

JK Tyre posts Rs 25 cr net; embarks on Rs 1,800 cr expansion plan

Our Bureau

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JK Tyre & Industries Ltd, the third largest tyre maker in the country, on Monday said that it was embarking on a Rs 1,800-crore expansion plan in the next three to four years.

This is to enhance its truck, bus and car radial tyre manufacturing capacities.

INCREASE CAPACITY

JK Tyre would look to increase its manufacturing capacities in Chennai and Rajasthan, Mr Arun K. Bajoria,

President and Director, said here.

"As the Rs 1,700-crore expansion plan nears completion, we are readying to invest another Rs 1,800 crore in truck, bus and car radials in the coming three to four year period.

"The investments could materialise earlier depending on market conditions," he said.

According to Mr Bajoria, the current investment plans have already seen the commissioning of a 10-lakh a year

radial manufacturing facility in Mysore.

The company has already commissioned the first two phases of the greenfield Chennai project.

Another capacity addition of two lakh truck bus radials a year will be commissioned in August and is expected to run full capacity by October.

RUBBER PLANTATIONS

JK Tyre is also eyeing to purchase rubber plantations in South-East Asian countries for better integration with its

production facilities.

The company currently, purchases its rubber requirements from markets both in India and overseas.

The company, meanwhile, reported a jump in net profit to Rs 25 crore for the June quarter over the Rs 1-crore that it had reported in the corresponding quarter last fiscal.

Net sales for the period stood at Rs 1,434 crore.

JK Tyre stock closed at Rs 89.75, up by 1.07 per cent, on the BSE.

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Mr Arun K. Bajoria (left), President and Director, and Mr A.K. Kinra, Finance Director, JK Tyre, in Kolkata on Tuesday. — A. Roy Chowdhury