



## Driven by Purpose, Powered by Progress



Founded: 1958 |  
HQ: Mumbai



Group: Flagship company of  
the RPG Group



Global Reach: Presence in  
110+ countries across US,  
Latin America, Africa, Middle  
East, SE Asia & Europe



Manufacturing: 6 facilities  
producing 2,300+ tyre  
variants



Product Range: Tyres for  
2/3-wheelers, passenger  
cars, CVs & off-highway  
vehicles



Distribution Network: 5,700+  
dealers, 61,000+ sub-dealers  
& 1,100+ retail outlets across  
India



Innovation: 52 patents  
granted, driving performance  
& technology in mobility

## Subsidiaries



Subsidiaries: As of FY25, the company has 10  
subsidiaries and 1 joint venture.

## Growth Strategies



## Strategic Alliances &amp; Global Expansion

- Acquired Michelin Group's CAMSO CCL  
business → Strengthens global Off-Highway Tyre  
(OHT) leadership
- Adds 2 manufacturing plants in Sri Lanka  
(Midigama & Kotugoda) + access to 40+ global  
OEMs
- CAMSO contributes US\$213M revenue  
(CY23) → boosts CEAT's topline by 10–15%  
medium term
- Enhances global reach across Europe & North  
America, driving margin accretion & brand  
premiumization

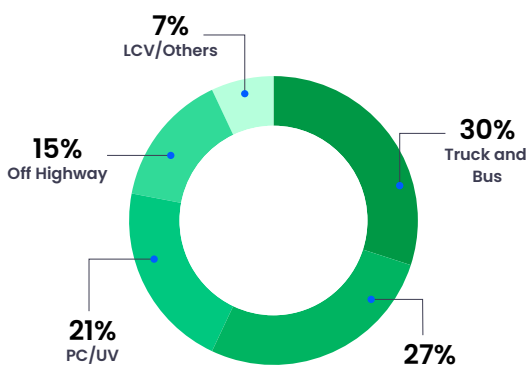


## Capacity Expansion &amp; Growth Initiatives

- Commissioned new Truck & Bus Radial (TBR)  
plant → 1,500 tyres/day; expansion to +2,000  
by FY26
- Passenger Car Radial (PCR) output to rise  
30–40% at Chennai
- ₹500 Cr investment at Nagpur → +30%  
capacity boost; Ambarnath plant to drive exports
- Strengthening footprint across passenger,  
commercial & farm tyres to meet rising OEM  
& replacement demand

## Revenue Breakup (FY25)

Total Revenue (FY25) – ₹13,005 crore



## Financial Highlights



## Q2FY26

- Revenue: ₹3,773 Cr (↑ 14% YoY vs ₹3,305 Cr)
- Operating Profit: ₹511 Cr (↑ 39% YoY vs ₹368 Cr)
- Net Profit: ₹186 Cr (↑ 52% YoY vs ₹122 Cr)

Steady topline and strong margin expansion  
driven by OEM demand, international growth, and  
cost efficiencies.



## FY25

- Revenue: ₹13,005 Cr (↑ 11% YoY)
- Operating Profit: ₹1,496 Cr (↓ 11% YoY)
- Net Profit: ₹473 Cr (↓ 26% YoY)

Performance impacted by global tariff challenges,  
though core operations and domestic demand  
remained steady.

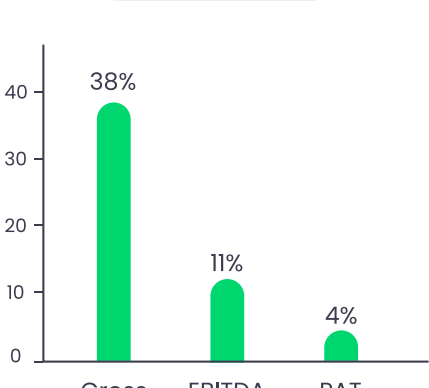


## 3 Year Financial Performance

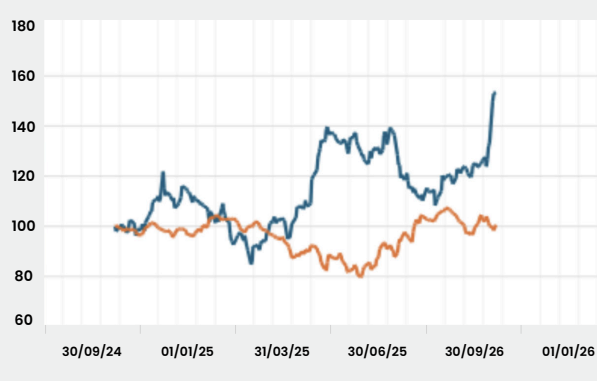
- CAGR (FY23–25): Revenue ↑ 12% | Net Profit ↑ 79%
- Avg. ROE & ROCE (FY23–25): ~12% | ~15%
- Debt-to-Equity Ratio: 0.49

Performance Insight: Strong multi-year earnings  
growth backed by improving margins and  
balanced leverage.

## Margins–FY25



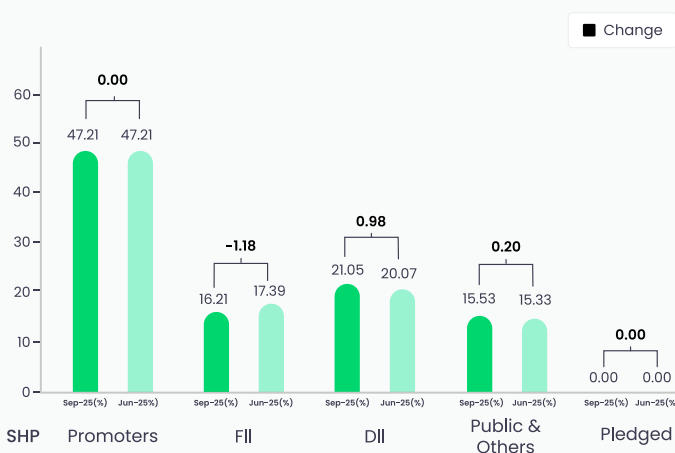
## Indexed Price Chart



## Market Data

CMP	₹4141
Date	24-Oct-25
Target Price	₹4880
Upside Potential	18%
52 Week High/Low	4438/2343
NSE Code	CEATLTD
Market Cap	Small
Sector	Tyres & Rubber Products
Rating	BUY

## Shareholding Pattern



## Ratios – FY25

ROE	11%
ROCE	11%
Div. Yield	0.72%
PE Ratio (x)	24.4
Face Value	10.00
EPS	116.85

## Industry Outlook

- Market Size & Growth:** India is the world's 3rd-largest automobile market by value & volume, exporting 25%+ of its production annually.
- Industry Outlook:** Auto exports projected to reach ₹8.55 lakh Cr (US\$100B) by 2030.
- Growth Drivers:** Rising incomes, infrastructure push & favourable manufacturing policies accelerating demand.
- Global Positioning:** Emerging as a key global hub for auto component sourcing.
- Sector Impact:** Strong OEM & component growth fueling India's industrial and economic expansion.

## Growth Drivers

- FDI Boost:** 100% FDI permitted under the automatic route in the auto components sector.
- Budget Push:** Lower tax burden in the 2025–26 Union Budget expected to drive higher consumer spending.
- GST Relief:** Reduced GST on automobiles & tyres to enhance affordability, spurring demand for new vehicles and tyre replacements.

## Competitive Advantage

- Competitors:** MRF Ltd, Apollo Tyres Ltd, and others.
- Performance Edge:** CEAT stands out for its balanced valuation, stronger capital allocation efficiency, and consistent sales growth compared to peers.

## Peer Analysis

Company	CMP	Mcap	ROCE	ROE	3Yr Sales CAGR	P/E	EPS
CEAT	4141	16769	15.00%	12.00%	12.00%	34	122.37
MRF	160190	67890	14.00%	11.00%	13.00%	38	4241.19
Apollo Tyres	500	31758	11.00%	9.00%	8.00%	38	13.10

## Outlook

- Growth Outlook:** Supported by the CAMSO acquisition, capacity expansions, and strong OEM & replacement demand.
- Global Edge:** CAMSO deal enhances CEAT's presence in premium Off-Highway Tyres, driving margin gains.
- Operational Strength:** Healthy balance sheet, improving returns, and ₹1,000 Cr capex plan for FY26.
- Recommendation:** BUY | Target Price ₹4,880 (26× FY27E EPS)

We also encourage maintaining a stop-loss at 20% from the entry price to manage potential downside risk effectively.

## SWOT Analysis

- Strengths**
  - Among India's top exporters of passenger car tyres
  - Technologically advanced, globally accredited manufacturing facilities
  - Strong brand equity and vast distribution network across 110+ countries
- Weaknesses**
  - Exposure to forex fluctuations impacting profitability
  - Margins lower than select peers due to higher input and logistics costs
- Opportunities**
  - Expanded global access through CAMSO acquisition and OHT diversification
  - Rising auto production and replacement demand driving tyre industry growth
  - Growing premiumisation trend in passenger and off-highway tyres boosting margins
- Threats**
  - Intense competition from domestic and global players
  - Raw material price volatility and potential supply chain disruptions

## Product Portfolio

- Tyres & Tubes** – For trucks, buses, 2/3-wheelers, passenger & utility vehicles
- Off-Highway Range** – Specialized tyres for agricultural & industrial applications
- Light Commercial Vehicles (LCV)** – Durable tyres designed for heavy-duty performance
- Flaps & Accessories** – Supporting components ensuring enhanced tyre efficiency and safety

Note: To read the Disclaimer and Disclosure, [click here](#)

Please note that this is not a recommendation and is intended only for educational purposes. So, kindly consult your financial advisor before investing.

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