

Speech delivered by

Mr S Narayanan

Chairman,

at the 30th Annual General Meeting

of the Company held at Madurai

on Wednesday, 25th September, 2013

TVS SRICHAKRA LIMITED

Regd. Office :

TVS Building, 7-B, West Veli Street,

Madurai - 625 001.

Ladies & Gentlemen,

I welcome you all to this 30th Annual General Meeting of TVS Srichakra Limited. The Balance Sheet and Accounts for the year ended 31st March, 2013 have been with you for some time now, and with your permission, I shall take them as read.

Economic Scenario

India's GDP Growth in 2012-13 was a 5% as against the growth rate of 6.2% recorded last year. The GDP growth rate of 2013-14 is cut down to 4% from the original estimate of 5.1%, by various analysts after the gloomy performance during the first quarter of 2013-14. This is due to higher funding costs, cautious spending by industrialists due to macroeconomic uncertainty. This will have a bearing on the performance of your Company as well during 2013-14.

Business Scenario

During the year 2012-13, your Company has registered a sale of Rs. 1476 Crore, which is marginally higher than the sale of 2011-12. General economic slowdown has contributed to this performance of Company.

In Spite of the above, your Company has managed to maintain a reasonably good bottom line when compared to last year.

Current year performance

The performance during the first quarter of 2013-14 was encouraging with Original Equipment segment growing more than the industry. This was possible due to entry in certain new OEMs and maintaining the share of business with the existing OEMs.

Efforts taken during 2012-13 to strengthen other markets also have started yielding results during the first quarter of 2013-14.

Rupee devaluation has led to increased export realization, to some extent. Exploring new markets geographically and introduction of new products will result in improved export sales.

Dividend

Your Directors have recommended a dividend of Rs.7.50/- per share (75%) which is put for the approval of shareholders.

Prospects

Your Company continues its focus on brand building exercise and is also planning new product launches particularly for replacement market. Recently, your Company has launched six new variants of tyres exclusively for replacement market.

Your Company is taking efforts to improve its Exports also by introducing new tyres.

Your Company is continuously ensuring its presence with all the Original Equipment Manufacturers in India in new models launched by them.

Distribution network is being streamlined to effectively enhance and utilize the same for the overall benefit of your Company.

Key Business Processes

Enhancing the value of stakeholders, without compromising on quality, through productivity improvement programs, technology up-gradation, cost reduction, etc has been the key to the success of your Company.

Acknowledgements

I would like to thank our customers, channel partners, each and every member of TVS Tyres team and other stakeholders for their continued support in our endeavours.

I would like to thank you, our shareholders, for your continued support in the growth of the Company.

Thank you,

NOTE : This does not purport to be a record of the proceedings of the Annual General Meeting.