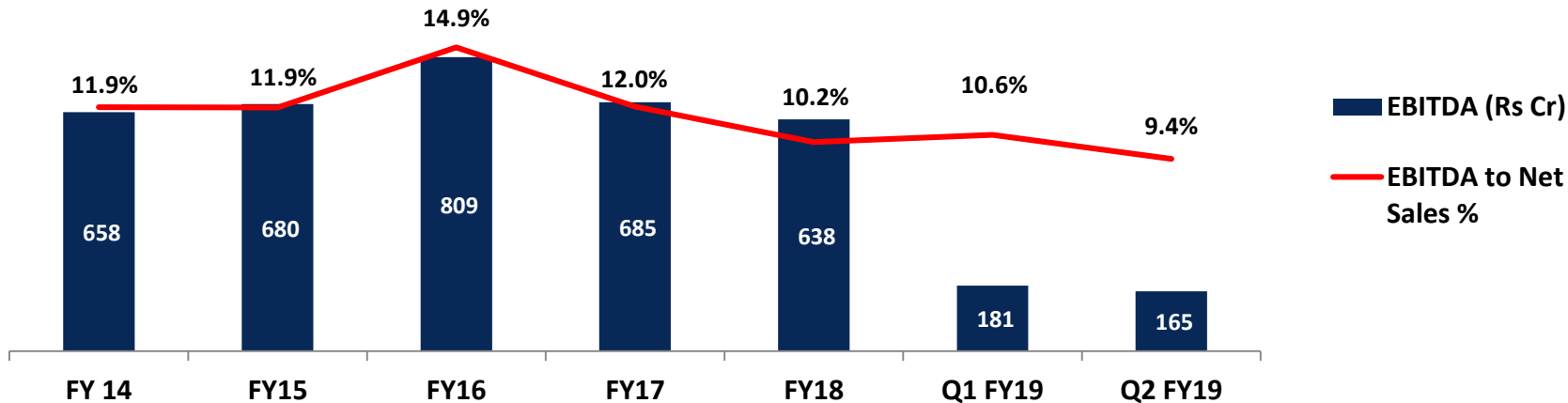
- Net revenue from operations increased by 15.2% at INR 1,755 Crs from INR 1,523 Crs
- Gross margins contracted marginally to 39.3% from 39.4%
- EBITDA stood at INR 165 Crs compared to INR 181 Crs; margins at 9.4% from 11.9%
- PAT stood at INR 63 Crs compared to INR 73 Crs
- Debt / equity at 0.34x compared to 0.41x

# Consolidated: Financial Trends

Revenue growth



Margin trends

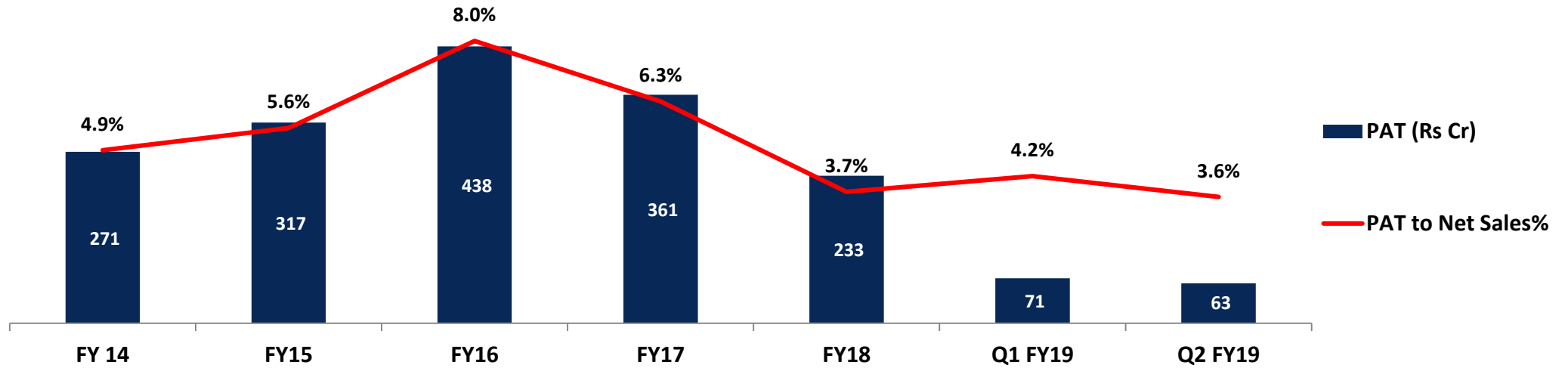


**Note**

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



**Notes**

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

# Consolidated: Q2 FY19 Financials

Parameter	Q2 FY18	Q1 FY19	Q2 FY19	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,523</b>	<b>1,706</b>	<b>1,755</b>	<b>3%</b>	<b>15%</b>
Raw Material	923	1,035	1,065	3%	15%
<b>Gross margin</b>	<b>600</b>	<b>671</b>	<b>690</b>	<b>3%</b>	<b>15%</b>
<b>Gross margin %</b>	<b>39.4%</b>	<b>39.3%</b>	<b>39.3%</b>	<b>Flattish</b>	<b>-8 bps</b>
Employee Cost	111	119	142	19%	28%
Other Expenses	314	377	389	3%	24%
<b>EBITDA</b>	<b>181</b>	<b>181</b>	<b>165</b>	<b>-9%</b>	<b>-9%</b>
<b>EBITDA %</b>	<b>11.9%</b>	<b>10.6%</b>	<b>9.4%</b>	<b>-118 bps</b>	<b>-249 bps</b>
Finance Cost	24	20	19	-9%	-22%
Depreciation	41	46	48	4%	17%
<b>Operating PBT</b>	<b>117</b>	<b>114</b>	<b>99</b>	<b>-14%</b>	<b>-15%</b>
Exceptional expense	8	2	2	-13%	-75%
Non-Operating income	6	4	3	-11%	-49%
<b>PBT</b>	<b>115</b>	<b>116</b>	<b>100</b>	<b>-13%</b>	<b>-13%</b>
<b>PAT</b>	<b>73</b>	<b>71</b>	<b>63</b>	<b>-12%</b>	<b>-14%</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

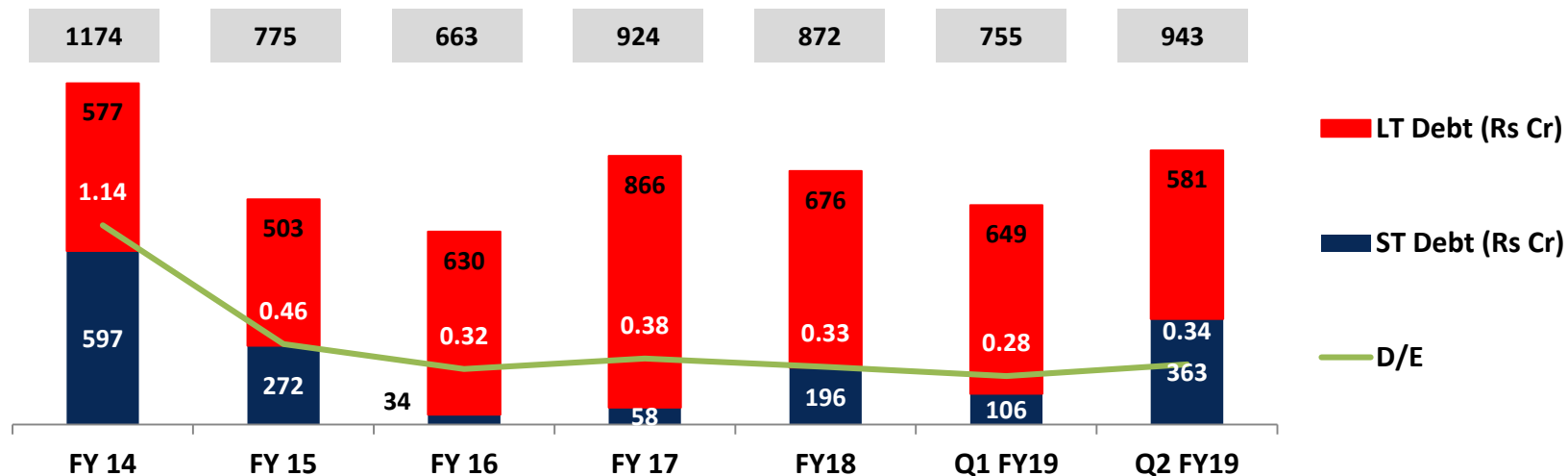
EBITDA does not include Non- operating income



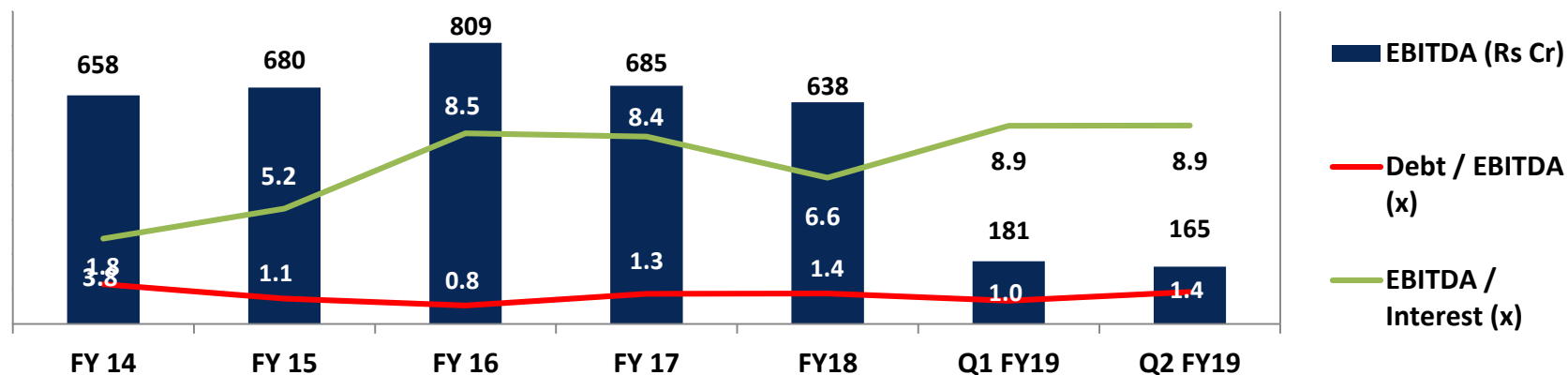
# Consolidated: Leverage / coverage Profile

Total Debt  
(INR Cr)

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 / EBTIDA, quarterly EBITDA has been annualised

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

# Standalone: Q2 FY19 Financials

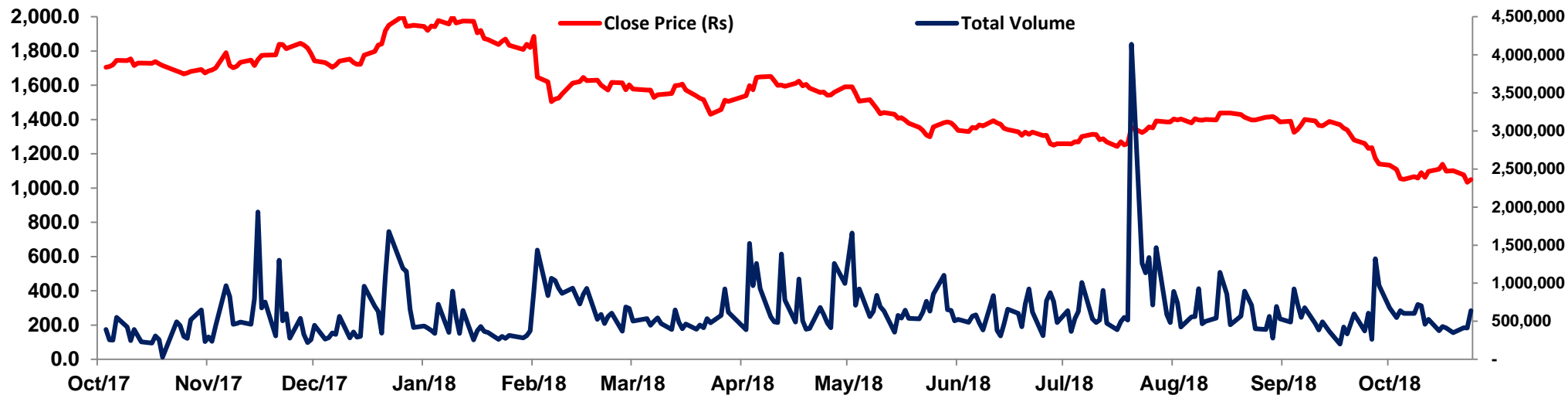
Parameter	Q2 FY18	Q1 FY19	Q2 FY19	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,512</b>	<b>1,674</b>	<b>1,718</b>	<b>3%</b>	<b>14%</b>
Raw Material	920	1,028	1,058	3%	15%
<b>Gross margin</b>	<b>592</b>	<b>646</b>	<b>660</b>	<b>2%</b>	<b>12%</b>
<b>Gross margin %</b>	<b>39.2%</b>	<b>38.6%</b>	<b>38.4%</b>	<b>-15 bps</b>	<b>-72 bps</b>
Employee	105	110	132	19%	25%
Other Expenses	306	362	372	3%	22%
<b>EBITDA</b>	<b>182</b>	<b>174</b>	<b>157</b>	<b>-10%</b>	<b>-14%</b>
<b>EBITDA %</b>	<b>12.1%</b>	<b>10.4%</b>	<b>9.1%</b>	<b>-127 bps</b>	<b>-293 bps</b>
Finance Cost	23	15	13	-16%	-45%
Depreciation	41	41	44	5%	7%
<b>Operating PBT</b>	<b>118</b>	<b>118</b>	<b>100</b>	<b>-15%</b>	<b>-15%</b>
Exceptional expense	1	2	2	-13%	256%
Non-Operating income	8	6	12	118%	46%
<b>PBT</b>	<b>125</b>	<b>121</b>	<b>111</b>	<b>-8%</b>	<b>-12%</b>
<b>PAT</b>	<b>83</b>	<b>78</b>	<b>75</b>	<b>-3%</b>	<b>-10%</b>

## Notes

Financials are as per IND AS

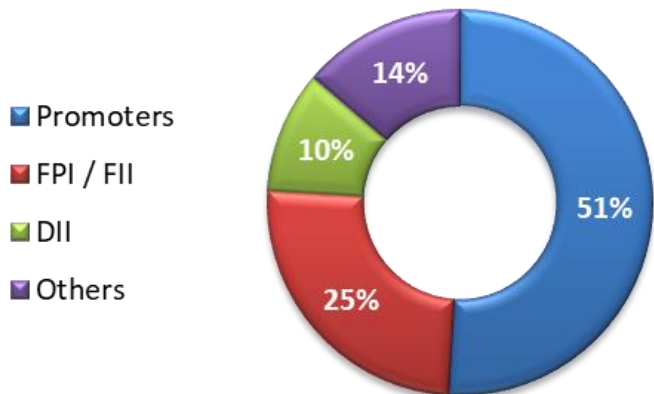
EBITDA does not include Non- operating income

# Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 24<sup>th</sup> October, 2018

## Shareholding Pattern as on Sep 30, 2018



## Market Information

- Market Price (October 25): INR 1,049/share
- Face Value : INR 10/share
- Market Cap (October 25): INR 4,244 Cr

**T H A N K   Y O U**