



Gujarat Chief Minister Mr. Narendra Modi lays the foundation stone for CEAT's Rs. 700 crore new radial tyre plant at Halol

- **New plant to employ 1000 people in the first phase**

Halol, January 25, 2009: The foundation stone for tyre major Ceat Limited's **Rs. 700 crore** radial plant at Halol (40km from Baroda) was laid down by the **Gujarat Chief Minister Mr. Narendra Modi**. **Also present at the function were RPG chairman, Mr. Harsh Goenka, CEAT Managing Director - Mr. Paras K Chowdhary, and CEAT VP – Sales & Marketing - Mr. Arnab Banerjee**. This plant, a Greenfield project will provide employment to over 1000 people in the first phase of operations which is 2009-2010.

The first tyre from the plant will roll out by May 2010. The CEAT radial tyre plant will be spread across 125 acres of land and is expected to manufacture 4 million tyres in phase 1. Subsequently the capacity will be increased to 12 millions in the next 10 years. The investment of Rs.700 crore from CEAT will be made in two phases - the first phase (2009-2010) Rs.500 crore will be invested and Rs.200 crore will be invested in the second phase (2011-2012).

Chief Minister Mr. Narendra Modi, on the occasion of the Bhoomi Pujan stated, "We welcome CEAT into our state. CEAT is a new plant will add to the economy of the state. We wish CEAT all the best".

Speaking on the occasion **Mr. Paras K Chowdhary, Managing Director, CEAT Ltd.** said, "With Gujarat emerging as the next auto corridor of India, CEAT is confident this plant will give us the added mileage for increasing our market share. We are thankful to the Gujarat Government for the support given to CEAT. We will re-iterate the trust shown in us by bringing in value to the state economy"

He further added, "Halol was the perfect site because of the support CEAT received from the administration, the state friendly industrial policy and infrastructure support such as gas from GSPL, water from Narmada canal and power from GSEB's local substation which is located just 500 meters away from the site. Proximity to the port will help CEAT with the convenience of procuring the raw material and exporting tyres. Halol being a 'No Octroi Zone' will add to the low cost of production and help in focusing on a higher per man hour output"

The new plant will manufacture Truck, Bus, Light Truck and Passenger Car Radials. A substantial percentage of the total production (25-40%) is slated for export.

ABOUT CEAT

CEAT Tyres, the flagship company of the RPG Enterprises with an annual turnover of Rs. 2,600 crores was established in 1958. Today, CEAT is one of India's leading tyre manufacturers and has a strong presence in both domestic & international markets. The company manufactures over 6 million tyres every year and enjoys a major market share (____%) in the light truck & truck tyre market.

CEAT tyres, tubes and flaps are renowned for their superior quality and durability. CEAT offers the widest range of tyres to all user segments and manufacture world-class radials for all Indian vehicles including: Heavy-duty Trucks and Buses, Light Commercial Vehicles, Earthmovers, Forklifts, Tractors, Trailers, Cars, Motorcycles and Scooters, Auto-rickshaws

CEAT has three manufacturing plants - Mumbai (Bhandup), Nasik & Sri Lanka. The company currently exports tyres to nearly **110 countries** across USA, Europe, Africa & other parts of Asia.

CEAT has a robust network consisting of over 3,500 dealers, 33 regional offices and more than 100 C & F agents. CEAT also has a branded franchisee network 'CEAT Shoppe'. These Shoppes are retail tyre outlets, providing comprehensive expertise in tyres and tyre services -- all under one roof. The company has a dedicated Customer Service department, comprising Customer Service Managers in all four divisional offices, assisted by 50 Service Engineers.

The board headed by Mr. R P Goenka, Chairman Emeritus and Mr. Harsh Goenka, Chairman manages RPG Enterprises. Mr. Paras K Chowdhary is the Managing Director of CEAT Ltd and Mr. Arnab Banerjee, heads the Sales & Marketing division of CEAT Ltd.

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