



**CEAT Ltd.**  
RPG House  
463 Dr. Annie Besant Road,  
Worli, Mumbai 400030, India  
+91 22 24930621  
CIN: L25100MH1958PLC011041  
www.ceat.com

May 5, 2021

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**Security Code: 500878**

**National Stock Exchange of India Limited**

Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400 051

**Symbol: CEATLTD**

**NCD Symbol: CL23, CL25**

**CP Listed ISIN: INE482A14AD9**

Dear Sirs /Madam,

**Sub: Investors Presentation**

In continuation of our letter dated April 29, 2021, please find enclosed herewith Investor's Presentation for the quarter and year ended March 31, 2021, for the Results Earnings call scheduled on Thursday, May 6, 2021 at 4:00 p.m. IST, dial-in details of which are reproduced below for ready reference:

**Dial-in Details:**

India (Universal) and Mumbai	+91 22 7115 8160 +91 22 6280 1259
<b>Location</b>	<b>Toll-Free Number</b>
USA	1 866 746 2133
UK	0 808 101 1573
Singapore	800 101 2045
Hong Kong	800 964 448

We request you to kindly take the above on record.

Thanking you,

Sincerely,

For **CEAT Limited**

**Vallari Gupte**

**Company Secretary & Compliance Officer**

Encl: as above



# Disclaimer

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This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

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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.

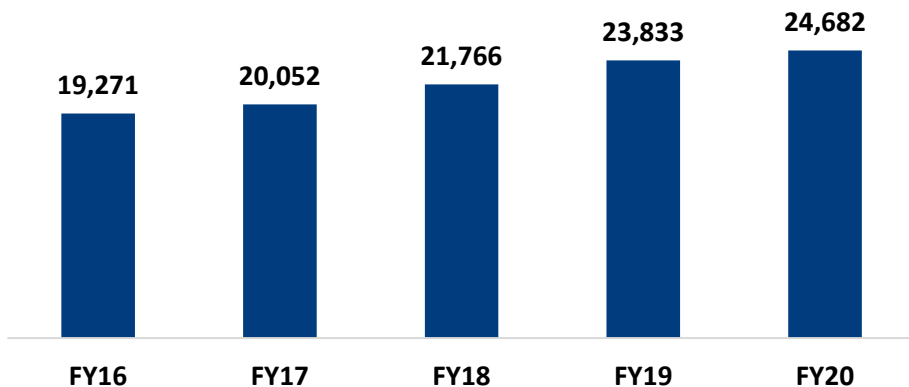
**Raychem RPG**  
  
Engineering  
products and  
services  
catering to  
infrastructure  
segment  
of the economy.

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

# RPG Group: Key Financials

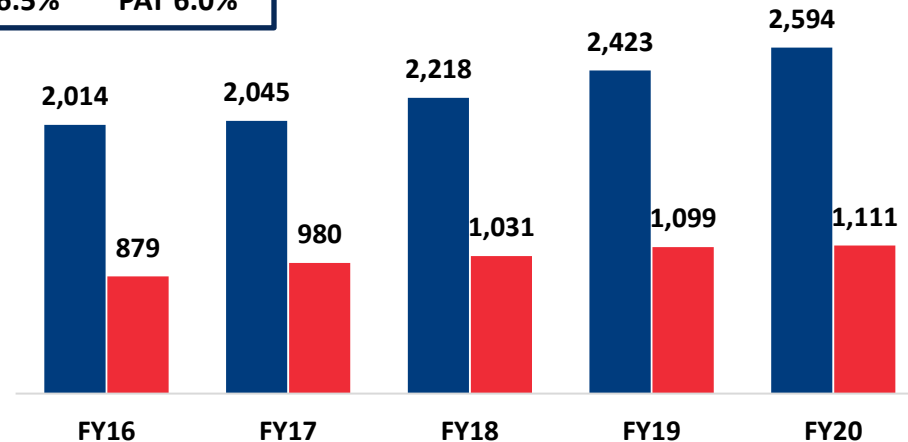
FY16-20  
CAGR: 7.6%

■ Gross Total Income (Rs Cr.)

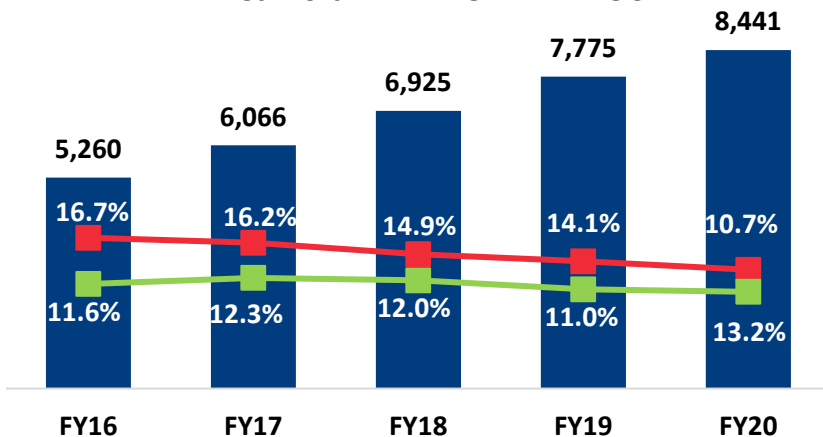


FY16-20 CAGR:  
EBITDA 6.5% PAT 6.0%

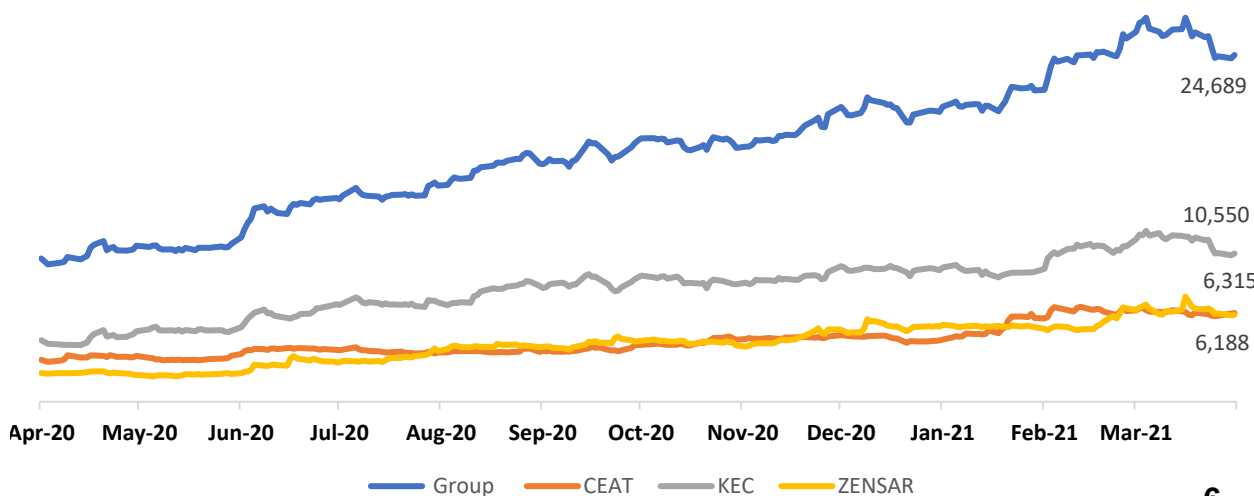
■ EBITDA ■ PAT



■ 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 14<sup>th</sup> January 2021

# 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



**Ranjit Pandit**  
Non Executive  
Independent Director



**Vinay Bansal**  
Non Executive  
Independent Director



**Priya Nair**  
Non Executive  
Independent Director

# Leadership Team

---

**Anant Goenka**



**Managing Director**

**Kumar Subbiah**



**Chief Financial Officer**

**Arnab Banerjee**



**Chief Operating Officer**

**Milind Apte**



**Senior Vice President  
– Human Resources**

**Dilip Modak**



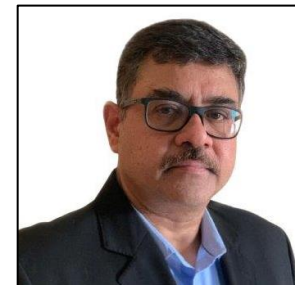
**Senior Vice President  
– Manufacturing**

**Vijay Gambhire**



**Chief Executive – CEAT Specialty,  
Senior Vice President – QBM**

**Saurav Mukherjee**



**Senior Vice President  
– Global Sales**

**Peter Becker**



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

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

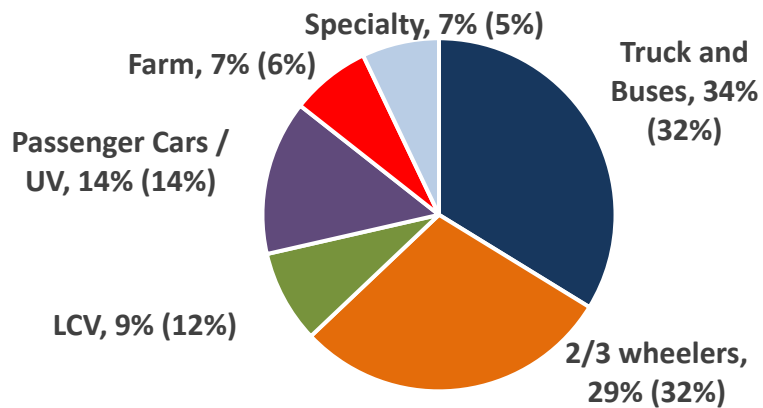
Distribution Network : **3,400+** dealers, **300+** exclusive CEAT franchisees

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

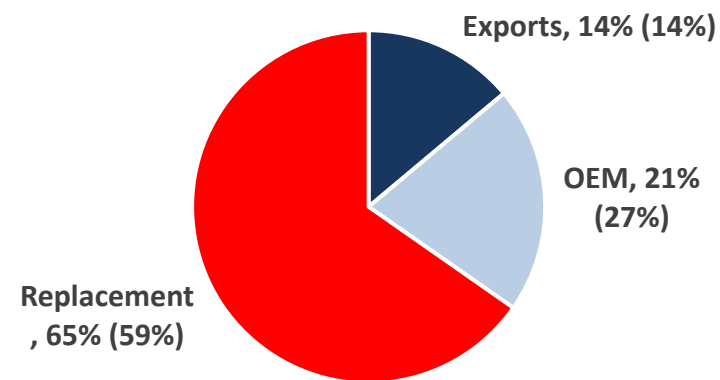
**100+** countries where products are sold with strong brand recall

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

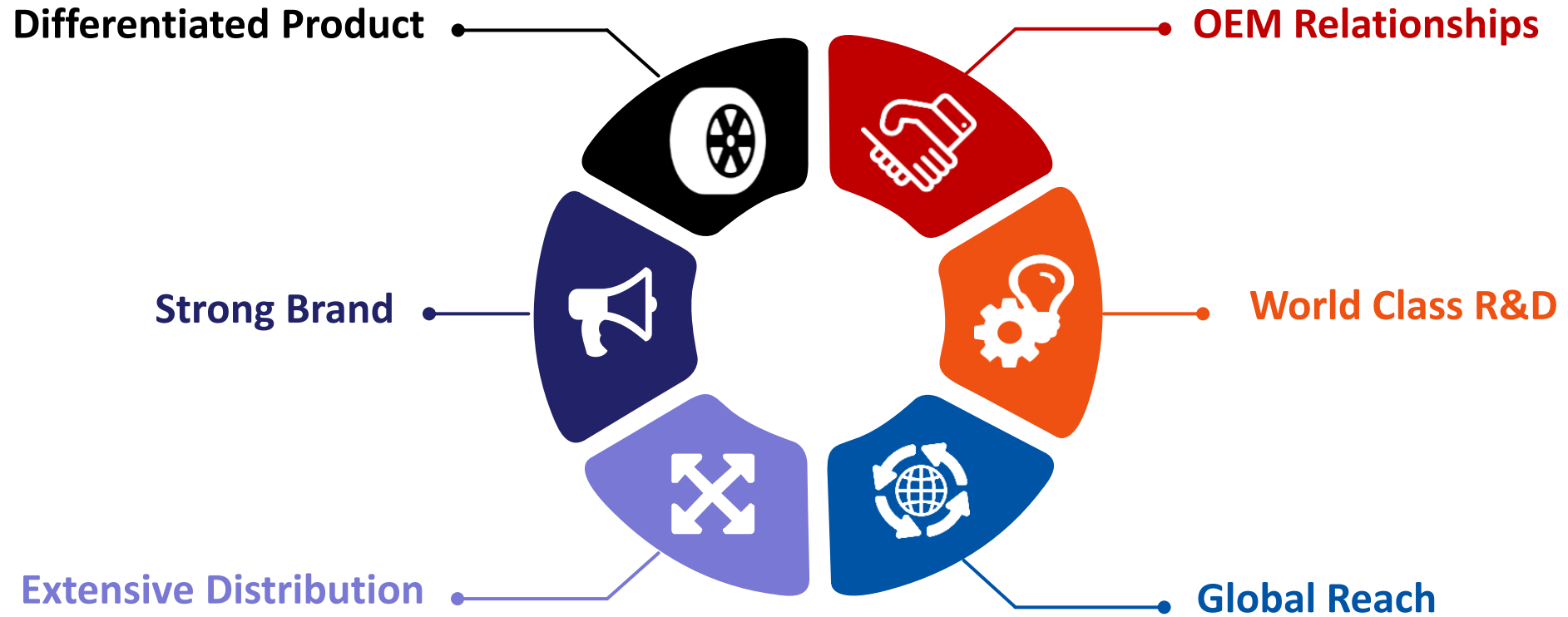
**FY21 Revenue Breakup by Product**



**FY21 Revenue Breakup by Market**



1. Consolidated revenue breakup
2. Corresponding figures in investor presentations till Q4 FY19 had standalone revenue break-up
3. Figures in parenthesis denote FY20 consolidated Revenue (post CSTL merger) break-up





# 1 Differentiated Products

## Strengthening OEM Relationships



- Key developments**
- Focus on OEM, recent entries in new models** – Hero MotoCorp Splendor iSmart (BSVI), Hero MotoCorp HF Deluxe (BSVI), Hero Dare 125, Hero Duet E, Maruti Suzuki Alto VXI+, Hero Glammer Refresh, Mahindra Jeeto Z Series, Tata Intra, Mahindra Perak, Mahindra Thar, Nissan MAGNITE
  - Recent entries into OEM's existing models** – Honda Bikes till 125 CC, Yamaha FZ 150 CC, Suzuki Gixxer 150 CC, Ashok Leyland Truck 1618, Daimler BSVI Trucks, Piaggio Aprilia 150 CC, Hyundai i20
  - Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive, Vardhan etc.

## 2 Strong Brand

Continued association Indian Premier League as the official **Strategic Timeout Partners**



Discussing everything about cricket in an exclusively curated **CEAT x The Edges & Sledges Cricket Podcast**

**Challenging Norms and Changing Perceptions** through CEAT's Advertisements and Initiatives



CEAT's **#UthaoSawalBadloKhayal** campaign



India's first Tyre Shop **Owned, Operated and Managed by women**



# 3 Extensive Distribution

CEAT Shoppe



Shop in Shop (SIS)



Multi Brand Outlet



CEAT Bike Shoppe



**3400+**  
Dealers &  
Channel Partners

**275+**  
2W Distributors

**600+**  
Districts

**300+**  
CEAT Franchisees

**35,000+**  
Sub-dealers

**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

Renault

Hyundai

KIA

Nissan



Force Motors

Datsun

Skoda

Peugeot

Volkswagen

Morris Garage



Honda

Royal Enfield

Bajaj

Yamaha

Suzuki

Hero

Hero Electric



Piaggio

LML

Tork

Tunwal

Okinawa Scooters

Kawasaki

## 5 World Class R&D



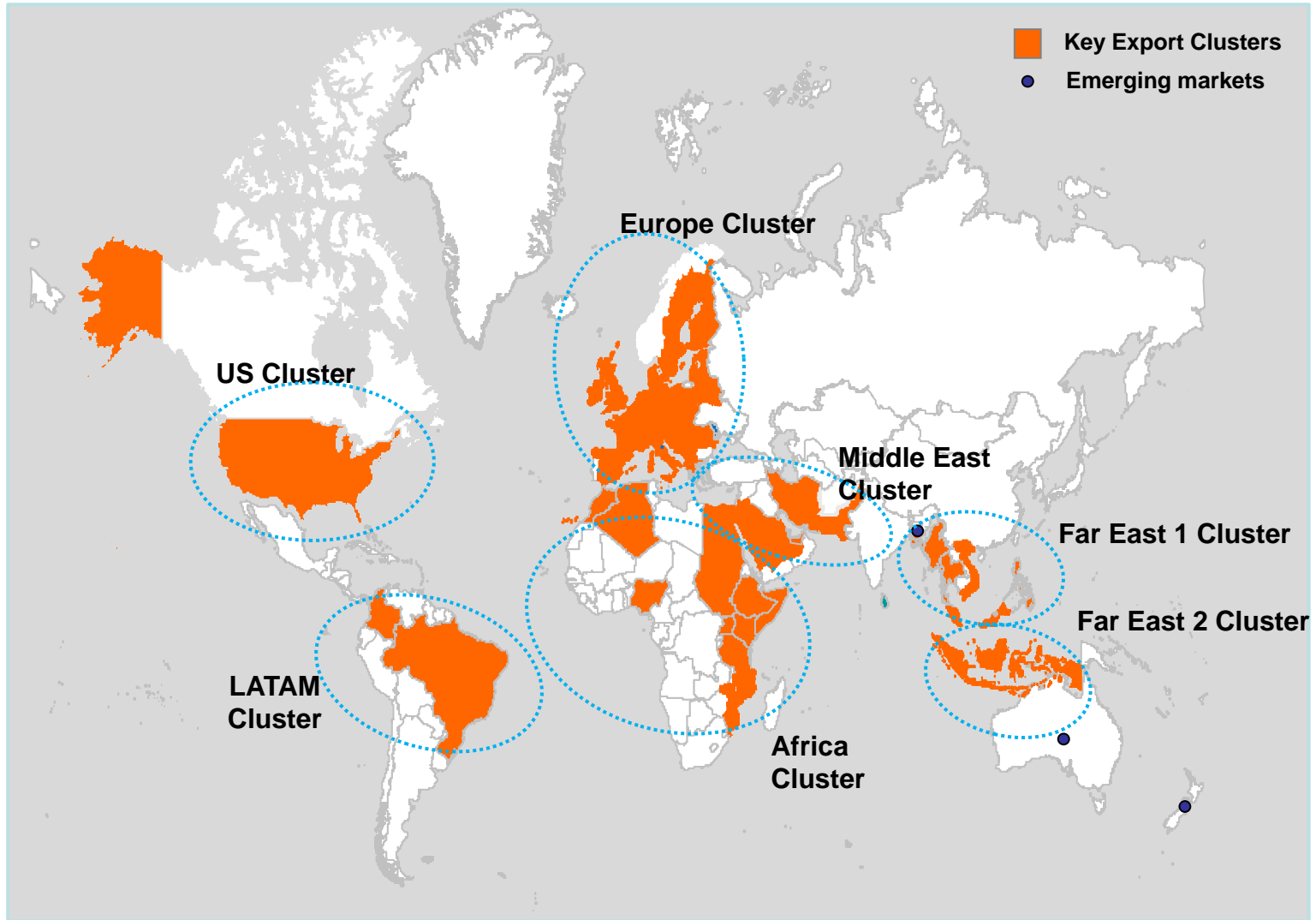
**State-of-the-Art R&D Center, Halol**



**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



# Q4 FY21 Operational Highlights

## Awards and Recognition

Awarded **Best Company in Quality management** for standard parts by **Honda**



Recognized among **India's top 10 workplaces** in health and wellness by **GPTW institute**



## Launches on CEAT



Partnership with Renault  
**Renault Kiger B-SUV** rolled out on CEAT SecuraDrive tyres

**Royal Enfield Interceptor 650** on CEAT's Zoom Cruz tyres





# Consolidated: Q4 FY21 Financial Highlights

## Q4 FY21 v/s Q3 FY21 (Q-o-Q)

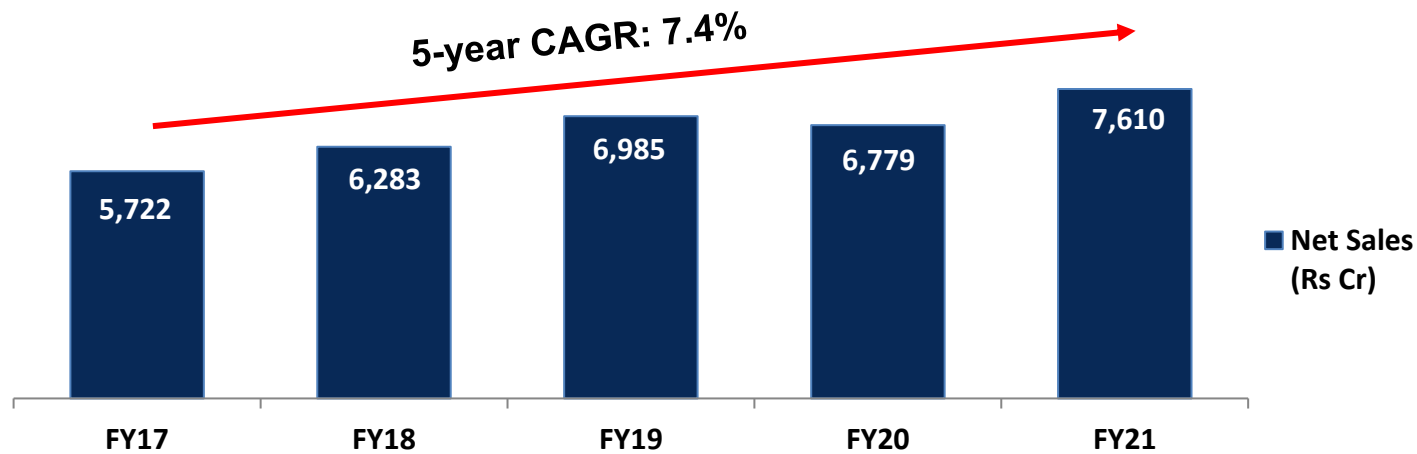
- Net revenue from operations grew by 3.1% to INR 2,290 Crs from INR 2,221 Crs
- Gross margin contracted to 42.0% from 45.5%
- EBITDA stood at INR 269 Crs compared to INR 339 Crs; margins at 11.7% from 15.3%
- PAT stood at INR 153 Crs compared to INR 132 Crs
- Debt / equity at 0.42x compared to 0.49x

## Q4 FY21 v/s Q4 FY20 (Y-o-Y)

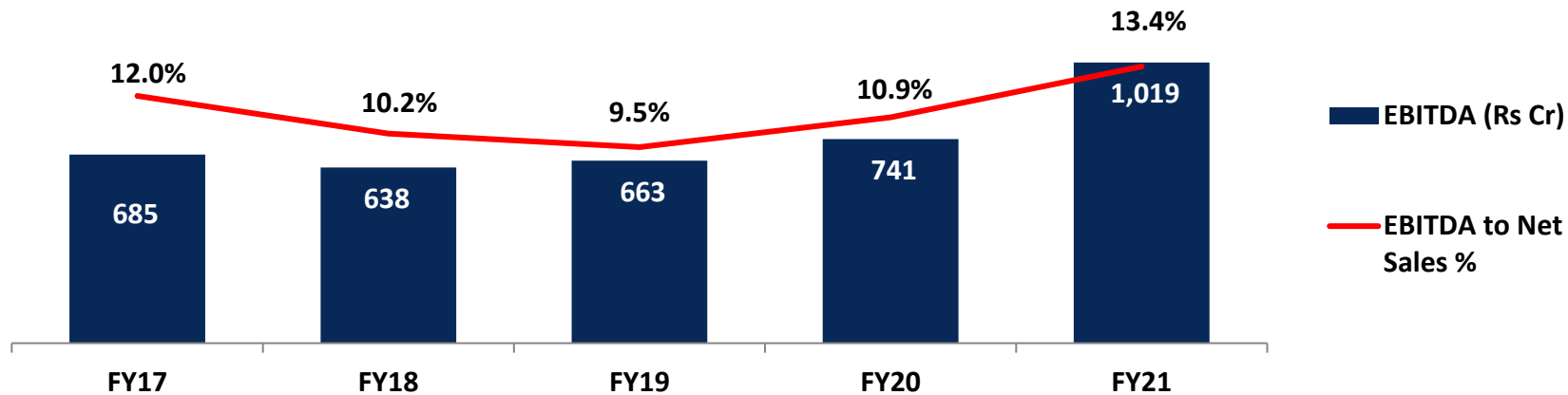
- Net revenue from operations grew by 45.5% to INR 2,290 Crs from INR 1,573 Crs
- Gross margin contracted to 42.0% from 45.6%
- EBITDA stood at INR 269 Crs compared to INR 203 Crs; margins at 11.7% from 12.9%
- PAT stood at INR 153 Crs compared to INR 52 Crs
- Debt / equity at 0.42x compared to 0.66x

# Consolidated: Financial Trends

Revenue growth



Margin trends



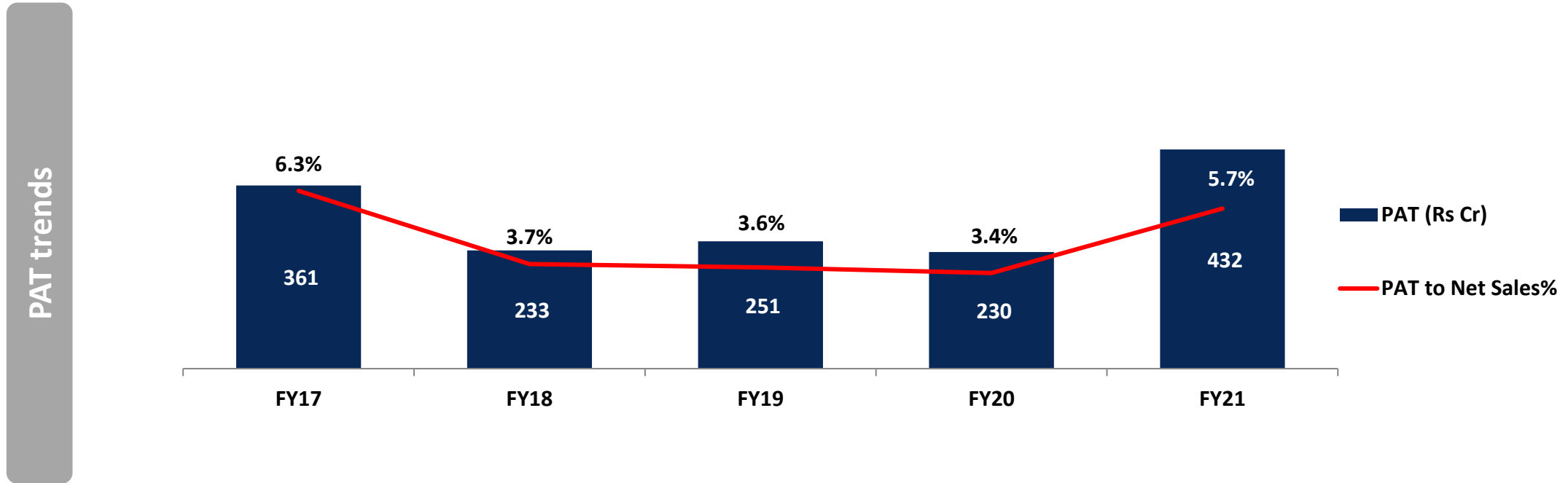
**Note**

All figures are per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non-operating income

# Consolidated: Financial Trends



**Notes**

All figures are per IND AS

# Consolidated: Q4 FY21 Financials

All figures in INR Cr

Parameter	Q4 FY20	Q3 FY21	Q4 FY21	QoQ	YoY	FY20	FY21	YoY
<b>Net Revenue from operations</b>	<b>1,573.4</b>	<b>2,221.3</b>	<b>2,289.7</b>	<b>3%</b>	<b>46%</b>	<b>6,778.8</b>	<b>7,609.6</b>	<b>12%</b>
Raw Material	855.2	1,209.6	1,328.3	10%	55%	3,915.1	4,266.3	9%
<b>Gross margin</b>	<b>718.3</b>	<b>1,011.7</b>	<b>961.5</b>	<b>-5%</b>	<b>34%</b>	<b>2,863.8</b>	<b>3,343.3</b>	<b>17%</b>
<b>Gross margin %</b>	<b>45.6%</b>	<b>45.5%</b>	<b>42.0%</b>	<b>(355) bps</b>	<b>(366) bps</b>	<b>42.2%</b>	<b>43.9%</b>	<b>169 bps</b>
Employee Cost	141.8	180.6	182.6	1%	29%	541.8	675.5	25%
Other Expenses	376.1	503.4	518.0	3%	38%	1,598.1	1,684.9	5%
<b>EBITDA</b>	<b>202.9</b>	<b>339.4</b>	<b>268.7</b>	<b>-21%</b>	<b>32%</b>	<b>741.1</b>	<b>1,019.3</b>	<b>38%</b>
<b>EBITDA %</b>	<b>12.9%</b>	<b>15.3%</b>	<b>11.7%</b>	<b>(354) bps</b>	<b>(116) bps</b>	<b>10.9%</b>	<b>13.4%</b>	<b>246 bps</b>
Finance Cost	40.7	41.9	39.9	-5%	-2%	150.9	175.5	16%
Depreciation	74.5	87.3	89.9	3%	21%	276.5	339.6	23%
<b>Operating PBT</b>	<b>87.7</b>	<b>210.2</b>	<b>138.9</b>	<b>-34%</b>	<b>58%</b>	<b>313.6</b>	<b>504.1</b>	<b>61%</b>
Exceptional expense	28.2	12.3	-	NA	NA	29.8	34.1	14%
Non-Operating income	3.5	4.1	3.2	-22%	-10%	20.5	13.8	-33%
<b>PBT</b>	<b>63.1</b>	<b>202.0</b>	<b>142.1</b>	<b>-30%</b>	<b>125%</b>	<b>304.3</b>	<b>483.9</b>	<b>59%</b>
<b>PAT</b>	<b>51.7</b>	<b>132.3</b>	<b>153.0</b>	<b>16%</b>	<b>196%</b>	<b>230.1</b>	<b>432.3</b>	<b>88%</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

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non-operating income

# Consolidated: Leverage / coverage Profile

Total Debt  
(INR Cr)

924

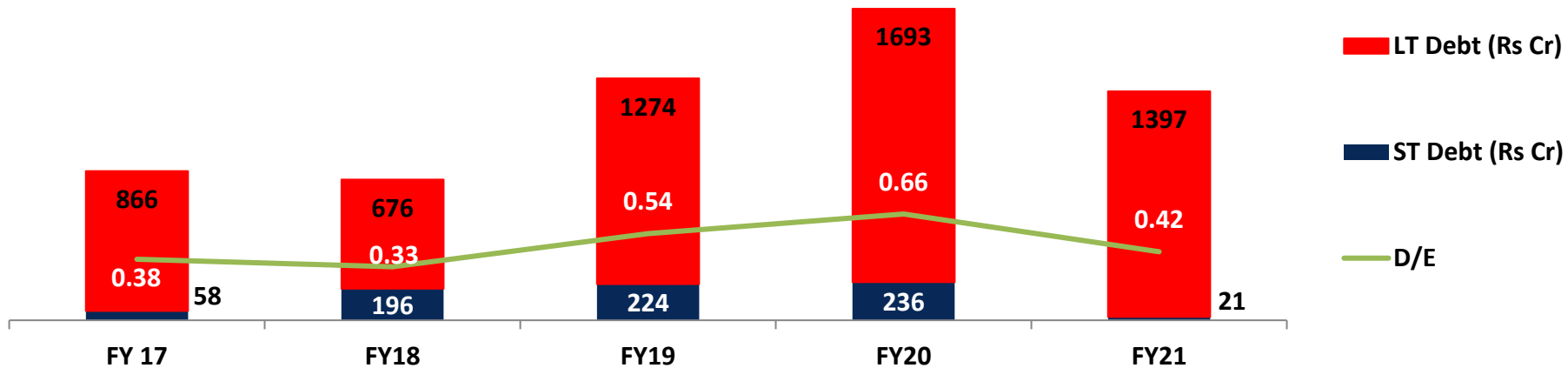
872

1498

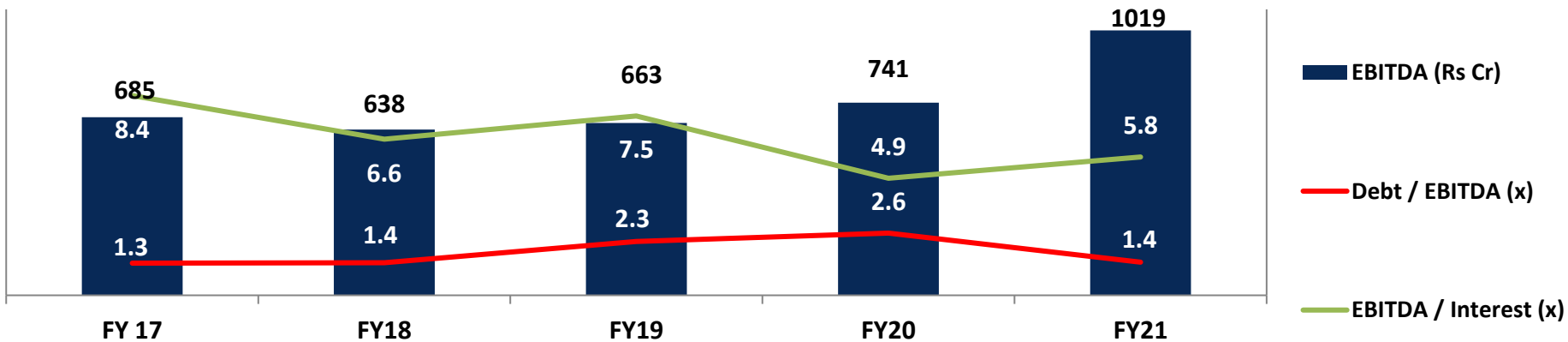
1929

1418

Debt breakup



Leverage ratios



**Note**

All figures are per IND AS

Debt numbers are on Gross basis

Company's investment in Sri Lanka JV is accounted using Equity method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non- operating income

Long Term debt also includes the 'Current Maturities' component of the long-term debt

# Standalone: Q4 FY21 Financials

All figures in INR Cr

Parameter	Q4 FY20	Q3 FY21	Q4 FY21	QoQ	YoY	FY20	FY21	YoY
<b>Net Revenue from operations</b>	<b>1,564.5</b>	<b>2,212.5</b>	<b>2,279.0</b>	<b>3%</b>	<b>46%</b>	<b>6,747.9</b>	<b>7,572.8</b>	<b>12%</b>
Raw Material	851.6	1,206.5	1,325.9	10%	56%	3,905.3	4,251.3	9%
<b>Gross margin</b>	<b>712.9</b>	<b>1,006.0</b>	<b>953.1</b>	<b>-5%</b>	<b>34%</b>	<b>2,842.6</b>	<b>3,321.5</b>	<b>17%</b>
<b>Gross margin %</b>	<b>45.6%</b>	<b>45.5%</b>	<b>41.8%</b>	<b>(365) bps</b>	<b>(375) bps</b>	<b>42.1%</b>	<b>43.9%</b>	<b>174 bps</b>
Employee Cost	139.5	178.5	180.6	1%	29%	534.1	667.1	25%
Other Expenses	374.5	501.7	517.2	3%	38%	1,590.8	1,680.6	6%
<b>EBITDA</b>	<b>199.0</b>	<b>325.8</b>	<b>255.3</b>	<b>-22%</b>	<b>28%</b>	<b>717.6</b>	<b>973.8</b>	<b>36%</b>
<b>EBITDA %</b>	<b>12.7%</b>	<b>14.7%</b>	<b>11.2%</b>	<b>(352) bps</b>	<b>(152) bps</b>	<b>10.6%</b>	<b>12.9%</b>	<b>222 bps</b>
Finance Cost	40.1	41.2	39.2	-5%	-2%	149.1	173.1	16%
Depreciation	75.0	87.3	89.9	3%	20%	277.1	339.6	23%
<b>Operating PBT</b>	<b>83.8</b>	<b>197.4</b>	<b>126.2</b>	<b>-36%</b>	<b>51%</b>	<b>291.5</b>	<b>461.2</b>	<b>58%</b>
Exceptional expense	28.2	12.3	-			29.8	34.1	14%
Non-Operating income	3.8	10.0	3.1	-69%	-19%	30.7	31.8	4%
<b>PBT</b>	<b>59.5</b>	<b>195.1</b>	<b>129.4</b>	<b>-34%</b>	<b>117%</b>	<b>292.4</b>	<b>458.9</b>	<b>57%</b>
<b>PAT</b>	<b>50.1</b>	<b>127.6</b>	<b>141.8</b>	<b>11%</b>	<b>183%</b>	<b>224.6</b>	<b>413.6</b>	<b>84%</b>

## Notes

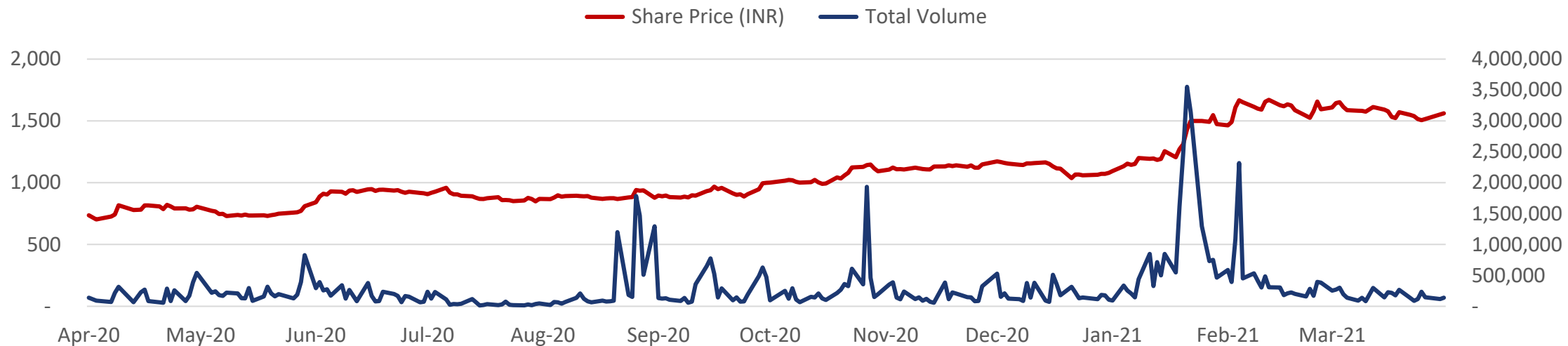
Financials are as per IND AS

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA does not include Non-operating income

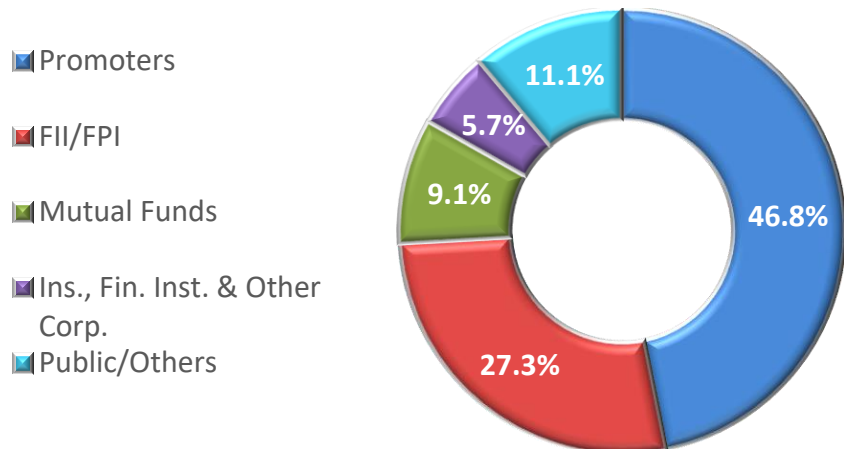


# Equity Shareholding & Price trends



Source : Stock Exchange. The above data is updated till 31<sup>st</sup> December 2020

## Shareholding Pattern as on March 31, 2021



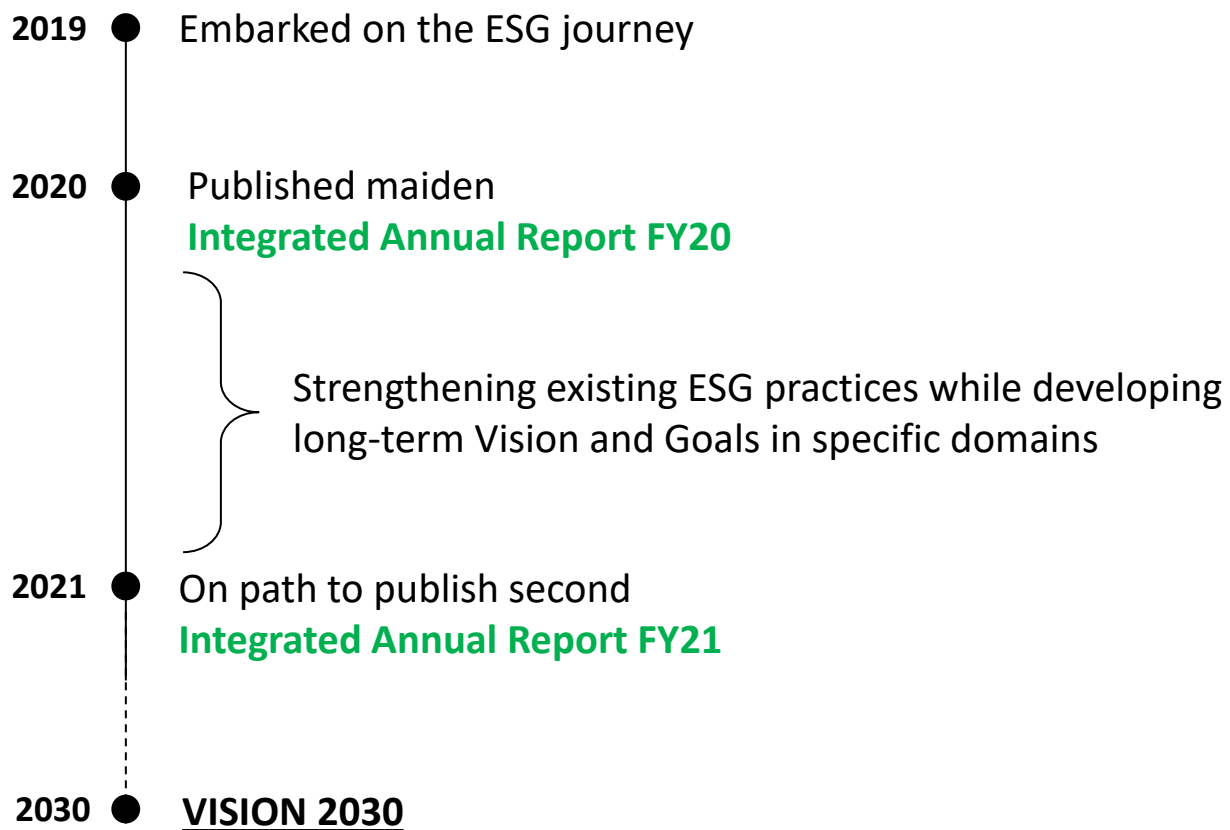
## Market Information

- Market Price (May 4<sup>th</sup>, 2021): INR 1,378.00/share
- Face Value : INR 10/share
- Market Cap (May 4<sup>th</sup>, 2021): INR 5,574 Cr

# Section 4: Environment, Social, Governance (ESG) Overview

# CEAT's ESG Journey So Far

**Long-Term Goal:** 'Minimizing adverse environmental impact on the Planet and Communities where we live, work or source.'



**2030 Sustainability Vision:**  
**Reduce Carbon Footprint by 50%**

- Using the levers: **Culture, Operational Systems** and **Management Systems** to achieve long-term Vision and Goal
- Detailed action plans with focus on:
  - ✓ end-of-life-tyres management,
  - ✓ greener products,
  - ✓ renewable energy etc.

THANK YOU