

CEAT Announces Pass-On Of Tax Reductions To Customers



CEAT Kelani's manufactures bias-ply tyres for the truck and bus segment.

CEAT Kelani Holdings, the manufacturer of nearly half of Sri Lanka's pneumatic tyres requirements, has announced that it has already begun passing on the full benefit of the recent tax reductions to its customers.

The Company said that while every segment of tyre users would benefit from the resulting reduction in the prices of tyres, the overall impact would be most significant in the commercial segments, particularly bus and truck tyres and three-wheeler tyres, where the CEAT brand accounts for market shares of 65 per cent and 50 per cent respectively.

"The decision to pass on of the full benefit of the tax re[duction] to our customers re[duces] operating costs in the transport of passengers and goods," stated Ravi Dadlani, Managing Director, CEAT Kelani. "We therefore welcome the Government's decision to reduce taxes, and hope our dealers will in turn, pass on the benefit to their customers."

He disclosed that with the timely management by CEAT Kelani of the release of stocks to the market, the reduced prices would now apply to the bulk of the inventory of CEAT tyres, which are held by dealers countrywide.

CEAT Kelani's manufacturing operations in Sri Lanka com[prises] pneumatic

tires in the radial (passenger cars, vans and SUVs), commercial (bias-ply and radial), motorcycle, three-wheelers and agricultural vehicle segments.

The company also continues to manufacture bias-ply tyres for the truck and bus segment of which about 55 percent still uses these tyres.