

Dear Shareholder,

Indian economy has shown remarkable growth during the Financial Year 2010-11(FY11) and the growth hovered around 8.5%.The aspirations of Indians will continue to rise. With the financial crisis loosening its hold on the world economies, all the economies including ours are moving towards economic stability. Expectations of the rapid economic recovery in 2010-11 were by and large fulfilled because of the inherent strengths of Indian economy, coupled with positive stimulatory measures introduced by the government. Despite the gradual withdrawal of the stimulus measures introduced in the fiscal year 2009, private consumption and investment , two important domestic demand drivers recovered strongly in FY11 as the confidence of the customer and investor was restored.

Your Company, MUL has shown an exemplary performance during the current financial year that is FY11 by surpassing several different performance parameters of its own. The financials of the Company for FY11 shows a significant growth both in terms of domestic and export sales. MUL has moved on to a high growth trajectory. The modification of the first coating line and commissioning of the fourth coating line will increase the production capacity from 1.3 million linear meters per month to 1.85 million linear meters per month. The fourth coating line will be installed and commissioned by July, 2011. The production has increased from 11.98 million linear meters to 14.13 million linear meters in the financial year 2010-11 showing a growth of 17.95%. The total income of the company has also increased to Rs. 25,068.86 Lacs in FY11 from Rs.16,692.46 Lacs in the year 2009-10. During the current fiscal year, the PAT is Rs. 2,527.18 Lacs registering a phenomenal increase of 55.85% and has delivered a decent return to the shareholders Accordingly, we are glad to announce total dividend of Rs. 10/- per equity share of Rs. 10/- each (Rs. 5.50 interim and a final dividend of Rs. 4.50) for FY11. The final dividend will be payable on the equity shares of the Company subject to approval of shareholders in the ensuing Annual General Meeting. We expect exports to go up steadily over the next few years largely driven by sales to overseas automobile OEMs. MUL is supplying to US auto major's i.e. Ford and Chrysler. The Company is in the process of developing the products for GM, Toyota, BMW & Mercedes Benz. Supplies to these auto majors are high quality products. Besides auto OEMs, general exports would continue to grow to different region and countries like Middle East, UK, Russia, Sri Lanka, Bangladesh, Nepal, China, Mexico, Kuwait.

MUL has established its presence in the leading automotive OEMs across different continents. The progressive relationship with customers is a reflection of the value proposition we bring to the table and the high degree of confidence that is bestowed by the clients.

The endeavor of your company is to become a preferred supplier to all the leading automobile OEM's in the world. To achieve the high standard of quality and the international standards, MUL has appointed the eminent personalities of the automotive sector. Mr. Ramdas U Acharya has joined MUL as a Senior Vice President (Technical). He has to his credit over 30 years experience in the US synthetic leather industry, specializing in the automotive OEM Segment. His key emphasis will be in the field of product development, research etc.

Dr. V.K Khanna has also joined MUL as a Senior Vice President (Operations). He will be laying emphasis on quality improvement, reducing rejections, total productive maintenance (TPM) and total quality management (TQM). He is having an experience of over 38 years in the industry. I am confident that MUL will greatly benefit with the association of these two renowned personalities from their respective fields and MUL will be surpassing itself, to touch the new heights in the years ahead.

MUL acknowledges and appreciates the sincere efforts of employees at all levels who have given their heart and soul to the organization and have worked day in and day out to yield impressive results. I also take this opportunity to express sincere appreciation for assistance, support and co-operation received from the bankers, governments, local authorities, clients, vendors, advisors etc.

I would once again like to thank all those who work for or are associated with MUL especially the bankers i.e. Canara Bank, IDBI Bank and Andhra Bank for their continued support and confidence, which they have reposed in us. MUL growth strategy will throw up many challenges but I am confident that they will stand up with us. They have been instrumental in taking MUL to where it is today and they will define its future path.

I thank you for your continuous support and look forward for a bright future ahead.