

TVS SRICHAKRA INVESTMENTS LIMITED

SIXTH ANNUAL REPORT 2015 - 16

NOTICE TO SHAREHOLDERS

Notice is hereby given that the Sixth Annual General Meeting of the Company will be held at 1.00 p.m. on Thursday, 22nd September, 2016, at TVS Building, 7-B West Veli Street, Madurai 625 001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2016 and Report of the Directors and Auditors thereon.
2. To appoint a director in the place of Mr R Haresh ((DIN: 00363096), who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offer himself for re-appointment.
3. To appoint a director in place of Mr P Vijayaraghavan (DIN: 00633205), who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offer himself for re-appointment.
4. To appoint M/s PKF Sridhar & Santhanam (Firm Registration No.003990S), Chartered Accountants, Chennai, as auditor of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

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

RESOLVED THAT pursuant to Section 188 and other applicable provisions if any of the Companies Act, 2013 and The Companies (Meetings of Board and its Powers) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the members be and are hereby accorded for the following contracts with Related Parties, as per details below:

Name of the related Party	Property details	Nature of Interest	Amount	Period
ZF Electronics TVS (India) Pvt.Ltd.	R.S.No.490/1, 491/1,2,3,4,5,7 & 492/1,2,3 Madurai Melur Road, Vellaripatti Village, Melur Taluk, Madurai-625 122	Lease (receivable) Building	Not exceeding Rs.4.08 lakhs per annum	1.8.2017 to 31.7.2020

TVS SRICHAKRA INVESTMENTS LIMITED

CIN : U65100TN2010PLC074498

REGD.OFFICE : TVS BUILDING, 7-B WEST VELI STREET, MADURAI – 625 001

Website : www.tvstyres.com

PHONE NO. 452 – 2532116; FAX. 452 2532591

Name of the related Party	Property details	Nature of Interest	Amount	Period
ZF Electronics TVS (India) Pvt Ltd	R.S.No.490/2 & 490/3 Madurai – Melur Road, Vellaripatti Village, Melur Taluk, Madurai – 625 122	Lease (receivable) Canteen, Meeting Hall and other amenities	Not exceeding Rs.6.00 lakhs per annum	1.4.2017 to 31.3.2020

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary, desirable or expedient and to take all necessary steps, for and on behalf of the Company and is authorized and empowered to negotiate, and enter into the agreement and contracts to the extent the Board of Directors may consider appropriate, as may be permitted or authorized in accordance with any provisions under the Companies Act, 2013.

RESOLVED FURTHER THAT THE Board of Directors be and is hereby authorized to take such steps as the Board may consider necessary or expedient to give effect to this resolution.

By Order of the Board

Place : Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

NOTES:

- 1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.** The proxy form duly stamped and executed, should be deposited at the Registered Office of the company at least forty-eight hours before the time fixed for the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such a person shall not act as proxy for any other member.

Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable.

Corporate members, intending to send their authorized representative, are requested to send certified true copy of the Board resolution authorizing their representatives to attend and vote at the AGM.

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

Item No.5

Pursuant to Section 188 of the Companies Act, 2013 and The Companies (Meetings of Board and its Powers) Rules, 2014, no contracts or arrangement with related party with respect to the transactions specified in that Section can be entered by our Company, other than transactions which are entered in the ordinary course of business on an arm's length basis without the consent of the shareholders by special resolution.

Even though the transactions will be entered in the ordinary course of business of the Company on arm's length basis, as a good Corporate Governance the consent of the shareholders by way of special resolution pursuant to Section 188 of the Companies Act, 2013 and the Rules made thereunder, for which your approval is required, for the following contracts with Related Parties.

Name of the related Party	Property details	Nature of Interest	Amount	Period
ZF Electronics TVS (India) Pvt.Ltd.	R.S.No.490/1, 491/1,2,3,4,5,7 & 492/1,2,3 Madurai Melur Road, Vellaripatti Village, Melur Taluk, Madurai-625 122	Lease (receivable) Building	Not exceeding Rs.4.08 lakhs per annum	1.8.2017 to 31.7.2020
ZF Electronics TVS (India) Pvt Ltd	R.S.No.490/2 & 490/3 Madurai – Melur Road, Vellaripatti Village, Melur Taluk, Madurai – 625 122	Lease (receivable) Canteen, Meeting Hall and other amenities	Not exceeding Rs.6.00 lakhs per annum	1.4.2017 to 31.3.2020

Mr R Naresh, Chairman, Mr R Haresh and Miss Shobhana Ramachandhran Directors are deemed to be interested or concerned in the said resolution.

By Order of the Board

Place : Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the Sixth Annual Report of the Company along with the audited accounts for the year ended 31st March, 2016:

FINANCIAL HIGHLIGHTS

Particulars	Rs. in lacs	
	Year ended 31.3.2016	Year ended 31.3.2015
Revenue from operations (net of Duty)	11.87	34.27
Profit before Interest, Depreciation and tax	12.96	3.20
Interest	67.68	-
Depreciation	35.19	35.19
Profit/(Loss)before tax	-127.70	-31.99
Taxes		
Profit/(Loss) After tax	-127.70	-31.99

OPERATING RESULTS

Your Company has recorded revenue of Rs.11.87 lacs during the year under review and has registered a loss of Rs.127.70 lacs before tax.

The Company is expected to provide some more services to the holding company in the years to come.

FINANCE

Cash and cash equivalent as at the end of 31st March, 2016 was at Rs.791.16 Lakhs.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure A".

PARTICULARS OF FRAUD OTHER THAN THOSE THAT ARE REPORTABLE TO THE CENTRAL GOVERNMENT REPORTED BY STATUTORY AUDITOR UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

No fraud has been reported by the Statutory Auditor under section 143(12) of the Act.

INDIAN ACCOUNTING STANDARDS (IND AS)

The Companies (Indian Accounting Standards) Rules, 2015 was notified by Ministry of Corporate Affairs (MCA) on 16th February, 2015. Pursuant to the above, your Company will adopt IND AS from 1st April, 2016 with comparatives for the period ended 31st March, 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, the directors would like to state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The Company has not made any inter-corporate investments during the year.

BUSINESS RISK MANAGEMENT

Key Business Risks are identified and monitored by the Company on a regular and continuous basis.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, which affect the financial position of the Company, occurred after the close of the financial year till the date of this report.

STATUTORY AUDITOR

M/s PKF Sridhar & Santhanam (PKF), (Firm Registration No. 003990S) Chartered Accountants, Chennai Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting (AGM) and are eligible for re-appointment.

It is proposed to re-appoint M/s PKF Sridhar & Santhanam (PKF), Chartered Accountants, Chennai, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM.

The Company has received a letter from PKF stating that the appointment, if made, shall be within the limits prescribed under Section 141 of the Companies Act, 2013 and the rules made there under and that they are not disqualified for re-appointment. Members may consider the appointment of M/s PKF Sridhar & Santhanam (PKF), Chartered Accountants,

Chennai, as Statutory Auditors of the Company from the conclusion of the ensuing AGM till the conclusion of next AGM.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules 2014 is annexed herewith as “**Annexure B**”.

INDUSTRIAL RELATIONS

The Company ensures that healthy, cordial and peaceful industrial relations are maintained with the workers and employees at all levels.

RELATED PARTY TRANSACTIONS

All contracts / arrangements/ transactions entered by the Company with the related parties during the financial year were in the ordinary course of business and on an arm’s length basis. The details of materially significant related party transaction in Form AOC – 2 are furnished as “**Annexure C**”. These transactions were entered to meet the operational requirements of the Company and are also at an arm’s length basis and in the ordinary course of business.

DIRECTORS

Directors liable to retire by rotation

Mr R Haresh ((DIN: 00363096) and Mr P Vijayaraghavan (DIN: 00633205), retire by rotation at the ensuing AGM and being eligible offer themselves for re-appointment.

BOARD MEETINGS

Six Board Meetings were held during the year.

PARTICULARS OF EMPLOYEES

No employee of the Company was in receipt of remuneration in excess of the sum prescribed under Section 197 of the Companies Act, 2013 read with sub-rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the period under review.

GENERAL

- During the year, your Company has not issued any shares with differential rights as to voting, dividend or otherwise nor issued sweat equity / stock options. The paid up equity capital as on 31st March, 2016 was Rs.2,05,00,000/-.
- The Company has in place adequate internal financial controls with reference to financial statements. During the year, the financial controls were reviewed and no reportable weakness in the operation was observed.

- The Company has not accepted any deposits from the public / members falling under section 73 of the Companies Act, 2013 read with the rules.
- The Company believes that women should be able to do their work in a safe and respectful environment which enhances productivity. During the year, no cases were reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013,
- No significant or material order was passed by the courts or regulators or tribunals impacting the going concern status and Company's operation in future.

ACKNOWLEDGEMENT

The Directors thank the bankers for their support.

By Order of the Board

Place: Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

ANNEXUTRE “A” TO THE DIRECTORS’ REPORT
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

FORM NO. MGT-9

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U65100TN2010PLC074498
ii)	Registration Date	5 th February, 2010
iii)	Name of the Company	TVS SRICHAKRA INVESTMENTS LIMITED
iv)	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered Office and contact details	TVS Building, 7-B West Veli Street, Madurai 625 001 Tel : 0452 – 3011061
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Dividend Income		97.51%
2	Leasing of Immovable Property		2.49%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	TVS Srichakra Limited, TVS Building, 7-B, West Veli Street, Madurai 625001	L25111TN1982PLC009414	Holding Company	100	2(46)

IV. SHAREHOLDING PATTERN (EQUITY Share Capital break up as percentage of Total Equity)

i) Category-wise Shareholding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares		
A. PROMOTERS										
(1) Indian										
a)	Individual / HUF	-	-	-	-	-	-	-	-	-
b)	Central Govt	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	-	2050000	2050000	100	-	2050000	2050000	100	-
e)	Banks / FI	-	-	-	-	-	-	-	-	-
f)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	-	2050000	2050000	100	-	2050000	2050000	100	-
(2) Foreign										
a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
b)	Other - Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks / FI	-	-	-	-	-	-	-	-	-
e)	Any Other	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	-	2050000	2050000	100	-	2050000	2050000	100	-
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a)	Mutual Funds									
b)	Banks / FI									
c)	Central Govt									
d)	State Govt(s)									
e)	Venture Capital Funds									
f)	Insurance Companies									
g)	FIs									
h)	Foreign Venture Capital Funds									
i)	Others (specify)									
	Sub-total (B)(1)	-	-	-	-	-	-	-	-	-

2)	Non-Institutions								
a)	Bodies Corporate								
i)	Indian								
ii)	Overseas								
b)	Individuals								
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh								
ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh								
c)	Others (specify)								
	Sub-Total B(2)	-	-	-	-	-	-	-	-
	Total Public Shareholding B = B(1) + B(2)	-	-	-	-	-	-	-	-
C	Shares held by Custodian for GDRs & ADRs								
	Grand Total A + B + C	-	2050000	2050000	100	-	2050000	2050000	100

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	TVS Srichakra Limited, TVS Building, 7-B, West Veli Street, Madurai 625001	2050000	100	-	2050000	100	-	-
	TOTAL	2050000	100	-	2050000	100	-	-

iii) Change in Promoter's Shareholding (please specify, if there is no change)

Sl. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	At the beginning of the year	NO CHANGE			
2	Date wise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
3	at the end of the year				

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	NOT APPLICABLE			
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
3	At the end of the year (or on the date of separation, if separated during the year)				

v) Shareholding of Directors & KMP : NOT APPLICABLE

Sl. No	For each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year				
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus /sweat equity etc)				
3	At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year	-	3459.05	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		3459.05		
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	3459.05	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year		-		
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: NOT APPLICABLE

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.				
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
2	Stock option				
3	Sweat Equity				
4	Commission as % - of profit - others, specify				
5	Others, please specify				
	Total (A)				
	Ceiling as per the Act				

B Remuneration to other directors: NOT APPLICABLE

Sl. No.	Particulars of Remuneration	Name of Directors				Total amount
	Independent Directors					
	Fee for attending Board Committee Meetings					
	Commission					
	Others, please specify					
	Total (1)					
	Other Non Executive Directors					
	Fee for attending Board Committee Meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B) = (1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C Remuneration to Key Managerial Personnel other than MD / Manager / WTD - NOT APPLICABLE

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary				
a)	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
b)	Value of perquisites u/s 17(2) of Income Tax Act 1961				
c)	Profits in lieu of salary under section 17(3) of Income Tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total				

VII Penalties / Punishment / Compounding of Offences

	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A.	COMPANY			NIL		
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS			NIL		
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT			NIL		
	Penalty					
	Punishment					
	Compounding					

By Order of the Board

Place : Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

ANNEXUTRE “B” TO THE DIRECTORS’ REPORT

A. CONSERVATION OF ENERGY:

i	Measures taken / impact on conservation	Nil
ii	Alternate source of energy	Nil
iii	Capital Investment on energy conservation equipment	Nil

B. TECHNOLOGY ABSORPTION:

i	Efforts towards technology absorption	Nil
ii	Benefits derived (product improvement, cost reduction, product development or import substitution)	Nil
iii	Imported technology (imported during the last three years reckoned from the beginning of the financial year)- (a) details of imported technology (b) year of import (c) whether the technology been fully absorbed (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and (e) expenditure incurred on Research and Development	Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO : Nil

By Order of the Board

Place : Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

**ANNEXURE "C" TO THE DIRECTORS' REPORT
FORM AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship

(b) Nature of contracts / arrangements / transactions

(c) Duration of the contracts / arrangements / transactions

(d) Salient terms of the contracts or arrangements or transactions including the value, if any

(e) Justification for entering into such contracts or arrangements or transactions

(f) Date(s) of approval by the Board

(g) Amount paid as advances, if any

(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188

THE ABOVE INFORMATION IS NOT APPLICABLE AS THE COMPANY HAS NOT ENTERED INTO ANY TRANSACTION WITH RELATED PARTIES "NOT AT ARMS LENGTH BASIS".

2. Details of material contracts or arrangement or transactions at arm's length basis

A	B	C	D	E	F
Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
ZF Electronics TVS (India) Pvt. Ltd	Leasing of property	April 2015- Marrch 2016	Leasing of property for Rs.10.08 lakhs was made during the FY 2015-16	8.6.2014	NIL

By Order of the Board

Place : Madurai
Date : 4.5.2016

R NARESH
CHAIRMAN
(DIN: 00273609)

INDEPENDENT AUDITOR'S REPORT

To the members of TVS Srichakra Investments Limited

Report on the Financial Statements

We have audited the accompanying financial statements of TVS Srichakra Investments Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No.003990S/S200018

T V Balasubramanian

Partner

Membership No. 027251

Place: Chennai

Date: 6.5.2016

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date

- (i)
 - a. Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
 - b. The Company has a regular program of verifying fixed assets every year which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. All fixed assets have been verified by the management during the year. As informed, there were no discrepancies identified by the management that required adjustment in the financial statement.
 - c. The title deeds of immovable properties are held in the name of the Company.
- (ii) The Company does not have inventory and hence, clause (ii) is not applicable
- (iii) According to information and explanation given to us, the Company has not granted any loans to parties covered under Section 189 register and hence clause (iii) is not applicable
- (iv) According to information and explanation given to us, loans, investments, guarantees and security provided by the Company are in compliance with section 185 and section 186 of the Companies Act 2013, where applicable
- (v) According to information and explanation given to us, the Company has not accepted any deposits and hence clause (v) is not applicable
- (vi) The Company is not required to maintain cost records prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (vii)
 - (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including income-tax, service tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of income-tax, service tax, cess and any other statutory dues were in arrears, as at 31st March 2016 for a period of more than six months from the date they became payable.
 - (b) There are no dues relating to income tax / service tax, which have not been deposited on account of disputes with the related authorities
- (viii) The Company has not defaulted in repayment of loans to debenture holders during the year.
- (ix) The Company has not raised moneys from the public and hence clause (ix) is not applicable
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company by its officers or employees has been noticed or reported during the year ended 31st March 2016.
- (xi) According to information and explanations given to us, Company has not paid any managerial remuneration during the year and hence clause (xi) is not applicable
- (xii) The Company is not a Nidhi Company and hence clause (xii) is not applicable

(xiii) According to information and explanations given to us and based upon the audit procedures performed, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made a private placement of shares/debentures and hence clause (xiv) is not applicable.

(xv) The Company has not entered into any non-cash transactions with the directors or persons connected with him and hence clause (xv) is not applicable

(xvi) The Company is not required to be registered under Section 45 IA of the RBI Act and hence clause (xvi) is not applicable

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm's Registration No.003990S/S200018

T V Balasubramanian

Partner

Membership No.027251

Place: Chennai

Date: 6.5.2016

ANNEXURE B

Referred to in Para 2 (f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

We have audited the internal financial controls over financial reporting of TVS SRICHAKRA INVESTMENTS Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PKF Sridhar and Santhanam LLP

Chartered Accountants

Firm's Registration No. 003990S/S200018

T V Balasubramanian

Partner

Membership No. 027251

Place: Chennai

Date: 6.5.2016

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Balance Sheet as at 31 st March, 2016

(Amount in Rupees)

Particulars	Note No.	As on 31.3.2016	As on 31.3.2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	20,500,000	20,500,000
(b) Reserves and surplus	4	(22,035,628)	(10,452,586)
(c) Money received against share warrants			
2 Non-current liabilities			
(a) Long-term borrowings	5	445,900,000	345,905,669
3 Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(a) Other current liabilities	6	5,901,359	93,676
(b) Short-term provisions		-	-
TOTAL		450,265,731	356,046,759
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	7	246,056,519	225,071,830
(ii) Intangible assets	7	10,800	14,400
(b) Non-current investments	8	120,300,000	120,300,000
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
2 Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(a) Trade receivables	9	258,670	85,967
(b) Cash and cash equivalents	10	79,116,492	10,210,787
(c) Short-term loans and advances	11	4,523,250	363,775
(d) Other current assets		-	-
TOTAL		450,265,731	356,046,759

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

For and on behalf of the Board of Directors

T V Balasubramanian
Partner
Membership No.: 027251

(Director)

(Director)

Place: Chennai
Date: 6.5.2016

Place: Madurai
Date: 4.5.2016

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Statement of Profit and loss for the year ended 31.03.2016

(Amount in Rupees)

Particulars	Note No.	Year ended 31st March 2016	Year ended 31st March 2015
I. Revenue from operations	12	1,157,796	871,863
II. Other income	13	29,513	2,555,500
III. Total Revenue (I + II)		1,187,309	3,427,363
IV. Expenses:			
Cost of materials consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee benefits expense		-	-
Depreciation and amortization expense		3,518,708	3,518,708
Other expenses	14	2,483,420	3,108,222
Finance costs	15	6,768,224	-
Total expenses		12,770,352	6,626,930
Profit before exceptional and extraordinary items and tax (III-IV)		(11,583,043)	(3,199,567)
VI. Exceptional / Extraordinary items		-	-
VII. Profit before prior period items and tax (V - VI)		(11,583,043)	(3,199,567)
VIII. Prior Period Item (Reversal of excess interest charged)			-
VII Profit before tax (V - VI)		(11,583,043)	(3,199,567)
VIII Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit (Loss) for the period from continuing operations (VII - VIII)		(11,583,043)	(3,199,567)
X Profit/(loss) from discontinuing operations		-	-
XI Tax expense of discontinuing operations		-	-
Profit/(loss) from Discontinuing operations XII (after tax)		-	-
IX Profit (Loss) for the period (VII - VIII)		(11,583,043)	(3,199,567)
Earnings per equity share:	16		
(1) Basic		(5.65)	(1.56)
(2) Diluted		(5.65)	(1.56)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

For and on behalf of the Board of Dir

Date: 6.5.2016
T V Balasubramanian
Partner
Membership No.: 027251

(Director)

(Directo

Place: Chennai
Date: 6.5.2016

Place: Madurai
Date: 4.5.2016

**M/S. TVS SRICHAKRA INVESTMENTS LTD.,
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

(Amount in Rupees)

	Year ended 31st March 2016	Year ended 31st March 2015
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax	(11,583,043)	(3,199,567)
Adjustments for :		
Depreciation	3,518,708	3,518,708
Interest expense	6,768,224	
Dividend Received	-	(2,500,000)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(1,296,111)	(2,180,859)
Adjustments for :		
Trade Receivables	(172,703)	1,811,114
Loans and advances	(4,159,475)	(273,185)
Other current Liabilities	(65,051)	(675,366)
Cash Generated From Operations	(5,693,339)	(1,318,296)
Direct taxes paid		
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(5,693,339)	(1,318,296)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed Assets	(24,499,797)	(336,895)
Dividend received	-	2,500,000
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(24,499,797)	2,163,105
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of debentures	99,994,331	
Advances received from holding company		(507)
Repayment of short term borrowing		
Interest paid	(895,490)	
NET CASH FLOW FROM FINANCING ACTIVITIES: (C)	99,098,841	(507)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	68,905,705	844,302
CASH AND CASH EQUIVALENTS - OPENING BALANCE	10,210,787	9,366,485
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	79,116,492	10,210,787

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S / S200018

For and on behalf of the Board of Directors

T V Balasubramanian
Partner
Membership No.: 027251

(Director)

(Director)

Place: Chennai
Date: 6.5.2016

Place : Madurai
Date: 4.5.2016

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Notes to Financial Statements for the year ended 31 March 2016

Note 1

Background

The Company was incorporated on 5th February 2010 and is formed with intent to be a holding company for investments and properties. Accordingly, the company does not have any employees, inventories or fixed assets other than the properties.

Note 2

I a Basis of preparation of financial statements

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles in India (GAAP), in compliance with provisions of the Companies Act, 2013 and the Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the said schedule, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements".

b Use of estimates

The presentation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to the contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets etc., Difference if any, between the actual results and estimates, is recognized in the period in which the results are known.

c Investments

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

d Provisions

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources will be required to settle the obligations, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

All known liabilities wherever material are provided for. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

e Fixed Assets

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they are expected to increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Tangible fixed assets which are acquired but not ready for their intended use before balance sheet date and assets under construction are disclosed as capital work-in-progress.

A tangible fixed asset is eliminated from the financial statements on disposal. Losses arising from retirement or gains or losses arising from disposal of tangible fixed assets which are carried at cost are recognized in the statement of profit and loss.

f Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

g Depreciation / Amortisation

Depreciation / amortisation is provided using the straight line method ("SLM") at the useful lives of the assets as estimated by the management.

Particulars	Useful Life (Years)
Leasehold buildings	30 Years
Software License	5 Years

h Income Tax

Income tax expense comprises current tax (that is amount of tax for the period determined in accordance with the Income tax laws) and deferred tax charge or credit (reflecting the tax effects of timing difference between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liability and / or deferred tax assets is recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and are written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

i Leases

Leases in which company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating lease are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss as per the lease terms. Cost including depreciation are recognized as expense in the statement of profit and loss. Initial direct cost such as legal costs, brokerage costs etc are recognized immediately in the statement of profit and loss.

j Revenue recognition

Revenue from lease rentals is recognized on time proportionate basis. In case of uncertainty in realization of the lease rentals, recognition of such income is deferred.

Interest income is recognized on time proportionate basis.

Other items of income are accounted as and when the right to receive arises.

k Employee benefits

The provident fund scheme is not applicable to the Company and in view of the same no provision is currently considered by the company towards the same.

Gratuity, which is a defined benefit plan, is also not applicable to the company and hence no provision/disclosure has been made for gratuity liability

l Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m Impairment of assets

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.

n Cash flow statement

The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard – 3 ('AS-3') on Cash Flow Statement prescribed in Companies (Accounting Standard) Rules, 2006.

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Notes to Financial Statements for the year ended 31 March 2016

Note 3 Share capital

Particulars	31-Mar-16	31-Mar-15
Authorised shares	Rs	Rs
25,00,000 equity shares of Rs. 10 each	25,000,000	25,000,000
Issued, subscribed and fully paid up shares		
20,50,000 Equity Shares of Rs.10 each (Previous year 20,50,000)	20,500,000	20,500,000
Total	20,500,000	20,500,000

a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31-Mar-16	31-Mar-15
Particulars	Number	Number
Shares outstanding at the beginning of the year	2,050,000	2,050,000
Shares issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the period	2,050,000	2,050,000

b Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

c Shares held by holding/ ultimate holding company/or their subsidiaries/associates

Particulars	31-Mar-16	31-Mar-15
Name of Shareholder	TVS Srichakra Limited- Holding company	TVS Srichakra Limited- Holding company
Number of shares held	2,050,000	2,050,000
Percentage of shareholding	100%	100%

d Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

e Shares reserved for issue under options - NIL

Note 4 Reserves and surplus

	31-Mar-16 Rs.	31-Mar-15 Rs.
Surplus/(Defecit) in the statement of profit and Loss		
Opening balance	(10,452,586)	(7,253,019)
Add: Net profit/ (Net loss) for the current year	(11,583,043)	(3,199,567)
Closing balance	(22,035,629)	(10,452,586)

Note 5 Long term borrowings

	31-Mar-16 Rs.	31-Mar-15 Rs.
11% Optional convertible debentures 4,45,900 @ Rs. 1,000 each (Unsecured) (Previous year: NIL) * - Held by related parties	445,900,000	-
Loan from related parties (Unsecured)**	-	345,905,669
Total	445,900,000	345,905,669

	Non-current portion		Current portion	
	Rs. 31-Mar-16	Rs. 31-Mar-15	Rs. 31-Mar-16	Rs. 31-Mar-15
Unsecured debentures	445,900,000	-	-	-
Unsecured loan from related parties	-	345,905,669	-	-
Total	445,900,000	345,905,669	-	-

*11% optionally convertible debentures are redeemable at the end of 59 months from date of issue (first issue in February 2016 and second issue in March 2016). Each Optionally Convertible Debenture shall be redeemed at par on 15 days from the Maturity Date if conversion option is not exercised by the Debenture holders. The principal value of Debentures shall be converted into equity shares at a price of Rs.161.75 per share on the date of conversion. Interest due shall be cumulated to be paid if conversion option is not exercised upon maturity or be converted along with the principal amount in to Equity shares at maturity

**No interest and repayment terms specified

Note 6 Other current Liabilities

	31-Mar-16 Rs.	31-Mar-15 Rs.
Date: 6.5 Audit Fees Payable	28,625	25,000
Interest accrued but not due on debentures	5,285,461	-
Statutory liabilities	587,273	-
Other Expenses	-	68,676
Total	5,901,359	93,676

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Notes to Financial Statements for the year ended 31 March 2016

Note 7: Tangible Fixed Assets

		Gross Block				Accumulated Depreciation				Net Block	
		As at 31 March 2015	Additions	Disposals	As at 31 March 2016	As at 31 March 2015	Depreciation for the year	On disposals	As at 31 March 2016	As at 31 March 2016	As at 31 March 2015
a	Tangible Assets										
	Land - Freehold	140,267,335	24,499,797		164,767,132				-	164,767,132	140,267,335
	Buildings	91,396,215			91,396,215	6,591,720	3,515,108		10,106,828	81,289,387	84,804,495
	Total	231,663,550	24,499,797	-	256,163,347	6,591,720	3,515,108	-	10,106,828	246,056,519	225,071,830
b	Intangible Assets										
	Licenses and franchise	18,000			18,000	3,600	3,600		7,200	10,800	14,400
	Total	18,000	-	-	18,000	3,600	3,600	-	7,200	10,800	14,400
	GRAND TOTAL	231,681,550	24,499,797	-	256,181,347	6,595,320	3,518,708	-	10,114,028	246,067,319	225,086,230
	Previous year	231,344,655	336,895	-	231,681,550	3,076,612	3,518,708	-	6,595,320	225,086,230	228,268,043

Note 8 Non Current Investments

	31-Mar-16 Rs.	31-Mar-15 Rs.
Trade Investments (Unquoted, at cost)		
In Joint Venture		
500,000 equity shares (previous year:500,000 equity shares) of Rs.10 each fully paid up in ZF electronics TVS (India) Private Ltd	120,300,000	120,300,000
Total	120,300,000	120,300,000

Note 9 Trade Receivable

	31-Mar-16 Rs.	31-Mar-15 Rs.
Trade receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Others		
- Unsecured, considered good	258,670	85,967
Total	258,670	85,967

Note 10 Cash and Cash equivalents

	31-Mar-16 Rs.	31-Mar-15 Rs.
a. Balances with bank on Current Accounts	79,104,490	9,849,930
b. Cheques on hand	-	360,857
c. Cash on hand	12,002	-
Total	79,116,492	10,210,787

Note 11 Short Term Loans and Advances

	31-Mar-16 Rs.	31-Mar-15 Rs.
Other Advances (Unsecured, considered good)	4,523,250	363,775
Total	4,523,250	363,775

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Notes to Financial Statements for the year ended 31 March 2016

Note 8: Non Current Investment

	Particulars	As at 31st Mar'2016	As at 31st Mar'2015
		Amount in Rs.	Amount in Rs.
A	Trade Investments (Refer A below)		
	(a) Investment Properties		
	(b) Investment in Equity instruments	12,030,000	12,030,000
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)		
	Total (A)	12,030,000	12,030,000
B	Other Investments (Refer B below)		
	(a) Investment Properties		
	(b) Investment in Equity instruments		
	(c) Investments in preference shares		
	(d) Investments in Government or Trust securities		
	(e) Investments in debentures or bonds		
	(f) Investments in Mutual Funds		
	(g) Investments in partnership firms*		
	(h) Other non-current investments (specify nature)		
	Total (B)	-	-
	Grand Total (A + B)	12,030,000	12,030,000
	Less : Provision for diminution in the value of Investments		
	Total	12,030,000	12,030,000

Particulars	As at 31st Mar'2016	As at 31st Mar'2015
	Amount in Rs.	Amount in Rs.
Aggregate amount of quoted investments (Market value of ` Nil (Previous Year ` Nil)	-	-
Aggregate amount of unquoted investments	12,030,000	12,030,000

A. Details of Trade Investments					
Sl. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted
			As at 31.03.16	As at 31.03.15	
(1)	(2)	(3)	(4)	(5)	(6)
(a)	Investment Properties				
(b)	Investment in Equity Instruments				
	ZF Electronics Limited	Joint Venture	500,000	500,000	Unquoted
(c)	Investments in Preference Shares				
(d)	Investments in Government or Trust securities				
(e)	Investments in Debentures or Bonds				
(f)	Investments in Mutual Funds				
(g)	Investments in partnership firms*				
(h)	Other non-current investments (specify nature)				
	Total				

B. Details of Other Investments					
Sl. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted
			As at 31.03.16	As at 31.03.15	
(1)	(2)	(3)	(4)	(5)	(6)
(a)	Investment Properties				
(b)	Investment in Equity Instruments				
(c)	Investments in Preference Shares				
(d)	Investments in Government or Trust securities				
(e)	Investments in Debentures or Bonds				
(f)	Investments in Mutual Funds				
(g)	Investments in partnership firms*				
(h)	Other non-current investments (specify nature)				
	Total				

* G. Investment in _____ (Name of the Firm)	
Name of the Partners	Share of Capital
Partner 1	
Partner 2	
Total Capital	-

Note 12 Revenue from Operations

	31-Mar-16	31-Mar-15
	Rs.	Rs.
Rent received	1,157,796	871,863
Total	1,157,796	871,863

Note 13 Other Income

	31-Mar-16	31-Mar-15
	Rs.	Rs.
Dividend Income		2,500,000
Net Gain/Loss on sale of Investments		
Other non-operating income (net of expenses directly attributable to such income)	29,513	55,500
Total	29,513	2,555,500

Note 14 Other Expenses

	31-Mar-16	31-Mar-15
	Rs.	Rs.
Security, housekeeping and gardening services	1,502,822	1,045,633
Power & Fuel	599,277	346,041
Machinery Maintenance	3,600	455,309
Rates & taxes	190,778	168,335
Bank Charges	909	782
Advertisement	13,680	-
Travelling Expense	229	-
Consultancy	140,000	23,978
Miscellaneous Expenses	-	1,043,143
Statutory Audit Fees	32,125	25,000
Write off of investment (net of dimunition already provided)	-	1
Total	2,483,420	3,108,222

M/S. TVS SRICHAKRA INVESTMENTS LTD.,
Notes to Financial Statements for the year ended 31 March 2016

Note 15 Finance cost	31-Mar-16	31-Mar-15
Interest expense	6,768,224	-
Total	6,768,224	-

Note 16 Earnings per Share

Particulars	31-Mar-16	31-Mar-15
Profit After Tax (A) - Rs. In Lakhs	-11,583,043	-3,199,567
Weighted Number of Equity Shares (B)	2,050,000	2,050,000
Earnings per Share (A/B)	-5.65	-1.56
Nominal Value of Equity Share	Rs.10	Rs.10

Note 17 Related party Transactions

Name of Related Parties	Relationship
M/s. TVS Srichakra Limited	Holding Company
M/s. TVS Europe Distribution Ltd	Fellow Subsidiary
M/s. ZF Electronics TVS (India) P Ltd	Joint Venture
M/s. Sundaram Industries Limited	Associate Company
Sri. R Naresh, Executive Vice Chairman	Key Management Personnel
Ms. Shobhana Ramachandhran, Managing Director	

Transactions with Related Parties:

Particulars	Related Party	2015-16	2014-15
Services rendered (Net of Service Tax)	TVS Srichakra Limited	29,513	55,500
Rental income(Net of Service Tax)	TVS Srichakra Limited	150,000	
Rental income(Net of Service Tax)	ZF electronics TVS (India) P Ltd	1,007,796	871,863
Advance received from the holding company	TVS Srichakra Limited	16,600,000	
Advance paid to Holding Company	TVS Srichakra Limited	-16,600,000	
Interest on the above advance	TVS Srichakra Limited	895,490	
Issue of Optionally Convertible Debentures (including through conversion)	TVS Srichakra Limited	445,900,000	
Conversion of loan to optionally convertible debentures	TVS Srichakra Limited	-345,905,669	
Interest accrued but not due on Debentures	TVS Srichakra Limited	5,872,734	
Dividend income	ZF electronics TVS (India) P Ltd	-	2,500,000
Adjustment of amount payable	TVS Srichakra Limited	-	507
Adjustment / receipt of amount receivable	Sundaram Industries Limited		1,560,000

Outstanding balances with related parties:

Particulars	Related Party	2015-16	2014-15
Amounts payable to holding company	TVS Srichakra Ltd	Nil	34,59,06,669
11% optionally convertible debenture	TVS Srichakra Ltd	445,900,000	
Interest accrued but not due on debenture	TVS Srichakra Ltd	5,285,461	
Trade receivable	ZF electronics TVS (India) P Ltd	87,768	85,967
Trade receivable	TVS Srichakra Limited	170,902	

Note 18 Foreign currency transactions

The company has not transacted in any foreign currency and also does not have does not have any forex exposure as at reporting date

Note 19 Contingent liabilities

There are no contingent liabilities as of 31st March, 2016. (PY – Nil)

Note 20 Dues to Micro and Small enterprises

There are no dues to micro and small scale enterprises as at 31st, March 2016 and also there have been no interest or delayed payments to such entities during the year.

Note 21 Previous year figures have been reclassified and regrouped as necessary to meet the current year classifications.

As per our report of even date

PKF Sridhar & Santhanam LLP
Firm Registration No. 003990S / S200018

For and on behalf of the Board of Directors

Partner
Membership No.: 027251

(Director)

(Director)

Place: Chennai
Date: 6.5.2016

Place: Madurai
Date: 4.5.2016