CEAT

November 9, 2016

BSE Limited,
Corporate Service Department,
1st Floor, P.J. Towers,
Dalal Street,
Mumbai 400 001

The National Stock Exchange of India Limited,
Exchange Plaza, 3rd Floor,
Plot No. C/1, "G" Block,
Bandra Kurla Complex,
Bandra East,
Mumbai 400 051

Security Code: 500878

Symbol: CEATLTD

Sub: Disclosure under Regulation 30 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 (6) read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Policy on Determination of Materiality of Events of the Company, please find below the details of the Analyst/ Institutional Investors meet:

Date	Conference Organised By	Location
November 11, 2016	ICICI Securities	Mumbai

Further, we are enclosing herewith the presentation to be made during the aforesaid conference for your reference and record.

Kindly take the same on record and acknowledge receipt.

Thanking you,

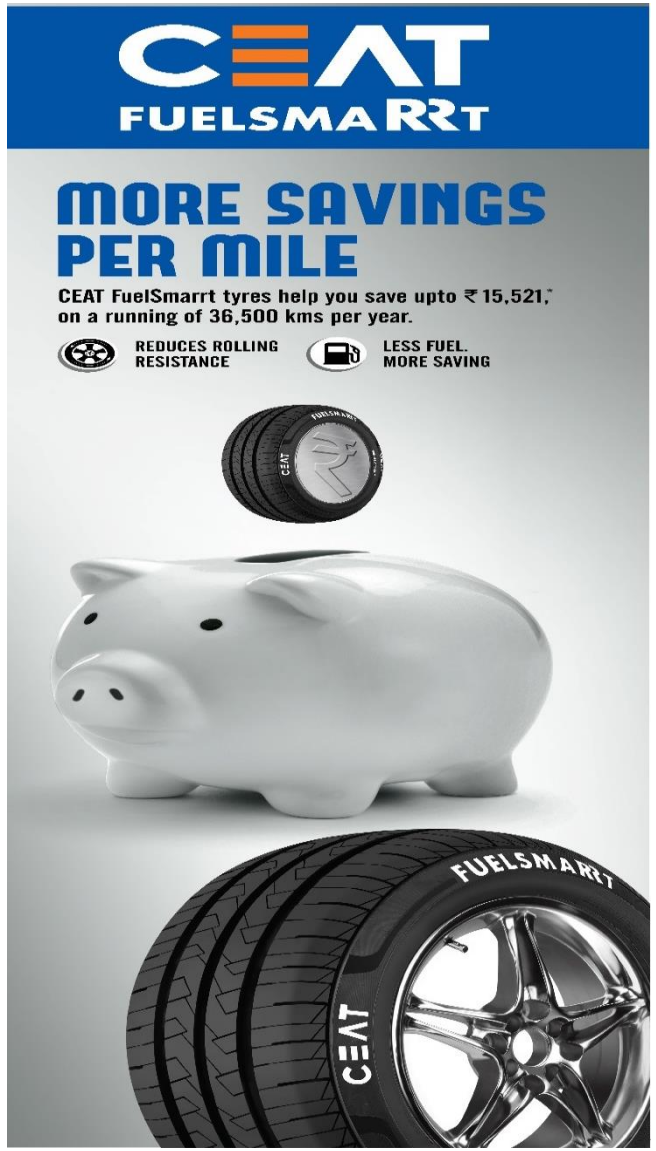
Yours faithfully,

For **CEAT Limited**

Shruti Joshi

Company Secretary

An RPG Group Company



BRITISH SAFETY COUNCIL

Sword of Honour

Q2 FY17 – Investor Presentation

November 7th, 2016

Disclaimer

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Section 1: RPG Group Overview

RPG Group: Powered by Passion, Driven by Ethics

UNLEASH**TALENT**
TOUCH**LIVES**
OUT**PERFORM**
AND☺

RPG Enterprises was founded in 1979 by Shri Rama Prasad Goenka, popularly known as RP Goenka, a pioneering fifth generation business leader from the Goenka family. The Goenkas have a history of business dating back to 1820 AD in banking, textiles, jute and tea. Under RP Goenka's dynamic leadership, 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 ~$3 Bn.

KEC International

World leader in Power Transmission EPC space

CEAT

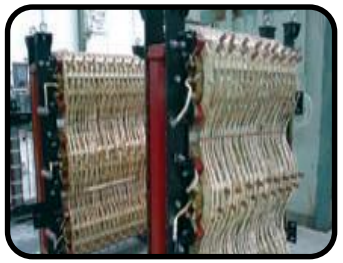
One of India's leading manufacturer of automobile tyres

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.



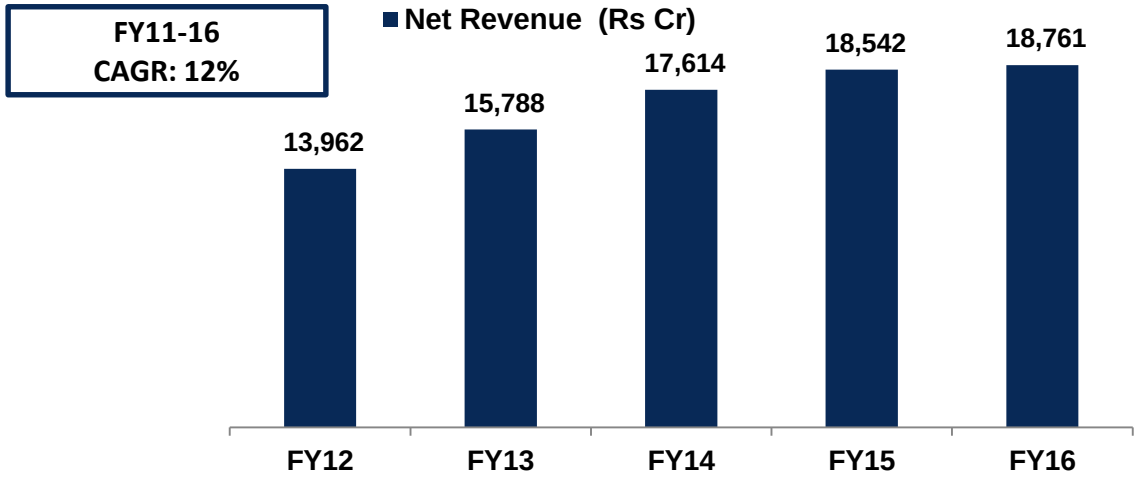
Raychem RPG

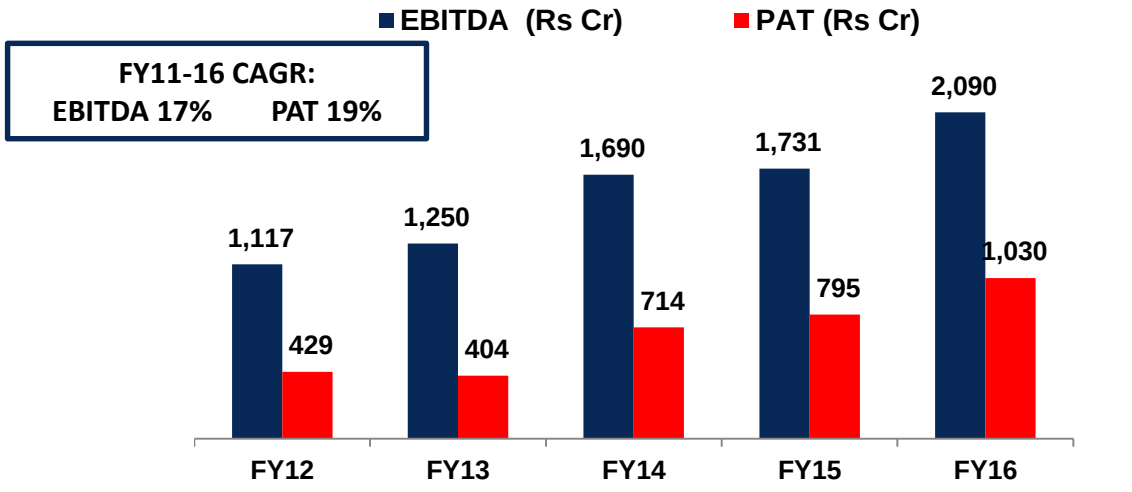
Engineering products and services catering to infrastructure segment of the economy.

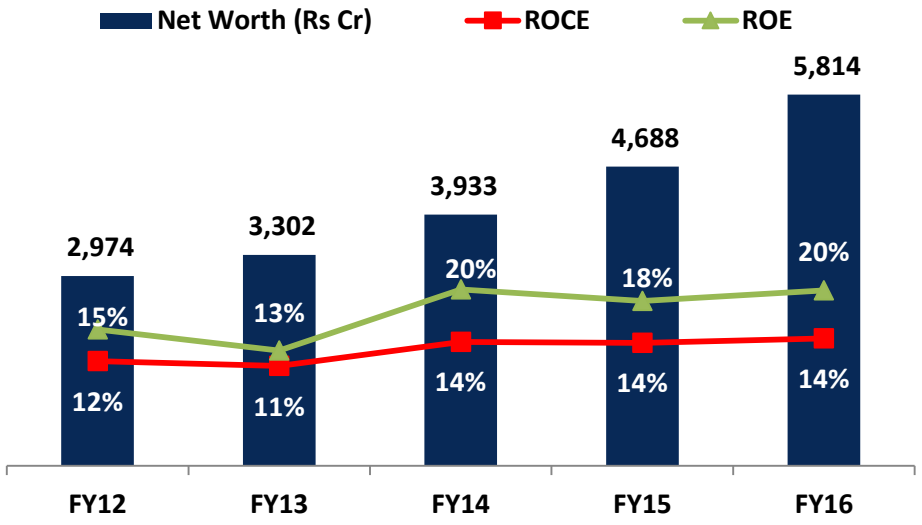
Harrisons Malayalam

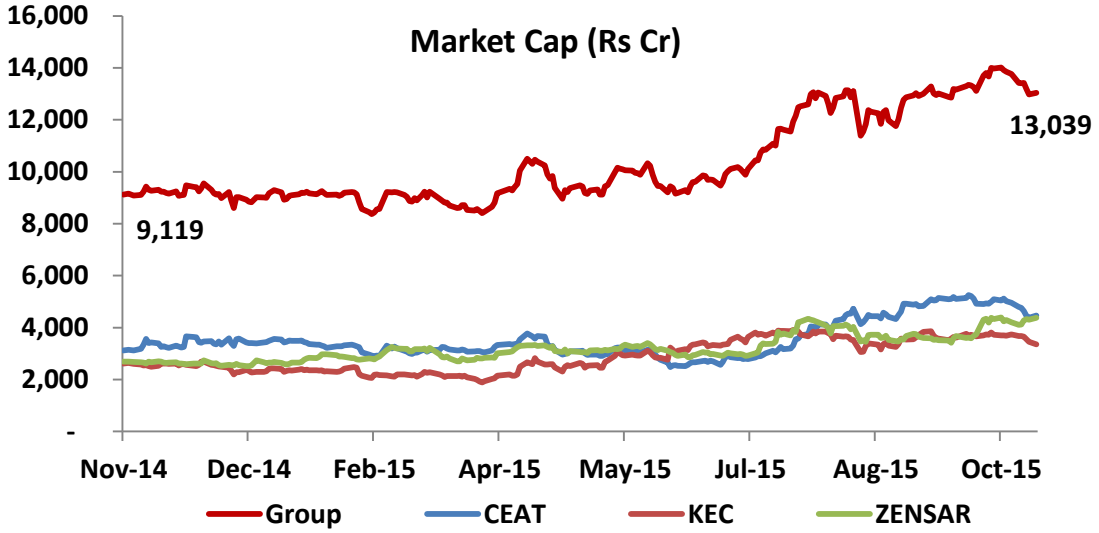
One of India's largest plantation companies with tea, rubber and other agro products.

RPG Group: Key Financials









Note:

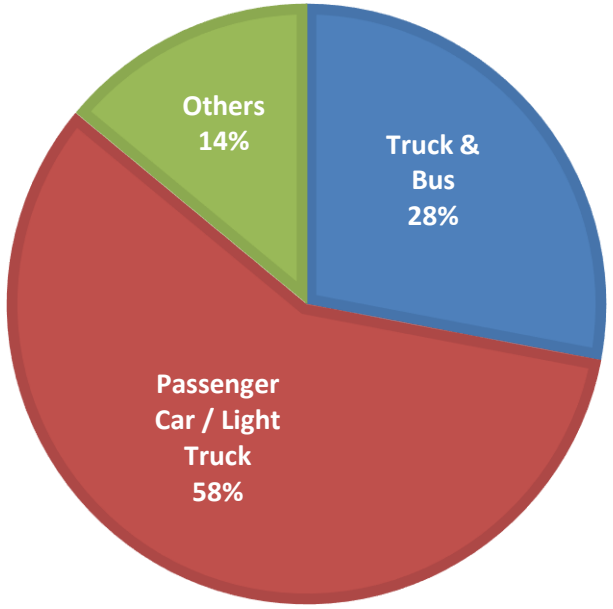
1) ROCE is calculated by taking EBIT multiplied by (1 minus tax rate @ 33%) divided by Average Capital Employed
2) ROE is calculated by taking PAT divided by Average Net-worth
3) Market Cap updated till 4th Nov 2016

Section 2: Industry Overview

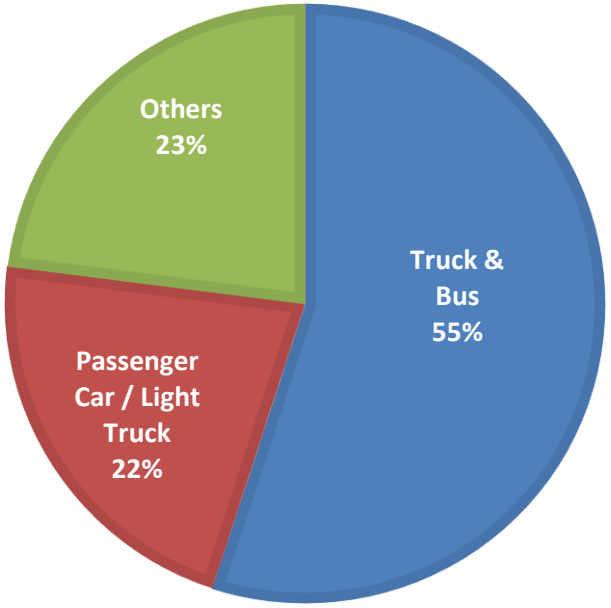
Indian Tyre Industry Overview

- Tyre Industry turnover in India is over Rs 50,000 crore
- Truck & Bus segment accounts for 55% of the industry's revenues
- India exports ~ Rs 10,500 crore worth of Tyres

Global tyre industry revenue segmentation



Indian tyre industry revenue segmentation

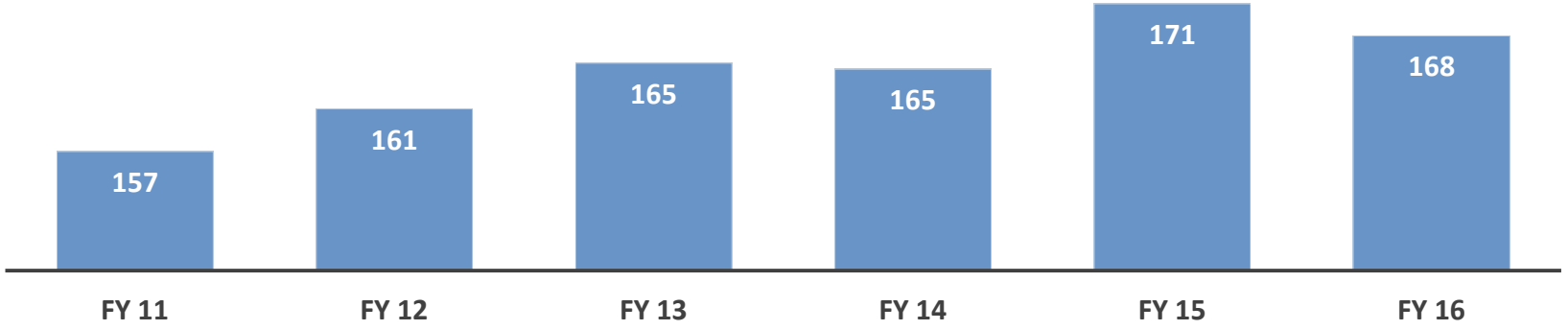


Source: ATMA

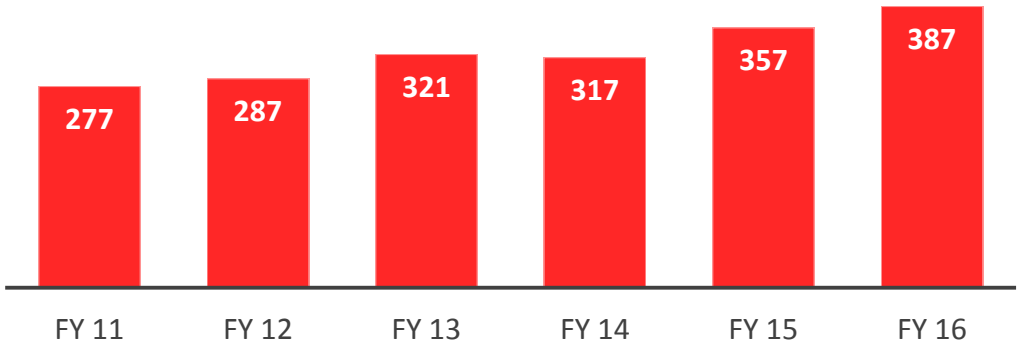
Indian Tyre Industry Overview

Total Tyre Production (Volumes in Lakhs)

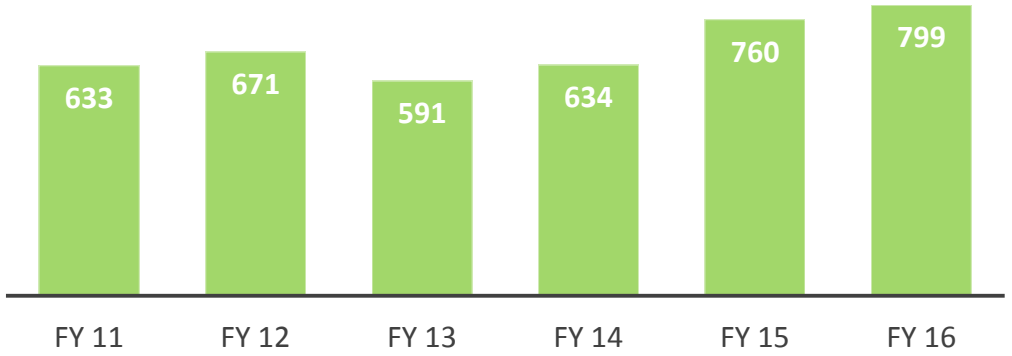
MHCV (T&B)



Passenger Car / Jeep



2 / 3 wheeler



Source: ATMA

Section 3: Business Overview

Board of Directors

Harsh Vardhan Goenka
Chairman, Non Executive Director

Anant Vardhan Goenka
Managing Director

Arnab Banerjee
Whole -Time Director

Atul C. Choksey
Non Executive
Independent Director

Haigreve Khaitan
Non Executive
Independent Director

Hari L. Mundra
Non Executive Non
Independent Director

Kantikumar R. Podar
Non Executive
Independent Director

Mahesh S. Gupta
Non Executive
Independent Director

Paras K. Chowdhary
Non Executive Non
Independent Director

Punita Lal
Non Executive
Independent Director

Ranjit Pandit
Non Executive
Independent Director

S. Doreswamy
Non Executive
Independent Director

Vinay Bansal
Non Executive
Independent Director

Leadership Team

Anant Goenka

Managing Director

Manoj Jaiswal

Chief Financial Officer

Arnab Banerjee

Executive Director - Operations

Tom Thomas

Executive Director - Technology & Products

Dilip Modak

Senior Vice President - Manufacturing

Chandrashekhar Ajgaonkar

Senior Vice President - Quality Based Management

Subbiah Kumar

Senior Vice President - Materials & Outsourcing

Overview

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

Distribution Network : **4,500+** dealers, **400+** exclusive CEAT franchisees

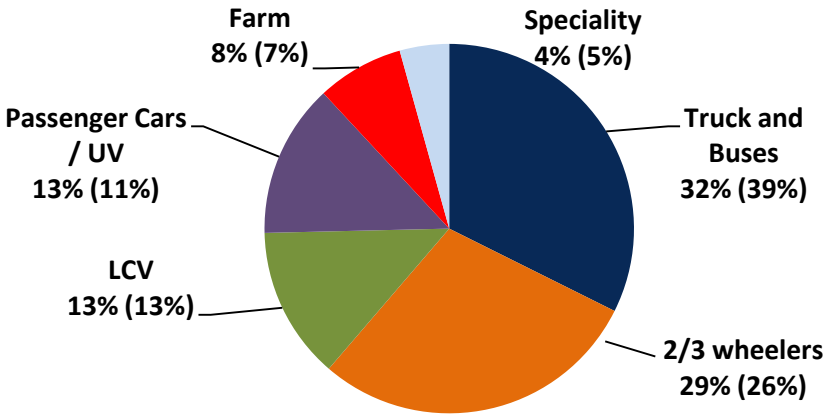
6 Manufacturing facilities - Bhandup, Nasik, Halol, Nagpur, Ambernath* & Sri Lanka

100+ countries where products are sold with strong brand recall

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

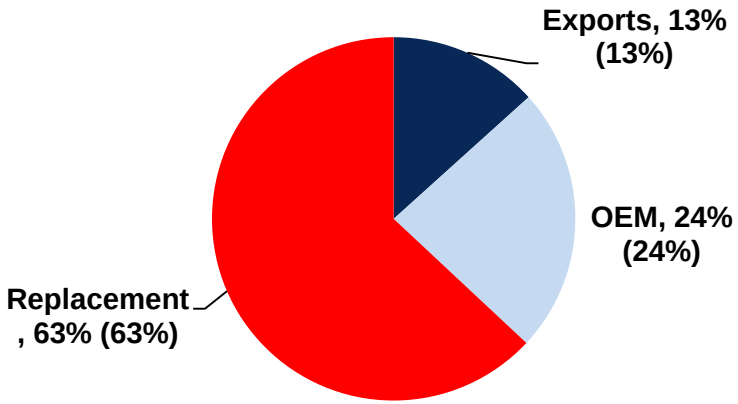
* Under commissioning

H1 FY17 Revenue Breakup by Product



% of Sales Value

H1 FY17 Revenue Breakup by Market

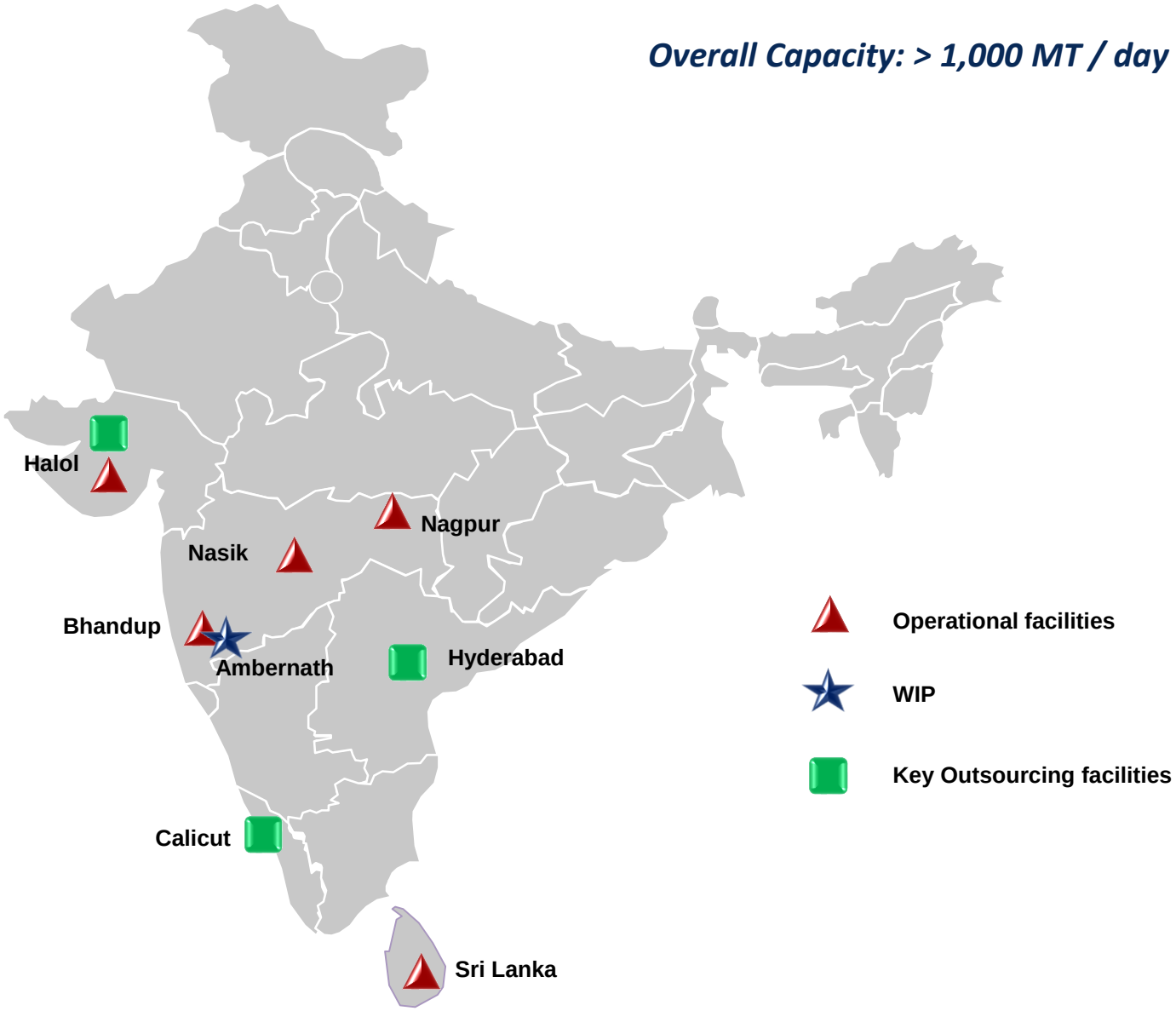


% of Sales Value

Note : Figures in parenthesis denote H1 FY16

Manufacturing Facilities

Overall Capacity: > 1,000 MT / day



Strategy

Profitable growth

Domestic Market

- ✓ Two wheelers
- ✓ Passenger cars & Utility vehicles

International Market

- ✓ Off Highway Tyres
- ✓ Emerging markets

1. Differentiated Products
2. Strong Brand
3. Extensive Distribution
4. Deep OEM Partnerships
5. World Class R&D
6. Expanding Global Reach

1 Differentiated Products

New Entries and Primary Supplier to OEM's

Key developments

- **Focus on OEM, recent entries as primary supplier for OEM launches-** Hero Motocorp Achiever 150, Renault Kwid, M&M TUV 300, RE Himalayan, Honda Navi, Bajaj Vikrant V15, Hero Splendor iSmart 110, Datsun Redigo, Suzuki Access 125 etc.
- **Recent entries into OEM's existing models** – Daimler Truck Radials, Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo Eicher Commercial Radial etc.
- **Platforms** like Fuelsmart, Gripp, Mileage etc.

2 Strong Brand

- Adding Ajinkya Rahane to the stellar list of cricketers associated with CEAT bat like Rohit Sharma & Suresh Raina

- Installed breath analyzers along with Mumbai Police - making mobility safer

- Collaborated with Mahindra Adventure for seven of the most challenging expeditions of the country

3 Extensive Distribution

Shoppe

Shop in Shop (SIS)

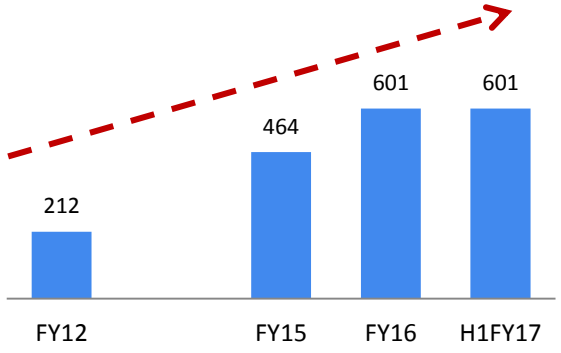
Distribution Network

- 4,500+ dealers
- 400+ CEAT Franchisees (Shoppes + Hubs)
- 250+ two-wheeler distributors
- Developed Multi Brand Outlet / Shop in Shop model over last 2 years
- Over 300+ outlets so far
- Launched CEAT Bike Shoppes

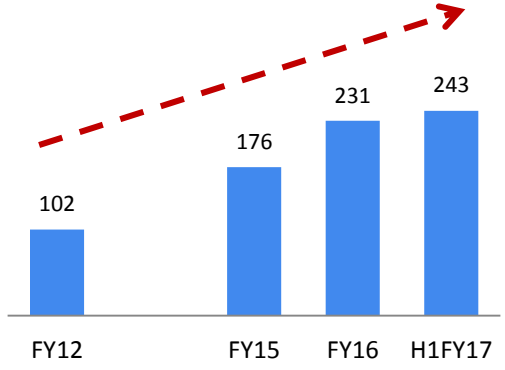
Multi Brand Outlet (MBO)

Bike Shoppe

District coverage



No. of CEAT Shoppes



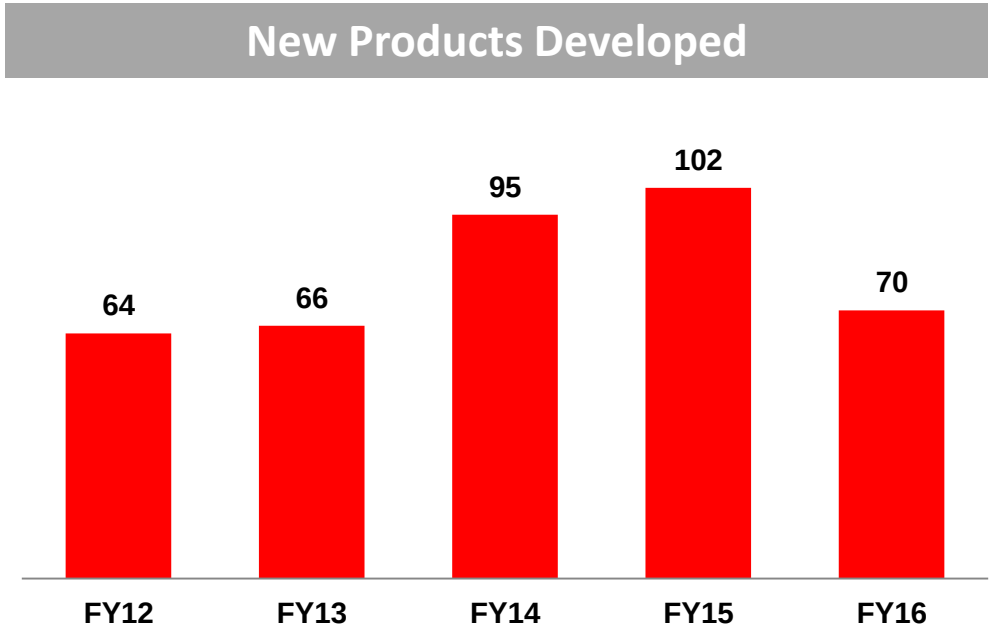
4 Deep OEM Partnerships

TATA MOTORS
Ashok Leyland
VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE
ESCORTS
Mahindra
DAIMLER
EICHER
AMW
BUILT TO WIN
TAFE

MARUTI SUZUKI
TATA MOTORS
Mahindra
HYUNDAI
RENAULT
FORCE MOTORS

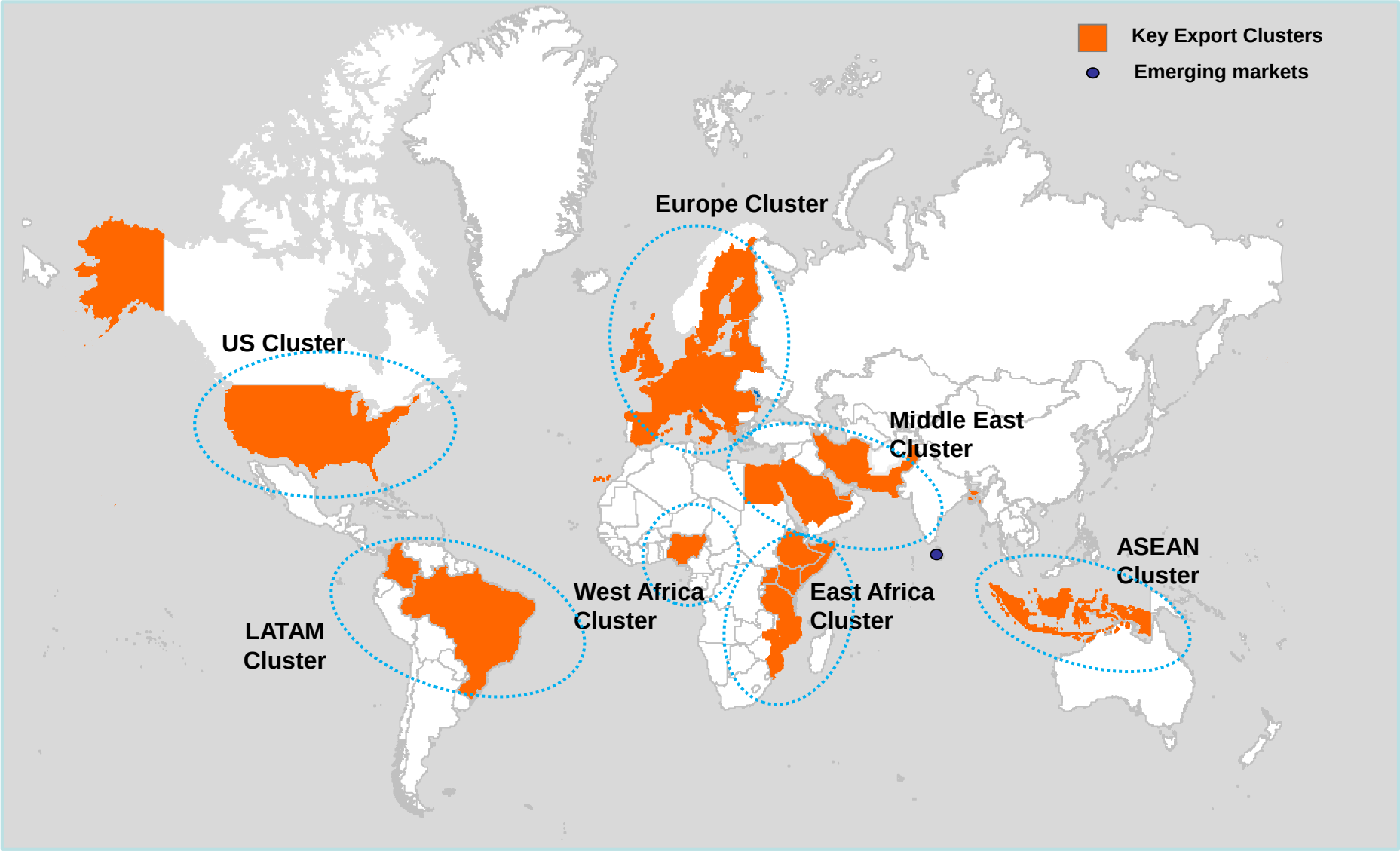
HONDA
ROYAL ENFIELD
BAJAJ
YAMAHA
PIAGGIO
Hero
SUZUKI
Mahindra
LML

5 World Class R&D



- State of the art R&D facility at Halol plant
- R&D focussed on development of breakthrough products, alternate materials, green tyres & smart tyres
- Partnerships with global institutes
- Increased allocation towards R&D

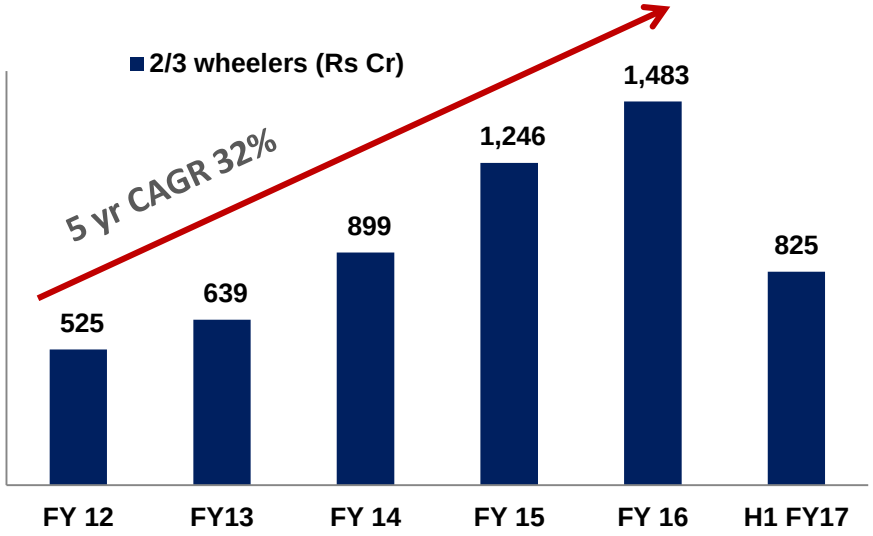
6 Expanding Global Reach

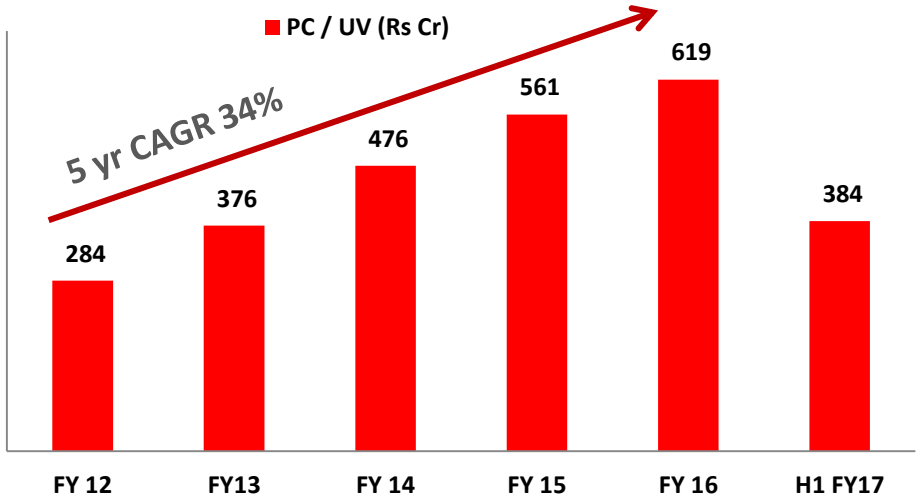


- **Sri Lanka:** Leadership position with 50+% market share
- Focused product and distribution strategy for select clusters

Passenger Segment Trends

Revenue





Expanding Capacities

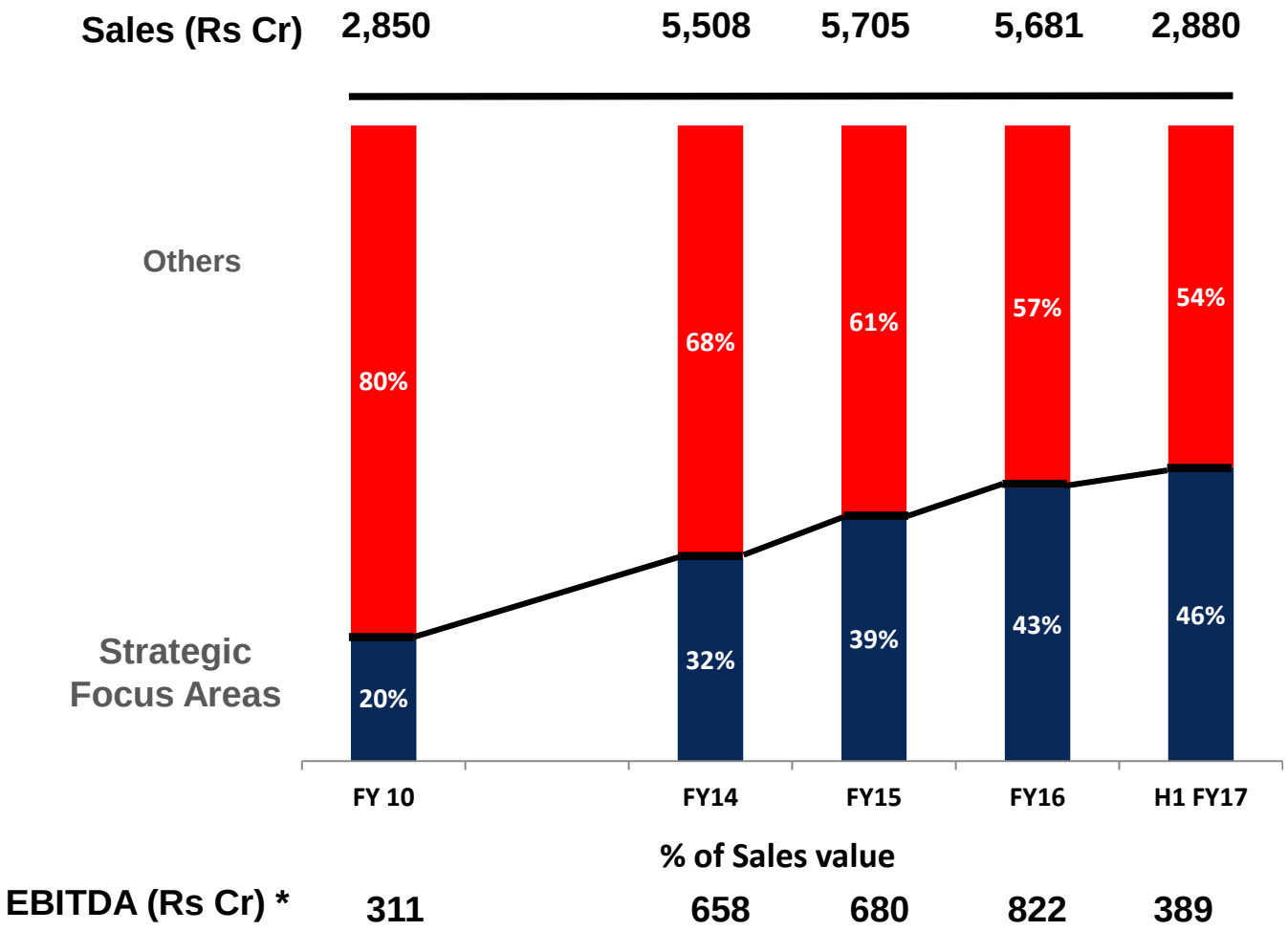
- Nagpur plant commissioned 32 MT/day capacity as of September 2016; total capacity of 120 MT/day
- Halol Phase II plant commissioned 69 MT/day as of September 2016; total capacity of 120 MT/day
- H1FY17/ H1FY16 volume growth: 2 wheelers (+30%), PC/UV (+30%)

Off Highway Tyres

Status Update

- Greenfield OHT (Off Highway Tyres) radial plant in Ambernath
- Investing Rs 330 Crs for a Phase 1 capacity of 40 MT/day which will be further ramped up to 100 MT/day
- Production is expected to commence by Q4 FY17

Strategic Focus Areas – Continued Momentum



Strategic Focus Areas
(Passenger Segment, Specialty Exports & Emerging Markets)

- CAGR of 27%
- 4.3x growth from Rs.570 (FY10) to Rs. 2,450 crs (FY16)
- Substantial contribution towards increasing profitability
- Market share growing

Note
H1 FY17 figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods
For H1 FY17, Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method
For H1 FY17, EBITDA includes profit from Sri Lanka JV (after tax)
EBITDA includes Other operating income; does not include Non- operating income

Section 4: Operational & Financial Overview

Q2 FY17 Operational Highlights

OEM approvals & entries

Hero Hunk 150cc
new version

Hero Glamour
new version

Bajaj Vikrant
125cc new version

Bajaj Pulsar 150cc
new version

VECV BUS- 10.00R20
PRO R10

M&M 4WD
small tractor

Credit Rating

CEAT's Long term credit rating is upgraded to 'AA (Double A)' from 'AA- (Double A minus)' by CARE Ratings

Awards

Halol plant conferred with "Sword of Honour Award" by British Safety Council

Products

Fuelsmarrt tyres
"Tyres that pay for themselves over their life"

Launch of Puncture Safe Tyres
for 2 Wheelers

"Win" Series for Truck & Bus
Radial tyres

Consolidated: Q2 FY17 Financial Highlights

Q2 FY17 v/s Q1 FY17 (Q-o-Q)

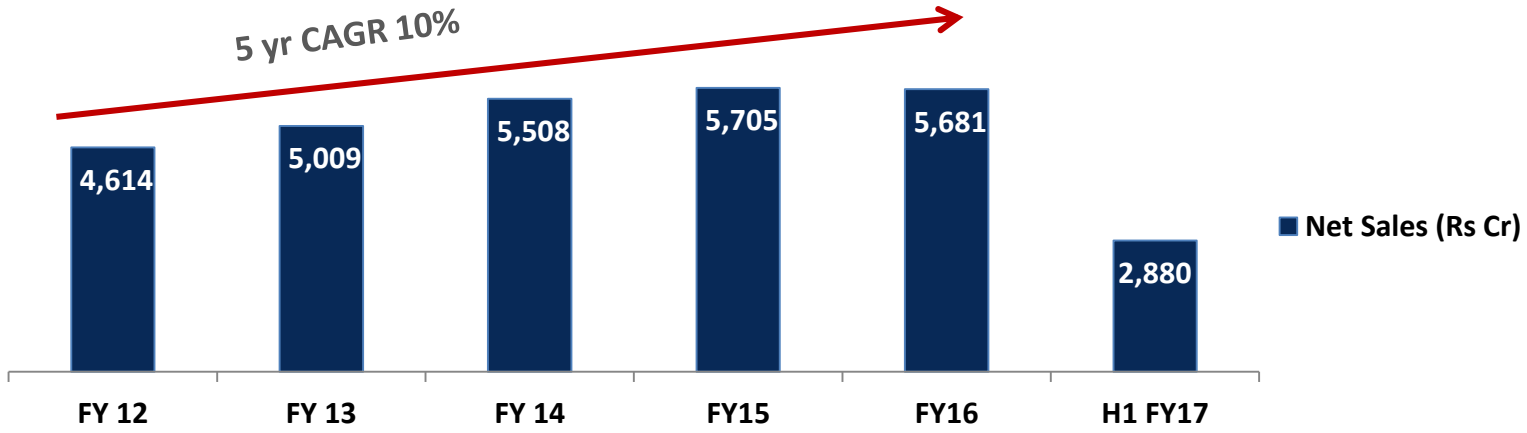
- Sales down by 2.9% at Rs 1,419 Crs from Rs 1,461 Crs; volume decline of 2.5%
- Gross margins have contracted to 42.3% from 42.8%
- EBITDA stood at Rs. 194 crs compared to Rs 196Crs; margins at 13.7% from 13.4%
- PAT stood at Rs 107 Crs compared to Rs 104 Crs
- Debt / equity at 0.3x ; same as for Q1 FY17
- Debt / EBITDA stood at 1.0x from 0.9x
- ROE at 20%; same as for Q1 FY17
- ROCE at 14% from 15%

Q2 FY17 v/s Q2 FY16 (Y-o-Y)

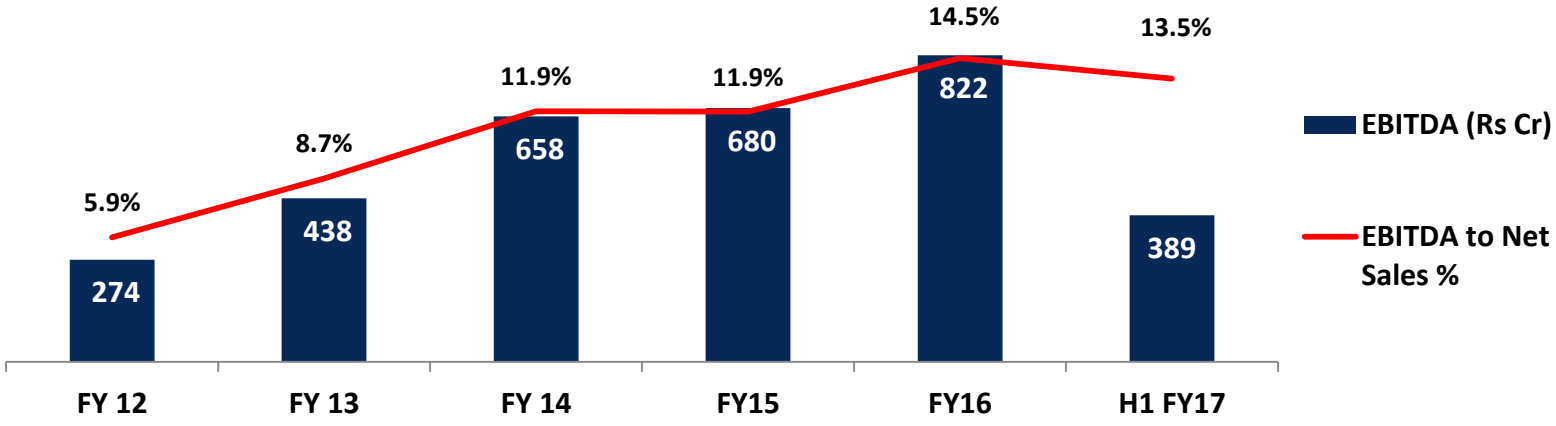
- Sales up by 5.7% at Rs 1,419 Crs from Rs 1,342 Crs; volume growth of 13.2%
- Gross margins have contracted to 42.3% from 43.6%
- EBITDA stood at Rs. 194 crs compared to Rs 192 Crs; margins at 13.7% from 14.3%
- PAT stood at Rs 107 Crs compared to Rs 105 Crs
- Debt / equity at 0.3x ; same as for Q2 FY16
- Debt / EBITDA stood at 1.0x from 0.9x
- ROE at 20% from 23%
- ROCE at 14% from 17%

Consolidated: Financial Trends

Revenue growth



Margin trends



Notes

H1 FY17 financials is per IND AS; Other financial figures are as per IGAAP as published in previous periods

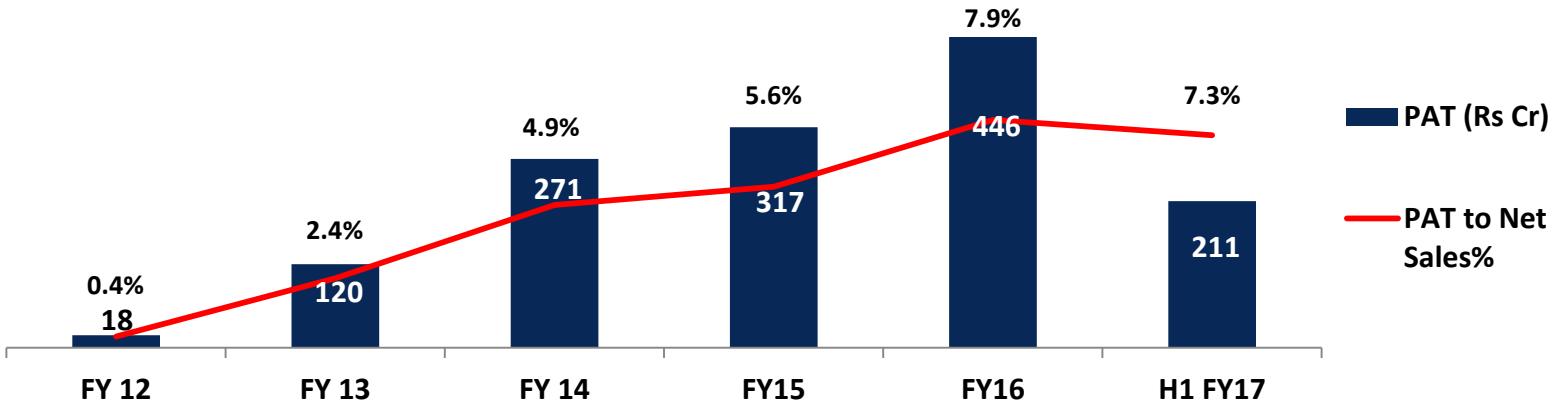
Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

For H1 FY17, EBITDA includes profit from Sri Lanka JV (after tax)

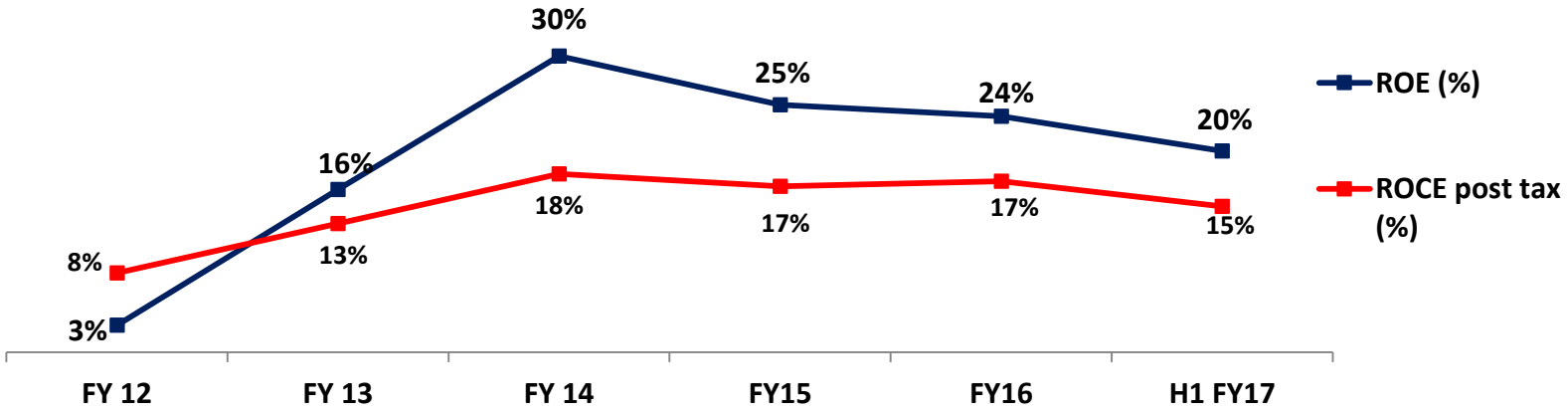
EBITDA includes Other operating income; does not include Non- operating income

Consolidated: Financial Trends

PAT trends



Return Ratios



Notes

H1 FY17 financials are per IND AS; Other financial figures are as per IGAAP as published in previous periods

QIP proceeds considered for part of the year for 2015

ROCE is based on PBIT *(1-tax rate) and average capital employed has been considered for calculations

Consolidated: Q2 FY17 Financials

Rs cr

Parameter	Q2FY16	Q2FY17	H1FY16	H1FY17
Net Sales	1,342	1,419	2,747	2,880
Growth (YoY)	-	5.7%	-	4.8%
Growth (QoQ)	-	-2.9%	-	-
EBITDA	192	194	416	389
Growth (YoY)	-	0.9%	-	-6.4%
Growth (QoQ)	-	-0.9%	-	-
EBITDA (%)	14.3%	13.7%	15.1%	13.5%
PAT	105	107	227	211
EPS (Rs.) (Basic)	25.9	26.3	55.9	51.9
Net Worth	1,903	2,252	1,903	2,252
Debt	654	770	654	770
D/E (x)	0.3	0.3	0.3	0.3
No of shares (cr)	4.0	4.0	4.0	4.0
B/V (Rs.)	470	557	470	557

Notes

FY17 figures are as per IND AS and FY16 figures are as per I GAAP

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 (after tax)

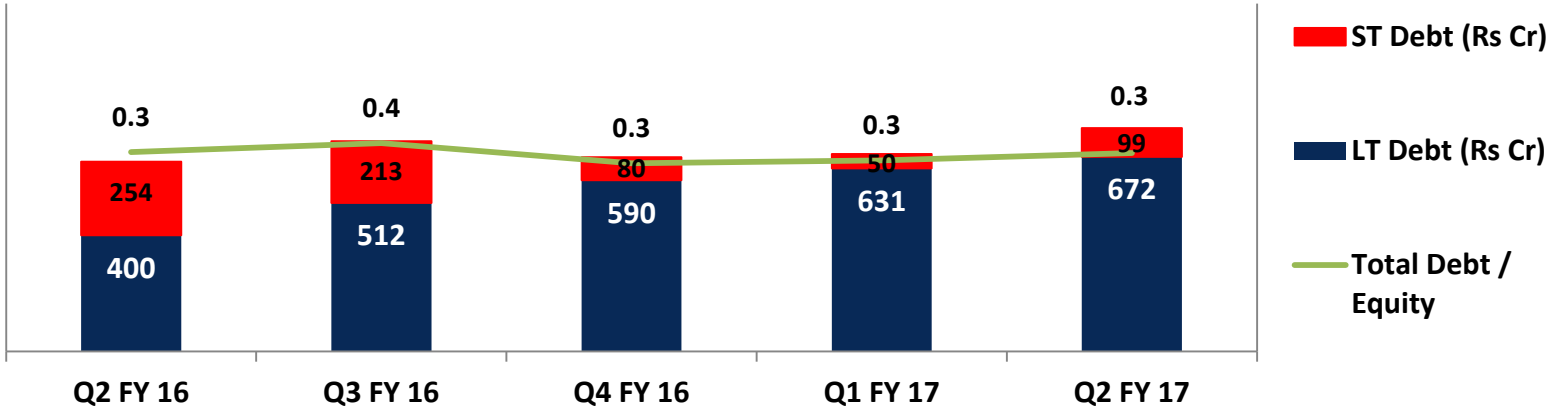
EBITDA includes Other operating income; does not include Non- operating income

Debt includes current maturity of long term debt

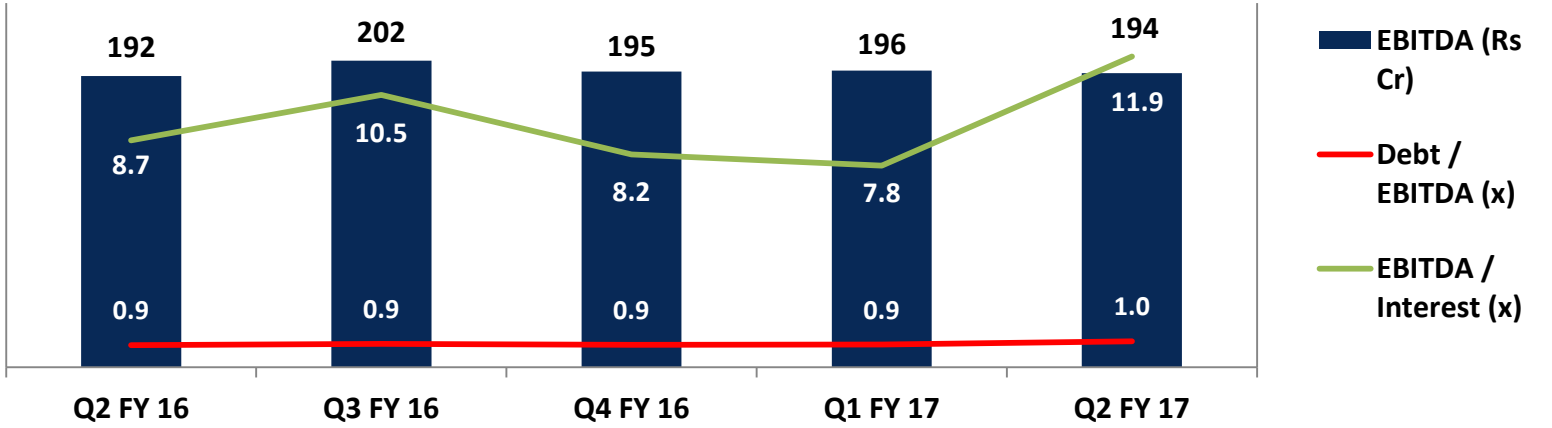
Consolidated: Leverage / coverage Profile

Total Debt (Rs Cr)	Q2 FY 16	Q3 FY 16	Q4 FY 16	Q1 FY 17	Q2 FY 17
	654	725	670	681	770

Debt breakup



Leverage ratios



Notes

For Income statement figures - Q2 FY16, Q1 FY17 and Q2 FY17 figures are as per IND AS; other figures are as per IGAAP

For Balance Sheet figures - Q2 FY17 figures are as per IND AS; other figures are as per IGAAP

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

Q2 FY16, Q1 FY17 and Q2 FY17 EBITDA includes profit from Sri Lanka JV (after tax)

EBITDA includes Other operating income; does not include Non- operating income

Standalone: Q2 FY17 Financials

Rs Cr

Parameter	Q2FY16	Q1FY17	Q2FY17	QoQ	YoY	H1FY16	H1FY17	YoY
Net Sales	**1,339**	**1,447**	**1,405**	**-2.9%**	**4.9%**	**2,736**	**2,851**	**4.2%**
Raw Material	759	834	816	-2.1%	7.5%	1,571	1,650	5.0%
Gross margin	**580**	**613**	**588**	**-4.0%**	**1.4%**	**1,166**	**1,201**	**3.1%**
Gross margin %	**43.3%**	**42.4%**	**41.9%**	**-50 bps**	**-140 bps**	**42.6%**	**42.1%**	**-50 bps**
Employee	97	90	95	4.8%	-2.3%	189	185	-2.0%
Other Expenses	306	346	317	-8.4%	3.9%	590	664	12.4%
EBITDA	**186**	**185**	**185**	**-0.1%**	**-0.2%**	**406**	**371**	**-8.7%**
EBITDA %	**13.9%**	**12.8%**	**13.2%**	**-40 bps**	**-70 bps**	**14.8%**	**13.0%**	**-180 bps**
Finance Cost	22	25	16	-36.5%	-30.1%	49	40	-17.3%
Depreciation	23	30	31	4.9%	37.9%	46	61	33.7%
Operating PBT	**141**	**131**	**139**	**6.4%**	**-0.9%**	**313**	**270**	**-13.5%**
Exceptional expense	1	1	(0)	-100.3%	-100.2%	1	1	-17.0%
Non-Operating income	21	7	5	-23.3%	-74.9%	29	12	-58.2%
PBT	**161**	**137**	**144**	**4.8%**	**-10.6%**	**340**	**281**	**-17.4%**
PAT	**112**	**96**	**102**	**5.5%**	**-9.3%**	**232**	**198**	**-14.4%**
Volumes (mt)	**65,500**	**75,800**	**73,700**	**-2.8%**	**12.5%**	**1,32,300**	**1,49,400**	**13.0%**

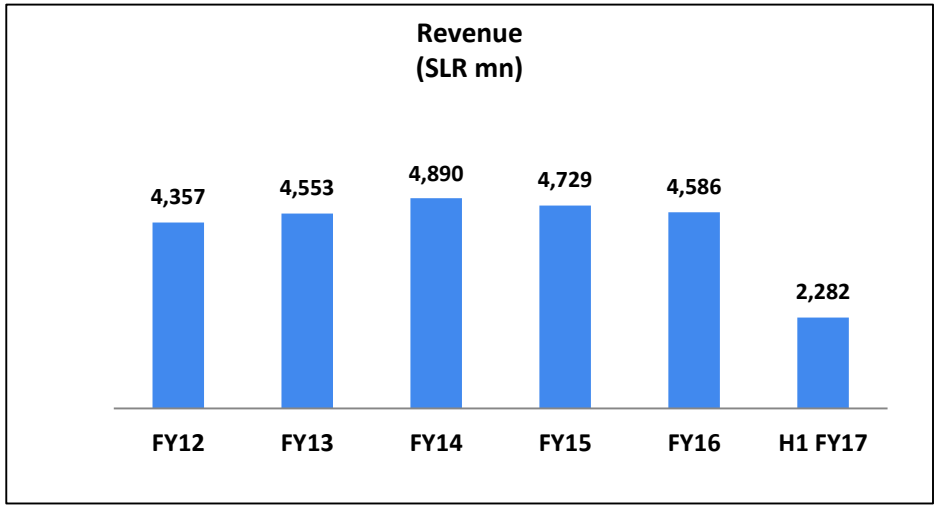
Notes

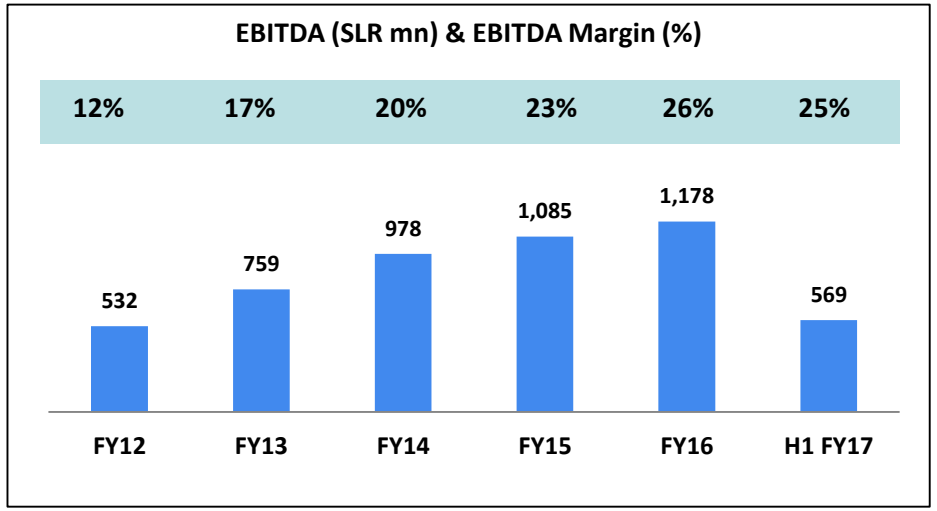
Financials are as per IND AS

EBITDA includes Other operating income; does not include Non- operating income

Emerging Markets Trends

Sri Lanka

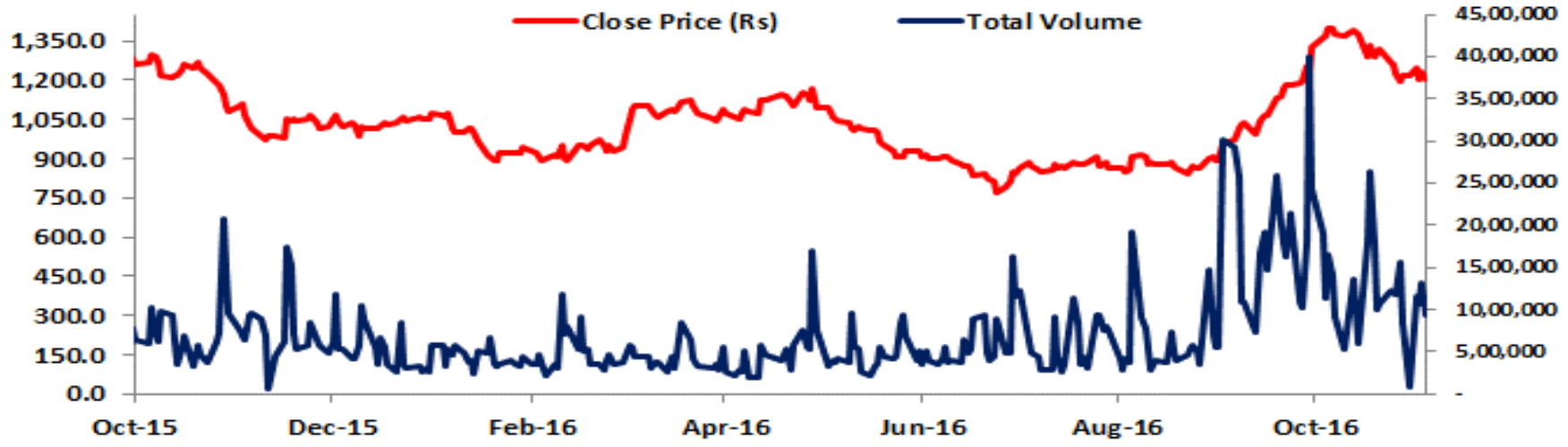




- 50% JV with Kelani Tyres Ltd
- Strong presence in the truck, light truck, 2 / 3 wheeler and radial tyre segments
- Two manufacturing facilities with total capacity of 61 MT/day
- Only company with local presence supported by brand, network & strong after sales service
- Q2 FY17 Volume stood at 4,240 MT

Notes
EBITDA = Profit before taxation + Depreciation and Amortization Exps + Finance Costs (EBITDA includes non-operating income)
Capacity refers to achievable capacity

Equity Shareholding & Price trends

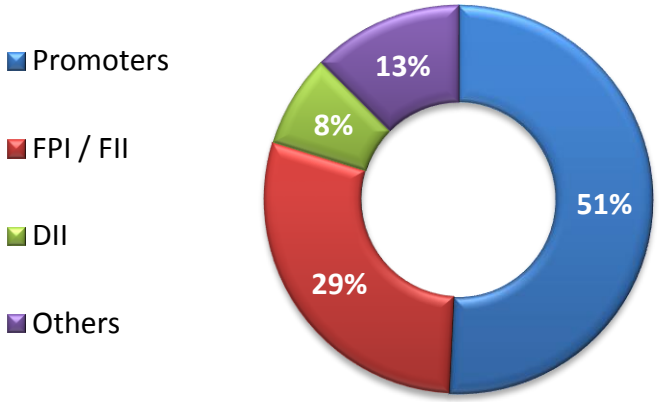


Source : Capitaline
Data is updated till 4th Nov 2016

Returns since Oct' 15

- CEAT: -5%
- Sensex: 4%

Shareholding Pattern as on September 30, 2016



Market Information

- Market Price (Nov 4): Rs 1,200/share
- Face Value : Rs 10/share
- Market Cap (Nov 4): Rs 4,855 Cr
- Net Worth: Rs. 2,252 Cr

THANK YOU