

July 18, 2024

**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: CL25, CL26**  
**CP Listed ISIN:** INE482A14CK0, INE482A14CL8,  
INE482A14CN4, INE482A14CM6, INE482A14CO2,  
INE482A14CQ7, INE482A14CP9

Dear Sirs/Madam,

**Sub: Outcome of the Board Meeting held on July 18, 2024**

Pursuant to the provisions of Regulations 30, 51 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and such other rules and regulations, if and as may be applicable, this is to inform you that the Board of Directors ('Board') of the Company at its meeting held today, which commenced at 3.00 PM (IST) and concluded at 6.08 PM (IST), *inter-alia*, unanimously approved/consented to/took on record, the following:

**A. Unaudited Financial Results**

Unaudited Financial Results (Standalone and Consolidated) of the Company, for the quarter ended June 30, 2024, which are enclosed herewith, together with the respective Limited Review Report(s) issued by the Statutory Auditors of the Company. Further, pursuant to Regulation 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Security Cover Certificate as on June 30, 2024, certified by the Statutory Auditors of the Company is also enclosed herewith.

**B. Reconstitution of Board Committees effective from September 26, 2024:**

The Board reconstituted its committees as under, effective from aforesaid date:

**i. Audit Committee**

Mr. Milind Sarwate – Chairman  
Ms. Sukanya Kripalu - Member  
Mr. Paras Chowdhary – Member

**ii. Risk Management Committee**

Ms. Daisy Chittilapilly – Chairperson  
Mr. Milind Sarwate - Member  
Mr. Anant Goenka – Member

**iii. Nomination and Remuneration Committee**

Ms. Sukanya Kripalu – Chairperson  
Mr. Paras Chowdhary – Member  
Ms. Daisy Chittilapilly - Member

**iv. Stakeholders' Relationship Committee**

Mr. Anant Goenka – Chairman  
Mr. Praveen Pardeshi – Member  
Mr. Arnab Banerjee - Member



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@ www.ceat.com  
CIN: L25100MH1958PLC011041

**v. Sustainability and CSR  
Committee**

Mr. Anant Goenka – Chairman  
Mr. Milind Sarwate – Member  
Mr. Praveen Pardeshi – Member

It is requested to take note of the same.

Thanking you,

Yours faithfully,  
For **CEAT Limited**

**(Gaurav Tongia)**  
Company Secretary

Encl.

1. As above
2. Press Release and Investors Presentation



**Q1 FY24-25 Consolidated Revenue Rs. 3,192.8 crore**

**Growth of 6.7% Q-o-Q; 8.8% Y-o-Y**

**Consolidated EBITDA Rs. 388.2 crore, Operating margin 12.2%**

**Mumbai, India – 18<sup>th</sup> July 2024:**

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

On a consolidated basis, the Company's revenue closed at Rs. 3,192.8 crore, EBITDA margin stood at 12.2%, a contraction of 124 bps vs Q4 FY23-24. Net profit stood at Rs. 154.2 crore.

**Commenting on the results as well as the outlook of the business, Mr. Arnab Banerjee, MD & CEO, CEAT Limited said,** *"We are encouraged by the strong growth we've had in the replacement and export segments across all categories during the quarter. Despite facing margin pressure from significant increases in raw material costs and ocean freight, we are actively mitigating these challenges through strategic price adjustments. Our strategic focus on premiumizing passenger car tyres has begun to yield positive results. Looking ahead, we anticipate continued momentum in volume throughout Q2 and beyond. Additionally, we are front-loading our CAPEX this year to ensure we are well-prepared to meet rising demand."*

On a standalone basis, the Company's revenue stood at Rs. 3,168.2 crore and EBITDA margin stood at 12.0%, a contraction of 121 bps vs Q4 FY23-24. Net profit stood at Rs. 149.2 crore.

**Mr. Kumar Subbiah, CFO of CEAT Limited, said,** *"We witnessed a good growth of ~8.8% in the topline consolidated Y-O-Y basis, largely driven by volumes. The operations margin declined during the quarter, primarily due to an increase in commodity costs and higher marketing spends, while we maintained strong controls over operating and manpower costs, ensuring efficient resource utilization and sustained financial health. We incurred a CAPEX of Rs.254 Crores during the quarter, in line with our plan, largely from internal accruals."*

**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



Q1 FY25 | Investor Presentation | 18<sup>th</sup> July 2024



# Disclaimer

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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# 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.

# CEAT Overview

**55,000+** touchpoints

**Highest**

brand **connect** with “grip”  
and “safety”



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

**171+**

Patent filings

**Rs. 11,943 cr**

Revenue (FY24)

**14.0%**

EBITDA (FY24)



**50+**  
OEM relationships

**9,500+**

Permanent employees

**0.4x**

debt to equity

**AA**

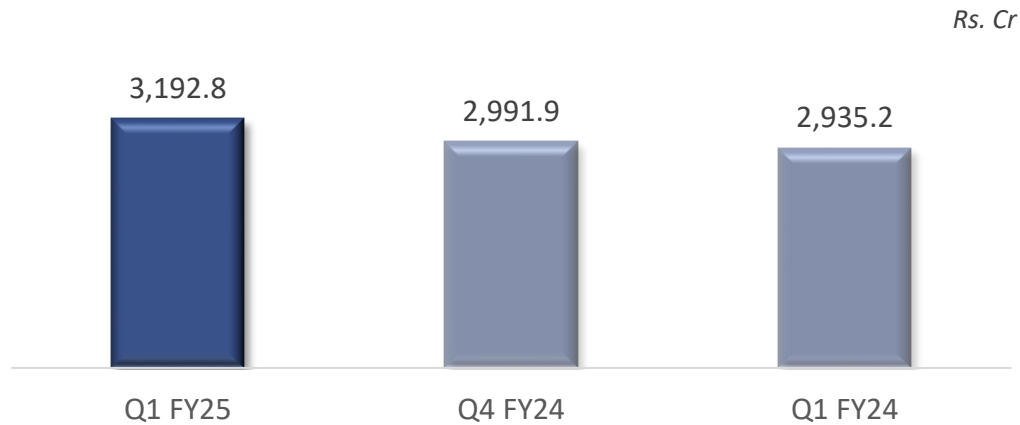
credit rating



# Q1 FY25 Performance

# Consolidated Financial Performance (1/2)

Revenue Rs. 3,192.8 Cr, 6.7% QoQ, +8.8% YoY



- On YoY basis, replacement segment saw healthy volume growth
- Exports continue to recover well and continue to grow both QoQ and YoY basis
- On QoQ basis, volumes in replacement segment experienced healthy increase

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

Truck & Bus



31% (30%)

PC/UV



20% (20%)

LCV/Others



7% (8%)

2/3W



27% (26%)

Off Highway



15% (16%)

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

Replacement



53% (53%)

OEM



28% (29%)

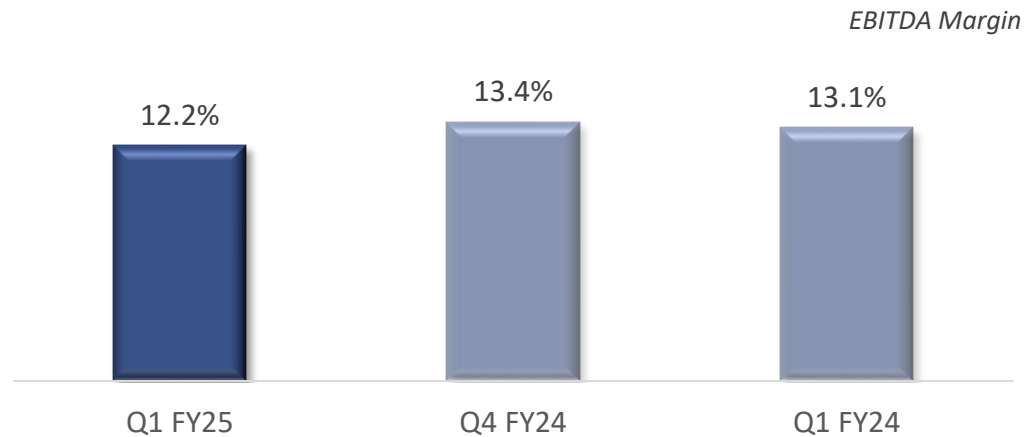
Exports



19% (18%)

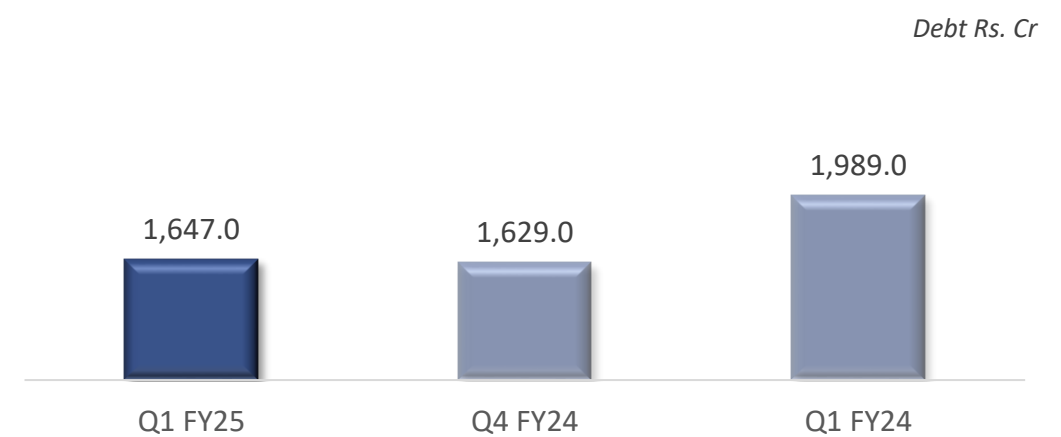
# Consolidated Financial Performance (2/2)

**EBITDA margin 12.2%, -124 bps QoQ, -95 bps YoY**



- RM basket increased compared to Q4FY24, resulting in gross margin contraction by a 306 bps QoQ basis
- EBITDA margins were impacted by higher other expenses led by increase in marketing expense
- YoY margin contracted due to increase in the marketing spends

**Debt Rs. 1,647 Cr, D/E 0.4x, Debt/EBITDA 0.98x**



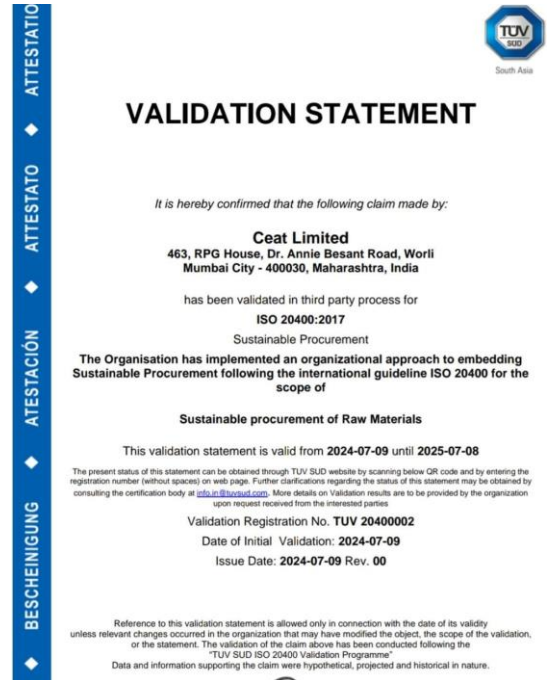
- Capex for the quarter was Rs. ~ 254 Cr
- Debt increased by Rs. 18 Cr due to slightly higher working capital as against Q4FY24
- Leverage ratios remained stable on QoQ and improved on YoY basis

# Operational Highlights

## Awarded 'Reliable Partner' in Quality & Delivery' by Royal Enfield



## ISO 20400 Certification for Sustainable Procurement Practices



## Reinforce Mileage Supremacy through MILAZE X5 1 lakh kms tyre with reinforced sidewall



# Consolidated: Summary P&L

All figures in Rs. Cr

Parameter	Q1 FY25	Q4 FY24	Q1 FY24	QoQ	YoY
<b>Revenue from operations</b>	<b>3,192.8</b>	<b>2,991.9</b>	<b>2,935.2</b>	<b>6.7%</b>	<b>8.8%</b>
COGS	1,940.1	1,726.5	1,729.6	12.4%	12.2%
<b>Gross margin</b>	<b>1,252.7</b>	<b>1,265.3</b>	<b>1,205.6</b>	<b>-1.0%</b>	<b>3.9%</b>
<b>Gross margin %</b>	<b>39.2%</b>	<b>42.3%</b>	<b>41.1%</b>	<b>(306) bps</b>	<b>(184) bps</b>
Employee Cost	195.6	215.3	195.5	-9.1%	0.0%
Other Expenses	674.2	658.5	623.0	2.4%	8.2%
<b>EBITDA</b>	<b>388.2</b>	<b>400.9</b>	<b>384.7</b>	<b>-3.2%</b>	<b>0.9%</b>
<b>EBITDA %</b>	<b>12.2%</b>	<b>13.4%</b>	<b>13.1%</b>	<b>(124) bps</b>	<b>(95) bps</b>
Finance Cost	61.9	61.7	70.1	0.3%	-11.8%
Depreciation	131.8	136.1	120.9	-3.2%	9.0%
<b>Operating PBT</b>	<b>194.6</b>	<b>203.2</b>	<b>193.6</b>	<b>-4.3%</b>	<b>0.5%</b>
Exceptional expense	-7.5	58.2	0.0	NM	NA
Non-Operating income	6.2	3.1	3.3	100.3%	89.2%
<b>PBT</b>	<b>208.2</b>	<b>148.1</b>	<b>196.9</b>	<b>40.6%</b>	<b>5.7%</b>
<b>PAT</b>	<b>154.2</b>	<b>102.3</b>	<b>144.0</b>	<b>50.8%</b>	<b>7.1%</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

# Standalone: Summary P&L

All figures in Rs. Cr

Parameter	Q1 FY25	Q4 FY24	Q1 FY24	QoQ	YoY
<b>Revenue from operations</b>	<b>3,168.2</b>	<b>2,979.2</b>	<b>2,921.2</b>	<b>6.3%</b>	<b>8.5%</b>
COGS	1,920.2	1,719.0	1,721.6	11.7%	11.5%
<b>Gross margin</b>	<b>1,248.0</b>	<b>1,260.2</b>	<b>1,199.6</b>	<b>-1.0%</b>	<b>4.0%</b>
<b>Gross margin %</b>	<b>39.4%</b>	<b>42.3%</b>	<b>41.1%</b>	<b>(291) bps</b>	<b>(167) bps</b>
Employee Cost	193.4	210.9	193.4	-8.3%	0.0%
Other Expenses	673.1	654.5	619.7	2.8%	8.6%
<b>EBITDA</b>	<b>381.5</b>	<b>394.8</b>	<b>386.5</b>	<b>-3.4%</b>	<b>-1.3%</b>
<b>EBITDA %</b>	<b>12.0%</b>	<b>13.3%</b>	<b>13.2%</b>	<b>(121) bps</b>	<b>(119) bps</b>
Finance Cost	61.3	60.6	69.5	1.2%	-11.8%
Depreciation	131.7	135.7	120.9	-3.0%	8.9%
<b>Operating PBT</b>	<b>188.6</b>	<b>198.5</b>	<b>196.1</b>	<b>-5.0%</b>	<b>-3.8%</b>
Exceptional expense	-7.5	42.5	0.0	NM	NA
Non-Operating income	6.0	3.0	16.2	NM	NM
<b>PBT</b>	<b>202.1</b>	<b>159.0</b>	<b>212.2</b>	<b>27.1%</b>	<b>-4.8%</b>
<b>PAT</b>	<b>149.2</b>	<b>119.1</b>	<b>159.4</b>	<b>25.3%</b>	<b>-6.4%</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

# ESG Highlights

## Sustainability Vision: Reduce carbon footprint by 50% by 2030



~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 (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



3.5k+ Clean cook stoves to the underprivileged families in Raigad



Led the library renovation at Kasar Shirambe, Satara district

1. YoY Scope 1, 2 and select scope 3 reduction for Q1 FY25.  
2. As on end of Q1FY25

3. YoY increase for Q1 FY'25, due to plant expansion  
4. As on end of Q1 FY25

THANK YOU