



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

October 25, 2021

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400001

**Security Code: 500878**

**National Stock Exchange of India Limited**

Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400051

**Symbol: CEATLTD**

**NCD Symbol: CL23,CL25**

**CP Listed ISIN: INE482A14AL2, INE482A14AM0,  
INE482A14AN8, INE482A14AO6, INE482A14AP3,  
INE482A14AQ1, INE482A14AR9, INE482A14AS7**

**Sub: Results Earnings Call Q2 FY22 - Investors Presentation**

Dear Sir/Madam,

In continuation of our letter dated October 18, 2021, please find enclosed herewith Investors Presentation for the quarter and half year ended September 30, 2021, for the Results Earnings Call scheduled on Tuesday, October 26, 2021, at 3:30 p.m. IST, dial-in details of which are reproduced below for ready reference:

**Dial-in Details:**

India (Universal) and Mumbai	+91 22 6280 1366 +91 22 7115 8267
<b>Location</b>	<b>Toll Free Number</b>
USA	18667462133
UK	08081011573
Singapore	8001012045
Hong Kong	800964448

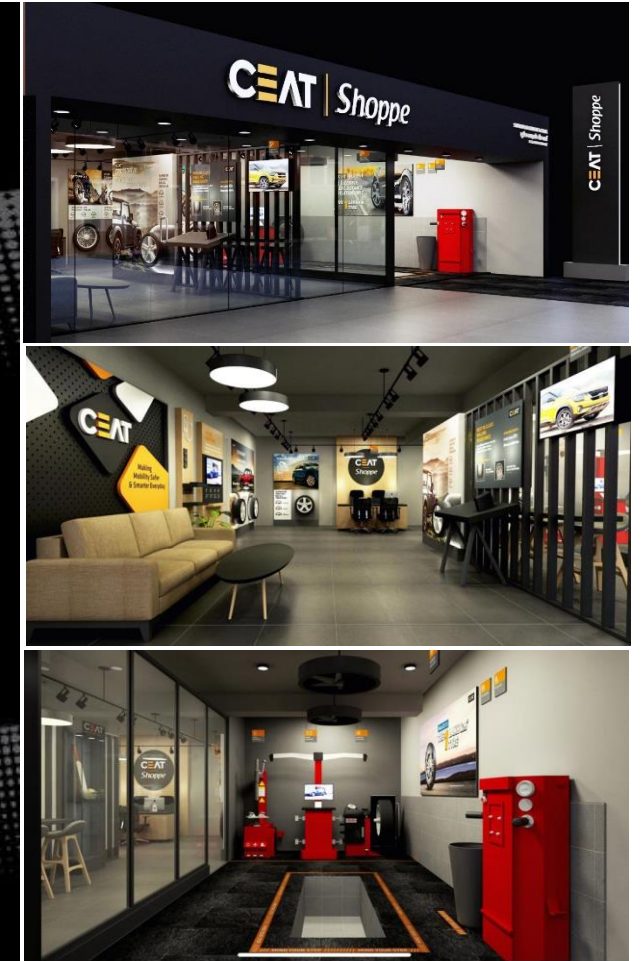
We request you to kindly take the same on record and disseminate appropriately.

Thanking you,

Yours faithfully,  
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 30,000+ employees, presence in 100+ countries and annual gross revenues of ~\$4 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.



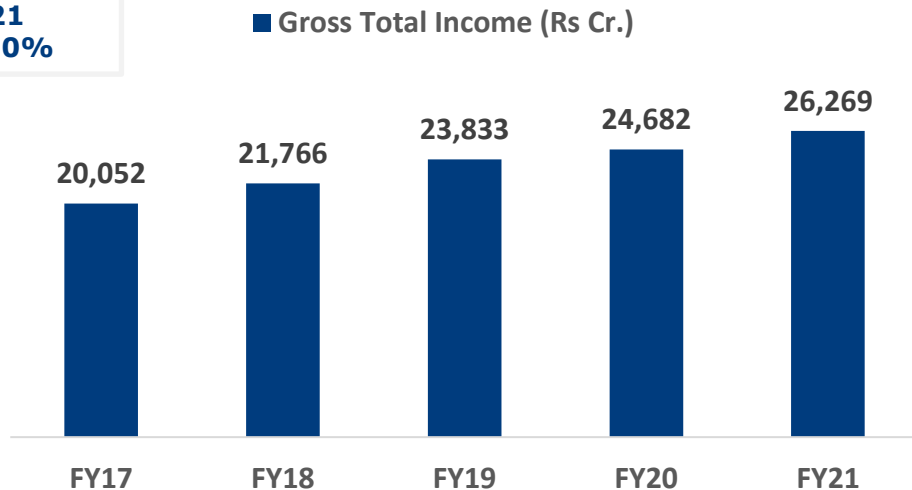
**Raychem RPG**  
  
Engineering products and services catering to infrastructure segment of the economy.



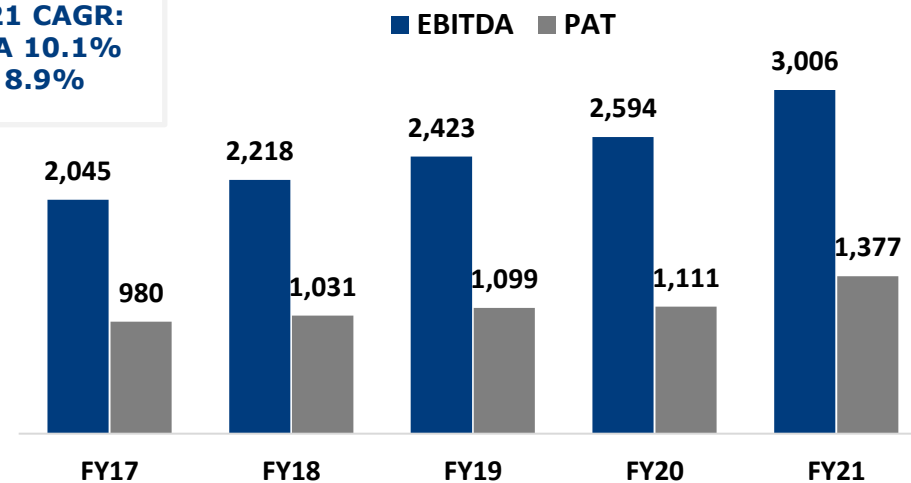
**Harrisons Malayalam**  
  
One of India's largest plantation companies with tea, rubber and other agro products.

# RPG Group: Key Financials

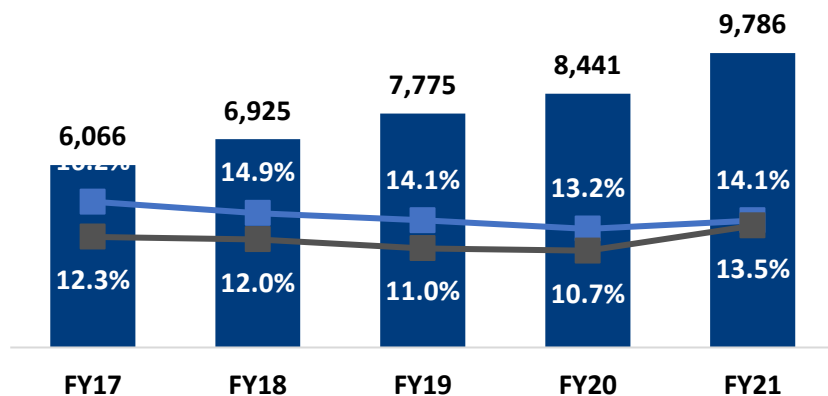
FY17-21  
CAGR: 7.0%



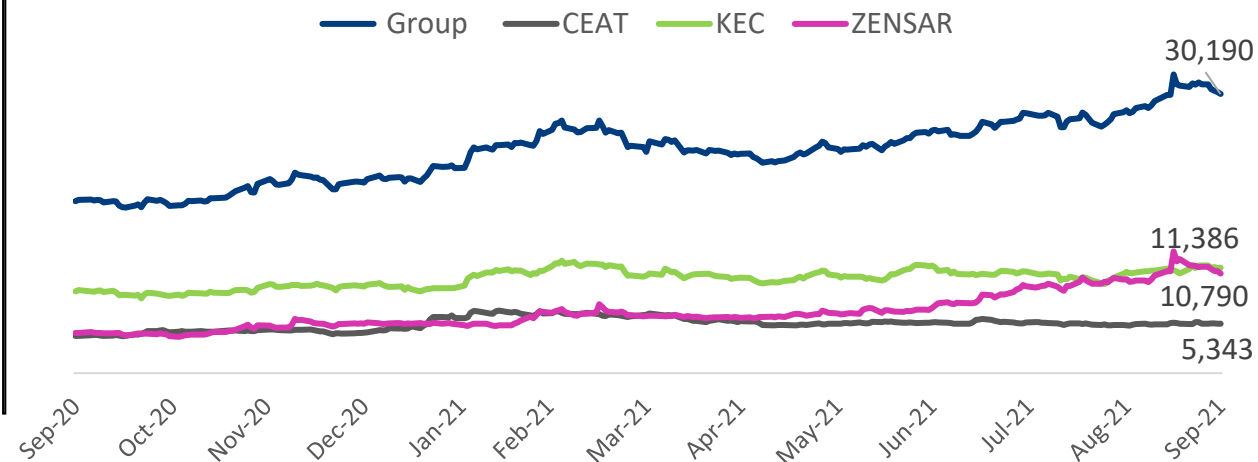
FY17-21 CAGR:  
EBITDA 10.1%  
PAT 8.9%



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 30<sup>th</sup> September 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



**Pierre E. Cohade**  
Non Executive  
Non Independent Director



**Paras K. Chowdhary**  
Non Executive  
Non Independent Director  
(appointed wef 25<sup>th</sup> October 2021)



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



**Haigreve Khaitan**  
Non Executive  
Independent Director



**Mahesh S. Gupta**  
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**

**Saurav Mukherjee**



**Senior Vice President  
– Global Sales & Supply Chain**

**Peter Becker**



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

India's leading tyre company with over **60** yrs of presence

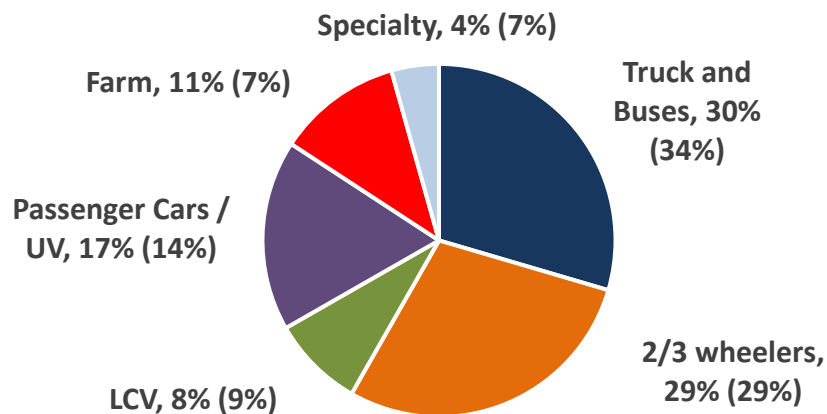
Distribution Network : **4,400+** dealers, **550+** CEAT special channels

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

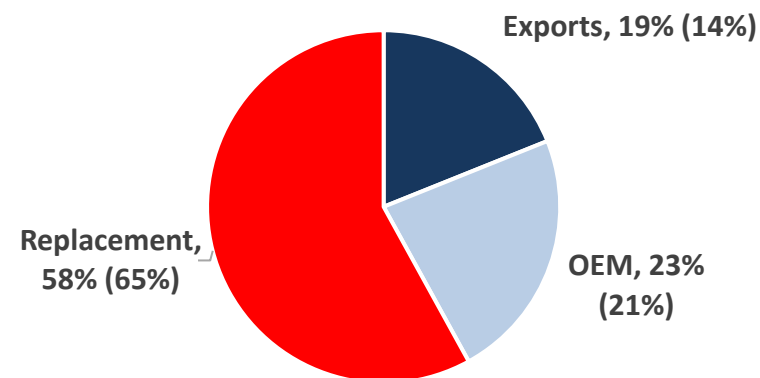
**100+** countries where products are sold with strong brand recall

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

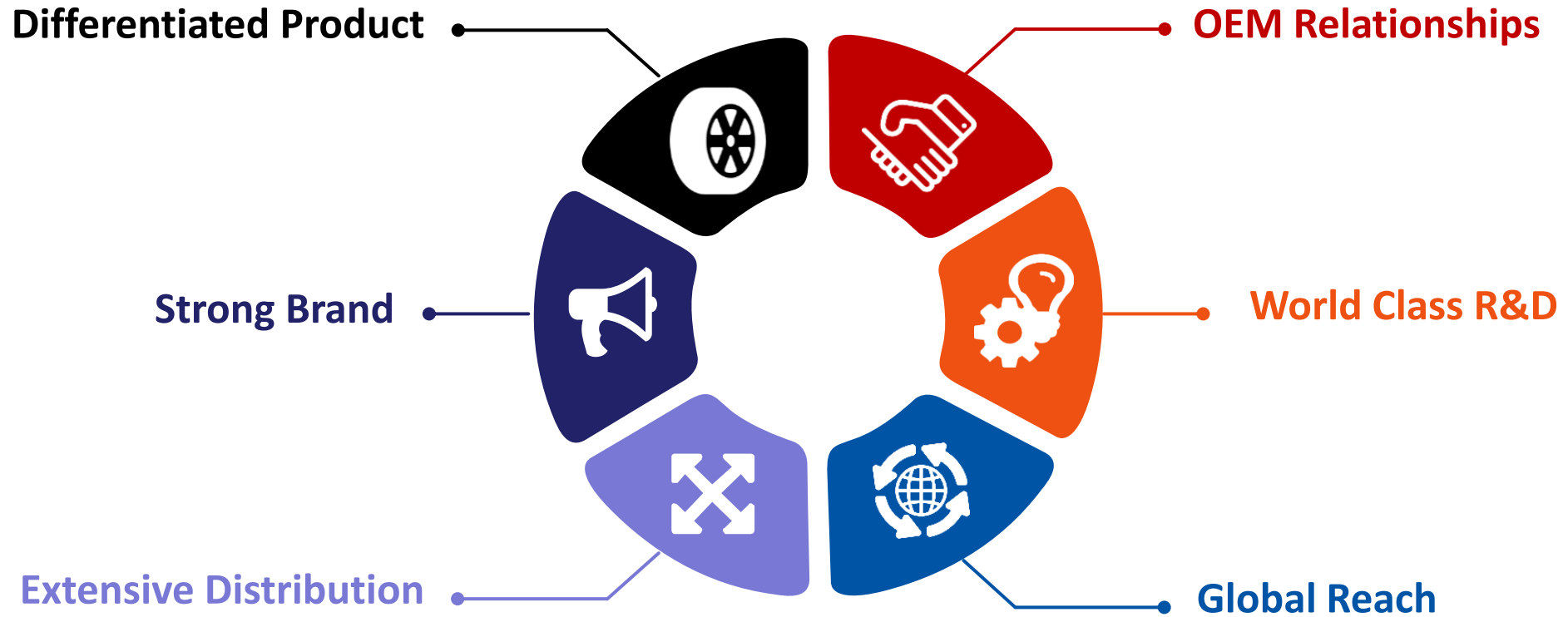
H1 FY22 Revenue Breakup by Product



H1 FY22 Revenue Breakup by Market



1. Standalone revenue breakup
2. Figures in parenthesis denote FY21 standalone revenue break-up (post CSTL merger)
3. Farm exports reclassified from Specialty to Farm in FY22



# 1 Differentiated Products

## Strengthening OEM Relationships



### Key developments

- Recent entries in new models –** Mahindra Bolero Neo, Okaya EV Scooter, Olectra EV Bus, Ashok Leyland Ecomet, Hero MotoCorp HF Deluxe (BSVI), Hero Glamour Refresh, Mahindra Jeeto Z Series, Nissan Magnite, Renault Kiger, Mahindra Perak, Mahindra Thar
- 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

### SecuraDrive New Campaign



### Gripp X3 New Campaign



### Stronger Association with IPL



# 3 Extensive Distribution

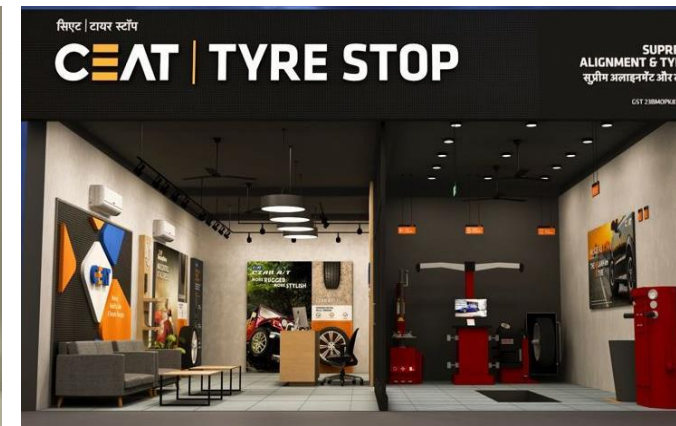
### CEAT Shoppe



### Shop in Shop (SIS)



### CEAT Tyre Stop



# 4,400+

Dealers & Channel Partners

# 550+

CEAT Special Channels  
(Shoppe / SIS)

# 300+

Distributors

# 45,000+

Sub-dealers

# 580+

Districts

# 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





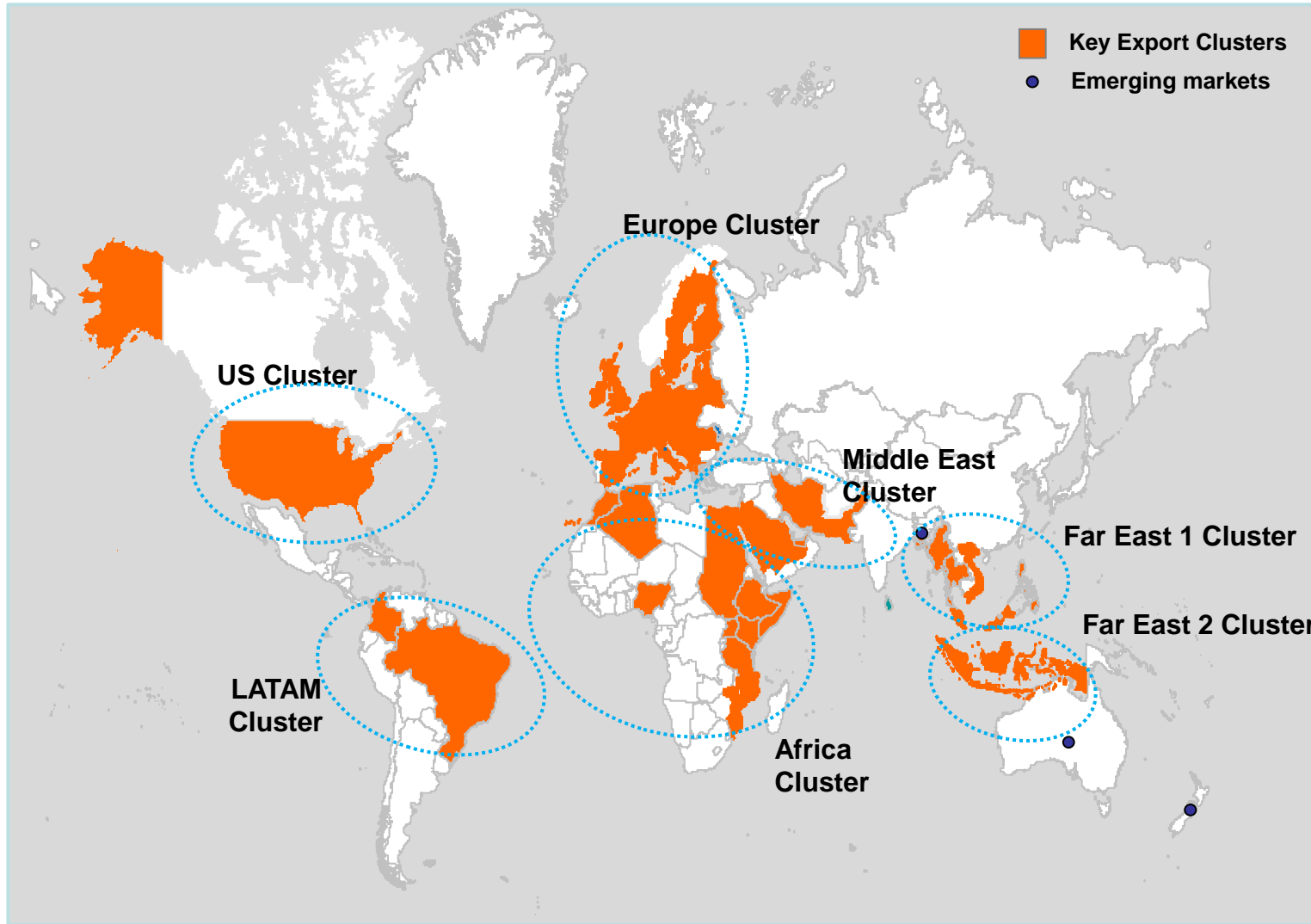
**State-of-the-Art R&D Center, Halol**



**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
- 100+ patent filings till date

# 6 Expanding Global Reach



- Exports to 100+ 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 FY22 Operational Highlights

## Customer Day



CEAT personnel interacted with customers and end users across India

## New Launches on CEAT tyres

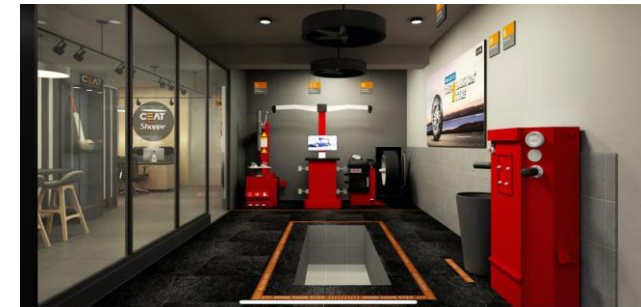


Mahindra Bolero Neo



Orega EV Bike

## CEAT Shoppe Design Refresh



Unveiled New Premium look of CEAT Shoppe

# Consolidated: Q2 FY22 Financial Highlights

## Q2 FY22 v/s Q1 FY22 (Q-o-Q)

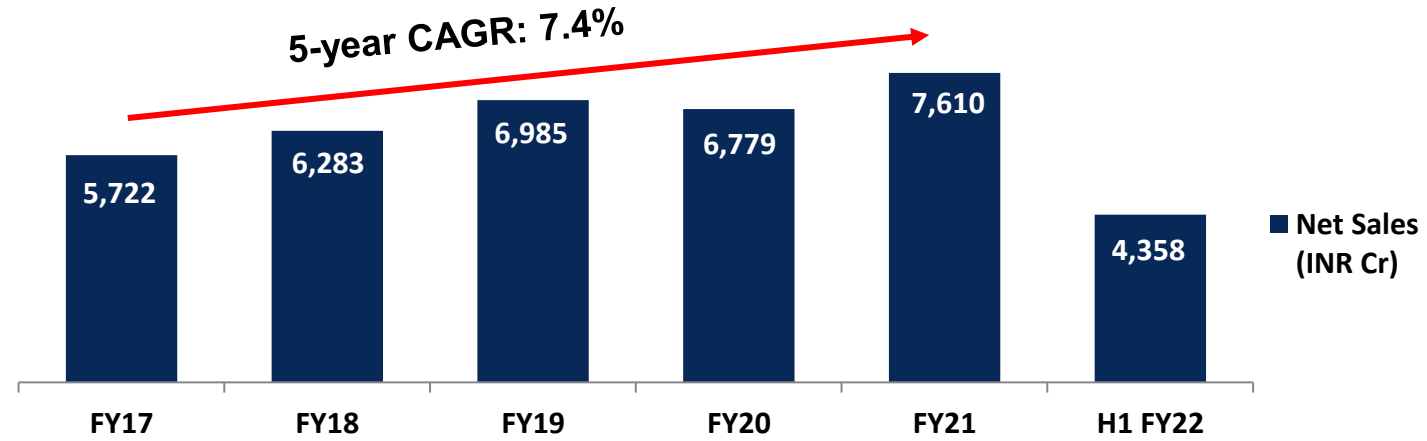
- Net revenue grew by 28.6% to INR 2,452 Crs from INR 1,906 Crs
- Gross margin contracted to 36.9% from 38.9%
- EBITDA stood at INR 225 Crs compared to INR 173 Crs; margins at 9.2% v/s 9.1%
- PAT stood at INR 42 Crs compared to INR 23 Crs
- Debt / equity at 0.60x compared to 0.53x

## Q2 FY22 v/s Q2 FY21 (Y-o-Y)

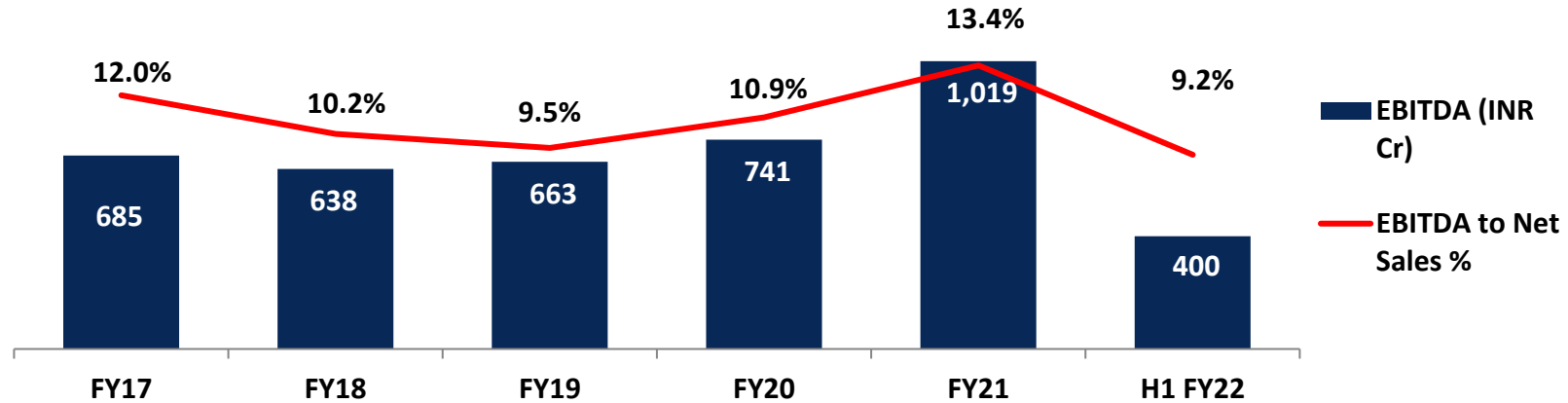
- Net revenue from operations grew by 23.9% to INR 2,452 Crs from INR 1,978 Crs
- Gross margin contracted to 36.9% from 46.5%
- EBITDA stood at INR 225 Crs compared to INR 306 Crs; margins at 9.2% v/s 15.5%
- PAT stood at INR 42 Crs compared to INR 182 Crs
- Debt / equity at 0.60x compared to 0.59x

# Consolidated: Financial Trends

Revenue growth



Margin trends



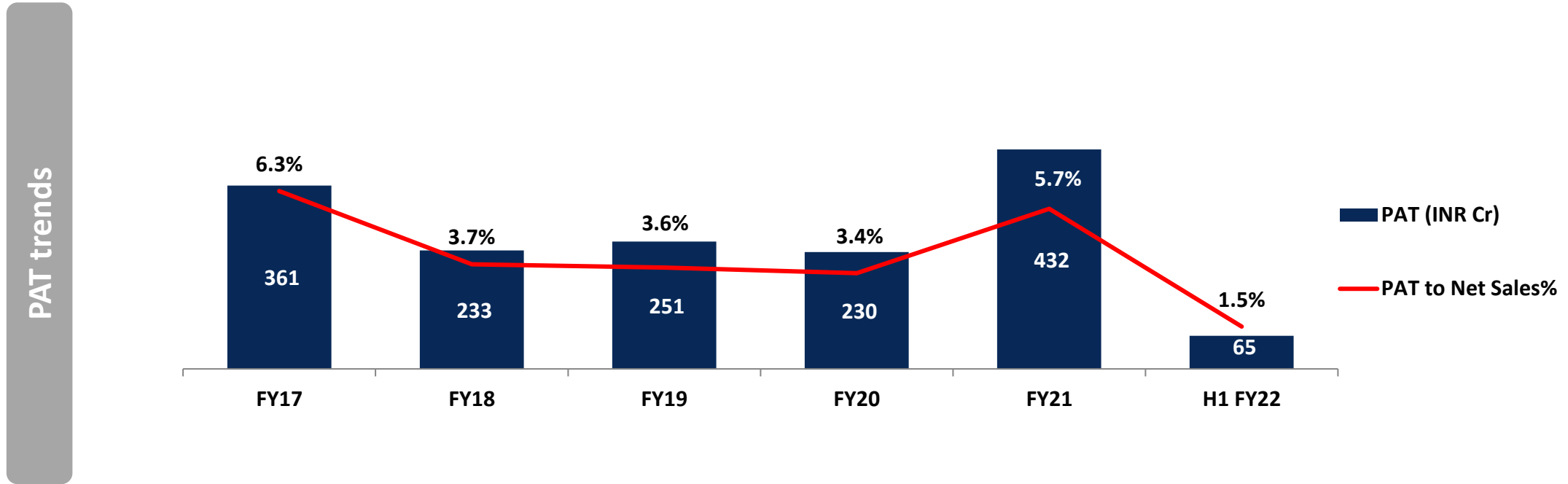
**Note**

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: Q2 and H1 FY22 Financials

All figures in INR Cr

Parameter	Q2 FY21	Q1 FY22	Q2 FY22	QoQ	YoY	H1 FY21	H1 FY22	YoY
<b>Net Revenue from operations</b>	<b>1,978.5</b>	<b>1,906.4</b>	<b>2,451.8</b>	<b>29%</b>	<b>24%</b>	<b>3,098.6</b>	<b>4,358.2</b>	<b>41%</b>
Raw Material	1,059.2	1,164.3	1,547.0	33%	46%	1,728.4	2,711.3	57%
<b>Gross margin</b>	<b>919.3</b>	<b>742.1</b>	<b>904.8</b>	<b>22%</b>	<b>-2%</b>	<b>1,370.2</b>	<b>1,646.9</b>	<b>20%</b>
<b>Gross margin %</b>	<b>46.5%</b>	<b>38.9%</b>	<b>36.9%</b>	<b>(203) bps</b>	<b>(956) bps</b>	<b>44.2%</b>	<b>37.8%</b>	<b>(643) bps</b>
Employee Cost	161.0	177.9	171.9	-3%	7%	312.2	349.8	12%
Other Expenses	465.9	398.1	512.6	29%	10%	663.5	909.7	37%
<b>EBITDA</b>	<b>305.8</b>	<b>173.2</b>	<b>225.5</b>	<b>30%</b>	<b>-26%</b>	<b>411.3</b>	<b>399.6</b>	<b>-3%</b>
<b>EBITDA %</b>	<b>15.5%</b>	<b>9.1%</b>	<b>9.2%</b>	<b>11 bps</b>	<b>(626) bps</b>	<b>13.3%</b>	<b>9.2%</b>	<b>(410) bps</b>
Finance Cost	45.0	46.0	49.6	8%	10%	93.7	95.6	2%
Depreciation	83.9	96.5	120.6	25%	44%	162.5	217.1	34%
<b>Operating PBT</b>	<b>176.9</b>	<b>30.7</b>	<b>55.3</b>	<b>80%</b>	<b>-69%</b>	<b>155.1</b>	<b>87.0</b>	<b>-44%</b>
Exceptional expense	-	-	0.5	NA	NA	21.8	0.5	-98%
Non-Operating income	3.8	3.9	2.8	-29%	-27%	6.6	5.7	-14%
<b>PBT</b>	<b>180.7</b>	<b>34.6</b>	<b>57.6</b>	<b>66%</b>	<b>-68%</b>	<b>139.9</b>	<b>92.1</b>	<b>-34%</b>
<b>PAT</b>	<b>182.2</b>	<b>23.1</b>	<b>42.3</b>	<b>83%</b>	<b>-77%</b>	<b>146.9</b>	<b>65.3</b>	<b>-56%</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

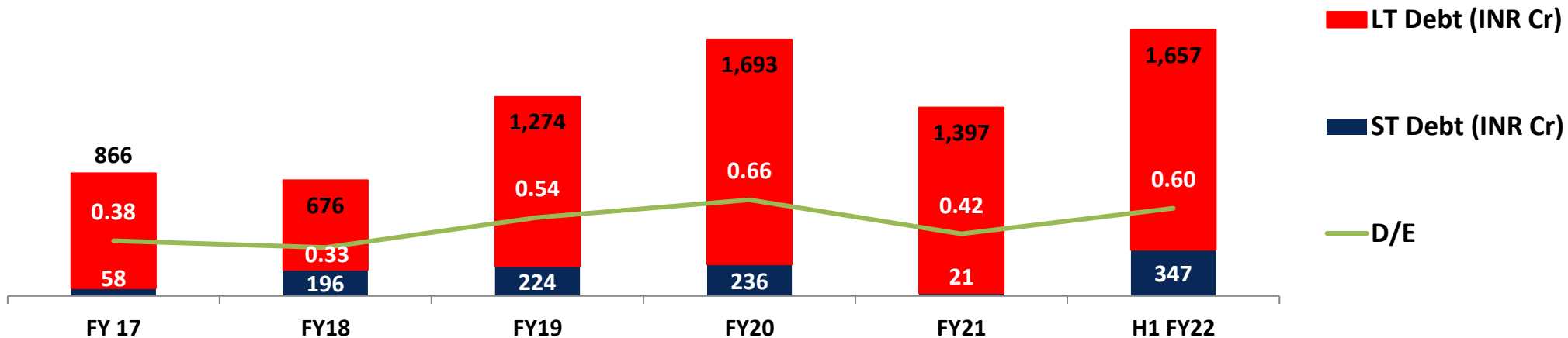
1,498

1,929

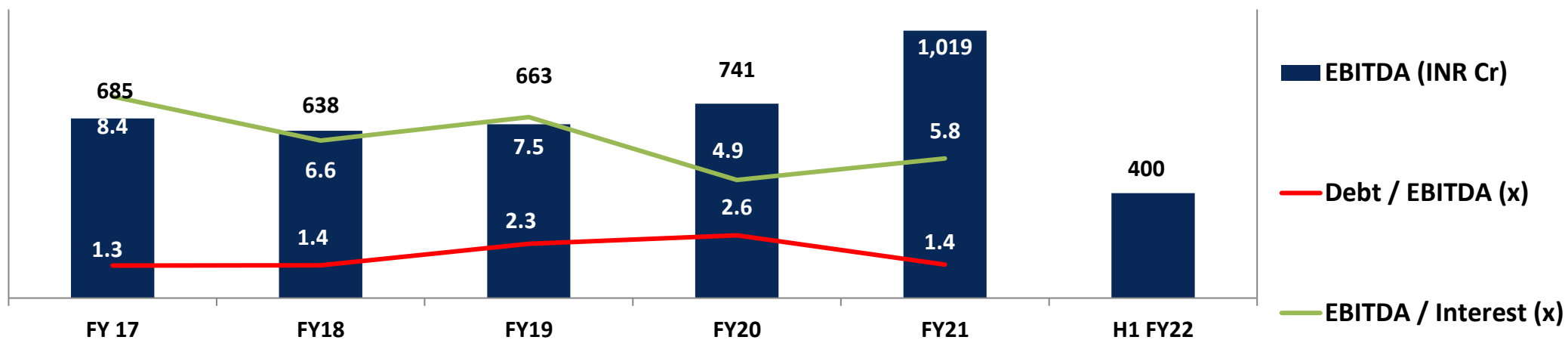
1,418

2,004

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: Q2 and H1 FY22 Financials

All figures in INR Cr

Parameter	Q2 FY21	Q1 FY22	Q2 FY22	QoQ	YoY	H1 FY21	H1 FY22	YoY
<b>Net Revenue from operations</b>	<b>1,965.1</b>	<b>1,897.8</b>	<b>2,432.3</b>	<b>28%</b>	<b>24%</b>	<b>3,081.3</b>	<b>4,330.1</b>	<b>41%</b>
Raw Material	1,049.3	1,163.8	1,535.9	32%	46%	1,718.9	2,699.7	57%
<b>Gross margin</b>	<b>915.9</b>	<b>733.9</b>	<b>896.5</b>	<b>22%</b>	<b>-2%</b>	<b>1,362.4</b>	<b>1,630.4</b>	<b>20%</b>
<b>Gross margin %</b>	<b>46.6%</b>	<b>38.7%</b>	<b>36.9%</b>	<b>(182) bps</b>	<b>(975) bps</b>	<b>44.2%</b>	<b>37.7%</b>	<b>(656) bps</b>
Employee Cost	158.9	175.3	170.0	-3%	7%	308.1	345.2	12%
Other Expenses	466.5	393.2	510.2	30%	9%	661.7	902.4	36%
<b>EBITDA</b>	<b>290.5</b>	<b>165.5</b>	<b>216.3</b>	<b>31%</b>	<b>-26%</b>	<b>392.6</b>	<b>382.8</b>	<b>-3%</b>
<b>EBITDA %</b>	<b>14.8%</b>	<b>8.7%</b>	<b>8.9%</b>	<b>17 bps</b>	<b>(589) bps</b>	<b>12.7%</b>	<b>8.8%</b>	<b>(390) bps</b>
Finance Cost	44.4	45.3	48.7	8%	10%	92.7	94.0	1%
Depreciation	83.9	96.5	120.6	25%	44%	162.4	217.1	34%
<b>Operating PBT</b>	<b>162.2</b>	<b>23.8</b>	<b>47.0</b>	<b>97%</b>	<b>-71%</b>	<b>137.5</b>	<b>71.8</b>	<b>-48%</b>
Exceptional expense	-	-	0.5	NA	NA	21.8	0.5	-98%
Non-Operating income	4.2	3.9	2.6	-32%	-38%	18.7	5.5	-71%
<b>PBT</b>	<b>166.4</b>	<b>27.7</b>	<b>49.1</b>	<b>77%</b>	<b>-71%</b>	<b>134.5</b>	<b>76.7</b>	<b>-43%</b>
<b>PAT</b>	<b>170.2</b>	<b>20.0</b>	<b>36.0</b>	<b>80%</b>	<b>-79%</b>	<b>144.3</b>	<b>55.9</b>	<b>-61%</b>

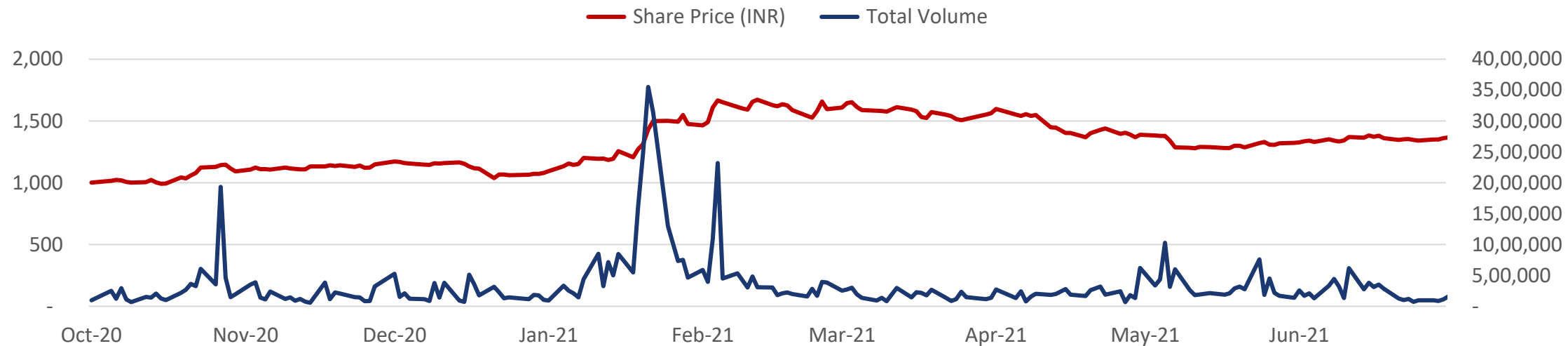
## Notes

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

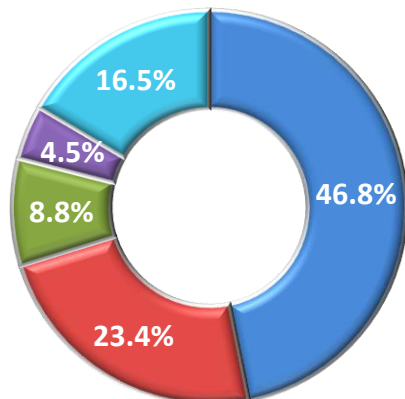
# Equity Shareholding & Price trends



Source : Stock Exchange. The above data is updated till 30<sup>th</sup> September 2021

## Shareholding Pattern as on 30<sup>th</sup> September, 2021

- Promoters
- FII/FPI
- Mutual Funds
- Ins., Fin. Inst. & Other Corp.
- Public/Others



## Market Information

- Market Price (25<sup>th</sup> October, 2021): INR 1,293.40/share
- Face Value : INR 10/share
- Market Cap (25<sup>th</sup> October, 2021): INR 5,232 Cr

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

# Sustainability Goals

## Manufacturing

- ✓ Plant electricity through rooftop / captive solar plants
- ✓ Using briquette as fuel

## Materials

- ✓ Greener raw materials; recycled crumb rubber
- ✓ ESG compliant vendors

**Reduce Carbon Footprint by 50%  
by 2030**

## Transportation

- ✓ Network optimization
- ✓ Alternate Mode of Transport

## End of Life

- ✓ High recycling and recovery rates

## Product Use

- ✓ Light weight tyres
- ✓ Low rolling resistance
- ✓ Increased retreadability

# Commitment to Environment

- Nasik, Bhandup and Nagpur plant are certified for energy management system
- Rooftop solar commissioned at Nagpur and Ambernath factories. Installation completed at Halol and Chennai. 26% of plant power requirement through rooftop solar till date
- Tied-up with TATA Power to set-up a solar plant in Maharashtra for our Bhandup plant
- Engaged with Cleanwin Energy Five to supply power generated through wind-mill
- Halol, Nasik, Nagpur, Chennai and Ambernath Plants are zero liquid discharge plants
- Green Building Platinum Certification for Nagpur and Chennai plants while Gold for Halol from Indian Green Building Council



# Commitment to Diversity and Inclusion

- Flexible and inclusive HR policies like employee referral incentive for gender and geography diversity hirings
- Gender diversity in new hirings at 29.5%
- Internship program launched for “Women Returning to Work” and “Specially abled candidates”
- 1st batch of 7 transgender associates joined CEAT
- Medical policies changed to include LGBTQ+



**WELCOME ABOARD!**  
Join us in celebrating a milestone Diversity & Inclusion moment as we welcome our first batch of **TRANSGENDER ASSOCIATES**

*"Diversity is having a seat at the table. Inclusion is having a voice and having that voice be heard."*  
KADIA TUBMAN

<b>AYAAN DATTA</b> (he / him / his) Admin Associate	<b>JOYAL AHIRWAR</b> (he / him / his) HR Associate
<b>RAUSIK RAJ UPADHYAY</b> (he / him / his) PPC Associate	<b>REVANSH CHAITOLE</b> (he / him / his) Admin Associate
<b>REJOY</b> (he / him / his) HR Associate	<b>SHAURYA</b> (he / him / his) Admin associate
	<b>SHILPA DHIMAN</b> (she / her / hers) Admin Associate

**WE ARE PROUD TO HAVE YOU ON BOARD!**

# Commitment to Society

- Education:
  - Functional English training for school children
  - Teachers empowered to create right learning environment for students
  - Magic classroom on national television (DD)
  - ‘A story a day’ initiative which involved sharing stories for students
- Community
  - Covid fever clinics set-up in Maharashtra in partnership with National Health Mission
  - Dry ration kits donated to flood affected households in Maharashtra
- Employability
  - Over 1,500 candidates trained in the domain of healthcare, commercial driving & logistics, digital, construction, enterprise development, etc.





**T H A N K Y O U**