



**Q2 FY24-25 Consolidated Revenue Rs. 3,304.5 crore**  
**Growth of 3.5% Q-o-Q; 8.2% Y-o-Y**  
**Consolidated EBITDA Rs. 367.9 crore, Operating margin 11.1%**

**Mumbai, India – 17th October, 2024:**

**CEAT Limited (CIN No: L25100MH1958PLC011041)**, an RPG Group company, announced its unaudited results for the second quarter ending on 30<sup>th</sup> September 2024.

On a consolidated basis, the Company's revenue closed at Rs. **3,304.5** crore, EBITDA margin stood at **11.1%**, a contraction of **102** bps vs Q1 FY24-25. Net profit stood at Rs. **121.5** crore.

**Commenting on the results as well as the outlook of the business, Mr. Arnab Banerjee, MD & CEO, CEAT Limited said,** *"We are pleased to see that we have successfully carried the momentum from Q1 through Q2. This quarter marks our highest revenue ever, driven largely by robust performances in our Replacement and International sectors. While there's a significant increase in the commodity prices, our margins got impacted during the quarter. We took selective price increases during the quarter that offset part of the cost impact. The revenue outlook remains positive as we enter Q3."*

On a standalone basis, the Company's revenue stood at Rs. **3,298.1** crore and EBITDA margin stood at **11.1%**, a contraction of **93** bps vs Q1 FY24-25. Net profit stood at Rs. **136.5** crore.

**Mr. Kumar Subbiah, CFO of CEAT Limited, said,** *"Our standalone revenue of Rs 3,298 crores during the quarter was the highest that we have achieved so far, supported by double digit growth in Replacement & International businesses. We partially mitigated the impact of steep increase in the prices of natural rubber through judicious price increases and cost efficiencies. This quarter also saw our overall debt level rise by Rs 280 crore, driven in part by increased raw material inventory, necessitated due to increase in transit period on imports and the distribution of dividend in Sept to the tune of Rs 120 crore."*

**About CEAT Ltd ([www.ceat.com](http://www.ceat.com)):**

CEAT, the flagship company of RPG Enterprises, was established in 1958. Today, CEAT is one of India's leading tyre manufacturers and has a strong presence in global markets. CEAT produces more than 41 million high-performance tyres, catering to various segments like 2-3 Wheelers, Passenger and Utility Vehicles, Commercial Vehicles and Off-Highway Vehicles.

**About RPG Group ([www.rpggroup.com](http://www.rpggroup.com)):**

RPG Group, established in 1979, is one of India's fastest-growing business groups with a turnover of US\$ 4.4 Billion. The group has diverse business interests in the areas of Infrastructure, Tyres, Pharma, IT and Specialty as well as in emerging innovation-led technology businesses.

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An  **RPG** Company



Q2 FY25 | Investor Presentation | 17<sup>th</sup> October 2024

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# RPG Group and CEAT Overview

# RPG Group: Powered by Passion, Driven by Ethics

UNLEASHTALENT  
TOUCLIVES  
OUTPERFORM  
AND😊

RPG Enterprises was founded in 1979. The group currently operates various businesses in Infrastructure, Technology, Life Sciences, Plantations and Tyre industries . The group has business history dating back to 1820 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 110+ countries and annual gross revenues of ~USD 4.4 Bn



EPC major in infrastructure segments like T&D, Railways, Civil, Oil & Gas



One of India's leading tyre manufacturers



Global technology consulting and IT services company



Integrated pharma company in formulations and synthetic APIs



Technology solutions company catering to energy and infrastructure



One of India's largest plantation companies producing tea, rubber, etc.

# Overview



**1<sup>st</sup> Deming Grand in the Tyre industry**



**59k+**  
Touchpoints



**9,500+**  
Permanent employees



**Rs. 11,943 cr**  
Revenue (FY24)



**14.0%**  
EBITDA (FY24)



**0.4x**  
debt to equity



**AA**  
credit rating  
(outlook +ve)



**50+**  
OEM relationships

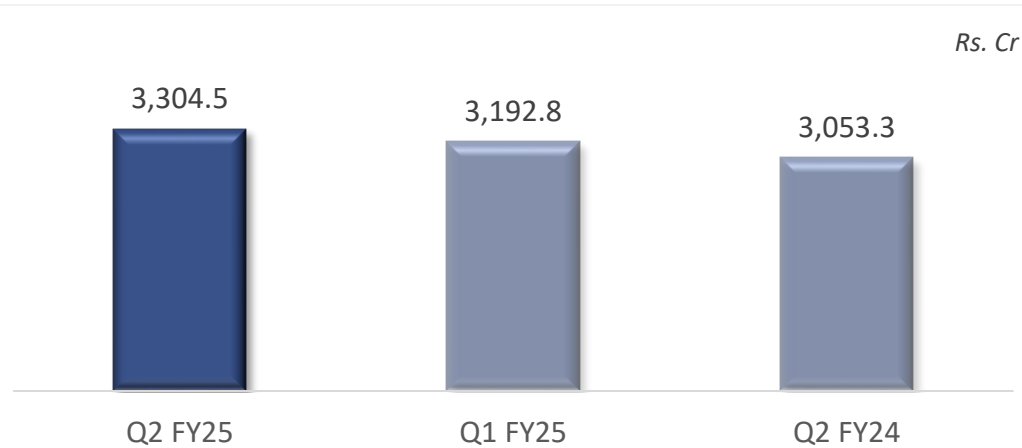


**178+**  
Patent filings

# Q2 FY25 Performance

# Consolidated Financial Performance (1/2)

Revenue Rs. 3,304.5 Cr, 3.5% QoQ, +8.2% YoY



- Healthy YoY volume growth in replacement and International business segments
- International Business continue to recover well and continue to grow YoY basis with a slightly degrowth on QoQ basis
- Healthy QoQ volume growth in OEM driven by strong demand for festive inventory
- Realizations improved both on QoQ and YoY basis led by replacement and OEM segment

## Diversified Product Mix <sup>1</sup>

Truck & Bus



30% (31%)

PC/UV



20% (20%)

LCV/Others



7% (7%)

2/3W



28% (27%)

Off Highway



15% (15%)

## Balanced Market Mix <sup>1</sup>

Replacement



55% (53%)

OEM



26% (28%)

Exports

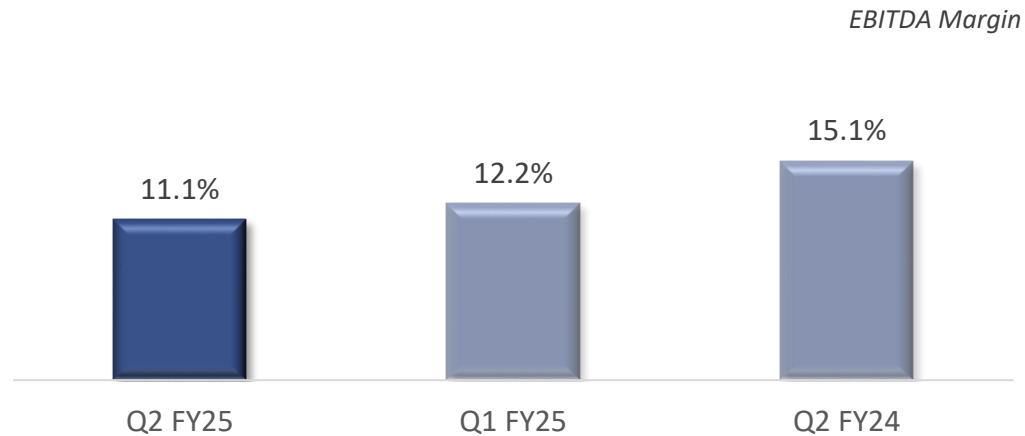


19% (19%)



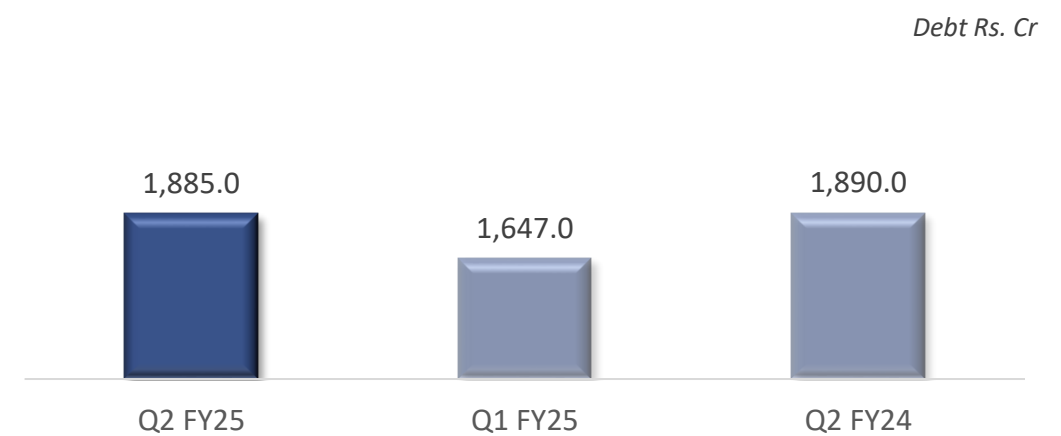
# Consolidated Financial Performance (2/2)

**EBITDA margin 11.1%, -102 bps QoQ, -399 bps YoY**



- RM basket increased compared to Q1FY25, resulting in gross margin contraction by a 182 bps QoQ basis
- EBITDA margins were impacted by higher employee cost due to annual increments
- YoY margin contracted due to increase in the RM basket

**Debt Rs. 1,885 Cr, D/E 0.45x, Debt/EBITDA 1.19x**



- Capex for the quarter was Rs. ~ 208 Cr
- Debt increased by Rs. 238 Cr due to higher working capital requirement as against Q1FY25 and payment of dividend
- Leverage ratios remained stable on QoQ and improved on YoY basis

# Operational Highlights

Inauguration of Truck Bus Radial (TBR) production line at CEAT's Chennai plant



TATA Motors recognizing CEAT for Value Delivery Excellence



CEAT has been recognized for its exceptional Supply Chain Operations and Practices in the ISCM 2024 forum



# Consolidated: Summary P&L

All figures in Rs. Cr

Parameter	Q2 FY25	Q1 FY25	Q2 FY24	QoQ	YoY
<b>Revenue from operations</b>	<b>3,304.5</b>	<b>3,192.8</b>	<b>3,053.3</b>	<b>3.5%</b>	<b>8.2%</b>
COGS	2,068.3	1,940.1	1,729.8	6.6%	19.6%
<b>Gross margin</b>	<b>1,236.3</b>	<b>1,252.7</b>	<b>1,323.6</b>	<b>-1.3%</b>	<b>-6.6%</b>
<b>Gross margin %</b>	<b>37.4%</b>	<b>39.2%</b>	<b>43.3%</b>	<b>(182) bps</b>	<b>(594) bps</b>
Employee Cost	219.0	195.6	217.7	11.9%	0.6%
Other Expenses	655.0	674.2	649.8	-2.9%	0.8%
<b>EBITDA</b>	<b>367.9</b>	<b>388.2</b>	<b>461.8</b>	<b>-5.2%</b>	<b>-20.3%</b>
<b>EBITDA %</b>	<b>11.1%</b>	<b>12.2%</b>	<b>15.1%</b>	<b>(102) bps</b>	<b>(399) bps</b>
Finance Cost	66.5	61.9	71.7	7.4%	-7.3%
Depreciation	137.1	131.8	124.5	4.1%	10.1%
<b>Operating PBT</b>	<b>164.3</b>	<b>194.6</b>	<b>265.5</b>	<b>-15.5%</b>	<b>-38.1%</b>
Exceptional expense	0.0	-7.5	0.0	NM	NA
Non-Operating income	3.5	6.2	10.5	-43.9%	-67.0%
<b>PBT</b>	<b>167.8</b>	<b>208.2</b>	<b>276.0</b>	<b>-19.4%</b>	<b>-39.2%</b>
<b>PAT</b>	<b>121.5</b>	<b>154.2</b>	<b>207.7</b>	<b>-21.2%</b>	<b>-41.5%</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 Share of profit from Sri Lanka JV

EBITDA does not include Non-operating income

# Standalone: Summary P&L

All figures in Rs. Cr

Parameter	Q2 FY25	Q1 FY25	Q2 FY24	QoQ	YoY
<b>Revenue from operations</b>	<b>3,298.1</b>	<b>3,168.2</b>	<b>3,043.2</b>	<b>4.1%</b>	<b>8.4%</b>
COGS	2,062.8	1,920.2	1,724.8	7.4%	19.6%
<b>Gross margin</b>	<b>1,235.4</b>	<b>1,248.0</b>	<b>1,318.4</b>	<b>-1.0%</b>	<b>-6.3%</b>
<b>Gross margin %</b>	<b>37.5%</b>	<b>39.4%</b>	<b>43.3%</b>	<b>(194) bps</b>	<b>(587) bps</b>
Employee Cost	217.4	193.4	215.5	12.4%	0.9%
Other Expenses	651.6	673.1	645.6	-3.2%	0.9%
<b>EBITDA</b>	<b>366.4</b>	<b>381.5</b>	<b>457.4</b>	<b>-4.0%</b>	<b>-19.9%</b>
<b>EBITDA %</b>	<b>11.1%</b>	<b>12.0%</b>	<b>15.0%</b>	<b>(93) bps</b>	<b>(392) bps</b>
Finance Cost	66.5	61.3	71.0	8.4%	-6.4%
Depreciation	137.0	131.7	124.5	4.1%	10.1%
<b>Operating PBT</b>	<b>163.0</b>	<b>188.6</b>	<b>261.9</b>	<b>-13.6%</b>	<b>-37.8%</b>
Exceptional expense	0.0	-7.5	0.0	NM	NA
Non-Operating income	19.7	6.0	3.7	NM	NM
<b>PBT</b>	<b>182.7</b>	<b>202.1</b>	<b>265.6</b>	<b>-9.6%</b>	<b>-31.2%</b>
<b>PAT</b>	<b>136.5</b>	<b>149.2</b>	<b>199.1</b>	<b>-8.5%</b>	<b>-31.5%</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

# ESG Highlights

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CEAT has committed to set company-wide emission reductions in line with science-based Net-Zero with the SBTi.



~3% reduction in overall tCO2e per MT of production <sup>1</sup>



~37% plant power through renewable sources <sup>2</sup>



Zero liquid discharge in 5 out of 6 factory



~26% natural rubber sourced via alternate transport to lower footprint <sup>4</sup>



Upto 5% reduction in rolling resistance in select SKUs <sup>3</sup>

## Key Social Initiatives



Prepared and distributed 28.5k+ seed balls for tree plantation <sup>2</sup>



10.5k+ availed services via fever clinic



4.7k+ Clean cook stoves to the underprivileged families in Raigad will be benefitting 23K+ families



Completed library renovation at Kasar Shirambe, Satara district and handed over to the villagers



300+ women candidates are undergrowing General Duty Assistant training

1. YoY Scope 1, 2 and select scope 3 reduction for Q2 FY25.  
2. As on end of Q2FY25

3. YoY increase for Q2 FY25, due to plant expansion  
4. As on end of Q2 FY25

THANK YOU