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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 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.



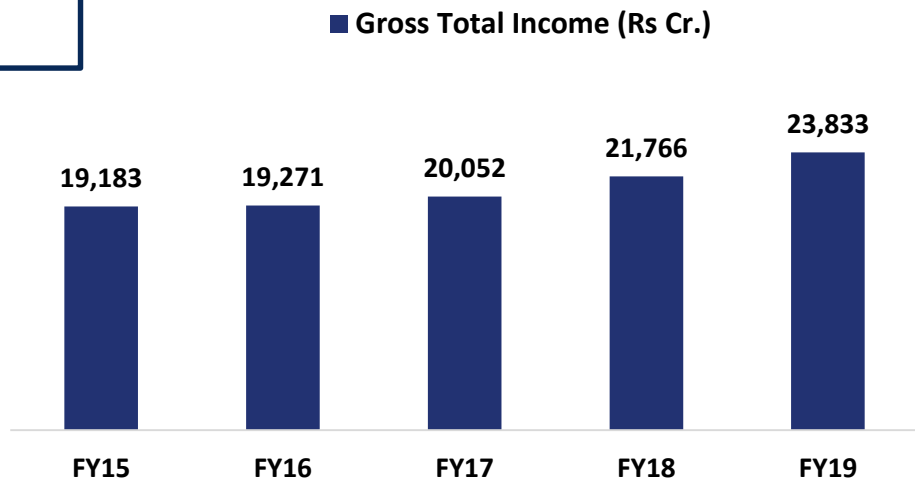
**Raychem RPG**  
  
Engineering products and services catering to infrastructure segment of the economy.



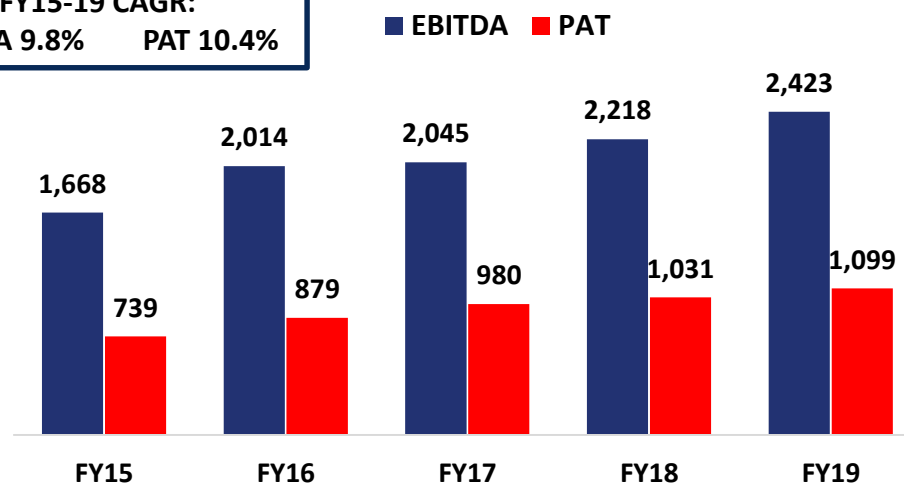
**Harrisons Malayalam**  
  
One of India's largest plantation companies with tea, rubber and other agro products.

# RPG Group: Key Financials

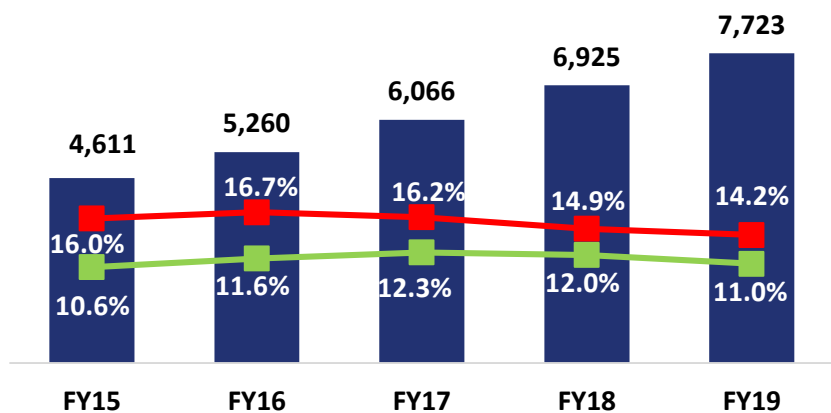
FY15-19  
CAGR: 5.6%



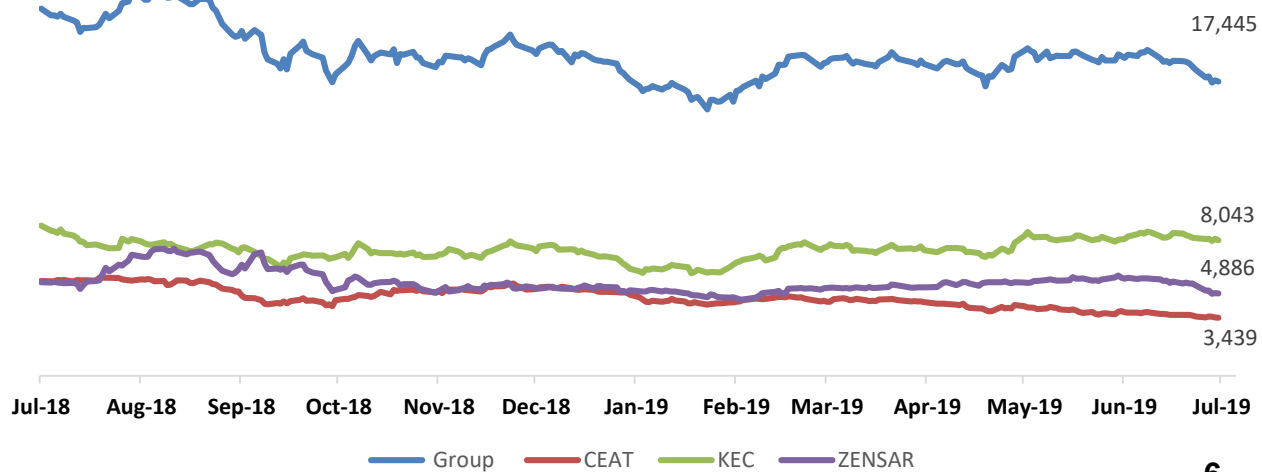
FY15-19 CAGR:  
EBITDA 9.8% PAT 10.4%



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 26<sup>th</sup> July 2019

## Section 2: Business Overview

# Board of Directors



**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

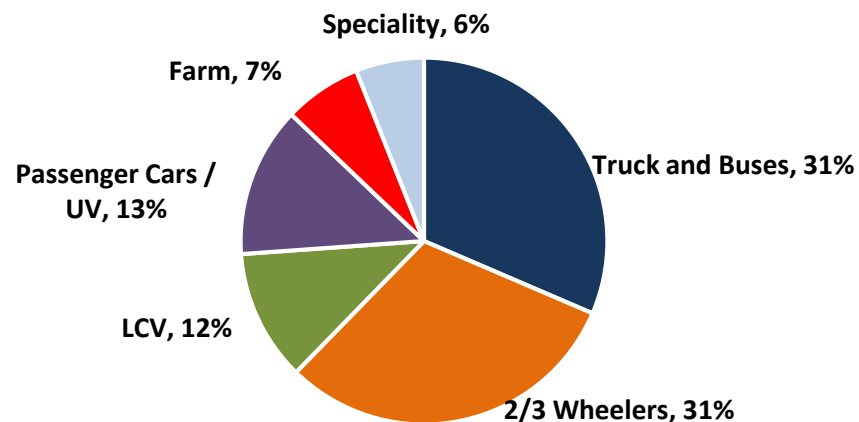
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

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

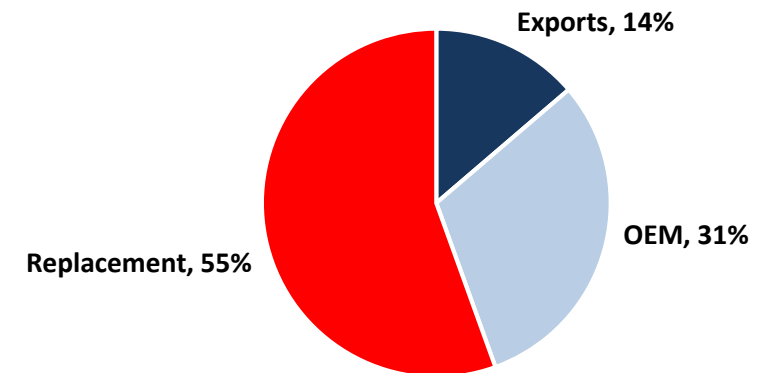
**100+** countries where products are sold with strong brand recall

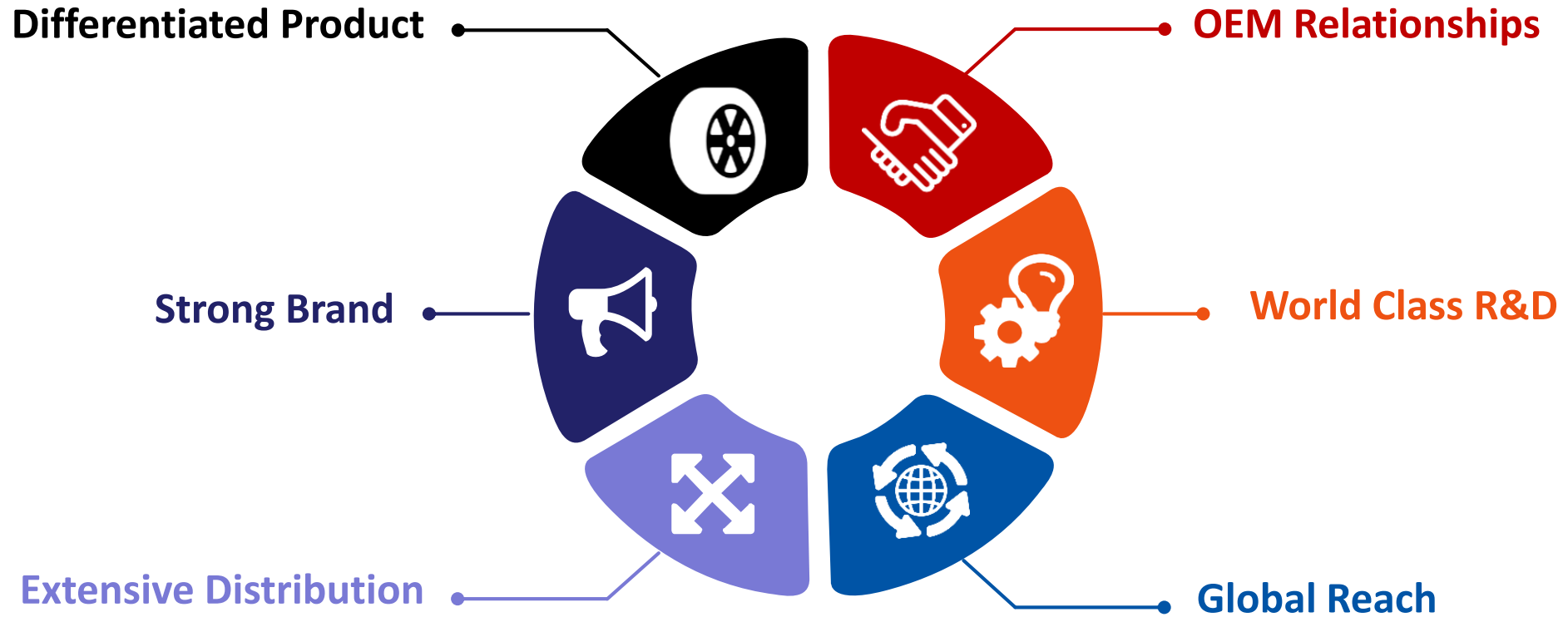
**#No 1** player in Sri Lanka in terms of market share

FY19 Revenue Breakup by Product



FY19 Revenue Breakup by Market





# 1 Differentiated Products

## New Entries and Supplier to OEM's



## Key developments

- Focus on OEM, recent entries in new models** – Himalayan ABS (Royal Enfield), The Ace Deluxe – Cleveland Cycleworks, Hyundai New Santro, Hero Destini, Royal Enfield Classic ABS, Royal Enfield Bullet Trails, Okinawa i-Praise, eSpa Scooter, **Maruti Suzuki New Alto, Hyundai Venue, Hero XPulse 200**
- Recent entries into OEM's existing models** – Bajaj Pulsar 160, Tata Motors TBR, AL Partner LCV, Escort Tractors, Wagon R, Zylo, Daimler Truck Radials, Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo, Mahindra Bolero Pick Up, JBM CNG Bus
- Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.

## 2 Strong Brand

### Another innings of CEAT Cricket Rating Awards



### Continued association with IPL



### Associate Sponsor of ICC World Cup on Hotstar



CEAT strengthened its association with Hyundai with the launch of new CSUV 'Venue

Maruti Suzuki's New Alto Rolls out on CEAT Fuelsmartt



# 3 Extensive Distribution

**CEAT Shoppe**



**Shop in Shop (SIS)**



**Multi Brand Outlet**



**CEAT Bike Shoppe**

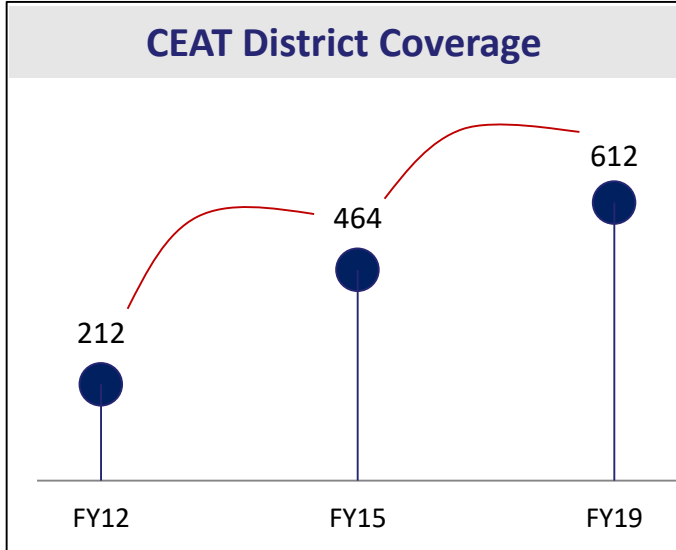


**4500+**  
Dealers

**280+**  
2W Distributors

**500+**  
CEAT Franchisees

**400+**  
MBO / SIS



# 4 Deep OEM Partnerships



TATA Motors

Ashok Leyland

VECV

Escorts

AMW

TAFE



Mahindra

Daimler

Eicher

SML Isuzu

JBM Group



Maruti Suzuki

TATA Motors

Mahindra

Hyundai

Renault



Force Motors

Datsun

Skoda

Volkswagen

Peugeot



Honda

Royal Enfield

Bajaj

Yamaha

Suzuki

Hero

Hero Electric



Piaggio

LML

Tork

Tunwal

Okinawa Scooters

Kawasaki

## 5 World Class R&D



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

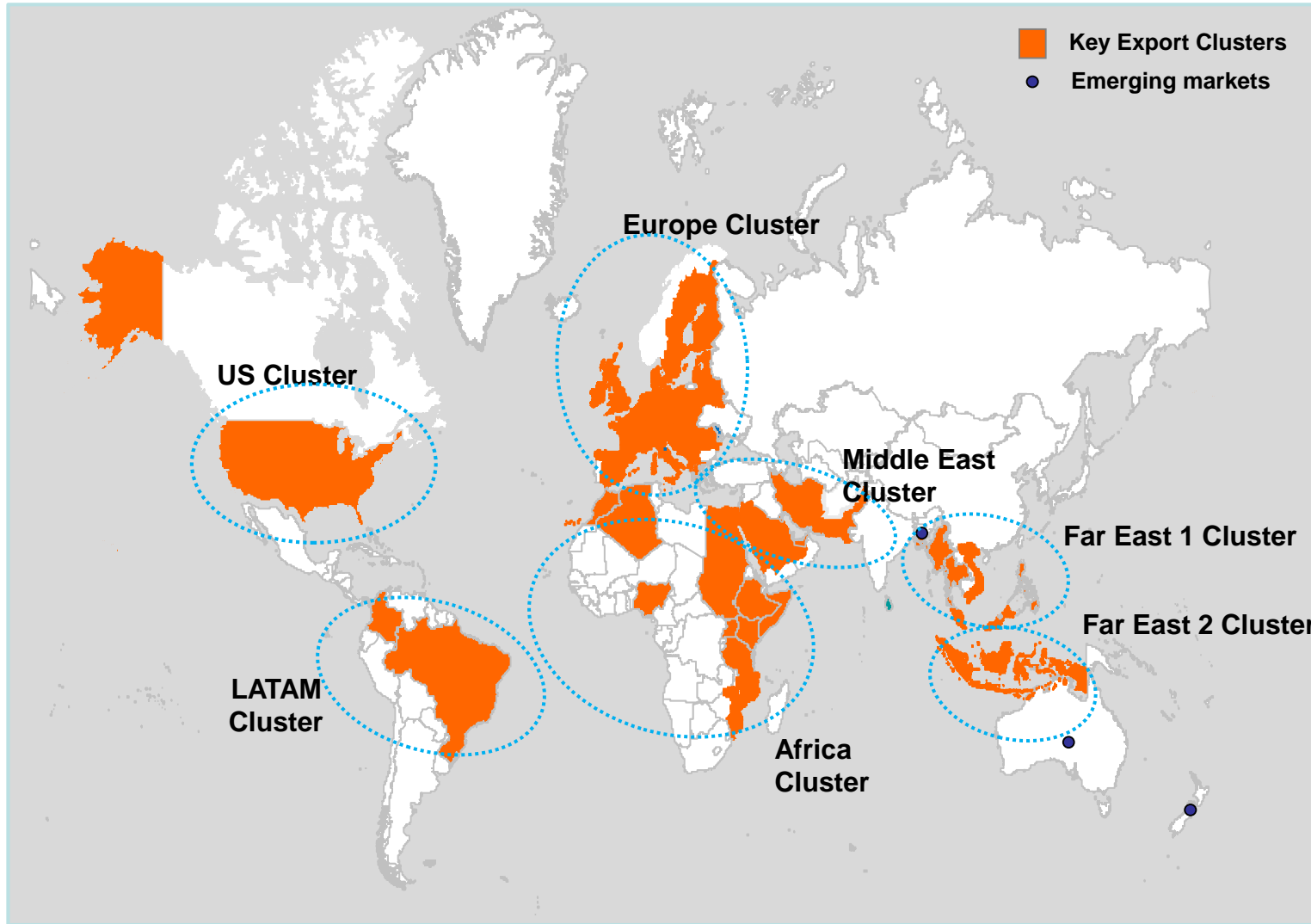


**R&D Office, Germany**

- 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

# Q1 FY20 Operational Highlights

## Recognition for CEAT



**CEAT** awarded as the **Best Investor Relations** team for the second year in a row by IR Magazine and Forum

## OEM Model Entry



**Maruti Suzuki's New Alto**



**Hyundai Venue**



**Hero XPulse 200**

# Consolidated: Q1 FY20 Financial Highlights

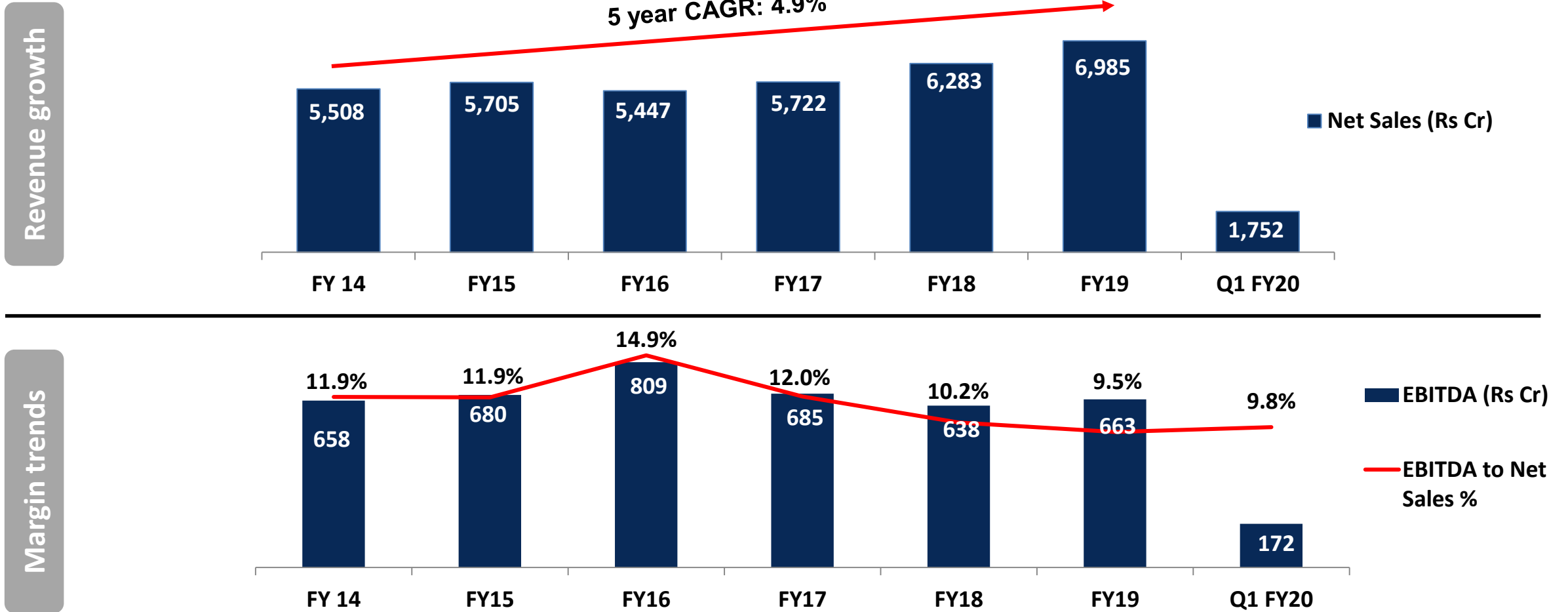
## Q1 FY20 v/s Q4 FY19 (Q-o-Q)

- Net revenue from operations declined by 0.5% at INR 1,752 Crs from INR 1,760 Crs
- Gross margin marginally expanded to 39.5% from 39.3%
- EBITDA stood at INR 172 Crs compared to INR 166 Crs; margins at 9.8% from 9.4%
- PAT stood at INR 82 Crs compared to INR 64 Crs
- Debt / equity at 0.57x compared to 0.54x

## Q1 FY20 v/s Q1 FY19 (Y-o-Y)

- Net revenue from operations increased by 1.7% at INR 1,752 Crs from INR 1,722 Crs
- Gross margin contracted to 39.5% from 39.9%
- EBITDA stood at INR 172 Crs compared to INR 181 Crs; margins at 9.8% from 10.5%
- PAT stood at INR 82 Crs compared to INR 71 Crs
- Debt / equity at 0.57x compared to 0.28x

# Consolidated: Financial Trends



**Note**

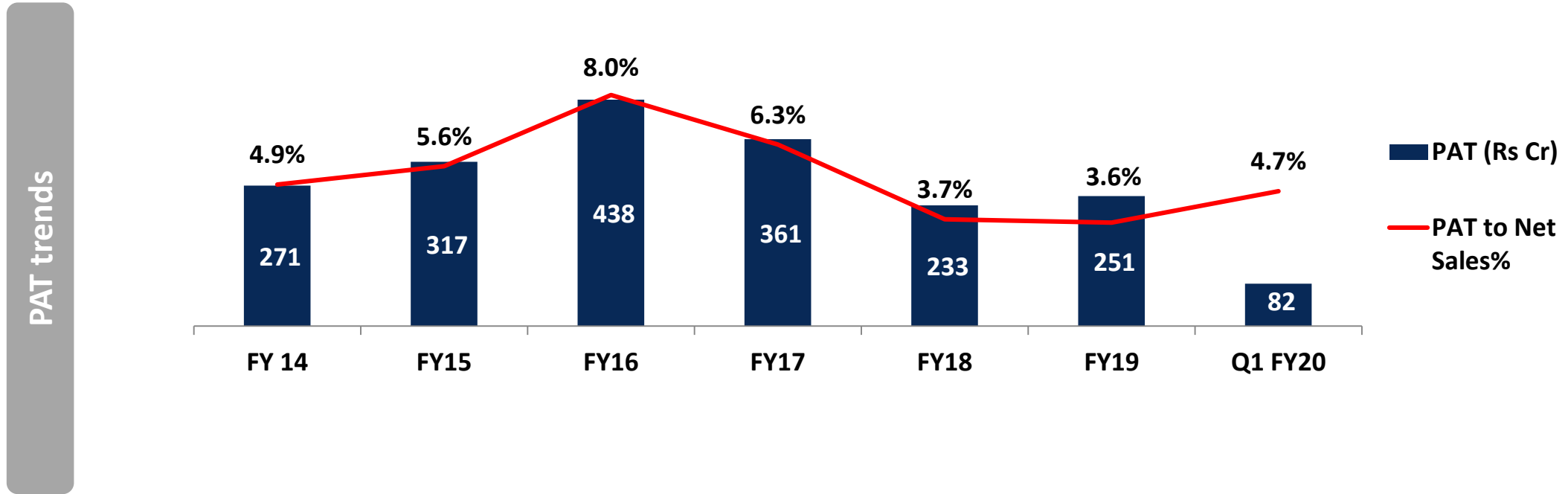
FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

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: Q1 FY20 Financials

All figures in INR Cr

Parameter	Q1 FY19	Q4 FY19	Q1 FY20	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,722</b>	<b>1,760</b>	<b>1,752</b>	<b>0%</b>	<b>2%</b>
Raw Material	1,035	1,069	1,060	-1%	2%
<b>Gross margin</b>	<b>687</b>	<b>691</b>	<b>693</b>	<b>0%</b>	<b>1%</b>
<b>Gross margin %</b>	<b>39.9%</b>	<b>39.3%</b>	<b>39.5%</b>	<b>26 bps</b>	<b>-37 bps</b>
Employee Cost	119	128	134	5%	13%
Other Expenses	392	401	391	-3%	0%
<b>EBITDA</b>	<b>203</b>	<b>149</b>	<b>166</b>	<b>11%</b>	<b>-18%</b>
<b>EBITDA %</b>	<b>11.8%</b>	<b>8.5%</b>	<b>9.5%</b>	<b>100 bps</b>	<b>-233 bps</b>
Finance Cost	20	27	35	30%	71%
Depreciation	46	51	64	27%	40%
<b>Operating PBT</b>	<b>136</b>	<b>71</b>	<b>66</b>	<b>-7%</b>	<b>-51%</b>
Exceptional expense	2	41	1	-99%	-74%
Non-Operating income	4	31	12	-61%	226%
<b>PBT</b>	<b>116</b>	<b>78</b>	<b>84</b>	<b>8%</b>	<b>-27%</b>
<b>PAT</b>	<b>71</b>	<b>64</b>	<b>82</b>	<b>28%</b>	<b>15%</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)

1174

775

663

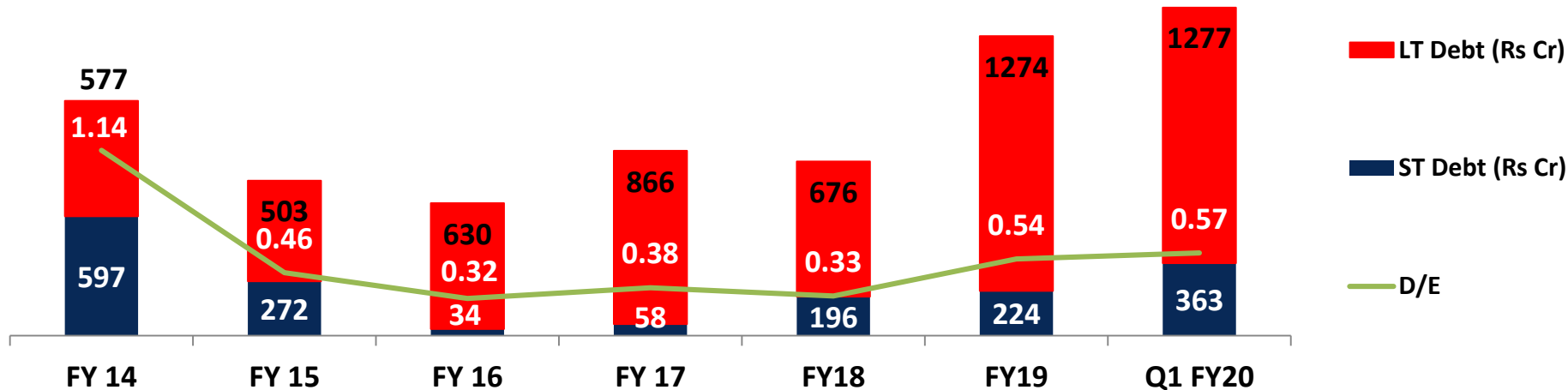
924

872

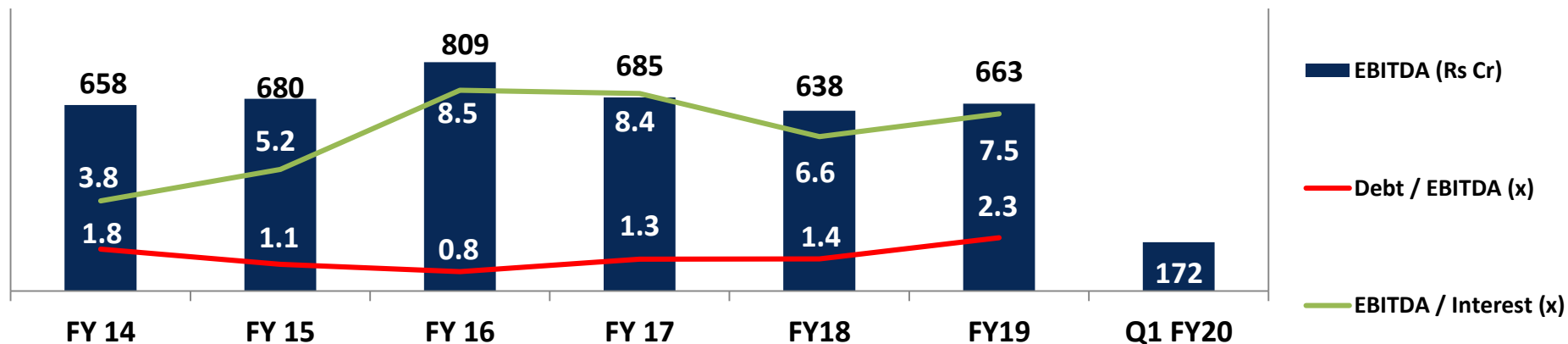
1498

1640

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



# Standalone: Q1 FY20 Financials

All figures in INR Cr

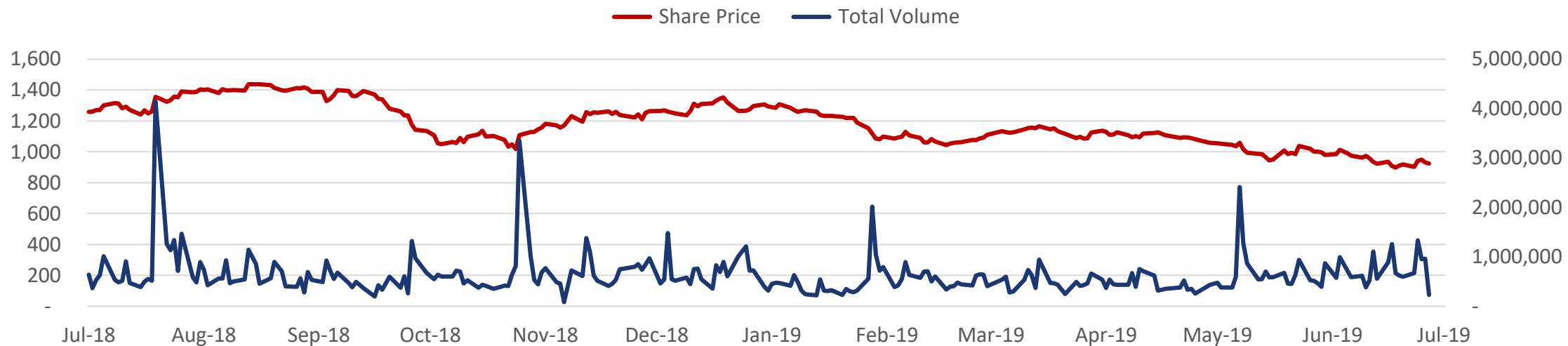
Parameter	Q1 FY19	Q4 FY19	Q1 FY20	QoQ	YoY
<b>Net Revenue from operations</b>	<b>1,689</b>	<b>1,717</b>	<b>1,704</b>	<b>-1%</b>	<b>1%</b>
Raw Material	1,028	1,053	1,047	-1%	2%
<b>Gross margin</b>	<b>661</b>	<b>665</b>	<b>656</b>	<b>-1%</b>	<b>-1%</b>
<b>Gross margin %</b>	<b>39.1%</b>	<b>38.7%</b>	<b>38.5%</b>	<b>-18 bps</b>	<b>-62 bps</b>
Employee Cost	110	119	124	5%	12%
Other Expenses	377	380	371	-2%	-1%
<b>EBITDA</b>	<b>174</b>	<b>166</b>	<b>161</b>	<b>-3%</b>	<b>-8%</b>
<b>EBITDA %</b>	<b>10.3%</b>	<b>9.7%</b>	<b>9.4%</b>	<b>-24 bps</b>	<b>-87 bps</b>
Finance Cost	15	21	30	43%	97%
Depreciation	41	46	59	29%	44%
<b>Operating PBT</b>	<b>118</b>	<b>99</b>	<b>72</b>	<b>-28%</b>	<b>-39%</b>
Exceptional expense	2	40	1	-98%	-74%
Non-Operating income	6	32	15	-54%	165%
<b>PBT</b>	<b>121</b>	<b>92</b>	<b>86</b>	<b>-7%</b>	<b>-29%</b>
<b>PAT</b>	<b>78</b>	<b>78</b>	<b>87</b>	<b>12%</b>	<b>12%</b>

## Notes

Financials are as per IND AS

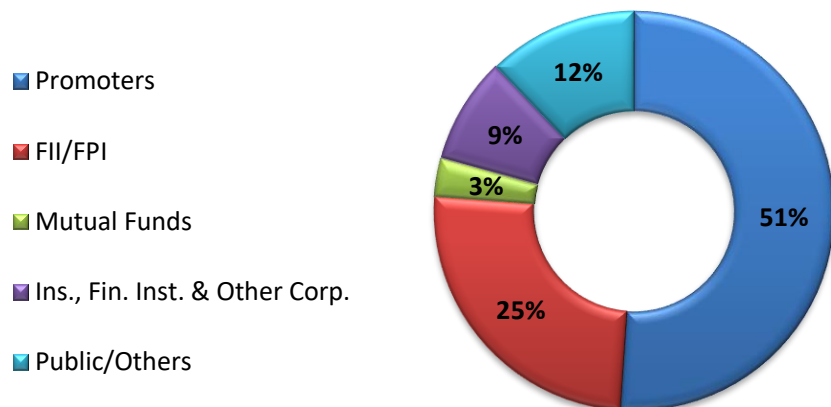
EBITDA does not include Non- operating income

# Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 28<sup>th</sup> June 2019

## Shareholding Pattern as on June 30, 2019



## Market Information

- Market Price (June 28<sup>th</sup>): INR 923.8/share
- Face Value : INR 10/share
- Market Cap (June 28<sup>th</sup>): INR 3,737 Cr

THANK YOU