



28TH
ANNUAL
REPORT
2010-2011



TVS SRICHAKRA LIMITED

TVS EUROGRIP



BOARD OF DIRECTORS

S NARAYANAN

Chairman

R NARESH

Executive Vice Chairman

SHOBHANA RAMACHANDHRAN

Managing Director

M S VIRARAGHAVAN

N H ATTHREYA

SITARAM RAO VALLURI

P VIJAYARAGHAVAN

H JANARDANA IYER



AUDIT COMMITTEE

M S VIRARAGHAVAN
Chairman

N H ATTHREYA
SITARAM RAO VALLURI
P VIJAYARAGHAVAN
H JANARDANA IYER

SHAREHOLDERS / INVESTORS COMMITTEE

S NARAYANAN
Chairman

SHOBHANA RAMACHANDHRAN
P VIJAYARAGHAVAN

AUDITORS

SUNDARAM & SRINIVASAN
NEW NO. 250
P T RAJAN ROAD
MADURAI 625 014

BANKERS

STATE BANK OF INDIA
WEST VELI STREET
MADURAI 625 001

REGISTERED OFFICE

TVS BUILDING
7-B, WEST VELI STREET
MADURAI 625 001

ADMINISTRATIVE OFFICE

10, JAWAHAR ROAD,
MADURAI 625 002
e-mail : investorgrievances@tvstyres.com
demat@tvstyres.com
website : www.tvstyres.com

PLANT LOCATION

VELLARIPATTI VILLAGE
MELUR TALUK
MADURAI DISTRICT
PIN 625 122

NARASINGAMPATTI VILLAGE
THERKUTHERU, MELUR TALUK
MADURAI DISTRICT
PIN 625 122

PLOT NO.7, SECTOR - 1,
INTEGRATED INDUSTRIAL ESTATE,
SIDCUL, PANTNAGAR 263153,
RUDRAPUR, TEHSIL - KICHHA,
DISTRICT UDHAM SINGH NAGAR,
UTTRAKHAND

REGISTRAR AND SHARE TRANSFER AGENT

INTEGRATED ENTERPRISES (INDIA) LIMITED
"KENCES TOWERS", II FLOOR
NO.1, RAMAKRISHNA STREET
NORTH USMAN ROAD, T. NAGAR
CHENNAI - 600 017
e-mail : corpserv@iepindia.com

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NOTICE TO SHAREHOLDERS

Notice is hereby given that the Twenty Eighth Annual General Meeting of the Members of TVS Srichakra Limited will be held at 10.30 AM on Wednesday, the 3rd August, 2011, at Lakshmi Sundaram Hall, 15-A Gokhale Road, Madurai 625 002 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended March 31, 2011, the Balance Sheet as at that date and the Reports of the Auditors and Directors thereon.
2. To declare dividend for the year ended March 31, 2011.
3. To appoint a Director in place of Mr M S Viraraghavan who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr N H Attthreya, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT M/s Sundaram & Srinivasan, Chartered Accountants, Firm Registration No. 004207S, be and are hereby appointed Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix the remuneration payable and the reimbursement of out-of-pocket expenses, if any, to the Auditors”.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to provisions of Section 269, 198 and 309 and all other applicable provisions of the Companies Act, 1956, and subject to such approvals and consents as may be necessary, the approval of the Company is hereby accorded to the re-appointment of Miss Shobhana Ramachandhran as Managing Director of the Company who shall not be subject to retirement by rotation whilst in office, for a period of five (5) years, commencing from 25.8.2011 to 24.8.2016, on such salary, commission and perquisites as set out hereunder, which the Company is entitled to pay in terms of Section I of Part II of Schedule XIII to the Companies Act, 1956.

- A) Salary : Rs. 3,00,000/- (Rupees Three lakhs only) per month with an annual increase of Rs.50,000/- (Rupees Fifty thousand only). Annual increase shall be effective 1st April, every year.
- B) Commission : Two percent of net profits for each financial year or part thereof computed in the manner laid down under the applicable provisions contained in the Companies Act, 1956.
- C) Perquisites and Allowances : The value and details of which are set out in the explanatory statement to the notice convening this Annual General Meeting

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to alter or vary the scope of remuneration including the monetary value thereof, to the extent recommended by the Board of Directors, from time to time as may be considered appropriate and payable to the Managing Director, within the overall limits specified by this resolution subject to the condition that in the event of there being no or inadequate profits, the remuneration shall be subject to the ceiling set out in Section II of Part II of Schedule XIII to the Companies Act, 1956.

NOTICE TO SHAREHOLDERS (Contd.)

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

RESOLVED THAT in supersession of the resolution passed by the members in the Annual General Meeting of the Company held on 14th September, 2007, and in pursuance of the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow (excluding temporary loans obtained from the Banks in the ordinary course of business) from time to time, any sum or sums of money for the purpose of the business of the Company, notwithstanding that the money to be borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the paid up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the total amount upto which the moneys may be borrowed by the Board of Directors shall not exceed at any time the aggregate of the paid-up capital and free reserves of the Company by more than Rs. 300 Crores (Rupees three hundred Crores).

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

RESOLVED THAT in supersession of the resolution passed by the members in the Annual General Meeting of the Company held on 14th September, 2007, and in pursuance of the provisions of Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, the Company do hereby accord its consent to mortgaging and / or charging by the Board of Directors of the Company, all or any of the movable or immovable properties, both present and future or the whole or substantially the whole of the undertaking or undertakings of the Company for securing

- a) any loan as may be obtained from Banks / Other Financial Institutions.
- b) any issue of debentures made by the Company from time to time provided that the total amount so borrowed and outstanding (excluding temporary loans obtained from the banks in the ordinary course of business) does not exceed at any time the aggregate of the paid-up capital and free reserves of the Company by more than Rs. 300 Crores (Rupees Three hundred Crores).

By Order of the Board

SHOBHANA RAMACHANDHRAN

Managing Director

Place : Chennai

Date : 27.5.2011

NOTES

1. **MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE & ADMINISTRATIVE OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the business under items 6 to 8 above is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 28.7.2011 to 3.8.2011, both days inclusive, for the purpose of payment of dividend.

**NOTICE TO SHAREHOLDERS (Contd.)**

4. Members / Proxy(s) are requested to bring their copies of the Admission Slip duly filled in along with Annual Report to the meeting. Annual Reports will not be distributed at the meeting.
5. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least seven (7) days in advance of the AGM.
6. Members, holding shares in physical form, are requested to notify / send the following to the Registrar and Share Transfer Agent of the Company
 - a) any change in their address / mandate / bank details
 - b) particulars of their bank account, in case they have not been sent earlier.
 - c) Nomination in form 2B, in duplicate, as provided under Section 109A of the Companies Act, 1956, in case they have not been sent earlier.
 - d) Share certificates held in multiple folios in identical names or joint accounts, in the same order of names, for consolidation of such shareholdings into single folio.
 - e) E-mail ID : In the prescribed format already despatched.
7. Unclaimed Dividends – Transfer to Investor Education and Protection Fund

The Company has already transferred all unclaimed dividends declared up to the financial year 2002-03 to Investor Education and Protection Fund pursuant to section 205C of the Companies Act, 1956. Members who have still not encashed their dividend for subsequent years are requested to encash the same at the earliest.

For the benefit of shareholders, we give below the details of unclaimed dividends pertaining to subsequent years with approximate dates of transfer to IEPF.

Financial Year	Dividend paid	Tentative date for transfer to paid Fund
31.3.2004	September 2004	September 2011
31.3.2005	September 2005	October 2012
31.3.2006	August 2006	September 2013
31.3.2007	September 2007	October 2014
31.3.2008	September 2008	October 2015
31.3.2009	October 2009	October 2016
31.3.2010	February 2010	January 2017

8. The Company provides the facility of National Electronic Clearing Services (NECS) to all shareholders, holding shares in electronic and physical forms, subject to availability of such facility at the respective location of such shareholders.
9. All the members holding share in Electronic form are requested to furnish the new bank account number allotted to you by your bank after implementation of Core Banking Solutions (CBS) along with a photocopy of a cheque pertaining to the concerned account to your Depository Participant (DP) at your earliest convenience.

If you do not provide your new account number allotted after implementation of CBS by your bank, to your DP, please note that NECS to your old account may either be rejected or returned.

NOTICE TO SHAREHOLDERS (Contd.)**DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING (IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT).****Mr M S Viraraghavan**

Mr M S Viraraghavan, aged 74 years, is a retired IAS Officer in Andhra Pradesh Cadre. He has worked in several senior position in Andhra Pradesh Government. Mr M S Viraraghavan holds a Master in Chemistry and has special expertise in General Management.

Mr M S Viraraghavan is on the Board of your Company from the inception and is not holding Directorship / Committee positions in any other Company.

Mr M S Viraraghavan is holding 900 equity shares of Rs.10/- each, in the Company.

Dr N H Atthreya

Dr N H Atthreya, aged 89 years, is a pioneer management consultant. Since 1955, he has advised scores of organizations of all sizes and sectors.

Dr N H Atthreya holds a Masters in Mathematics from the Madras University and a Doctorate in Business Administration from the Bombay University. A fellow of the Institute of Cost and Management Accountants, London, he holds post graduate diplomas in Industrial Administration, Methods Engineering and Organizational Psychology. He had his professional apprenticeship in management consultancy with Sir Walter Scott and his associates in Australia.

Professor Atthreya is a Member of a number of national and international organizations. He is an adjunct professor at a U.S.A University and a visiting professor at a number of national professional institutes.

Dr Atthreya has published over 25 books on various aspects of management. Dr Atthreya, is the Hon. Director of the Indian Centre for Encouraging Excellence.

Dr N H Atthreya is on the Board of your Company from the inception.

Dr N H Atthreya is holding Directorship and the Member of the Audit Committee in M/s F.D.C. Limited.

Dr N H Atthreya is holding 1200 equity shares in your Company.

Miss Shobhana Ramachandhran

Miss Shobhana Ramachandhran, aged 51 years is a Post Graduate in English Literature with Intermediate qualification in Company Secretaryship.

Miss Shobhana Ramachandhran has been with your Company from 1986 onwards and under her guidance and leadership, your Company has achieved phenomenal growth in the past 25 years. She has a rich experience in the tyre and rubber industry and holds Directorship in various companies, such as M/s Sundaram Industries Limited ; M/s TVS Novotema Elastomeric Engineered Products Pvt. Limited; M/s Firestone TVS Pvt. Limited; M/s India Motor Parts & Accessories Limited ; M/s Bridgestone TVS India Pvt. Limited ; M/s TVS Srichakra Investments Limited

She also serves as member & office bearer of many charitable trusts & institutions focusing on education, welfare, health, etc..

She holds 2,47,901 equity shares in the Company and is related to Mr. R Naresh, Executive Vice Chairman of the Company.

Your Board of Directors at their meeting held on 27.5.2011, re-appointed Miss Shobhana Ramachandhran as the Managing Director of the Company, for a period of five years, effective 25th August, 2011, on such terms and conditions to be approved by the shareholders at the ensuing Annual General Meeting of the Company.

She is also a Member of the Shareholders / Investors Committee of the Company.

**NOTICE TO SHAREHOLDERS (Contd.)****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****Item No. 6**

Miss Shobhana Ramachandhran was re-appointed as Managing Director of the Company at the Twenty third Annual General Meeting, for a period of five (5) years, with effect from 25th August, 2006.

Further, the Board of Directors at their meeting held on 27th May, 2011 approved the re-appointment of Miss Shobhana Ramachandhran, as Managing Director, for a period of five (5) years, with effect from 25th August, 2011 subject to approval of the shareholders on remuneration including minimum remuneration and on terms and conditions given hereunder. The appointment, if approved, will be in conformity with the requirements of Part I and II of Schedule XIII to the Companies Act, 1956

- A) Perquisites and allowances : In addition to the basic salary and commission mentioned in the resolution, she shall be entitled to the following perquisites and allowances.
- i) House Rent Allowance at the rate of Sixty (60%) percentage of the salary.
 - ii) Medical reimbursement : Medical Expenses incurred for the Managing Director and her family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.
 - iii) Club Fees : Actual fees of clubs will be reimbursed. This will not include admission and the life membership fees.
 - iv) Leave Travel Concession : For self and her family once in a year incurred in accordance with the rules of the Company.
 - v) Provision of chauffeur driven car for use on Company's business

The above perquisites and allowances shall be evaluated as per income-tax rules, wherever applicable. In the absence of any such rules, perquisites and allowances shall be evaluated actual cost.

B) Other Benefits

- i) Contribution to Provident Fund, Superannuation Fund and annuity fund in accordance with the rules specified by the Company. Gratuity payable shall not exceed half a month's salary for each completed year of service.
- ii) Encashment of leave at the end of the tenure.
- iii) Personal Accident Insurance for an amount, the annual premium of which does not exceed Rs.10,000/-.
- iv) Telephone : Free telephone facility at residence including mobile phone & other suitable communication facilities to be used for the business of the Company.

The above benefits will not be included in the computation of the ceiling on perquisites.

- C) Minimum Remuneration : Notwithstanding anything to the contrary contained herein, where, in any financial year during the currency of the tenure of Miss Shobhana Ramachandhran, the Company has no profits or its profits are inadequate, the Company will pay salary and perquisites to the maximum as laid down in Section II of Part II of Schedule XIII as minimum remuneration.

In terms of the last paragraph of the resolution(s), the Board of Directors are authorised to alter or vary the composition/ elements of the remuneration of the Managing Director.

As the term of appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 1956, read with Schedule XIII to the said Act, no Central Government approval is necessary for this appointment.