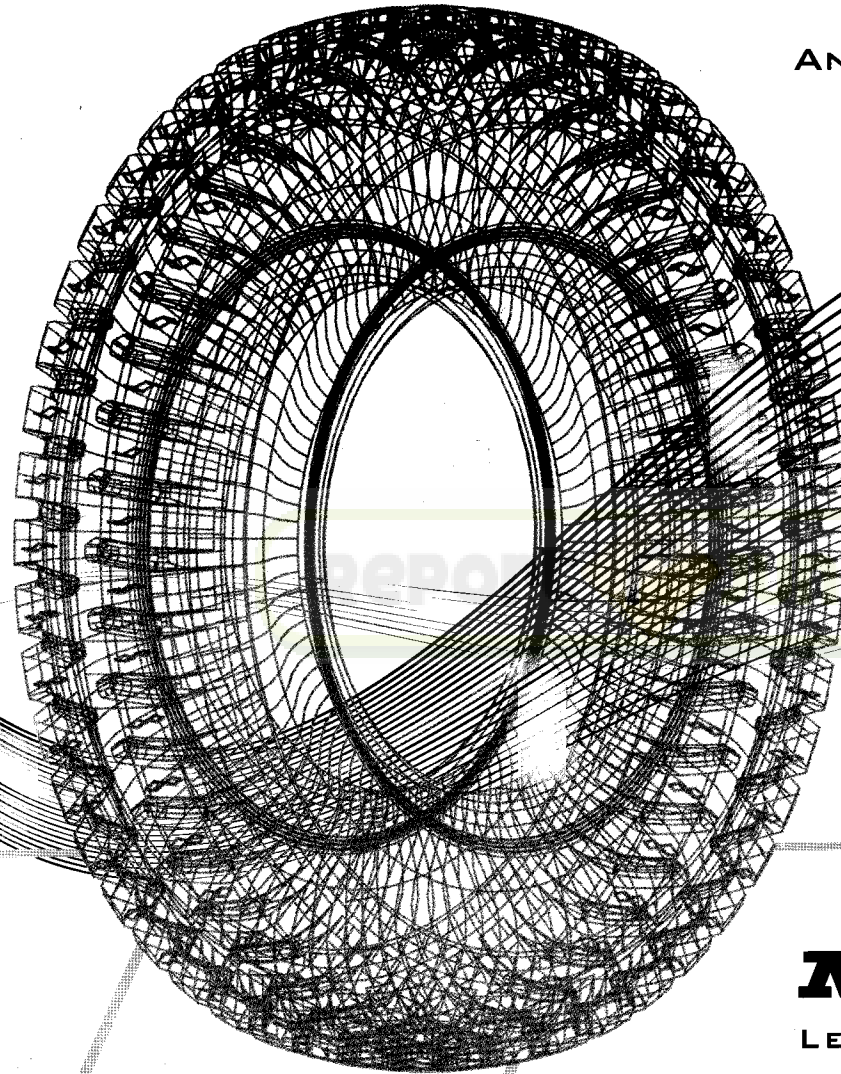


ANNUAL REPORT 2007-08



**MRF**

LEADING THROUGH INNOVATION

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Dear Shareholder,

The year 2008 has been a watershed year for the entire automobile industry and more so for auto ancillaries. The impact of the global recession has been felt across industries in India, consequently leading to lower demand. The tyre industry in particular had also to face the brunt of an unprecedented rise in the price of rubber and oil derivatives.

Your company employed appropriate strategies to overcome these trying times. MRF's strengths in product innovation, customer focus and its strategies ensured that we retained our leadership in a very difficult year.

I am grateful to our employees who tirelessly strived in combating the effects of the recession, particularly in the area of cost control. It may be more prudent to expect low growth in the coming year and hence to appropriately revisit our strategies in line with the market conditions.



A handwritten signature in black ink, appearing to read 'K. M. Mammen', with a horizontal line underneath.

**K. M. Mammen**

Chairman and Managing Director

Chairman's Message

MRF was ranked highest in the J.D. Power Asia Pacific 2008 India Original Tyre Satisfaction Study\*, and is the only Indian tyre company to receive this award six times in the last eight years – a formidable achievement.

These victories drive us to raise the bar of quality and performance, year after year.



## MRF Tops J.D. Power Study<sup>SM</sup> for the sixth time

\*J.D. Power Asia Pacific 2008 India Original Tyre Satisfaction Study<sup>SM</sup> Study based on a total of 3,381 new - vehicle owners of 10 makes and 38 different vehicle models in India. Customers were surveyed between May and August 2007 at 12 to 18 months of ownership. [www.jdpower.co.jp](http://www.jdpower.co.jp)

Performance now has a new name – MRF Revz, India's first bike radial tyre. MRF Revz has been developed for lower rolling resistance, optimum traction and braking, and high speed stability. The new bike radial from MRF is taking Indian motorcycling to greater heights.

MRF ZVTV, the radial for new generation cars is engineered for speed, performance, fuel efficiency, comfort and handling. The ZVTV is original equipment on the new Honda City 2008 model.



◀ MRF ZVTV

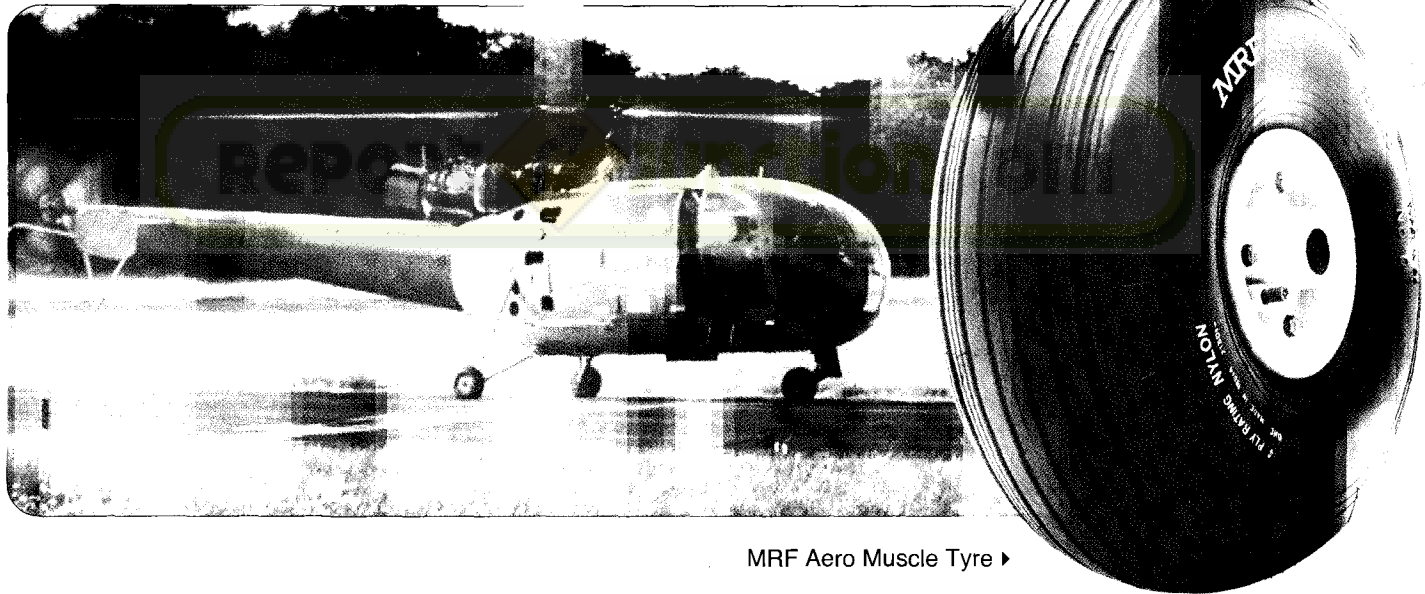
MRF REVZ ▶



**New product launches – MRF Revz and MRF ZVTV**

MRF brings you world-class aviation tyres. Developed in-house by MRF R&D using cutting-edge technology, the MRF Aero Muscle tyre has been approved by CEMILAC (Center for Military Airworthiness & Certification) for the Chetak / Cheetah helicopters – aviation tyres that meet international quality standards.

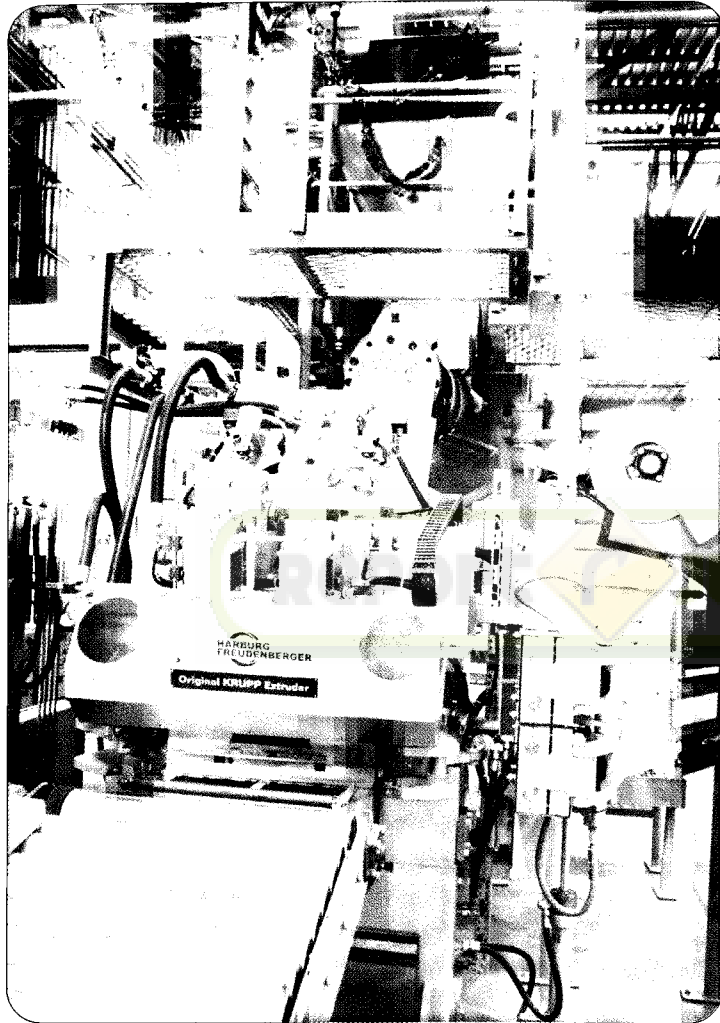
Aviation tyre technology, now in India. Only from MRF.



MRF Aero Muscle Tyre ►

**Reaching for the skies-MRF Aero Muscle**





MRF has upgraded machinery in its factories to significantly improve productivity and enhance the performance of products. The new equipments improve product precision and also reduce energy consumption and waste.

◀ Duplex Extruder at the Puducherry Unit

**State-of-the-art manufacturing equipments**

MRF T&S (Tyres & Service) is a one-stop-shop for a unique tyre-buying experience. T&S outlets stock the entire range of MRF tyres and are equipped to provide services like computerized wheel alignment, wheel balancing and tyre changing. It's the answer to the increasing number of world-class cars which are cruising on Indian roads today.



An MRF T&S showroom – for tyres and wheel-related services. ▶



## MRF T&S-Getting closer to the customer





MRF MetalCoat finish on the gates of this bungalow has excellent gloss and resistance to UV, chalking, fading and weather.

MRF's Speciality Coatings Division manufactures speciality coatings for a wide range of applications. The revolutionary 100% polyurethane finishes are available in formulations for applications on metal, wood, plastic, wall and glass. The coatings have been developed for colour and gloss retention, adhesion and durability. It guards against abrasion, corrosion, bad weather and ultra-violet radiation.



MRF TileGarde used on the terracotta roofing tiles has good anti-fungal properties, and resists fading. MRF WallCoat used on the exterior walls protects the walls from rain, smoke, dust, chemicals and UV rays.

## Speciality Coatings Division

The red cars from Team MRF provide formidable competition in National and International rallies. Participation in these rallies provides MRF tyres a platform to compare against the best international brands. Victory is proof of MRF's technological superiority. In 2008, Team MRF won rounds of the (APRC) Asia Pacific Rally Championship in New Caledonia, Japan and Indonesia.

Gaurav Gill (standing on car, left) of Team MRF won the APRC round in Indonesia in 2008 – becoming the first Indian to win a round in APRC history.

Passion for Rallying

