

FALCON TYRES LTD

FINANCIAL STATEMENTS
2013-14

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BOARD OF DIRECTORS

Mr. Pawan Kumar Ruia, *Chairman*
Mr. Subbarathnam Ravi, *Director*
Mr. Ashok Kumar Agarwal, *Director*
Mr. Dipak Das, *Director*
Mrs. Baishali Roy, *Director*
Mr. Rupendra Nath Kumar, *Director*

COMPANY SECRETARY

Mr. M.C. Bhansali

REGISTERED OFFICE & FACTORY

K.R.S. Road, Metagali, Mysore 570016
Telephone : +91 821-258 2453 / 2055
Fax : +91 821-258 2321

REGISTRAR AND SHARE TRANSFER AGENT**Integrated Enterprise Limited**

30, Ramana Residency
4th Cross, Sampige Road
Malleswaram, Bengaluru 560003
Telephone : +91 80-234600815
Fax : +91 80-2346 0819

BANKERS

Syndicate Bank
Punjab National Bank
State Bank of India
The South India Bank
Oriental Bank of Commerce
Yes Bank
ICICI Bank

STATUTORY AUDITORS**M/S. Gora & Co.**

Chartered Accountants
8/2, K.s. Roy Road, 2nd Floor
Room No. 2 & 3
Kolkata - 700 001

A Member desirous of getting information any information on the Accounts of the Company, is requested to forward his/her queries to the Secretarial Department at Registered Office, atleast 10 days prior to the Meeting for enabling the Management to keep the information ready.

Chairman's Message

Dear Shareholders,

The change in perception about the prospects of the Indian economy, particularly about the manufacturing sector, is heart-warming indeed. After the bumps of two successive years, the change was critically necessary for the industry, hit by a toxic mix of high inflation and costly loan rates. The Gross Domestic Product grew by just 1 per cent in 2012-13 and slowed further to a humbling 0.4 per cent in 2013-14. Manufacturing and mining sector GDP declined by 0.7 per cent and 1.4 per cent respectively in 2013-14. Gross bank credit deployment to medium and large industries too considerably decelerated in 2013-14. For the first time since 2001-02, diesel consumption contracted by 0.3 per cent during the year. However, with the recent reversal of the manufacturing curve along with moderation of inflation have contributed to the change in the economic outlook

The tyre industry experienced the resultant of the slowdown through the past two years in the form of a hiatus in capacity augmentation in the two-wheeler segment. Subdued OEM demand, modest replacement demand and relatively muted exports affected the topline growth of the industry. Recent softening of rubber prices has eased the situation to a considerable extent, but spiralling manpower cost still remains a major concern.

The inclusive growth agenda of successive governments has helped in generating incremental money supply in the rural segment. Boosted by last year's leap in agricultural growth it helped the reversal of the quietness of the overall economy. The demand environment in rural markets for the two-wheelers is steadily on the rise. That brings sunshine to your company because Falcon has always remained committed to be the vital link of movement of truly the common man with its range of tyres for the two and three-wheelers.

Falcon has been perennially successful in keeping the OEMs satisfied despite any stringency on quality parameters and as a result has partnered the unique growth story of the two-wheeler segment. The shift in the tyre product mix toward higher-value added products such as radial tyres and ultra-high performance tyres will continue to form Falcon's core strategy and with the technologically advanced products, Falcon is now poised for exploring further opportunities in major geographies of the world.

Yours sincerely,
Pawan K. Ruia
Chairman

Last 10 Years Summary

Rs. In Lacs, Except As Stated

PARTICULARS	2003-04 (12 Months)	2004-05 (12 Months)	2005-06 (12 Months)	2006-07 (12 Months)	2007-08 (12 Months)	2008-09 (12 Months)	2009-10 (18 Months)	2010-11 (12 Months)	2011-12 (12 Months)	2012-14 (18 Months)
Share Capital	568.09	568.09	568.09	568.09	568.09	568.09	1704.27	1704.27	3873.63	3873.63
Reserves & Surplus*	2286.22	2304.47	2495.41	11363.64	11337.59	12196.27	16110.62	17972.74	23540.76	23573.48
Net Worth*	2854.31	2872.56	3063.50	11931.73	11905.68	13900.54	17814.89	19677.01	27414.39	27447.11
Gross Fixed Assets*	5351.21	5461.84	5645.43	16069.62	17369.13	23783.46	23015.45	27211.47	57970.19	93277.03
Net Fixed Assets*	2762.17	2727.55	2654.57	12792.24	13368.43	18396.75	18498.93	19497.00	48063.94	80580.07
Production (Nos):										
Tyres (Includes Job Work)	4309110	5112104	5421409	6248879	6962658	11341202	10211634	10144905	9776048	11828924
Tubes (Includes Job Work)	4261847	6090750	6829701	8116982	8712770	12817718	7255101	6874213	6012413	6983824
Turnover	18042.45	21985.81	25563.42	32178.63	49559.05	85146.30	84434.77	97232.94	98219.50	130439.19
Other Income	168.61	163.46	227.02	350.85	400.15	341.49	566.33	763.08	951.39	947.64
Profit Before Interest & Depreciation	675.75	540.11	958.67	1251.46	2064.17	6744.39	9008.23	7493.57	7495.89	7661.37
Profit Before Tax	258.40	156.42	512.42	591.12	803.60	3896.37	6578.46	4954.57	1518.38	397.49
Profit After Tax	161.49	92.37	362.56	396.31	563.69	3001.82	5163.46	2898.46	-5898.49	397.49
Earnings Per Share (Rs.)	2.84	1.63	6.38	6.98	9.92	8.81*+	15.15*+	8.5*+	-7.61*+	0.51
Dividend Amount (Including Interim Dividend)	85.21	56.81	142.02	170.43	198.83	397.66	852.14	690.72	451.75	0.00
Rate Of Dividend (Including Interim Dividend)	15%	10%	25%	30%	35%	40%	50%	35%	10%	0%

* Including Revaluation Of Fixed Assets

** Including Pro Rata Dividend On Preferential Issue

*+ On Face Value Of Rs. 5/-, Due To Split

+* Before Exceptional Loss On Sale Of Shares Of Monotona Tyres Limited For Rs. 6697.28

Last Year Values Have Been Regrouped Based On The Current Years Classification

FALCON TYRES LTD

CIN : L25114KA1973PLC002455

www.falcontyres.com

NOTICE

NOTICE is hereby given that the 38th Annual General Meeting of the Members of **Falcon Tyres Limited** will be held at **HOTEL "MYSORE DASAPRAKASH (CITY) GANDHI SQUARE", MYSORE - 570 001 on TUESDAY, 30th September, 2014, at 11 A.M.** to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and Profit & Loss Account for the extended Financial Year ended on the said date, together with the Report of Board of Directors and the Auditors thereon.
2. To appoint M/s Gora & Co., Chartered Accountants, Kolkata, the retiring Auditors of the Company, who being eligible, offer themselves for re-appointment as the Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution :

3. **As an Ordinary Resolution :**
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under and the Articles of Association of the Company and all other relevant acts and rules, Shri Dipak Das (DIN : 01595824) be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."
4. **As an Ordinary Resolution :**
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under and the Articles of Association of the Company and all other relevant acts and rules, Smt Baishali Roy (DIN : 06873404) be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."
5. **As an Ordinary Resolution :**
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under and the Articles of Association of the Company and all other relevant acts and rules, Sri Rupendra Nath Kumar (DIN : 06873411) be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years."

Place : Mysore
Date : 29th August, 2014

By Order of the Board
Ashok Kumar Agarwal
Director

NOTES :

1. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Special Business of the Meeting is annexed hereto and forms part of this Notice.
2. The Board of Directors of the Company at its Meeting held on 14th November, 2013 decided to extend the Accounting Period by 6 (six) months up to 31st March, 2014 which was duly approved by Registrar of Companies, Karnataka vide his letter dated 4th December, 2013.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. **Voting through electronic means.**
 - i. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means as an alternative to vote physically at the AGM and the business may be transacted through E-voting Services provided by Central Depository Services (India) Limited (CDSL).
 - ii. Similarly, Members opting to vote physically can do the same by remaining present at the Meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically



and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instruction below to cast their vote through e-voting :

- iii. The e-voting period commences on 20th September, 2014 at 9 AM and ends on 22nd September, 2014 at 6 PM. During this period Shareholders of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th September, 2014 may cast their vote electronically. The e-voting module shall be by CDSL for voting thereafter. Once the vote on a resolution is cast by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

The instructions for e-voting are as under

Members are requested to follow the instruction below to cast their vote through e-voting :

The instructions for members for voting electronically are as under :-

In case of members receiving e-mail :

- i) Log on to the e-voting website www.evotingindia.com
- ii) Click on “Shareholders” tab.
- iii) Now, select the “FALCON TYRES LIMITED” from the drop down menu and click on “SUBMIT.”
- iv) Now enter your User ID (For CDSL : 16 digits beneficiary ID. For NSDL : 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the CAPTCHA code as displayed and click on Login.
- v) If you are holding shares in Demat Form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- vi) Now, fill up the following details in the appropriate boxes

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).	
DOB#	Enter the Date of Birth as recorded in your demat account with CDSL in dd/mm/yyyy format. In case of demat account with NSDL / Physical Cases use 01/01/1900 in the Date of Birth filed.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. If not recorded then use 1234567890 in the Bank Account Details.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: < FALCONTYRE > in the PAN field.

Please enter any one of the details in order login. In case either of the details are not recorded with the depository please enter the value 01/01/1900 in DOB or 1234567890 in the Bank Detail Column.

vii) After entering these details appropriately, click on “SUBMIT” tab.

viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice.

x) Click on < **FALCONTYRE** > on which you choose to vote.

xi) On the voting page, you will see Resolution Description and against the same the option Yes/No for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii) Click on the “Resolutions File” link if you wish to view the entire Resolutions.

xiii) After selecting the resolutions you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting Page.

xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password and enter the details prompted by the system.

FALCON TYRES LTD

xvii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the vote.

In case of members receiving the physical copy :

(A) Please follow all steps from sl. no. (i) to (xvii) above to cast vote.

(B) The voting period begins on 20th September, 2014 at 9 AM and ends on 22nd September, 2014 at 6 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th September, 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

xviii) Mr. S K VENUGOPALA RAO of S.K.V RAO & CO Practising Chartered Accountants (Membership No. 203189) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and whose e-mail id is skvrao@gmail.com.

xix) The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witnesses not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

xx) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and communicated to Bombay Stock Exchange.

5. The Register of Members and Share Transfer Books of the Company will remain closed from 27th September, 2014 to 30th September, 2014 (both days inclusive).
6. Members are requested to bring their copies of the Annual Report and the Admission Slip at the Meeting. Annual Report will not be distributed at the Meeting.
7. The Members, who are still holding the Company's Equity shares in physical form and have not converted their shareholding in dematerialized form, are once again requested to convert their equity shares from physical form to dematerialized form as the same will provide adequate facility in trading in the Company's scrip at Stock exchange in future.
8. Members who have not registered their e-mail addresses so far are requested to register their e-mail address either with the Company or its RTA for receiving all communications including Annual Report, Notices, Circulars etc from the Company electronically instead of sending the printed / hard copies of the same by post. Serving of documents to the Members through electronic mode ensures receipt of the Notices / Documents / Communication timely, promptly and without any loss in postal transit by them.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of name are requested to send the share certificates to our RTA for consolidation in to a single folio.
10. Non-Resident Indian Members are requested to inform the Company's RTA, M/s. Integrated Enterprises (India) Ltd., immediately of :
 - i. the change in the Residential status on return to India for permanent settlement.
 - ii. the particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of Bank with Pin code Number, if not furnished earlier.
11. As per provisions of Section 72 of the Companies Act, 2013 facility for making nominations is available, to individuals, holding shares in the Company. Nomination Form prescribed can also be obtained for the purpose from the Company's RTA.
12. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection at the Registered office of the Company during business hours on all working days upto the date of declaration of the results of the 38th Annual General Meeting of the Company.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.

Item Nos. 3, 4 & 5.

Shri Dipak Das (DIN : 01595824), Smt Baishali Roy (DIN : 06873404) and Shri Rupendra Nath Kumar (DIN : 06873411) were appointed as the Directors of the Company in the category of Independent Directors w.e.f. 14th May, 2014. In accordance with



the provisions of Sections 149, 152 and Article 91 of the Articles of Association of the Company, Shri Dipak Das, Smt Baishali Roy and Shri Rupendra Nath Kumar shall hold office up to the date of this Annual General Meeting. The Company has received three separate notices in writing under Section 160 of the Companies Act, 2013 from the members along with the deposit of requisite amount proposing their candidature for the office of Directors.

Shri Dipak Das, Smt Baishali Roy and Shri Rupendra Nath Kumar are not disqualified from being appointed as the Directors in terms of Section 164 of the Act and have given their consents to act as Directors.

As per Section 149 of the Act, the Independent Directors can hold office for a term up to 5 (five) consecutive years on the Board and they shall not be included in the total number of directors for retirement by rotation.

In the opinion of the Board, Shri Dipak Das, Smt Baishali Roy and Shri Rupendra Nath Kumar fulfills the conditions for their appointments as the Independent Directors as specified in the Act and the Listing Agreement.

Keeping in view the qualifications and the experiences possessed by Shri Dipak Das, Smt Baishali Roy and Shri Rupendra Nath Kumar, Your Directors feel that the appointments of Shri Das, Smt Roy and Shri Kumar as the Independent Directors of the Company will be beneficial to your Company and accordingly, recommend the Resolutions set out in Item Nos. 3, 4 & 5 of the Notice for your consideration and approval.

None of the Directors of the Company except Shri Das, Smt Roy and Shri Kumar are interested or concerned in the Resolution set out in Item Nos.3, 4 & 5 of the Notice.

By Order of the Board
Ashok Kumar Agarwal
Director

Place : Mysore
Date : 29th August, 2014

Particulars Relating to the Directors proposed to be appointed / re-appointed :

1. Name	: Shri Dipak Das	Expertise	: As a professional Advocate, she has a very good experience of over 10 years in handling all type of matters under Civil and Criminal procedures. During this journey, she has handled corporate and non corporate clients as well.
Age	: 54 Years.		
Qualifications	: B. Com., F.C.A.		
Expertise	: He has a rich experience of more than 25 years in Financial Management, Accounting and Audit (Internal, Statutory, Management) with expertise in evaluation, resource planning and deployment and purchase with hands on experience in networking with External Auditors, Statutory Authorities, Banks and Financial Institutions in the Corporate Sector and various other experience in different field as well.	Date of Appointment	: 14th May, 2014.
		No. of Equity Shares held in the Co.	: Nil.
		Name of the Public Ltd. Company	: Committee Memberships, if any, with position of other Public Companies
		Jessop & Co Ltd	-
Date of Appointment	: 14th May, 2014.	3. Name	: Shri Rupendra Nath Kumar
No. of Equity Shares held in the Co.	: Nil.	Age	: 60 Years.
Name of the Public Ltd. Company	: Committee Memberships, if any, with position of other Public Companies	Qualifications	: B. Com., LL.B
Jessop & Co Ltd	Audit Committee - Chairman & Member Share Transfer & Investors Grievance Committee - Chairman & Member Remuneration Committee - Chairman & Member	Expertise	: As a professional Advocate. He has rich experience of 35 years in handling civil and criminal matters
		Date of Appointment	: 14th May, 2014.
		No. of Equity Shares held in the Co.	: Nil.
		Name of the Public Ltd. Company	: Committee Memberships, if any, with position of other Public Companies
		Jessop & Co. Ltd.	Audit Committee - Alternate Chairman & Member Share Transfer & Investors Grievance Committee - Member Remuneration Committee - Member.
2. Name	: Smt Baishali Roy		
Age	: 44 Years.		
Qualifications	: B. Com., LL.B		

FALCON TYRES LTD

REPORT OF THE DIRECTORS

Your Directors have pleasure in presenting the Annual Report and Audited Accounts of the Company for the eighteen months ended 31st March, 2014.

Your Company has achieved a net standalone turnover of Rs. 1198.66 crores during the period as against Rs. 905.96 crores in the previous year with Profit before Tax at Rs.3.99 crores excluding exceptional item and Profit after Tax at Rs. 3.97 crores. The loss of Rs. 0.02 crores is related to exceptional item on account of sale of shares of Chamundi Plasto Sacks Private Limited as the Company was not able to get the leverage of the consolidation.

Sl.No.	Particulars	For the Period ended 31-Mar-14	For the year ended 30-Sep-12
i)	Revenue from operations	119,866.37	90,595.66
ii)	Other Income	947.64	951.39
iii)	Total Revenue	120,814.01	91,547.05
iv)	Profit before Interest, Depreciation and Taxation (EBIDTA)	7,661.37	7,378.97
v)	Interest	4,793.80	4,055.09
vi)	Depreciation	2,468.47	1,805.52
vii)	Profit before Taxation and Exceptional Item	399.10	1,518.36
viii)	Exceptional Items	1.61	6,697.28
ix)	Profit before Taxation (PBT)	397.49	-5,178.92
x)	Tax including Deferred Tax	0	719.57
xi)	Profit After Taxation (PAT)	397.49	-5,898.49
xii)	Profit brought forward from previous year	-3,818.35	2,080.14
xiii)	Amount available for Appropriation	-3,420.86	-3,818.35
xiv)	Appropriations		
	Transfer to General Reserve	----	----
	Proposed Dividend	----	----
	Corporate Dividend Tax	----	----
xv)	Balance carried to Balance Sheet	-3,420.86	-3,818.35

Some Key Performance ratios on standalone basis are furnished below

Description	UOM	For the period ended 31-Mar-14	For the year ended 30-Sep-12	Last 10 Years Average
EBITDA/Revenue From Operations	%	6.39	8.27	7.49
Profit Before Tax & Exceptional Item/Revenue From Operations	%	0.33	1.68	3.35
Profit After Tax/Revenue From Operations	%	0.33	-6.51	1.22
Return On Capital Employed	%	4.85	-1.78	1.83
Earnings Per Share At A Face Value Of Rs. 5/- Per Share	Rs.	0.51	-7.61	2.27

STANDALONE PERFORMANCE

Your Company has achieved a net turnover of Rs. 1198.66 crores for the eighteen month period compared to Rs. 905.96 crores for the year ended 30th Sep'2012. Profit before Interest, Depreciation, Taxes and exceptional item stood at Rs. 76.61 crores as against the previous year figure of Rs. 73.79 crores. The Profit after exceptional item but before Tax is Rs. 3.97 crores as against the previous year loss of Rs. 51.79 crores. Profit after Tax is Rs. 3.97 crores as against the previous year loss of Rs. 58.98 crores. During the period under review the operational profit increased due to softening Natural Rubber prices and ideal product mix.

Production of Tyres and Tubes, during the period under review stood at 41722.43 MT as against 35440 MT in the previous year. The Company continued to partner with Original Equipment Manufacturers and has kept pace by developing Tyres for newer models. Production in MT is slightly down due to change in product mix, increase in value added products like Tubeless Tyres, PCR Tyres, etc.

Your Company continued to maintain its leadership position in Export market segment in the Current year. The pressure in replacement market demand is due to sluggish market conditions and cut-throat competition.

EXPANSION

Your Directors are happy to inform you that the expansion of the Company at Mysore has been completed and the production from the expansion plant has started in second Quarter of 2012 and the process of ramp up of production capacities are taken up by your Company.