

TVS MOTOR COMPANY LIMITED

Twenty First Annual Report 2012-2013





TVS MOTOR COMPANY LIMITED

Board of Directors	VENU SRINIVASAN <i>Chairman & Managing Director</i>
	SUDARSHAN VENU <i>Whole Time Director</i> <i>(from 1st February 2013)</i>
	H. LAKSHMANAN
	T. KANNAN
	C. R. DUA
	K. S. BAJPAI
	R. RAMAKRISHNAN
Audit Committee	PRINCE ASIRVATHAM
	HEMANT KRISHAN SINGH <i>(from 1st February 2013)</i>
	T. KANNAN <i>Chairman</i>
	C.R. DUA
	R. RAMAKRISHNAN
	PRINCE ASIRVATHAM
Investors' Grievance Committee	T. KANNAN <i>Chairman</i>
	VENU SRINIVASAN R. RAMAKRISHNAN
President & CEO	K.N. RADHAKRISHNAN
Executive Vice President - Finance	S.G. MURALI
Company Secretary	K.S. SRINIVASAN
Auditors	SUNDARAM & SRINIVASAN Chartered Accountants, Chennai.
Cost Auditor	A.N. RAMAN Cost Accountant, Chennai .
Shares listed with	Madras Stock Exchange Ltd., Chennai.
	BSE Ltd., Mumbai. National Stock Exchange of India Ltd., Mumbai.
Share Transfer Agent	Sundaram-Clayton Limited "Jayalakshmi Estates", 1 st Floor, No.29 (Old No.8), Haddows Road, Chennai - 600 006 Tamil Nadu, India. Tel : 044 - 2828 4959; 2827 2233 Fax : 044 - 2825 7121
E-mail	kr.raman@scl.co.in sclshares@gmail.com investorscomplaintssta@scl.co.in ks.srinivasan@scl.co.in
Bankers	STATE BANK OF INDIA Corporate Accounts Group Branch, Chennai.
	STATE BANK OF MYSORE Corporate Accounts Branch, Bengaluru.

Registered office

"Jayalakshmi Estates", 29 (Old No.8), Haddows Road,
Chennai - 600 006, Tamil Nadu, India.
Tel : 044 - 2827 2233
Fax : 044 - 2825 7121

Factories

Post Box No. 4, Harita, Hosur - 635 109, Tamil Nadu, India.
Tel : 04344 - 276780
Fax : 04344 - 276016

Post Box No. 1, Byathahalli Village,
Kadakola Post, Mysore - 571 311, Karnataka, India.
Tel : 0821 - 2596242
Fax : 0821 - 2596550 / 2596551

Bhatian Village, Nalagarh Post & Taluk
Solan District - 174 101, Himachal Pradesh, India.
Tel : 01795 - 220494
Fax : 01795 - 220496

Website : www.tvsmotor.in

Subsidiary Companies

Sundaram Auto Components Limited, Chennai
TVS Energy Limited, Chennai
TVS Wind Energy Limited, Chennai
TVS Wind Power Limited, Chennai
TVS Housing Limited, Chennai
TVS Motor Company (Europe) B.V., Amsterdam
TVS Motor (Singapore) Pte. Limited, Singapore
PT. TVS Motor Company Indonesia, Jakarta
Sundaram Business Development Consulting (Shanghai) Co.
Ltd., Shanghai

CONTENTS

Page No.

Financial Highlights	2
Notice to the shareholders	3
Directors' Report to the shareholders	7
Report on Corporate Governance	16
Auditors' Report to the shareholders	29
Balance Sheet	32
Statement of Profit and Loss	33
Notes on accounts	34
Accounting Standards and additional disclosures	43
Cash Flow Statement	61
Statement under Section 212 of the Companies Act, 1956	63
Auditors' Report on Consolidated Accounts	65
Consolidated Accounts	66
Financial information of subsidiaries as per Section 212(8) of the Companies Act, 1956	92

Financial Highlights

Rupees in crores

Details	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04
Sales & other income	7089	7163	6324	4485	3741	3310	3921	3306	2955	2856
Profit before interest, depreciation, amortisation and tax*	461	520	491	304	247	219	254	318	332	316
Profit before tax*	254	316	248	76	31	35	91	168	200	215
Profit after tax	116	249	195	88	31	32	67	117	138	138
Net fixed assets	1048	1078	995	983	1036	1043	1003	794	770	704
Share capital	48	48	48	24	24	24	24	24	24	24
Reserves and surplus	1177	1122	952	842	786	798	786	742	655	551
Networth	1225	1170	999	835	735	769	751	673	614	562
Total borrowings	635	831	768	1003	906	666	634	385	187	119
Earnings per share# (Rs.)	2.44	5.24	4.10	1.86	0.66	0.67	1.40	2.47	2.90	2.92
Dividend per share (Rs.)	1.20	1.30	1.10	1.20	0.70	0.70	0.85	1.30	1.30	1.30
Book value per share# (Rs.)	25.52	24.38	20.81	17.40	15.32	16.02	15.65	14.02	12.79	11.71
EBITDA/turnover (%)	6.5	7.3	7.4	6.8	6.6	6.6	6.5	9.6	11.2	11.1
Profit before tax/turnover (%)	3.6	4.4	3.9	1.7	0.8	1.1	2.3	5.1	6.8	7.5
Return on capital employed (%)	14.7	19.0	16.4	8.0	5.6	2.8	10.4	18.3	23.8	30.1
Return on net worth (%)	9.7	23.0	21.3	11.2	4.1	4.1	9.2	18.0	23.4	28.1

Notes:

The figures from 2010-11 are based on the Revised Schedule VI classifications. The figures upto 2009-10 are based on the respective year's reported results.

* Figures for 2012-13 are before exceptional and extraordinary items.

Earnings per share and Book Value per share for all the years have been calculated after considering the bonus issue made during 2010-11.

Notice to Shareholders

NOTICE is hereby given that the twenty first annual general meeting of the Company will be held at 'The Music Academy', New No. 168 (Old No. 306) T.T.K. Road, Royapettah, Chennai - 600 014 on Friday, the 19th July 2013, at 10.00 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 2013, the statement of profit and loss and cash flow statement 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 Mr H Lakshmanan, director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

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

RESOLVED THAT Mr R Ramakrishnan, 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 M/s V Sankar Aiyar & Co., Chartered Accountants, Mumbai, having Firm Registration No. 109208W allotted by The Institute of Chartered Accountants of India, be and are hereby appointed as statutory auditors of the Company to hold office from the conclusion of this annual general meeting until 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

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

RESOLVED THAT Mr Hemant Krishan Singh, who was appointed as an additional director and who holds office upto the date of this annual general meeting as per the provisions of the Companies Act, 1956, be and is hereby appointed as a director of the Company, subject to retirement by rotation.

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

RESOLVED THAT Mr Sudarshan Venu, who was appointed as an additional director and who holds office upto the date of this annual general meeting as per the provisions of the Companies Act, 1956, be and is hereby appointed as a director of the Company, subject to retirement by rotation.

By order of the board

Bengaluru
30th April 2013

K S SRINIVASAN
Company Secretary

Registered Office:
"Jayalakshmi Estates",
No.29 (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 of attorney or other 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 the special businesses as set out in the notice is annexed hereto.
- 3) The register of members and the share transfer register will remain closed for a period of three days viz., 17th July 2013 to 19th July 2013 for the purpose of annual general meeting of the Company.
- 4) In terms of Section 205A read with Section 205C of the Companies Act, 1956, the dividends declared by the Company, which remain unclaimed for a period of seven years will be transferred on due dates to the Investor Education and Protection Fund (IEPF), established by the Central Government. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the report on corporate governance, forming part of the annual report.

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

Pursuant to Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amount lying with companies) Rules 2012, the Company shall provide / host the required details of unclaimed amounts referred to under Section 205C (2)

of the Act on its website and also in the website of the Ministry of Corporate Affairs (MCA) in the relevant form every year.

- 5) Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
- 6) Members are requested to notify any change in their address to the Company immediately. Members holding shares in electronic form 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 slip annexed to proxy form and hand over the slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representative to attend and vote at the annual general meeting.
- 9) In terms of clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, a brief profile of directors, who are proposed to be re-appointed / appointed in this meeting, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholdings and relationships with other directors in the Company are given below:

I. Mr H Lakshmanan

Born on 14th August 1933, Mr H Lakshmanan is a company executive with vast experience. He joined the TVS Group in 1953. He rose to the position of executive director of Sundaram-Clayton Limited in 1982 and continues to hold the position. He has rich experience, expertise and knowledge in areas such as banking, finance, business administration and human resources.

He holds 56,870 equity shares in the Company and he is not related to any director of the Company. Details of his other directorships and memberships/chairmanships of committees are given below:

S. No	Name of the Company	Position held	Committee membership / Chairmanship
1.	Harita Seating Systems Limited	Chairman	Chairman - Audit Committee Chairman - Investors' Grievance Committee
2.	Sundaram Auto Components Limited	Chairman	Chairman - Audit Committee

S. No	Name of the Company	Position held	Committee membership / Chairmanship
3.	TVS Electronics Limited	Director	Member - Audit Committee Member - Investors' Grievance Committee
4.	TVS Finance and Services Limited	Director	Member - Audit Committee
5.	TVS Investments Limited	Director	Chairman - Audit Committee
6.	TVS Capital Funds Limited	Director	
7.	Harita-NTI Limited	Director	
8.	Harita Techserv Limited	Director	Chairman - Audit Committee
9.	TVS Motor Services Limited	Director	
10.	Harita Fehrer Limited	Director	Member - Audit committee
11.	TVS Energy Limited	Director	
12.	TVS Housing Limited	Director	
13.	TVS Training and Services Limited	Director	
14.	Sundaram Investment Limited	Director	
15.	TVS Motor (Singapore) Pte Limited	Director	
16.	TVS Motor Company (Europe) B.V.	Director	
17.	PT TVS Motor Company Indonesia	Commissioner	
18.	Harita Properties Private Limited	Director	
19.	Harita Interiors Private Limited	Director	
20.	Lakson Technology Private Limited	Director	

II. Mr R Ramakrishnan

Born on 26th March 1946, Mr R Ramakrishnan, is a Graduate in Commerce and holds a Master degree in Economics. He stood first in the University and was a Gold Medalist. Mr Ramakrishnan joined Indian Express Group of newspapers in 1965 where he rose to become its Chief Executive till he was elected to Parliament (Rajya Sabha) in 1980.

He was appointed as Sherrieff of Madras in 1974-75. He enjoys the distinction of having been invited to address the 40th General Assembly of United Nations in 1985.

He was a member of several Parliamentary Committees including the prestigious COPU (Committee of Public Undertakings), Joint Select Committee of Chit Funds etc. He was also a member of the Press Council of India for two terms and also Coffee Board of India (2 terms) and he represented India at the World Coffee Conference held in September 2005.

He was appointed as Governing Council Member of the Rajaji Institute of Public Affairs and Administration by the President of India and was also the Chairman of Sir C P Ramaswamy Aiyer Educational Trust.

He was the Chairman of Madras Race Club and he still continues to serve in the Committee of Madras Race Club. He had been the Governor for Rotary Club of Rotary District 3230, (the largest District in India extending from Hosur, Chennai to Vedaranyam (Sri Lankan Coast). He is a recipient of several awards including the highest Rotary "Service Above Self" award.

He is a member of the audit committee and investors' grievance committee of directors of the Company. He holds 1,08,000 equity shares in the Company and he is not related to any other directors of the Company. Details of his other directorships / memberships / chairmanships of committees are given below:

S. No	Name of the Company / Firm	Position held	Committee membership / Chairmanship
1	Madras Race Club	Director	
2	Ennore Coke Limited	Director	Chairman - Audit Committee
3	Premier Energy and Infrastructure Limited	Director	Chairman - Audit Committee
4	TVS Credit Services Limited	Director	Member - Audit Committee
5	Swetha Enterprises Private Limited	Managing Director	
6	Simply Sofas Private Limited	Director	
7	Designo Lifestyle Solutions Private Limited	Director	
8	Designo India Furnitures Private Limited	Director	
9	Stanley Boutique Private Limited	Director	
10	Haldia Coke and Chemicals Private Limited	Director	
11	Thansa Inspirations Private Limited	Director	
12	Cantata Home Furnitures Private Limited	Director	

S. No	Name of the Company / Firm	Position held	Committee membership / Chairmanship
13	Thansa Home Furnitures Private Limited	Director	
14	Asia Coke Limited	Director	
15	PT.TVS Motor Company Indonesia	Commissioner	

III. Mr Hemant Krishan Singh

Born on 6th October 1950, Ambassador Hemant Krishan Singh holds a Masters Degree from Delhi University where he attended and later taught at St. Stephen's College before serving in the Indian Foreign Service from 1974-2010.

He was Deputy Permanent Representative of India to the UN in Geneva from 1995-99; Ambassador of India to Colombia, Ecuador and Costa Rica from 1999-2002; Ambassador to Indonesia and Timor Leste from 2003-2006; and Ambassador to Japan from 2006-2010. Ambassador Singh holds the ICRIER-Wadhvani Chair in India-US Policy Studies at ICRIER, New Delhi, since September 2011.

He doesn't hold any shares in the Company and he is not related to any director of the Company. He doesn't hold directorship in any other Company.

IV. Mr Sudarshan Venu

Born on 1st February 1989, Mr Sudarshan Venu completed his graduation in 2010 with Honors at the Jerome Fisher Program in Management and Technology at the University of Pennsylvania.

He also pursued a Bachelor of Science Degree in Mechanical Engineering and Bachelor of Science in Economics from the Wharton School, University of Pennsylvania which maintains a long tradition of educating visionary business leaders and academicians.

He completed his Masters in International Technology Management from the Warwick Manufacturing Group, an academic department at the University of Warwick in the United Kingdom.

He was earlier appointed as Vice President of the Company effective 1st December 2011. In terms of Section 314 of the Companies Act, 1956, the said appointment was also approved by the shareholders of the Company at the annual general meeting held on 12th September 2012.

He relinquished his office as Vice President of the Company consequent upon his appointment as a director and also in the rank of whole-time director of the Company, for a period of five years commencing from 1st February 2013, as per the terms and conditions

approved by the shareholders through Postal ballot on 18th March 2013.

He is also a director of the holding company viz., Sundaram-Clayton Limited.

He does not hold any share in the Company and is related to Mr Venu Srinivasan, chairman and managing director of the Company. Details of his other directorships /

memberships / chairmanships of committees are given below:

S. No	Name of the Company	Position held	Committee membership / Chairmanship
1	Sundaram-Clayton Limited	Director	–
2	TVS Credit Services Limited	Director	–

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 (the Act)

The following explanatory statement sets out all material facts relating to the ordinary / special business mentioned in the accompanying notice dated 30th April 2013 and shall be taken as forming part of the notice.

Item No.4

M/s Sundaram & Srinivasan, Chartered Accountants, Chennai were re-appointed as statutory auditors at the last annual general meeting held on 12th September 2012 to hold office till the conclusion of the ensuing annual general meeting.

M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, the retiring auditors of the Company have advised that they do not wish to be re-appointed as the statutory auditors of the Company at the ensuing annual general meeting. In view thereof, the directors recommend that M/s V Sankar Aiyar & Co, Chartered Accountants, Mumbai, be appointed as the Company's auditors to hold office from the conclusion of the ensuing annual general meeting until the conclusion of the next following annual general meeting.

The Company has also received a letter from M/s V Sankar Aiyar & Co, Chartered Accountants, Mumbai expressing their willingness and stating that their appointment, if made, will be within the prescribed limit under Section 224(1B) of the Act,

Accordingly, the resolution is placed before the shareholders for their approval.

The directors recommend the resolution, as set out in item no. 4 of the accompanying notice, to be approved as an ordinary resolution by the shareholders. This may also be treated as special notice in terms of sub-section (1) of Section 225 of the Companies Act, 1956.

None of the directors is deemed to be concerned or interested in the resolution.

Item No.5

Mr Hemant Krishan Singh was appointed as an additional director of the Company with effect from 1st February 2013. In terms of Section 260 of the Companies Act, 1956, Mr Hemant Krishan Singh holds office only upto the date of this annual general meeting.

A notice has been received from a member of the Company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying the intention to propose the candidature of Mr Hemant Krishan Singh and to move the resolution set out in Item No. 5 of this notice.

The directors recommend the resolution, as set out in item no. 5, to be adopted as an ordinary resolution by the Shareholders.

Except Mr Hemant Krishan Singh, none of the other directors is deemed to be concerned or interested in the resolution.

Item No.6

Mr Sudarshan Venu was appointed as an additional director of the Company with effect from 1st February 2013. In terms of Section 260 of the Companies Act, 1956, Mr Sudarshan Venu holds office only upto the date of this annual general meeting.

A notice has been received from a member of the Company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying the intention to propose the candidature of Mr Sudarshan Venu and to move the resolution set out in Item No. 6 of this notice.

The directors recommend the resolution, as set out in item no. 6 to be adopted as an ordinary resolution by the Shareholders.

None of the directors of the Company except Mr Sudarshan Venu, Mr Venu Srinivasan, chairman and managing director of the Company, being the relative of Mr. Sudarshan Venu, is concerned or interested in the resolution.

By order of the board

Bengaluru
30th April 2013

K S SRINIVASAN
Company Secretary

Registered Office:
"Jayalakshmi Estates",
No.29 (Old No.8), Haddows Road,
Chennai - 600 006.

Directors' report to the Shareholders

The directors have pleasure in presenting the twenty first annual report and the audited accounts for the year ended 31st March 2013.

1. FINANCIAL HIGHLIGHTS

Details	Year ended 31-03-2013	Year ended 31-03-2012
SALES:		
Quantitative	(Numbers in lakhs)	
Motorcycles	7.56	8.44
Mopeds	7.93	7.78
Scooters	4.46	5.25
Three wheelers	0.49	0.40
Total vehicles sold	20.44	21.87
Financial	(Rupees in crores)	
Motorcycles	2794.98	2901.15
Mopeds	1547.07	1461.43
Scooters	1441.54	1625.82
Spares & Accessories	741.70	696.64
Three Wheelers	440.11	324.25
Other Operating Income	99.60	132.23
Other Income	23.84	21.71
Sales (Net of Excise duty & other income)	7088.84	7163.23
EBITDA	460.62	519.86
Finance charges & Interest (Gross)	48.04	57.09
Amortisation	27.75	28.78
Depreciation	130.41	117.53
Profit before tax and exceptional item	254.42	316.46
Exceptional item	(91.63)	—
Profit before tax after exceptional item	162.79	316.46
Extraordinary items	0.79	—
Profit before tax after extraordinary item	163.58	316.46
Provision for tax	47.56	67.39
Profit for the year after tax	116.02	249.07

2. DIVIDEND

The board of directors of the Company at its meeting held on 1st February 2013, declared a first interim dividend of Re.0.60 per share (60%) for the year 2012-13 absorbing a sum of Rs. 32.85 Cr including dividend distribution tax. The same was paid to the shareholders on 12th February 2013.

The board of directors of the Company at its meeting held on 30th April 2013 declared a second interim dividend of Re. 0.60 per share (60%) for the year 2012-13 absorbing a sum of Rs. 32.66 Cr including dividend distribution tax. The same will be paid to the shareholders on or after 10th May 2013. Hence, the total amount of dividend including the second interim dividend payable, for the year ended 31st March 2013 will aggregate to Rs.1.20 per share (120%) on 47,50,87,114 equity shares of Re.1/- each.

The board of directors of the Company do not recommend any further dividend for the year under consideration.

3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Two wheeler industry growth for 2012-13 was lower at 2.4% compared to 15% growth of 2011-12 mainly due to weak macro economic factors.

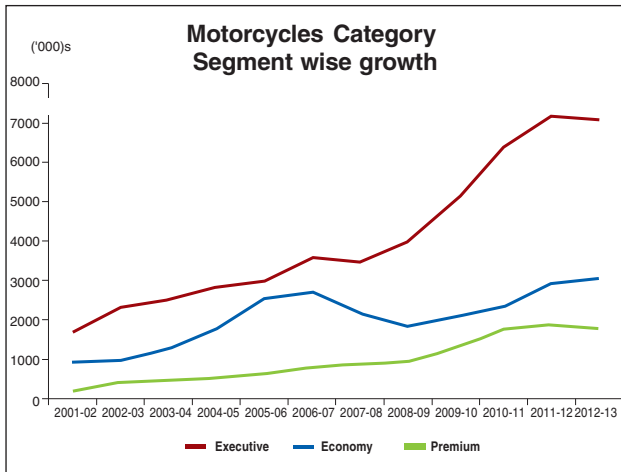
Inflation continued to remain high during the year and GDP growth declined significantly eroding the purchasing power of the consumer. Reduced corporate and infrastructure investment affected industrial production. Deficit monsoon and reduced agricultural income dampened the sentiments further. Added to this, petrol prices and interest rates remained at higher levels.

The slowdown experienced in two wheeler industry during 2012-13, has been across all segments. Growth in motorcycles slowed to 0.1% (119.5 lakh numbers) in 2012-13 from 14% (119.4 lakh numbers) of 2011-12. Despite significant new launches, growth in scooters slowed to 13.6% (30.14 lakh numbers) from 25% (26.5 lakh numbers). Interestingly, Scooters as a category continued to gain share from motorcycles in the total two wheeler industry. Mopeds registered a marginal growth of 0.8%.

Industry sales of two wheelers (Domestic plus Export)

Particulars	2011-12			2012-13		
	Sales in lakh (nos.)	Growth	Category share	Sales in lakh (nos.)	Growth	Category share
Motorcycles	119.4	14%	78%	119.5	0.1%	76%
Un-Geared scooters	26.5	25%	17%	30.1	13.6%	19%
Mopeds	7.8	12%	5%	7.9	0.8%	5%
Total two wheelers	153.7	15%	100%	157.5	2.4%	100%

Within the motorcycle category, Economy segment grew by 7% while Executive segment declined by 1% and Premium segment declined by 4%.



The Petrol Passenger three wheeler segment (3 plus 1 segment) declined by 9% during 2012-13 to 4.20 lakh units. This was mainly due to 16% decline in exports (from 3.38 lakhs in 2011-12 to 2.85 lakhs in 2012-13). Domestic sales grew by 9% (from 1.24 lakhs in 2011-12 to 1.35 lakhs in 2012-13).

BUSINESS OUTLOOK AND OVERVIEW

The uncertainty witnessed in 2012-13 is likely to continue during 2013-14. Global economy showed no signs of recovery during 2012-13 and is expected to be more uncertain. This may result in volatile crude and commodity prices and fluctuations in foreign exchange rates. In domestic economy, continued inflationary pressures, lower private consumption and high interest rates are likely to affect sentiments. The two wheeler industry growth is also consequently expected to be around -3% to +3%.

COMPANY PERFORMANCE

The Company's overall two wheeler sales declined by 7% mainly due to overall sluggish performance of the industry. Mopeds grew at 1.9% while motorcycles declined by 10.5% and scooters by 15%. Three wheeler sales of the Company increased by 22.3% from 0.40 lakh in 2011-12 to 0.49 lakh in 2012-13. Sales of spare parts grew by 6.5%.

Economic Times conducts an annual survey to select most trusted brands across categories, based on attributes of quality, reputation, pride and recommendation among others. The Company was awarded with the coveted title of "India's most trusted brand in the 2W category for the year 2012" and the Company was also conferred "CII-ITC Sustainability award for 2012" by the President of India.

The Company's total revenue including other income marginally fell from Rs.7,163.23 Cr in the previous year to Rs.7,088.84 Cr in the current year 2012-13. The Profit before tax (PBT) (before exceptional and extraordinary items) for the year 2012-13 was Rs.254.42 Cr compared to Rs.316.46 Cr achieved in the previous year. Similarly Profit After Tax (PAT) for the year 2012-13 was Rs.116.02 Cr compared to Rs.249.07 Cr achieved in the previous year, after considering the extraordinary and exceptional items.

New Product Launches and Initiatives

During the year 2012-13, the following new products and variants were launched.

TVS Sport:

In August 2012, TVS Sport with attractive graphics were launched in 2 new colours a) White and b) Mercury Grey. TVS Sport became the first Economy Segment motorcycle to come in these attractive colours.



TVS Phoenix 125:



TVS Phoenix 125 was launched in December 2012 with a unique combination of unbeatable style, engineering designed to delight and a host of premium features. With bold dual-tone graphics, LED Pilot lamps and Roto Petal Disc Brake the TVS Phoenix 125 is a definite head turner. The highly refined 125cc EcoThrust Engine with 11PS combined with the Series Spring Suspension and Padded Compound Seat helps in delivering unmatched ride comfort. The first in class car-like features of Fully Digital Speedometer with Service Reminder and Low Battery Indicator along with Hazard Lights make the riding of new TVS Phoenix 125 an unparalleled experience. With two Motorcycle of The Year (Upto 125cc) awards from NDTV Car & Bike and from Car India & Bike India, TVS Phoenix 125 is truly a stand out vehicle in its class.

TVS Apache:



The all-new re-designed TVS Apache was launched during April 2012. The precise racing ergonomics, hard angles, sculpted lines and lithe design come together in harmony. TVS Apache RTR's sporty, chiselled looks, unmatched performance endowed with superior engine technology and Highest Power to Weight Ratio makes Apache RTR a clear Class leader in terms of performance and styling.

TVS Scooty: Starlet Series



The festive season saw the launch of two new colors under the name of Starlet series - Vivacious Purple and Frosted Black. The launch was to create festive excitement and buzz. Initially launched as limited edition, the success of the colors made it part of the Scooty portfolio.