

CEAT sees 25% revenues coming from exports

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By

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Synopsis

As part of a plan to accelerate exports, the RPG Group company plans to enter PCR and truck & bus radial (TBR) segment of the US market by the end of 2023-24, the company's newly-appointed MD & CEO Arnab Banerjee told ET.

[CEAT Tyres](#) sees a fourth of its revenue coming from exports and seeks to be India's No.1 passenger car radial (PCR) tyre maker by 2026.

As part of a plan to accelerate exports, the RPG Group company plans to enter PCR and truck & bus radial (TBR) segment of the US market by the end of 2023-24, the company's newly-appointed MD & CEO Arnab Banerjee told ET.



Earlier this month, the RPG Group firm announced changes in its top management. While it named Banerjee as MD & CEO, it elevated Anant Goenka as vice chairman of CEAT and [Zensar Technologies](#).

Goenka has steered CEAT successfully since April 2012. Under his leadership, the company was able to increase its market capitalisation by over 20 times in a decade, and gained substantial market share in the two-wheeler and passenger car segments. His tenure, however, was not without the misses.

"In terms of misses, we had a misadventure in Bangladesh, in which we could have understood the ground conditions better before entering the country," Goenka told ET. In India, while we made strong strides in the two-wheeler and passenger car segments, we were not able to grow as fast as others in the CV (commercial vehicle) segment."

Weeks after the announcement, both Goenka and Banerjee have their tasks cut out. In his new role, Goenka will focus on strategy, capital allocation and key people decisions. "In addition to being involved in the two companies, I will be leading the group strategy function and foray into new businesses," he said.

Meanwhile, Banerjee is preparing to take CEAT to its next phase of growth. "The immediate priority will be to consolidate our position in the domestic two-wheeler market. We want to be No.1 in the passenger car tyres too. We also want to accelerate our global presence in specific geographies and categories in Europe, United States and Latin America and see exports accounting for a fourth of our revenue," he said.

Banerjee expects both the targets-taking the pole position in the domestic PCR and exports contributing 25%-to be met by 2026. To this effect, CEAT has already started the groundwork. It is in the process of appointing a distributor network in the US for the replacement market and will commence exports by the fourth quarter of 2023-24.

It is going to reach the volume threshold of 1-1.5 million tyres per annum in two to three years in the US, he said. The company already has a distribution network for radial tyres in the agri-market.

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