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TVS MOTOR COMPANY LIMITED

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Eleventh Annual Report 2002-2003

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TVS MOTOR COMPANY LIMITED

Board of Directors

VENU SRINIVASAN
Chairman & Managing Director

GOPAL SRINIVASAN

T. K. BALAJI

H. LAKSHMANAN

T. KANNAN

N. GANGA RAM

C. R. DUA

K. S. BAJPAI

C. V. R. PANIKAR (Appointed w.e.f 18.04.2003)

Audit Committee

N. GANGA RAM
Chairman

T. K. BALAJI

T. KANNAN

Investors' Grievance Committee

N. GANGA RAM
Chairman

VENU SRINIVASAN

T. KANNAN

President

C. P. RAMAN

Vice President - Finance

S.G. MURALI

Secretary

T. S. RAJAGOPALAN

Auditors

SUNDARAM & SRINIVASAN
Chartered Accountants,
23, Sir C.P. Ramaswamy Road,
Alwarpet, Chennai 600 018.

Listing of shares with

Madras Stock Exchange Ltd., Chennai.
The Stock Exchange, Mumbai.
National Stock Exchange of India Ltd., Mumbai

Bankers

STATE BANK OF INDIA
Corporate Accounts Group Branch,
Greams Road,
Chennai 600 006.

STATE BANK OF MYSORE
Industrial Finance Branch,
Midford Garden Road,
Bangalore 560 001.

STATE BANK OF PATIALA
Whites Road, Chennai 600 014.

STATE BANK OF BIKANER & JAIPUR
Gandhinagar, Bangalore 560 009.

INDIAN OVERSEAS BANK
C & I Credit Branch,
Dr. Radhakrishnan Salai, Chennai 600 004.

Registered office

Jayalakshmi Estates,
24, Haddows Road, Chennai 600 006.

Factories

1) Post Box No. 4,
Harita, Hosur 635 109.

2) Post Box No. 1,
Byathahalli village,
Kadakola post,
Mysore 571 311.

Subsidiary

Lakshmi Auto Components Limited
Chennai.

Contents	Page no.
Financial Highlights	2
Notice to the Shareholders	3
Directors' Report to the Shareholders	6
Management Discussion and Analysis Report	11
Report on Corporate Governance	15
Auditors' Report to the Shareholders	20
Balance Sheet	22
Profit and Loss Account	23
Schedules	24
Notes on Accounts	28
Statement under section 212	39
Cash Flow Statement	40
General Business Profile	41
Lakshmi Auto Components Limited	42
Consolidated Accounts	58

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Financial Highlights

Rupees in crores

DETAILS	2002-2003	2001-2002	2000-2001	1999-2000*	1998-1999
Sales and other income	2726	1944	1841	1621	1328
Profit before interest, depn., and tax	284	144	148	190	156
Profit before tax	201	83	82	120	105
Profit after tax	128	54	63	87	82
Net fixed assets	533	440	436	405	382
Share capital	23	23	23	23	23
Reserves and surplus	400	300	334	292	226
Networth	423	323	357	315	248
Total borrowings	122	167	234	212	231
Earnings per share (Rs)	55.39	23.34	27.12	37.83	35.65
Dividend per share (Rs)	12.00	9.00	8.00	8.00	7.00
Book value per share (Rs)	183.91	140.43	155.22	136.96	107.83

* Includes figures for the period from 1.4.1999 to 21.4.1999.

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Notice to the Shareholders

NOTICE is hereby given that the eleventh annual general meeting of the company will be held at 'The Music Academy', New No.168 (Old No.306), TTK Road, Chennai 600 014 on Friday, the 12th September 2003, at 10.15 A.M to transact the following business:

ORDINARY BUSINESS

1. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT the audited balance sheet as at 31st March 2003 and the profit and loss account of the company for the year ended on that date, together with the directors' report and the auditors' report thereon as presented to the meeting, be and the same are hereby, approved and adopted.

2. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT the interim dividend of Rs.5/- per share declared by the board of directors of the company on 21st October 2002 and the second interim dividend of Rs.7/- per share declared on 9th June 2003, on 2,31,00,070 equity shares of Rs.10/- each fully paid absorbing a sum of Rs.27.72 crores in the aggregate and paid to the shareholders on 11th November 2002 and 20th June 2003, respectively, be and are hereby approved as final dividend for the year ended 31st March 2003.

3. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT Mr Gopal Srinivasan, director who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a director of the company.

4. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT Mr T. K. Balaji, director who retires by rotation and being eligible for re-appointment be and is hereby re-appointed as a director of the company.

5. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT the retiring auditors M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai be and are hereby re-appointed as auditors of the company to hold office from the conclusion of this annual general meeting till the conclusion of the next annual general meeting of the company on such remuneration as may be fixed in this behalf by the board of directors of the company.

SPECIAL BUSINESS

6. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT Mr K. S. Bajpai be and is hereby appointed as a director of the company, liable to retire by rotation.

7. **To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:**

   RESOLVED THAT Mr C. V. R. Panikar be and is hereby appointed as a director of the company, liable to retire by rotation.

8. **To consider and if thought fit, to pass with or without modification, the following resolution as a special resolution:**

   RESOLVED THAT in supersession of the special resolution passed by the shareholders in the ninth annual general meeting of the company held on 21st September 2001, and subject to the provisions of sections 198 and 309 of the Companies Act, 1956, and other applicable provisions, if any, the independent directors of the company (as defined in clause 49 of the Listing Agreement with Stock Exchanges) be paid, in addition to sitting fees for attending the meetings of the board or committee thereof, and travelling and stay expenses, a commission not exceeding 1% of the net profits of the company per annum, subject to a maximum of Rs.3,60,000/- to each of the independent director, payable quarterly, for a period of five years commencing from 1st April 2003.

By order of the board

Chennai
July 18, 2003

T.S. RAJAGOPALAN
Secretary

Registered office:
"Jayalakshmi Estates",
New No.24 (Old No.8)
Haddows Road,
Chennai 600 006.

Notes

1. **A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of himself and the proxy or proxies so appointed need not be a member or members, as the case may be, of the company. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the company not later than 48 hours before the time fixed for holding the meeting.**
2. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business under item nos. 6 to 8 as set out above is annexed hereto.
3. The first interim dividend of Rs.5/- per equity share declared by the board of directors was paid on 11th November 2002 to the shareholders whose names appeared in the register of members on 26th October 2002. The second interim dividend of Rs.7/- per share was paid on 20th June 2003 to the shareholders whose names appeared in the register of members of the company as on 16th June 2003 (end of the day) in respect of shares held in depositories and as on 20th June 2003 in respect of shares held in physical form. The directors have recommended no further dividend for the year 2002-2003.
4. Consequent upon the amendment to section 205A read with section 205C of the Companies Act, 1956, the dividend declared for the year ended 31st March 1997 and remaining unpaid / unclaimed will be transferred to investor education and protection fund on **8th October 2004.** Subsequent dividends declared which remain unclaimed for a period of seven years will be transferred to the investor education and protection fund established by the Central Government on the due dates.

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Members who have not encashed their dividend warrants in respect of the above period are requested to make their claim by surrendering the unencashed warrants immediately to the company.

5. Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding / trading.
6. Members are requested to notify to the company immediately any change in their address. Members holding shares in depository are requested to advise change of address to their depository participants.
7. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Members are therefore requested to bring their copies of the annual report to the meeting.
8. Members are requested to affix their signature at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
9. In terms of clause 49 of the listing agreement with stock exchanges, a brief resume of directors who are proposed to be appointed / re-appointed at this meeting is given below:

I Mr. Gopal Srinivasan

Born on 4th August, 1958, Mr. Gopal Srinivasan is a commerce graduate from Loyola College, Chennai and is a Master of Business Administration (Industrial and Business Administration) from the University of Michigan, Ann Arbor, USA. He was co-opted as a director by the board on 27th January 2000.

He was the president of Manufacturers' Association for Information Technology and has been representing IT industry in the country and negotiating with the Government of India on its policies. He is also a member of the panel on development, manufacture and export of IT hardware constituted under the National Task Force on Information Technology and Software Development constituted under the authority of the office of the Prime Minister and a member of the State Level Information Technology Task Force headed by the Chief Minister of Tamil Nadu. He is a member of the small group set up by the Commerce and Industry Minister, Government of India to suggest policy and procedural changes to bring about a quantum jump in the export of electronic hardware.

He is a director in the following companies viz., TVS Finance and Services Limited (Chairman), TVS Investments Limited (Chairman), Harita Infoserve Limited, (Chairman), TVS Electronics Limited (Whole-time director), Sundaram-Clayton Limited (Joint managing director), ICICI Venture Funds Management Co Limited, Lucas-TVS Limited, India Japan Lighting Limited, India Nippon Electricals Limited, Sundaram Industries Limited, T V Sundram Iyengar & Sons Limited, Harita Infoserve Inc., USA, Harita Electronics Private Limited and Vidhar Fabricators and Engineering Private Limited.

He is a member of the investors' grievance committee of TVS Electronics Limited and TVS Finance and Services Limited and chairman of the administrative committee of TVS Electronics Limited and TVS Finance and Services Limited. He is also a member of the administrative committee of the company and Sundaram-Clayton Limited.

II Mr. T. K. Balaji

Born on 12th July 1948, Mr. T.K. Balaji is a Bachelor of Engineering, securing first rank from Madras University and is also a Master of Business Administration from IIM, Ahmedabad with a gold medal for outstanding scholastic performance. He was first co-opted as a director of the company on 15th February 2000.

Mr. T.K. Balaji is a member of Development Council for Automobiles & Allied Industries, Government of India. He is the past president of Automotive Component Manufacturers Association of India (ACMA) and was conferred a Special Award by the FIE Foundation of Maharashtra in March 1995 in recognition of his contribution to the development of automotive component industry.

Mr. T. K. Balaji is the chief executive and managing director of Lucas-TVS Limited and managing director of Delphi-TVS Diesel Systems Limited. He is also a director in the following companies viz. India Nippon Electricals Limited (Chairman), India Japan Lighting Limited (Chairman), Lucas Indian Service Limited, TVS Electronics Limited, Sundaram-Clayton Limited, T.V. Sundram Iyengar & Sons Limited, Titan Industries Limited, TVS Lean Logistics Limited, Apollo Hospitals Enterprises Limited, Harita Electronics Limited, Hastham Swasthi Private Limited and Punarvasu Swasthi Private Limited.

Mr. T.K. Balaji is the chairman of the audit committee of Sundaram-Clayton Limited and member of the audit committee of the company and Titan Industries Limited. He is a member of the shareholders/ investors' grievance committee of Sundaram-Clayton Limited and TVS Electronics Ltd. He is also the chairman of the remuneration committee of Titan Industries Limited.

III Mr. K. S. Bajpai

Born on 30th March 1928, Mr. K. S. Bajpai, was in Indian Foreign Service and retired as Secretary to Government, Government of India, New Delhi.

Mr. K. S. Bajpai served as secretary of the ministry of external affairs and also served as Indian Ambassador to Pakistan, China and United States of America. He was a visiting fellow at Stanford University's centre for international security and co-operation in 2002.

He was appointed as an additional director of the board on 27th January 2003. He does not hold directorship in any other company.

IV Mr. C. V. R. Panikar

Born on 21st August 1926, Mr. C.V. R. Panikar is a retired IAS officer with varied experience from 1950 onwards in Financial Management and Economic Development, both in Governmental and International (World Bank) fields. After retirement in 1984, he has been serving as a director for several years in the boards of Indian Public Limited Companies. He was appointed as an additional director on 18th April 2003.

He is a director in the following companies viz., Manali Petro Chemicals Limited, KCP Limited, TVS Finance and Services Limited, Roots Industries Limited and Economic and Commercial Advisory Services (P) Limited. He is also a member of the remuneration / compensation committee of TVS Finance and Services Limited.

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Annexure to notice

Explanatory statement pursuant to section 173(2) of the Companies Act, 1956

The following explanatory statement sets out all material facts relating to the special business mentioned in the accompanying notice dated 18th July 2003 and shall be taken as forming part of the notice.

Item nos. 6 & 7

Mr. K. S. Bajpai was appointed as an additional director of the company with effect from 27th January 2003.

Mr. C. V. R. Panikar was appointed as an additional director of the company with effect from 18th April 2003.

In terms of section 260 of the Companies Act, 1956, both the directors will hold office only upto the date of this annual general meeting.

Notices have been received from certain members of the company under section 257 of the Companies Act, 1956, alongwith a deposit of Rs.500/- in each case signifying their intention to propose the candidature of M/s K. S. Bajpai and C. V. R. Panikar for the office of directors and to move the resolution as set out in item nos. 6 & 7 of this notice.

The directors recommend the resolution for adoption by the shareholders.

M/s K. S. Bajpai and C. V. R. Panikar are deemed to be concerned or interested in the respective resolutions.

Item no. 8

The board of directors, in terms of resolution No.308 passed at its meeting held on 23rd April 2001, resolved to pay remuneration by way of commission to non-whole time independent directors (as defined in clause 49 of the Listing Agreement with Stock Exchanges), a sum not exceeding 1% of the net profit of the company per annum, subject to a maximum of Rs.2 lakhs to each of the independent directors. The above remuneration is payable quarterly for a period of five years commencing from the financial year 2001-02.

In terms of section 309 of the Companies Act, 1956, the shareholders approved the payment of above remuneration by a special resolution passed at the ninth annual general meeting of the company held on 21st September 2001.

Considering the active role played by the independent directors and the amount of responsibility vested in them, the directors consider it proper to refix the commission payable to the independent directors at 1% of the net profits of the company, subject to a maximum of Rs.3.60 lakhs per annum to each of the independent directors, payable quarterly, for a period of five years, with effect from 1st April 2003.

The directors recommend the resolution to be adopted as a special resolution by the shareholders.

M/s T. Kannan, T. K. Balaji, N. Ganga Ram, C. R. Dua, K. S. Bajpai and C. V. R. Panikar, being independent directors are interested in the resolution to the extent of commission payable to them.

By order of the board

T.S. RAJAGOPALAN
Secretary

Chennai
July 18, 2003

Registered office:
"Jayalakshmi Estates",
New No.24 (Old No.8)
Haddows Road,
Chennai 600 006.

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Directors' report to the shareholders

The directors herewith present the 11th annual report and the audited accounts for the year ended 31st March 2003.

2. FINANCIAL HIGHLIGHTS

Details	Year ended 31-03-2003	Year ended 31-03-2002	% of growth
QUANTITATIVE :	(Numbers in lakhs)		
Production :			
Motorcycles	7.40	4.54	63.0
Mopeds	2.43	2.71	-10.3
Scooters	1.51	1.47	2.7
Total vehicles produced	**11.34**	**8.72**	**30.0**
Sales:			
Motorcycles	7.19	4.50	59.8
Mopeds	2.48	2.72	-8.8
Scooters	1.53	1.44	6.3
Total vehicles sold	**11.20**	**8.66**	**29.3**
FINANCIAL	(Rupees in crores)		
Sales (net of excise duty) and other income	2726.06	1944.33	40.2
Gross profit before interest and depreciation	283.88	143.56	
Interest (net)	2.83	11.82	
Depreciation	79.91	49.22	
Profit before tax	201.14	82.52	
Provision for tax	73.19	28.61	
Profit for the year (after tax)	127.95	53.91	
Add :Surplus brought forward	23.17	20.33	
Tax relating to earlier years	1.40	0.04	
Transfer from debenture redemption reserve	9.90	12.80	
Profit available for appropriation	162.42	87.08	
Less:			
Interim dividend	27.72	20.79	
Tax on dividend	2.07	2.12	
Transfer to general reserves	100.00	41.00	
Surplus carried forward	32.63	23.17	

3. DIVIDEND

During the year, the board of directors declared two interim dividends of Rs.5/- per share on 21st October 2002, and Rs.7/- per share on 9th June 2003, thus totalling Rs.12/- per share (i.e 120%) absorbing in the aggregate a sum of Rs.27.72 crores. The directors have recommended no further dividend for the year ended 31st March 2003.

4. PERFORMANCE DURING THE YEAR

Despite the slow growth of the economy, the two-wheeler industry has grown with volume of sale increasing from 4.3 millions in 2001-02 to 5.04 millions in 2002-03, registering a growth of 17%. The company sold during the year 2002-03, 1.12 million vehicles compared to 0.87 million vehicles in the previous year, registering a growth of 29%. The sale of motorcycles has increased from 0.45 million in 2001-02 to 0.72 million in 2002-03, registering an increase of 60%. The company's market share in moped segment continued to be maintained around 69% despite its declining share in the overall two-wheeler market by 14%. The company sold 0.25 million mopeds during the year as against 0.27 million in the previous year. In the scooter segment, the company achieved a marginal growth of 6% over the previous year with a sale of 0.15 million vehicles. The company's turnover for the year increased from Rs.1944 crores to Rs.2726 crores, recording an all-time increase of 40%.

5. OUTLOOK

The two-wheeler industry which is closely linked with the general level of economic activity, has grown at a compounded annual growth rate of 10% during the five year period 1998-99 to 2002-03.

Indian economy is expected to grow at 5% in 2003-04. The company estimates a growth of 7% in its sales during the current year.

6. DIRECTORS

Mr. K.S. Bajpai and Mr. C.V.R. Panikar were appointed as additional directors with effect from 27th January 2003 and 18th April 2003, respectively. In terms of section 260 of the Companies Act, 1956, they will hold office up to the date of the ensuing annual general meeting of the company. Notices have been received from certain members of the company in terms of section 257 of the Companies Act, 1956, signifying their intention to propose the candidature of Mr. K.S. Bajpai and Mr. C.V.R. Panikar for the office of director.

Mr. Gopal Srinivasan and Mr. T. K. Balaji retire at the ensuing annual general meeting of the company and being eligible, offer themselves for re-appointment.

7. AUDITORS

M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, retire at the ensuing annual general meeting and are eligible for re-appointment.

8. SUBSIDIARY

A statement relating to the subsidiary, M/s Lakshmi Auto Components Limited, Chennai, and a copy of its annual accounts for the year ended 31st March 2003 are attached to the balance sheet pursuant to section 212 of the Companies Act, 1956. A consolidated financial statement of accounts of our company and Lakshmi Auto Components Limited, (subsidiary) is annexed to this report as required by Accounting Standard 21 (AS 21) prescribed by The Institute of Chartered Accountants of India (ICAI).

M/s Lakshmi Auto Components Limited, our subsidiary has acquired the entire paid up capital of M/s Sundaram Auto Components Limited (SACL) ie., 2,50,000 equity shares of Rs.10/- each for cash at par on 1st April 2003. Consequently, SACL has become a subsidiary of the company with effect from 1st April 2003.

9. STATUTORY STATEMENTS

As per the requirements of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of board of directors) Rules, 1988, the information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in Annexure I to this report.

The particulars required pursuant to section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of employees) Rules, 1975 as amended by Companies

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(Particulars of employees) Rules, 2002 are given in Annexure II to this report.

As required under section 217(2AA) of the Companies Act, 1956, the directors' responsibility statement is given in Annexure III to this report.

10. CORPORATE GOVERNANCE

As required by clause 49 of the listing agreement, a management discussion and analysis report and a report on corporate governance are enclosed. A certificate from the auditors of the company regarding compliance of the conditions of corporate governance as stipulated by clause 49 of the listing agreement is attached to this report.

11. ACKNOWLEDGEMENT

The directors gratefully acknowledge the continued support and co-operation received from the holding company i.e. Sundaram-Clayton Limited, Chennai. The directors wish to thank the debentureholders, bankers, financial institutions, investing institutions, customers, dealers, vendors and sub-contractors for their valuable support and assistance.

The directors wish to place on record their appreciation of the excellent work done by all the employees of the company during the year under review.

The directors specially thank the shareholders for their continued faith in the company.

For and on behalf of the board

Chennai
July 18, 2003

VENU SRINIVASAN
Chairman

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Annexure I to directors' report to the shareholders

Information pursuant to section 217(1)(e) of the Companies Act, 1956

A CONSERVATION OF ENERGY

1. Measures taken

(i) Conversion of burners and boilers from HSD to LDO;

(ii) Feeding power to Plant I from central power plant;

(iii) Arrest air leakages throughout the plant;

(iv) Replace the existing motors with energy efficient motors; and

(v) To go for 'low bay' light fittings at machine shop to minimise the number of light fittings.

The above measures have resulted in a savings of approximately Rs. 1.05 crores.

2. Proposed measures

(i) Surrender maximum demand of 3,150 KVA to reduce demand charges;

(ii) Heat recovery from the HT DG exhaust system to eliminate running of the boiler in the paint shop resulting in fuel savings;

(iii) Energy savings at 'alpha shop' air conditioner system through hot water heat recovery by VAM AC system; and

(iv) Implementing the cost effective solutions suggested by the team from Confederation of Indian Industry (CII) on energy saving proposals.

The above measures are expected to yield an annual savings of approximately Rs. 0.80 crore.

B TECHNOLOGY ABSORPTION

1. Specific areas in which R&D is carried out by the company:

a) Design and development of 75 cc 4 stroke engine for Scooterette application; and

b) Development work for improving NVH, ride comfort, vehicle handling and road safety.

2. Future plan of action:

a) Development of technology for reducing emission and improving fuel economy in 4 stroke engines; and

b) Development of new products for new markets with improved features and safety.

3. Expenditure on R & D:

	Rs. in crores
Capital expenditure	12.25
Revenue expenditure	46.40
Total	58.65
Total expenditure as a percentage of turnover	2.17%

4. Data relating to imported technology:

Technology imported	Manufacture of 2 stroke 100 cc motor cycles	Manufacture of 4 stroke 150 cc motor cycles	Manufacture of front forks for motor cycles
a. Year of import (commercial production)	1984	1999	1987
b. Has technology been absorbed ?	Yes	Yes	Yes
c. If not absorbed, area where this has not taken place, reasons therefor and future plans of action	Not applicable	Not applicable	Not applicable

C. FOREIGN EXCHANGE EARNINGS AND OUTFLOW

1. Export activities

During the year, major thrust was given on exports and the export turnover grew by 45%. Export coverage has been increased to more than 20 countries. Activities are being undertaken to improve the sales in Asian and African countries.

2. Total foreign exchange used and earned:

	Rs. in crores
Foreign exchange used	151.92
Foreign exchange earned	24.97

For and on behalf of the board

Chennai
July 18, 2003

VENU SRINIVASAN
Chairman

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Annexure II to directors' report to the shareholders

Particulars of employees as per section 217(2A) of the Companies Act, 1956

Sl. No.	Name	Age (Yrs.)	Designation	Date of employment	Remuneration (Gross) Rs.	Qualification	Experience (Yrs.)	Previous employment
EMPLOYED THROUGHOUT THE YEAR								
1	Chandramouli R.	44	Vice President - Sales and marketing	19.12.1988	30,96,616	B.E.(Agri.), P.G.D.B.M.	19	Asst. Manager - Sales, Escorts Ltd.
2	Devarajan S.	45	Vice President - Production Engineering	03.11.1997	31,69,825	B.E(Mech.), P.G.D.B.A., M.B.A., M.S.(Engg.) Warwick	22	P.E.(Incharge), Delphi Automotive Systems
3	Goindi H.S.	45	Vice President - International Business	29.01.2001	29,53,735	B.E., P.G.D.M.	20	General Manager (Sales and Marketing), Mahindra Holiday Resorts
4	Harne Vinay Chandrakant	44	Vice President - R & D	01.09.1987	36,34,458	B.E.(Mech.), M.Tech.	20	Member - R & D, Sundaram-Clayton Ltd.
5	Kovaichelvan V.	46	Vice President - HR & TQC	21.05.1984	32,63,338	B.E.	23	Engineer, Kunal Engineering Ltd.
6	Mathew P.C.	52	Executive Vice President	30.08.2001	42,60,701	B.E.(Hons.) - Mechanical	30	Vice President & General Manager, BBA Chemicals division, Bush Boake Allen Inc.
7	Muthuraj M.	47	Vice President - Operations	01.10.1984	29,84,172	D.M.E., B.Tech., M.S.	26	Asst. Engineer, Hindustan Brown Boveri Ltd.
8	Radhakrishnan K.N.	40	Vice President - Business Planning	15.09.2000	33,74,659	M.Tech. (Maint. Engg. and management)	17	General Manager - Business Planning, Sundaram-Clayton Ltd.
9	Rajagopalan S.	61	Vice President - Industrial Relations	04.09.1995	27,50,412	B.Com., L.L.B., P.G.D.B.M.	43	Personnel Manager - Coats Viyella (India) Ltd.
10	Raman C.P.	62	President	01.02.1998	76,58,710	B.Tech.	42	Managing Director, Eveready Industries Ltd.
11	Simha B.L.P.	40	Vice President - Materials	10.12.1990	29,14,905	B.E., M.S. (Warwick)	19	Member, Manufacturing systems, Sundaram-Clayton Ltd.
12	Sundaresan R.	43	Vice President - Quality	01.09.1987	27,19,555	B.Tech.	20	Asst. Superintendent - Quality, Sundaram-Clayton Ltd.
EMPLOYED FOR A PART OF THE YEAR								
1	Murali S.G.	52	Vice President - Finance	15.07.2002	22,71,751	B.Com., A.C.A.	31	General Manager Commercial, Hindustan Lever Ltd,
2	Ramasamy A.	60	Vice President - Finance	04.06.1997	22,00,170	B.Com., F.I.C.W.A., D.M.S.	36	Vice President - Group Finance, Coats Viyella (India) Ltd.

Notes:

1 Years of experience also include experience prior to joining the company.

2 Remuneration comprises of salary, house rent allowance, contribution to provident fund and superannuation fund, medical reimbursement, medical insurance premium, leave travel assistance and other benefits evaluated under Income tax rules.

3 Besides, employees are entitled to gratuity as per rules.

4 None of the employees is related to any of the directors of the company.

5 Terms of employment of all the employees mentioned above are contractual.

6 None of the employees either individually or together with spouse or children held more than 2% of the equity shares of the company.

For and on behalf of the board

Chennai
July 18, 2003

VENU SRINIVASAN
Chairman

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