

WABCO-TV_S (INDIA) Limited 

5th Annual Report 2009

Board of Directors

VENU SRINIVASAN
Chairman

LEON LIU

NIKHIL MADHUKAR VARTY

D E UDWADIA

NARAYAN K SESHADRI

TREVOR LUCAS

C N PRASAD

KURT LEHMANN

Whole-time Director

P KANIAPPAN

Chief Financial Officer

T S RAJAGOPALAN

General Manager (Finance) and Secretary

R MADHAVAN

Audit Committee

NARAYAN K SESHADRI
Chairman

D E UDWADIA

C N PRASAD

Investors' Grievance Committee

NARAYAN K SESHADRI
Chairman

C N PRASAD

P KANIAPPAN

Listing of shares with

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

Share Transfer Agent

Sundaram-Clayton Limited
New No. 22 (Old No. 31),
Railway Colony, 3rd Street,
Mehta Nagar, Chennai - 600 029

Tel. : 044 - 2374 1889
044 - 2374 2939

Fax : 044 - 2374 1889

E-mail : kr.raman@scl.co.in
sclshares@gmail.com
investorscomplaintssta@scl.co.in
madhavan.rajagopalan@wabco-tvs.co.in

Bankers

STATE BANK OF INDIA
Corporate Accounts Group Branch
Greems Dugar
Greems Road
Chennai - 600 006

Auditors

SUNDARAM & SRINIVASAN
Chartered Accountants
New No.4 (Old No.23)
Sir C P Ramaswamy Road
Alwarpet, Chennai - 600 018.

Registered Office

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

Web Site : www.wabco-tvs.com

Factories

Plot No. 3 (SP), III Main Road,
Ambattur Industrial Estate,
Ambattur, Chennai - 600 058
Tel. : 044 - 2623 8000
Fax : 044 - 2623 8009

Large Sector,
Adityapur Industrial Area,
Gamharia, Seraikella-Kharsawan Dist.
Jharkhand - 832 108
Tel. : 0657 - 2387996
Fax : 0657 - 2387997

Plot No. AA8, Central Avenue,
Auto Ancillary SEZ,
Mahindra World City,
Nathan Sub-Post, Chengalpet,
Kancheepuram District - 603 002
Tel. : 044 - 4749 0006
Fax : 044 - 4749 0008

Software Design Centres

"Ispahani Centre", 7th Floor,
123/124 Nungambakkam High Road,
Chennai - 600 034
Tel. : 044 - 2828 5000
Fax : 044 - 2833 2212

Module No. 1107, D Block
11th Floor, Tidel Park
No. 04 Rajiv Gandhi Salai,
Taramani, Chennai - 600 113
Tel. : 044 - 2254 5700
Fax : 044 - 2254 0909

CONTENTS	Page No.
Notice to the shareholders	2
Directors' report to the shareholders	11
Management discussion and analysis report	15
Report on corporate governance	18
Auditors' report on corporate governance	26
Auditor's report to the shareholders	27
Balance sheet	30
Profit and loss account	31
Schedules	32
Cash flow statement	51
General business profile	53



Notice to the Shareholders

NOTICE is hereby given that the fifth annual general meeting of the Company will be held at "Sathguru Gnanananda Hall", Narada Gana Sabha Trust, No.314 (Old No.254) T.T.K. Road, Chennai 600 018 on Thursday, the 24th September 2009 at 10.15 a.m. to transact the following business:

ORDINARY BUSINESS:

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

"RESOLVED THAT the audited balance sheet as at 31st March 2009 and the profit and loss account of the Company for the year ended on that date, together with the directors' report and the auditors' report thereon as presented to the meeting be and the same are hereby approved and adopted."

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

"RESOLVED THAT Mr Venu Srinivasan, 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 C N Prasad, 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 the retiring auditors Messrs. Sundaram & Srinivasan, Chartered Accountants, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this annual general meeting till the conclusion of the next annual general meeting of the Company on such remuneration as may be fixed in this behalf by the board of directors of the Company."

SPECIAL BUSINESS:

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

"RESOLVED THAT Mr P Kaniappan, who was appointed as an additional director and 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 Trevor Lucas, who was appointed as an additional director and 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."

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

"RESOLVED THAT Mr Kurt Lehmann, who was appointed as an additional director and 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."

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

"RESOLVED THAT subject to the provisions of sections 269 read with 198, 309 and Schedule XIII of the Companies Act, 1956 (the Act) and such other applicable provisions, if any of the Act, Mr P Kaniappan, director of the Company, be and is hereby appointed as a whole-time director, for a period of 5 years commencing from 17th June 2009, on such terms and conditions as to his appointment and remuneration, as per the agreement dated 17th June 2009 entered between him and the Company, a copy of which is placed before the meeting and initialled by the Chairman for the purpose of identification thereof, with the powers of the board of directors of the Company to determine quantum of individual items of his remuneration, payable at such intervals, within the overall limits, for each financial year so as not to exceed 5% of the net profits of the Company, calculated in accordance with the provisions of sections 349 and 350 of the Companies Act, 1956."

"RESOLVED FURTHER THAT the remuneration within the aforesaid limits, as mentioned below, proposed to be paid to Mr P Kaniappan as whole-time director under the Act, for a period of five years from 17th June 2009, be and is hereby approved, subject to the condition that the board of directors, from time to time, may determine the quantum of individual items of his remuneration for each financial year not exceeding the maximum limits specified in each category as follows:

- (1) Salary and commission on profits or performance linked incentive or bonus:
Subject to a ceiling of Rs.45 lakhs per annum
- (2) Perquisites and allowances:
Perquisites like unfurnished accommodation / house rent allowance, conveyance allowance, leave travel assistance for

self and family, club fees, earned leave, medical / personal accident insurance premia and other benefits or amenities, in aggregate restricted to a sum not exceeding Rs.25 lakhs per annum; and

Provision of telephone at residence including payment of local calls and long distance calls shall not be included in the computation of perquisites for the purpose of calculation of the said ceiling.

Personal long distance calls on telephone for private purposes shall be recovered by the Company.

Provision of a car for use on Company's business.

(3) Contribution to statutory funds:

Company's contribution to provident fund not exceeding 12% of the salary or such other percentage of the salary as may be fixed by the Central Government from time to time; and Gratuity as per the rules of the Company.

Company's contribution to provident and gratuity funds, shall not be included for computation of limits of perquisites and allowances as aforesaid.

(4) Pension benefits:

The Whole-time director is entitled to pension, if any, payable after retirement, as per the rules of the Company

"RESOLVED FURTHER THAT the scope and quantum of remuneration specified hereinabove, may be altered or varied by the board of

directors, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 1956 / Income-tax Act 1961 and/or the rules and regulations made thereunder and / or such guidelines, as may be announced by the Central Government, from time to time".

"RESOLVED FURTHER THAT in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of Mr P Kaniappan, the remuneration payable to him by way of salary, allowances, commission, perquisites and other benefits, shall not without the approval of the Central Government (if required) exceed the limits prescribed under Schedule XIII and other applicable provisions of the Companies Act, 1956 including any amendment, modification, variation or re-enactment thereof".

"RESOLVED FURTHER THAT Mr P Kaniappan, whole-time director of the Company, shall have the powers and duties as set out in the aforesaid agreement."

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

"RESOLVED THAT pursuant to provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment there of, for the time being in force) and subject to such other approvals, consents, permissions as may be required in this regard, the existing Articles of Association of the Company be and are hereby altered to the extent and in the manner specified below."

Article 2 (a) (xxxi)- TVS group	be deleted
Article 2 (a) (xxxii)- WABCO group	be deleted
A new Article 56 A- Directors may refuse to register transfers	be and is hereby inserted after the existing Article 56 as follows:- Subject to the provisions of the Act, the Board may, at its discretion decline to register or acknowledge any transfer of Shares whether fully paid or not (notwithstanding that the proposed transferee be already a Member), but in such case it shall within one month from the date on which the instrument of transfer was lodged with the Company, send to transferee and the transferor notice of the refusal to register such transfer, giving reasons for such refusal.
Article 108- Certain matters to be approved by Special Resolutions	be deleted
Article 110 (b)- Number of directors	be deleted
Article 136- Managing Director and Executive Director	be deleted and inserted as follows:- Article 136(1)- Managing Director and Whole time Director (s) Subject to the applicable provisions of Act and these Articles, the Board shall have the power to appoint from time to time any of its members as Managing Director and/or Whole-time Director(s) of the Company, upon such terms and conditions as the Board may think fit and subject to the provisions of Article 137, the Board may by resolution vest in such Managing Director and/or Whole-time Director(s) such of the powers hereby vested in the Board generally as it thinks



	fit, and such powers may be made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director and/or Whole-time Director(s) may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes or any other mode not expressly prohibited by the Act.
Article 137- Non Retiring Directors	be deleted
Article 138- Restriction on Management	The words “and/or Whole-time Director(s)” be and are hereby inserted after the “Managing Director” in the first line of this Article.
Article 139- Certain Persons not to be appointed as Managing Director or Executive Director	<p>be deleted and inserted as follows:-</p> <p>Article 139(1)- Certain Persons not to be appointed as Managing Director and/or Whole-time Director(s).</p> <p>The Company shall not appoint or employ or continue the appointment or employment of, a person as its Managing Director and/or Whole-time Director(s), if he</p> <ul style="list-style-type: none"> (a) is an undischarged insolvent, or has at any time been adjudged an insolvent; (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; or (c) is, or has at any time been convicted by a Court of an offence involving moral turpitude.
Article 140- Special position of Managing Director/Executive Director	<p>be deleted and inserted as follows:-</p> <p>Article 140(1)- Special position of Managing Director</p> <p>The Managing Director of the Company shall not, while holding that office, be subject to retirement by rotation in accordance with Article 127. If he ceases to hold the office of Director, he shall <i>ipso facto</i> and immediately cease to be Managing Director. If he ceases to hold the office of Managing Director, he shall <i>ipso facto</i> and immediately cease to be a Director</p>
Article 141- Technical Director	be deleted
Article 147- Chairman of the Board	<p>be amended as follows:-</p> <p>Article 147- Chairman of the Board</p> <p>The Board may from time to time elect one of their members to be the Chairman of the Board and determine the period for which he is to hold the office. If at any meeting of the Board, the Chairman is not present at a time appointed for holding the same, the Vice Chairman, if any, shall be the Chairman of the meeting and failing him, the Directors present shall choose one of their Members to be the Chairman of such meeting.</p>
Article 180- When accounts to be deemed finally settled	<p>be amended as follows:-</p> <p>Article 180- When accounts to be deemed finally settled</p> <p>Every balance sheet and profit and loss account of the Company when audited and adopted by the Company at an Annual General Meeting shall be conclusive except-</p> <ul style="list-style-type: none"> (a) as regards any mistake or error discovered therein. Whenever any such mistake or error is discovered, the balance sheet and

	<p>profit and loss account shall be corrected by the Board at a meeting of the Board and shall henceforth be conclusive and</p> <p>(b) any matters in respect of which modifications are made from time to time as are considered proper by the Board and are approved by a General Meeting.</p>
<p>Article 181- (a)- Service of documents or notices</p>	<p>be amended as follows:-</p> <p>Article 181- Service of documents or notices</p> <p>181(a) A document or notice may be served or given by the Company on any Member either personally or by sending it by post to the Member to his registered address or (if the Member has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or it</p>

“FURTHER RESOLVED THAT the board of directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary for giving full effect to the above resolution.”

Chennai
27th August 2009

By order of the board
R MADHAVAN
General Manager (Finance)
and Secretary

Registered office:
“Jayalakshmi Estates”
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 or authority shall be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the meeting.**
2. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business nos. 5 to 9 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 3 days from 22nd September 2009 to 24th September 2009 (both days inclusive) 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 to the Investors Education and Protection Fund (IEPF), established by the Central Government on the due dates. 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.
5. Members who have not encashed their dividend warrants in respect of the above periods are requested to make their claim by surrendering the unencashed warrants immediately to the Company.
5. Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding / trading.
6. Members are requested to notify the Company immediately of any change in their address. Members holding shares in depository are requested to advise change of address to their depository participants.
7. As a measure of economy, copies of the annual report will not be distributed at the annual general meeting. Members are, therefore, requested to bring their copies of the annual report to the meeting.
8. Members are requested to affix their signature at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
9. In terms of clause 49 (IV)(G) of the listing agreement with the stock exchanges, a brief resume 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 and their shareholdings in the Company and their relationships with other directors in the Company are given below:

I. Mr Venu Srinivasan:

Born on 11th December 1952, Mr Venu Srinivasan is a Bachelor of Engineering from Madras University and holds M.S degree in Management from Purdue University, U.S.A.

Mr Venu Srinivasan has been the Chairman of CII (Southern Region) and has been associated with CII for nearly 17 years in various capacities. He is now the President of CII.

He was the past President of Automotive Research Association of India, Pune, Society of Indian Automobile Manufacturers and Association of Indian Automobile Manufacturers. At present, he is an Honorary Consul General of Republic of Korea, Chennai.

Mr Venu Srinivasan has been honoured with various awards, including the HSBC Indo-British Achievement Award, presented in recognition of his active contribution to Indo-British commercial relations. He was also the recipient of “Star of Asia” award of Business Week International.

He was also conferred the honorary doctorate degree in science by the University of Warwick, UK for his excellence in manufacturing and contribution in the field of technology and research and development. He is the first Indian industrialist to be honoured by the Warwick University. He has been recently conferred with the highest honour, Doctor of Science (Honoris Causa) for his outstanding contribution to the field of Quality Movement and Manufacturing Excellence in India by IIT Kharagpur.

Mr Venu Srinivasan has been the managing director of Sundaram-Clayton Limited since May 1979 and also the managing director of TVS Motor Company Limited from 1986. Since July 2002, he has been the Chairman and Managing Director of TVS Motor Company Limited.

He does not hold any share in the Company and he is not related to any other directors of the Company.

Details of his other directorships and membership of committees are given below:

S. No.	Name of the Company	Position held	Committee membership/ chairmanship
1.	TVS Motor Company Limited	Chairman and Managing Director	Member – Investors’ Grievance Committee
2.	Sundaram-Clayton Limited	Managing director	Member – Investors’ Grievance Committee
3.	Harita-NTI Limited	Chairman	(i)Chairman – Audit Committee (ii) Member – Remuneration Committee
4.	Lucas-TV S Limited	Director	
5.	T V Sundram Iyengar & Sons Limited	Director	Member – Audit Committee
6.	Sundaram Textiles Limited	Director	

S. No.	Name of the Company	Position held	Committee membership/ chairmanship
7.	Southern Roadways Limited	Director	
8.	Sundram Fasteners Limited	Director	
9.	Cummins India Limited	Director	(i)Chairman– Compensation and Management Development Committee. (ii)Member– Operations Committee
10.	Sundram Non-Conventional Energy Systems Limited	Director	
11.	TVS Investments Limited	Director	
12.	TATA Coffee Limited	Director	
13.	Oriental Hotels Limited	Director	
14.	TVS Lanka Private Limited	Director	
15.	TVS Motor (Singapore) Pte Limited	Director	
16.	TVS Energy Private Limited	Director	
17.	TVS Motor Harita Employees Welfare Foundation Private Limited	Director	

II. Mr C N Prasad:

Born on 1st July 1947, Mr C N Prasad is a graduate in mechanical engineering and postgraduate in manufacturing technology from Cranfield University, UK. He is also an MBA in Technology Management from La Trobe University, Australia.

His experience includes 16 years in Hindustan Aeronautics Limited in various areas of manufacturing, production engineering and project management, 3 years in Kinetic Honda, Indore as Works Manager and 15 years in Rane Engine Valves Limited (REVL) as Director and CEO.

During his tenure as CEO of REVL a strong quality orientation and customer centricity were brought into the Company that resulted in several accolades and achievements. REVL was one of the earliest companies in India to secure ISO 9000 certification in 1993, won the best vendor awards from Maruti and Deutz, Germany. The export business and turn over grew several folds.

He joined Sundaram-Clayton Limited (SCL) in February 2003 as President and was elevated as President – Automotive Products division effective June 2006 with overall responsibilities for SCL.

During his tenure, the Brakes Division won several awards and recognitions from customers and external agencies including the following:

- ACMA Gold trophy for “Manufacturing Excellence” in 2003;
- Frost & Sullivan, India Manufacturing Excellence Award – Overall Gold in 2005;
- Frost & Sullivan, India Manufacturing Excellence Award – Super Platinum in 2007; and
- JIPM – TPM Category 1 Award

He has been awarded by ITM Business School for ITM Awards for Corporate Excellence in 2006 and has also been awarded 'Best CEO' by QCFI for the year 2007.

Effective June 2009, he has been elevated as President & CEO-Automotive Products Division with overall responsibilities for SCL.

He is the member of the audit committee and investors' grievance Committee of directors of the Company.

He does not hold any share in the Company and he is not related to any other directors of the Company.

Details of his other directorships and membership/chairmanship of committees are given below:

S. No.	Name of the Company	Position held	Committee membership/ chairmanship
1	Harita Seating Systems Limited	Director	Member-Audit Committee Member-Shareholders/ Investors' Grievance Committee Member-Remuneration Committee
2	Harita Fehrer Limited	Director	
3	Sundaram Auto Components Limited	Director	Member-Audit Committee

III. Mr P Kaniappan:

Born on 12th March 1960, Mr P Kaniappan is a graduate in mechanical engineering from Regional Engineering College, Karnataka, India and postgraduate in manufacturing systems engineering from University of Warwick, UK. He also holds Executive MBA degree from Great Lakes Institute of Management Chennai.

His experience includes 10 years in TVS Motor Company Ltd, Hosur responsible for production management in different areas such as machining, fabrication, painting, engine and vehicle assembly. He was in the purchase department of brakes division in Sundaram-Clayton Limited (SCL) in various capacities during 1993 to 1999 and was in the rank of General Manager before elevated as business head of Foundry division of SCL. He held this position from 1999 to 2001 and became Operations head of brakes division of SCL from 2001 to May 2009 (since demerged to the Company effective 28th March 2008).

He is now elevated as a whole-time director of the Company from 17th June 2009.

He has established a world class manufacturing system in the Company incorporating some of the best practices such as Total Quality Management (TQM), Lean and Total Productive Maintenance (TPM) with year over year productivity improvement.

He developed and implemented a vendor development model resulting in low cost and high quality supplier base.

He was co-opted as an additional director of the Company and was appointed as a whole-time director for a period of five years from 17th June 2009.

He is a member of the investors' grievance committee and administrative committee of directors of the Company.

He does not hold any share in the Company and he is not related to any other directors of the Company.

He is not a director of any other Company.

IV. Mr Trevor Lucas:

Born on 3rd June 1948, Mr Trevor Lucas is a Bachelor of Business Studies (Honours), University of Dublin and a Fellow member of the Institute of Chartered Accountants in Ireland.

He has served KPMG, Dublin from 1975 to 1982 as General Practice Manager. He was with CPC Europe, holding various positions as Manager Finance & Taxes, Manager Financial Services and Systems and Manager Financial Accounting.

He has also served as head of Finance for Council for Education, Recruitment and Training for the Hotel, Catering and Tourism Industry, Dublin.

He was with Best Foods Europe/Africa/Middle East, Brussels (later part of the Unilever Group) during 1989-2002 as Director Finance and Taxes.

He joined American Standard, Brussels, (WABCO Division) in 2003 as Vice President-Taxes. Following the spin off of WABCO Division from American Standard he is presently the Vice President-Taxes of WABCO Holdings Inc.

He was co-opted as an additional director of the Company on 30th July 2009.

He is a member of the administrative committee of directors of the Company.

He does not hold any share in the Company and he is not related to any other directors of the Company.

Details of his other directorships are given below:

S. No.	Name of the Company	Position held
1	Perrot North America Inc.	Director
2	WABCO Air Compressor Holdings Inc.	Director
3	WABCO Automotive Control Systems Inc.	Director
4	WABCO Automotive Holdings Inc.	Director
5	WABCO Automotive Products Limited	Director
6	WABCO Korea Inc.	Director
7	WABCO Group Inc.	Director
8	WABCO Group International Inc.	Director
9	WABCO, Inc.	Director
10	Westinghouse Air Brake International Corporation	Director



V. Mr Kurt Lehmann:

Born on 16th June 1962, Mr Kurt Lehmann is a graduate in mechanical engineering from Michigan Technology University USA.

He is vice president – product development in WABCO since July 2008. Prior to his joining WABCO, he has gained nearly 25 years of experience in automotive engineering and was vice president-systems engineering at Continental Automotive, Frankfurt, Germany responsible worldwide for development processes, system engineering and product development.

He was also executive vice president and general manager at Continental Foundation braking systems division based in Michigan USA. He began his career at General Motors in engineering.

He was co-opted as an additional director of the Company effective 30th July 2009.

He is not a member of any committee of directors of the Company.

He does not hold any share in the Company and he is not related to any other directors of the Company.

He is not a director of any other Company.

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

The following explanatory statement sets out all the material facts relating to the special business mentioned in the accompanying notice dated 27th August 2009 and shall be taken as forming part of the notice.

Item no. 5

Mr P Kaniappan was appointed as an additional director of the Company effective 17th June 2009 and holds office upto the date of this annual general meeting of the Company, in terms of section 260 of the Companies Act, 1956.

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 his intention to propose the candidature of Mr P Kaniappan for the office of director and to move the resolution as set out in item no.5 of this notice.

The directors recommend the resolution as set out in item no.5 of the notice to be approved as an ordinary resolution by the shareholders.

None of the directors except Mr P Kaniappan is deemed to be interested or concerned in the resolution.

Item no. 6

Mr Trevor Lucas was appointed as an additional director of the Company effective 30th July 2009 and holds office upto the date of this annual general meeting of the Company, in terms of section 260 of the Companies Act, 1956.

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 his intention to propose the candidature of Mr Trevor Lucas for the office of director and to move the resolution as set out in item no.6 of this notice.

The directors recommend the resolution as set out in item no.6 of the notice to be approved as an ordinary resolution by the shareholders.

None of the directors except Mr Trevor Lucas is deemed to be interested or concerned in the resolution.

Item no. 7

Mr Kurt Lehmann was appointed as an additional director of the Company effective 30th July 2009 and holds office upto the date of this annual general meeting of the Company, in terms of section 260 of the Companies Act, 1956.

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 his intention to propose the candidature of Mr Kurt Lehmann for the office of director and to move the resolution as set out in item no.7 of this notice.

The directors recommend the resolution as set out in item no.7 of the notice to be approved as an ordinary resolution by the shareholders.

None of the directors except Mr Kurt Lehmann is deemed to be interested or concerned in the resolution.

Item no. 8

Mr C N Prasad resigned as a whole-time director of the Company effective 17th June 2009 which was accepted by the board of directors. However, he continues to be a director of the Company.

In view of his resignation as a whole-time director of the Company, the agreement entered into between the Company and Mr C N Prasad on the terms and conditions as per the resolution passed by the shareholders at the general meeting held on 29th September 2008 to hold the office as a whole-time director of the Company for a period of five years from 28th March 2008 to 27th March 2013, stood terminated by mutual consent effective 17th June 2009.

Hence, the board of directors on 17th June 2009 appointed Mr P Kaniappan, president of the Company as an additional director of the Company and also appointed him as a whole-time director of the Company for a period of five years effective 17th June 2009 and fixed his term of appointment and remuneration within the limits prescribed under section 198 and 309 read with Schedule XIII of the Companies Act, 1956, subject to the approval of the shareholders in the ensuing annual general meeting of the Company.

Necessary agreement was also entered into between him and the Company on 17th June 2009 and the abstract of the terms of the agreement together with a memorandum clearly specifying the nature of the concern or interest of other directors in such agreement was also circulated to the shareholders of the Company on 6th July 2009.

The directors, therefore, recommend the resolution as set out in item no.8 of the notice to be approved as an ordinary resolution by the shareholders.

None of the directors except Mr P Kaniappan is deemed to be interested or concerned in the resolution.

Item no. 9

Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble High Court of Madras, "inter se" transfer of shares between promoters of the Company was effected on 3rd June 2009.

With the acquisition of 35.83% shares by Clayton Dewandre Holdings Ltd, Rotterdam (CDH) from the Indian promoters, the total holdings of CDH has become 75% of the paid up capital of the Company.

In line with the listing requirement, the Indian promoters have divested the balance 5% shares held by them on 10th July 2009 to the public and consequently they do not hold any share in the Company.



In view of this, certain Articles in the Articles of Association of the Company have to be revised by deleting references to the promoters and their rights.

Accordingly, the Articles that are proposed to be deleted, modified/varied as set out in item no 9 of the Notice is placed for approval of the shareholders by way of a special resolution.

The directors recommend the special resolution at item No.9 of the accompanying notice for approval by the shareholders of the Company.

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

Inspection of documents:

The documents referred in the notice and the explanatory statement will be available for inspection at the registered office of the Company on any working day of the Company between 10.00 a.m. and 12.00 noon.

By order of the board

Chennai
27th August 2009

R MADHAVAN
General Manager (Finance)
and Secretary

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

Directors' report to the shareholders

The directors herewith present the fifth annual report and the audited accounts for the year ended 31st March 2009.

2. FINANCIAL HIGHLIGHTS

Details	Rs. in lakhs	
	Year ended 31.03.2009	Year ended 31.03.2008
Sales and other income	44,577.78	54,655.07
Gross profit before interest and depreciation	7,334.11	11,777.04
Interest –Net	685.42	328.68
Depreciation	1,393.21	1,011.71
Profit before tax	5,255.48	10,436.65
Provision for taxation (including deferred tax and fringe benefit tax)	1,703.27	3,452.59
Profit after tax	3,552.21	6,984.06
Surplus /(loss) brought forward from previous year	2,515.10	(0.74)
Profit and loss account balance transferred from demerged company, namely Sundaram-Clayton Limited (SCL) as on 1 st January 2007	–	3,214.58
Profit after tax for three months ended from 1 st January 2007 to 31 st March 2007 transferred from SCL	–	220.55
Total	6,067.31	10,418.45
Appropriations:		
Interim dividend paid	474.20	943.63
Interim dividend payable	–	1,138.06
Dividend tax paid	80.59	160.37
Dividend tax payable	–	193.41
Transfer to general reserve	356.00	5,467.88
Surplus/(Loss) in Profit & loss account	5,156.52	2,515.10
	6,067.31	10,418.45

2. CHANGE IN STATUS OF THE COMPANY

In terms of the Scheme of Arrangement between the Company and Sundaram-Clayton Limited (SCL) and their respective shareholders and creditors sanctioned by the Hon'ble High Court of Madras vide its order dated 20th February 2008, the transfer of shares between the promoters of the Company, have since been completed as envisaged in the said Scheme.

Accordingly, M/s Clayton Dewandre Holdings Limited (CDH) acquired 67,95,684 equity shares of Rs.5/- each from the Indian promoters namely TVS group constituting 35.83% of the paid up capital of the Company. With this acquisition, CDH's holding increased to 75% of the paid up capital of the Company. The Company has

thus become a subsidiary of CDH in terms of applicable provisions of the Companies Act, 1956 effective 3rd June 2009.

The directors wish to record their deep appreciation of association with TVS group.

3. DIVIDEND

The board of directors at their meeting held on 8th December 2008 has declared an interim dividend of Rs. 2.50 per share for the year ended 31st March 2009 (representing 50% on the paid up share capital of Rs. 948.38 lakhs). This was paid to the shareholders on 19th December 2008.

The board of directors after considering the performance of the Company for the year under review has decided not to recommend any further dividend for the year 2008-09.

4. PERFORMANCE

During the year 2008-09, the sales of medium and heavy commercial vehicles registered a negative growth of 32% over the previous year 2007-08 and the sale of light commercial vehicles registered a negative growth of 10 % during the same period. Overall, the commercial vehicle industry ended with a negative growth of 22% over the previous year.

During the year, the Company achieved a total turnover of Rs. 446 crores as against turnover of Rs.547 crores registering a drop of 19%. The drop in the turnover is due to slow down of the commercial vehicle industry as explained in the above paragraph.

5. CAPITAL EXPENDITURE

A capital expenditure of Rs. 10 crores only is planned during 2009-10 after considering the industry slow down in this year. The expenditure will be spent on a case to case basis.

6. DIRECTORS

Mr H Lakshmanan and Vice Admiral Mr P J Jacob (Retd.) resigned as directors of the Company effective 30th July 2009.

The board records its deep appreciation of the services of Mr H Lakshmanan and Vice Admiral Mr P J Jacob (Retd.) during their tenure as directors of the Company.

Effective 17th June 2009, Mr C N Prasad, resigned as a whole-time director of the Company. Accordingly, the agreement entered into between the Company and Mr C N Prasad on the terms and conditions, as per the resolution passed by the shareholders at the general meeting held on 29th September 2008, of his appointment to hold the office as a whole-time director of the Company for a period of five years from 28th March 2008 stands terminated by mutual consent.

The board records its deep appreciation of his services as a whole-time director to the Company. By agreeing to continue to serve on the board as a director, the board looks forward to the continuous association and expert advice of Mr C N Prasad in the years to come.

Mr P Kaniappan, was appointed as an additional director of the Company effective 17th June 2009 by the board. The board also appointed him as a whole-time director of the Company for a period of five years effective 17th June 2009 on such terms and conditions to be approved by the shareholders of the Company in ensuing annual general meeting of the Company.

Mr Trevor Lucas ceased as an alternate director to Mr Leon Liu effective 15th June 2009.

Mr Trevor Lucas and Mr Kurt Lehmann were appointed as additional directors of the Company effective 30th July 2009.

Mr P Kaniappan, Mr Trevor Lucas and Mr Kurt Lehmann, directors of the Company will be eligible to hold office upto the date of the ensuing annual general meeting of the Company and are eligible for re-appointment as directors of the Company in the ensuing annual general meeting.

In terms of the articles of association of the Company, Mr Venu Srinivasan and Mr C N Prasad, directors, will be retiring at this annual general meeting and are eligible for re-appointment in terms of the articles of association of the Company.

A brief resume of the aforesaid directors and other information have been detailed in the notice convening the annual general meeting of the Company.

Notices have been received from members of the Company signifying their intention to propose the appointment of Mr P Kaniappan, Mr Trevor Lucas and Mr Kurt Lehmann as directors of the Company in terms of section 257 of the Companies Act, 1956 along with the requisite deposit of Rs.500/- each.

Appropriate resolutions for their re-appointment and appointment are being placed for approval of the shareholders at the ensuing annual general meeting. The directors recommend their re-appointment/appointment as directors of the Company.

7. AUDITORS

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

8. STATUTORY STATEMENTS

Conservation of energy, technology absorption and foreign exchange earnings and outgo

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

Particulars of employees

The particulars required pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, are given in Annexure II to this Report.

However, in terms of the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Directors' Report (excluding Annexure II) is being sent to all the shareholders of the Company. Any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

Directors' Responsibility Statement

Pursuant to the requirement of Section 217(2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed:

- (i) that in the preparation of annual accounts for the financial year ended 31st March 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 of the Company for the year under review;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the directors had prepared the accounts for the financial year ended 31st March 2009 on a "going concern basis".

9. CORPORATE GOVERNANCE

The Company has complied with the provisions of Listing Agreement concerning corporate governance and a report to this effect is attached to this report as required by Clause 49 of the Listing Agreement with the stock exchanges. A certificate issued by the auditors of the Company regarding compliance of conditions of corporate governance, is also annexed to the said report.

The whole-time director (CEO) and the chief financial officer (CFO) of the Company have certified to the board on financial statements and other matters in accordance with clause 49 (V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2009.

A management discussion and analysis report, as required by Listing Agreement, is also attached which forms part of this report.

10. ACKNOWLEDGEMENT

The directors gratefully acknowledge the support and co-operation received from M/s T V Sundram Iyengar and Sons Limited, Madurai and WABCO Europe BVBA.

The directors thank the vehicle manufacturers, distributors, vendors and bankers for their continued support and assistance.

The directors wish to place on record their appreciation of the excellent work done by all the employees of the Company during the year. The directors specially thank the shareholders for their faith in the Company.

For and on behalf of the board

Chennai
27th August 2009

VENU SRINIVASAN
Chairman

Annexure I to the Directors' report

Information as required under Section 217(1) (e) of the Companies Act, 1956

A. CONSERVATION OF ENERGY

1. Measures taken:

- i) Optimizing pressure setting in HP and LP compressor air pressure;
- ii) Installing shut off valve for test rigs;
- iii) Providing high efficiency motors for machines; and
- iv) Reduction in lighting power through tube light modification in assembly.

The above measures have resulted in an annual saving of about Rs.24.50 lakhs.

Measures Proposed

- i) Introduction of dedicated small capacity portable compressor for holiday working;
- ii) Energizing environmental light with Solar Power;
- iii) Demand controller for compressor air system;
- iv) Reduction in lighting power by introducing Dome light in sales warehouse;
- v) Provision of predictive demand controller for controlling Maximum Demand;
- vi) Recover screw compressor heat for using in Surface Protection Unit (SPU) water heating;
- vii) Improve canteen steam boiler efficiency by steam line modification;
- viii) Introduce thyrister control for canteen and surface protection unit equipment electric heater to control even voltage supply;
- ix) Reduce machining cell power consumption by 5% through energy mapping of 20 identified cells; and
- x) Eliminate electric lamps in three identified office areas by utilizing direct daylight.

This will result in a saving of about Rs.20 lakhs per annum

B. TECHNOLOGY ABSORPTION

Research & Development (R & D)

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

Existing activities:

- (a) Double diaphragm spring brake actuator for disc brake applications (20/24) designed for export market;
- (b) Environmental friendly and reliable Air Processing and Distribution Assembly (APDA) promoted to customers;
- (c) New Life Compressor II with improved performance promoted to customers;
- (d) 160 cm³ Compressor for Cummins Avalon engine developed for Exports;
- (e) Master cylinder and clutch servo developed for CNHTC, China;
- (f) Lift axle system developed for air commercial vehicles;
- (g) Electronically Controlled Air Suspension System (ECAS) promoted for commercial vehicles;
- (h) Designed and developed long stroke actuators for Indian market;
- (i) Products upgraded for 10 bar system pressure;
- (j) Application of micro-alloyed steels for cost reduction;
- (k) Developed mathematical modeling of compressor for performance improvements;
- (l) Developed environment friendly coating process for improved corrosion resistance;
- (m) Field quality of products improved by resolving failure modes through design improvements; and
- (n) Products and parts were redesigned to reduce cost.



2. Benefits derived as a result of R & D:

- (a) Environment friendly products;
- (b) Fuel saving;
- (c) Longer product life;
- (d) The innovative ideas generated during the year have enabled the Company in filing application for six patents under the Patents Act, 1970;
- (e) Reduced warranty cost due to resolving of field failure modes through design improvements;
- (f) New customers added; and
- (g) Significant cost saving through improved design.

3. Future plan of action:

- (a) Development and launch of following products:
 - i. Environment friendly and reliable Air Processing and Distribution Assembly (APDA);
 - ii. Double Diaphragm Spring Brake Actuators – 20/24 (shorter version) for export market;
 - iii. NLC II Compressors;
 - iv. Clutch Master Cylinder;
 - v. Door Cylinder;
 - vi. Brake chambers for Indian markets;
 - vii. Compressor for Avalon engine to exports;
 - viii. Brake valves for North American Original Equipment (NAOE) market;
 - ix. Improved D2 governor valve for export market;
 - x. Value engineered actuators for Indian market;
 - xi. Long stroke actuators for Indian market; and
 - xii. Clutch servo for European market.
- (b) Re-engineering of products to enhance performance, life, reliability and ease of use by customer;
- (c) R & D efforts will also be directed to develop products for export markets;
- (d) R & D efforts will be directed for product validation of manufacturing transfer products from WABCO;
- (e) Implementation of environmental friendly surface treatment process with trivalent Chromium/ Chromium free processes;
- (f) Redesign of products and parts for reducing cost;
- (g) Chemical attack resistant rubber for valves; and
- (h) Development of flow simulation and analysis.

4. Expenditure on R & D:

	Rs. in Lakhs
Capital expenditure	132.16
Recurring expenditure (including salaries)	561.95
	<u>694.11</u>
Total expenditure as percentage of sales turnover	<u>1.56%</u>

Technology absorption, adaptation and innovation:

(a) Efforts in brief:

1. Continued efforts in evolving design rules from technology development projects to reduce development lead time;
2. Utilizing the services of eminent consultants to improve efficiency in product development;
3. Development of brake system engineering standards to achieve global standards of braking performance in vehicles;
4. Development of new seal and materials to operate at higher range of temperatures; and
5. Development of new theoretical analysis methods to reduce lead time and improve performance.

(b) Benefits derived as a result of the above efforts:

1. Developed innovative products to improve competitive position in the market;
2. Reduced lead time for product development;
3. Better quality product at a lower cost; and
4. Introduced new products that would improve braking efficiency and system reliability;

(c) Details relating to imported technology: (Technology imported during the last 5 years reckoned from the beginning of the financial year).

Nil

(d) Foreign Exchange Earnings and Outgo

Export Activities:

Exports during the year ended 31st March 2009 amounted to Rs. 3,533.22 lakhs.

Total foreign exchange used and earned:

a) Foreign exchange used	Rs. 5,016.85 lakhs
b) Foreign exchange earned	Rs. 5,610.64 lakhs

For and on behalf of the board

Chennai
27th August 2009

VENU SRINIVASAN
Chairman

Management Discussion and Analysis Report

On 3rd of June 2009, WABCO Holdings Inc., USA a global technology leader and tier-one supplier to the commercial vehicle industry, raised its ownership position through indirectly owned subsidiary M/s Clayton Dewandre Holdings Ltd, Rotterdam to 75 percent in its award-winning joint venture, WABCO-TVS (India) Limited (WTIL) further strengthening not only WABCO's presence in India but also its capabilities to connect with and grow in all of the world's emerging markets.

During the year under review, WTIL, the leader in the automotive air and assisted brake actuation systems for the commercial vehicle industry in India, recorded a moderate performance due to global financial crisis and industry slowdown.

The Company recorded sales of Rs. 446 crores during 2008-09 as against Rs. 547 crores in 2007-08, registering a drop of 19%. Profit before tax reduced to Rs.52 crores from Rs.104 crores in the previous year, representing a decrease of 50%.

I. Industry Structure and Development:

Intensification of global financial crisis and significant slowdown witnessed in world economy, the cyclical downside risk of India's growth prospects have increased significantly during last two quarters of 2008-09. The Indian economy recorded a moderate performance during 2008-09. GDP registered a 6.7% growth, facilitated by 2.6% in industrial production, 1.6% in agriculture and 9.7% growth in the services sector. Inflation gone-up as high as 11% in the first half of the year under review and started reducing from November 2008 after Government announced the stimulus package and is at 8.3% for the full year 2008-09.

The following table highlights the MHCV production figures in vehicle units.

Category	2008-09	2007-08	growth
Medium and Heavy Commercial Vehicles (MHCV)	191,286	291,114	-34%

(Source: SIAM)

Due to high interest rate and banks' reluctance to lend resulted in reduction of MHCV production / sales in 2008-09.

The development of road infrastructure is a key factor that influences the growth of the Indian commercial vehicle industry. The various projects initiated by National Highway Authority of India (NHAI) were not progressing as per plan due to global financial crisis and slowdown in Indian economy and following is the status of various projects as on 31st March 2009:

	Total length (in Km)	Completed (in %)	Under implementation	Balance to be awarded
Golden Quadrilateral	5846	97.9%	2.1%	NIL
North-South, East-West Corridor	7300	47.1%	42.0%	10.9%
NHDP Phase III	12109	6.5%	15.5%	78.0%
NHDP Phase V	6500	1.6%	14.2%	84.2%

	Total length (in Km)	Completed (In %)	Under implementation	Balance to be awarded
Port Connectivity & others	380	54.2%	44.3%	1.5%
Others	945	81.2%	18.1%	0.7%
Total NHDP	33097	32.3%	18.4%	49.3%

(Source: NHAI)

Indian companies are gaining recognition as manufacturers of high quality automotive components in the international market. Exports are expected to grow, driven by the cost management factors of international manufacturers to source from cost-effective countries which is expected to benefit the Company's businesses.

II. Business outlook and overview

Whilst there would be a strain of global economic slowdown, the GDP is estimated to grow at a slower rate of 6%. Subdued demand condition and decline in commodity prices expected to bring down the inflation significantly in the current year. Due to increased cost of capital, Industrial sector is expected to slowdown and grow at 2 - 3%.

This subdued outlook of the economy will impact the automotive sector, which will see a slowdown in growth rates in 2009-10 when compared to the high growth rates registered in the past few years. Further, due to the excess capacity created by the delayed implementation / non-implementation of the overloading ban, the Medium and heavy commercial vehicle (MHCV) industry is likely to register a negative growth of 10% in the year 2009-10.

III. Opportunities & Threats

The Company caters to requirements of commercial vehicle segment of the automotive industry.

With improved road infrastructure, the demand for faster vehicles that carry higher payloads is increasing. To ensure road safety, Government of India had introduced regulation for mandatory fitment of anti-lock braking systems (ABS) for commercial vehicles carrying hazardous goods from October 2006, tractor-trailers and buses with national permit and hilly terrains from October 2007.

Product development and component manufacturing are being undertaken to cater to the global requirement of WABCO. This is expected to bring in additional exports sales opportunities for the Company.

So far, the Company has commissioned 125 authorized service centers at strategic locations across the country, to provide quicker and better service on air brake aggregates. Further, to improve availability of quality service in rural areas, the Company also commissioned 125 certified workshops. These initiatives would result in improved service practices, availability of genuine parts and generate additional revenue for the Company.

The Company has done extensive application engineering for the above category of vehicles and has offered total solution to the domestic OEMs. This regulation will further improve Company's sales opportunity. The



Company has made its test track, the only test track of its kind available in the country today, available for government agencies for certification testing.

The Company's competitors are active and continue to supply to key customers.

IV. Risks and concerns

The cyclical nature of the Indian commercial vehicle industry (Company's major customer segment) might affect the demand. To control inflation, the Government has initiated actions towards liberalisation of imports and a cut in excise and customs duties.

Since, major growth is expected from Exports, new product launch at the right time will be the focus area. Suitable measures have been factored in the company's operating plan.

The import of components from China might be a concern to the Indian auto component industry. The OEM customers across the world would continue their pressure on price reduction from their suppliers. The Company plans to mitigate this risk through cost reduction initiatives such as value engineering and global sourcing.

As the banks are ready to lend only from now, the availability of credit is easing up slowly. Added to that fuel price increase and low freight movement would result in drop in MHCV sales.

V. Internal control system and their adequacy

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly. The internal controls are supplemented by an extensive programme of internal audits, review by management, guidelines and procedures. The status of the observations made during the internal audit is reviewed by the audit committee of the Board of Directors and concerns if any are reported to the Board.

VI. Operations review

A. Manufacturing

During the year 2007-08 the company made operational its new manufacturing facility in a Special Economic Zone (SEZ) at 'Mahindra World City' near Chennai. During the year 2008-09, the company had the full benefit of the plant and is expected to bring additional revenue growth during the coming years.

To meet the challenges of emerging competition and to serve the customers better, the Company had already set-up a manufacturing facility in Jamshedpur nearer to a major customer plant.

The Company's manufacturing facilities follow the best practices such as Total Quality Management (TQM), Total Productive Maintenance (TPM) and Lean Manufacturing and has best-in-class practices for safety, work environment, water and energy conservation. These initiatives are deployed company wide to achieve significant improvement in productivity and reduction in manufacturing cost.

Continuous improvement actions are implemented to improve manufacturing quality and productivity in all the manufacturing locations.

B. Quality

The quality system at the factory aims at achieving total customer satisfaction through its focus on improving product quality to World standards. This is achieved through total employee involvement and continuous improvement culture. Rigorous usage of poka-yokes, utilization of statistical tools for process optimization and control also contribute towards improving the product quality.

The standardization of the quality procedures is aligned with QS 9000/ TS 16949 requirements. WTIL is certified for TS 16949.

TQM is a way of life at WTIL. 100% participation in employee involvement has been successful for the past 10 consecutive years.

Employees have completed more than 223 projects by applying statistical tools through QC Circles in 2008-09. The average number of suggestions implemented per employee is 46 in 2008-09.

C. Cost management

The Company continues its rigorous focus on its costs through an effective cost deployment system. Value engineering and global sourcing projects are being pursued for cost reduction and also to insulate from cost escalation.

D. Information Technology

The Company uses ERP system that integrates all business processes across the Company as well as dealers and suppliers. During the year, the Company has focused on further leveraging the ERP system.

VII. Human Resource Development

The Company focuses on attracting the best talent and enjoys a good brand image across leading educational institutions and job seekers. The Company blends successfully mid career recruitment with internally grown talent. A reward and recognition system is in place to provide fast track growth for high potential employees. Career development workshops are undertaken to identify such high potential.

Executives are sponsored to overseas and inland universities for developing their capabilities to handle new technologies and management practices. Customised management development programs have been developed with reputed educational institutions to hone the leadership skills of the senior executives.

People are encouraged to take up higher responsibilities and stretch assignments from the very early stages of their career. Periodic job rotations help the employees to get a broad perspective to assume leadership roles in future.

The Company continues to maintain its impeccable record on industrial relations.

As of 31st March 2009, the Company had 996 employees on its rolls.

VIII. Environment & Safety

Safety management is integrated with the overall environment, health and safety (EHS) management system. WTIL have been certified for ISO 14001 systems.

The Company is committed to energy conservation. During the year the following implemented projects have gained momentum:

- Timer controls for various air handling systems
- Optimizing air pressure setting
- Power factor improvement
- Introduction of variable frequency drives (VFD) for motors
- Use of energy efficient lighting systems

IX. Community development and social responsibility

As a corporate citizen, the Company believes in its social responsibility and has involved itself in several community development activities. With the Company's active support 'Self-help groups' have been active in villages and various programmes have been undertaken towards economic development of people living below the poverty line. The Company also conducts literacy programs, medical camps, health check up programs and nutrition program for primary school children and adults periodically.

X. Financial statement

Particulars	Year ended 31 st March 2009		Year ended 31 st March 2008	
	Rs in lakhs	%	Rs in lakhs	%
Sales	42,594.58	95.6	53,433.91	97.8
Other income	1,983.20	4.4	1,221.16	2.2
Total income	44,577.78	100.0	54,655.07	100.0
Raw materials consumed	24,617.78	55.2	30,622.22	56.0
Staff cost	5,025.30	11.3	4,513.41	8.3
Stores & tools consumed	1,624.65	3.6	1,662.24	3.0
Power & fuel	736.58	1.7	666.59	1.2
Repairs & maintenance	508.60	1.1	408.56	0.7
Other expenses	4,730.76	10.6	5,005.01	9.2
Interest-net	685.42	1.6	328.68	0.6
Depreciation	1,393.21	3.1	1,011.71	1.9
Total expenditure	39,322.30	88.2	44,218.42	80.9
Profit before tax	5,255.48	11.8	10,436.65	19.1
Provision for taxation				
Current tax	1,575.00	3.5	3,215.00	5.9
Fringe benefits tax	51.94	0.1	53.64	0.1
Deferred tax	76.33	0.2	183.95	0.3
Profit after tax	3,552.21	8.0	6,984.06	12.8

XI. Cautionary statement

Statements in the management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, among others, economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

Report on Corporate Governance

1. Company's philosophy on code of governance

The Company believes in transparency, professionalism and accountability, which are the basic principles of Corporate Governance. The Company would constantly endeavour to improve on these aspects.

2. Board of directors

2.1 Composition and category of directors:

As of 31st March 2009, the total strength of the board of directors (the board) is eight directors. All the directors except the whole-time director are non-executive directors.

Mr P Kaniappan was appointed as an additional director of the Company effective 17th June 2009. Mr C N Prasad resigned as a whole-time director of the Company effective 17th June 2009. However, he continues to be the director in the board. Both Mr P Kaniappan and Mr C N Prasad are non-independent directors of the Company.

Subsequent to the resignation of Mr C N Prasad as a whole-time director, Mr P Kaniappan, director of the Company, was appointed as a whole time director of the Company for a period of five years effective 17th June 2009 on a remuneration consisting salary and other perquisites in terms of the agreement entered into between him and the Company on 17th June 2009, subject to the approval of the shareholders of the Company in the ensuing annual general meeting to be held on 24th September 2009.

Mr Trevor Lucas ceased to be the alternate director to Mr Leon Liu, the original director, effective 15th June 2009 and was subsequently appointed as an additional director in the board effective 30th July 2009.

Mr H Lakshmanan and Vice Admiral Mr P J Jacob (Retd.), directors of the Company, resigned from the board effective 30th July 2009.

Mr Kurt Lehmann was appointed as an additional director of the Company effective 30th July 2009. Mr Trevor Lucas and Mr Kurt Lehmann, are non-independent directors in terms of clause 49 of the Listing Agreement.

Out of the eight non-executive directors, three directors viz., M/s Venu Srinivasan, D E Udawadia and Narayan K Seshadri are independent directors.

Chairman is a non-executive director and not related to any promoter of the Company as defined under clause 49 of the Listing Agreements. The number of independent directors is one third of its total strength. Thus, the Company meets with the requirements of composition of the board as per the Listing Agreement.

2.2 Board Meetings:

The Company, in consultation with the directors, prepares and circulates a tentative annual calendar for the meetings of the committees / board in order to assist the directors for planning their schedules to participate in the meetings.

During the year 2008-09, the board met 6 times on 7th May 2008, 23rd July 2008, 20th August 2008, 20th October 2008, 8th December 2008 and 23rd January 2009 and the gap between two meetings did not exceed four months.

2.3 Attendance and other directorships:

The details of attendance of the directors at the board meetings during the year and at the last annual general meeting held on 29th September 2008 and also the number of other directorships and committee memberships / chairmanships as on 31st March 2009 are as follows:

Name of the director M/s	Category	Attendance particulars		Number of directorships and committee memberships / chairmanships		
		Board meeting	Last AGM	Other directorships*	Committee memberships **	Committee chairmanships
Venu Srinivasan	C-I	6	No	17	5	3
H Lakshmanan (resigned effective 30.07.2009)	NE-I	6	Yes	21	9	5
Trevor Lucas (Alternate director to Mr Leon Liu) (ceased to be an alternate director and appointed as an additional director in the board effective 30.07.2009)	NE-NI	1	No	10	-	-
C N Prasad (ceased to be a WTD effective 17.06.2009)	NE-NI	6	Yes	3	3	-
D E Udawadia	NE-I	5	Yes	21	10	1
Nikhil Madhukar Varty	NE-NI	-	Yes	2	-	-
Leon Liu	NE-NI	-	No	11	-	-
Vice Admiral PJ Jacob (Retd.) (resigned effective 30.07.2009)	NE-I	6	Yes	2	2	2
Narayan K Seshadri	NE-I	5	Yes	9	3	1

* includes private companies and bodies corporate

** includes committees where the director is also a chairman

C : Chairman
WTD : Whole-time Director-Non Independent
NE-I : Non executive - Independent director
NE-NI : Non executive - Non-independent director

None of the directors is a member in more than 10 board level committees or chairman of more than 5 such committees as required under clause 49 of the listing agreement.

2.4 Access to information and Updation to directors:

The board reviews all information provided periodically for discussion and consideration at its meetings in terms of clause 49 of the Listing Agreement. Functional heads are present whenever necessary and apprise all the directors about the developments. They also make presentations to the board and audit committee of directors.

Apart from this, the observations of audit carried out by the internal auditors and the compliance report on payment of statutory liabilities submitted by the statutory auditors of the Company are placed and discussed with functional heads. The board also reviews the declarations made by the whole-time director and secretary of the Company regarding compliance of all applicable laws on quarterly basis.

2.5 Code of Business Conduct and Ethics for board and senior management personnel:

The Company has in place the Code of Business Conduct and Ethics for Board and Senior Management personnel (the Code) approved by the board. The Code has been communicated to directors and the members of the senior management. The Code has also been displayed on the Company's website www.wabco-tvs.com.

All the board members and senior management personnel have affirmed compliance with the Code for the year ended 31st March 2009. The annual report contains a declaration to this effect signed by the whole-time director and general manager (finance) and secretary of the Company as compliance officer for the Code.

2.6 Appointment of directors:

In terms of clause 49(IV)(G) of the Listing Agreement with the Stock Exchanges, a brief resume of directors, proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, their other directorships and committee memberships, their shareholdings and their relationships with other directors are provided in the notice convening the ensuing annual general meeting of the Company.

3. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

3.1 Brief description of terms of reference:

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and inter-alia performs the following functions:

- a. Overseeing the Company's financial reporting process and the disclosure of financial information.
- b. Reviewing with the management quarterly and annual financial statements before submission to the board for approval with particular reference to the matters specified in the Listing Agreement.

- c. Reviewing the related party transactions.
- d. Reviewing the reports of internal auditors and ensuring that adequate follow-up action is taken by the management on observations and recommendations made by the internal auditors.
- e. Recommending to the board the appointment / re-appointment / replacement of the statutory auditors and the fees payable for audit and for other services rendered by the statutory auditors.
- f. Reviewing with the management, the performance of statutory and internal auditors.
- g. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- h. Reviewing the adequacy of internal audit functions and systems, structure, reporting process, audit coverage and frequency of internal audit.
- i. Discussion with external auditors regarding audit plan as well as post-audit discussion to ascertain any area of concern.
- j. Ascertainment of reasons for substantial defaults in the payment to creditors and in case of payment of declared dividends to the shareholders.
- k. Review of management discussion analysis of financial conditions and results of operations and other matters specified under clause 49 of the Listing Agreement.
- l. Review of financial statements, in particular the investments made by the unlisted subsidiary.
- m. In addition, review of such other functions as envisaged under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

3.2 Composition, name of members and the chairman of the Audit Committee:

The Audit Committee was reconstituted consequent to the changes in the board. As of date, the Audit Committee consists of the following directors:

Name of the directors (M/s)	Status
Vice Admiral P J Jacob (Retd.)(*)	Non-executive, Independent director
H Lakshmanan (*)	Non-executive, Independent director
Narayan K Seshadri	Non-executive, Independent director
D E Udawadia	Non-executive, Independent director
C N Prasad	Non-executive, Non-Independent director

(*) Ceased to be the members of the Committee consequent to their resignation from the board.

Mr Narayan K Seshadri, independent director, is the Chairman of the re-constituted Audit Committee. Mr R Madhavan, general manager (finance) and secretary of the Company acts as the Secretary of the Audit Committee. Chairman of the Audit Committee was present at the annual general meeting held on 29th September 2008. The composition of the committee is in accordance with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

3.3 The particulars of meetings and attendance by the members of the committee during the year under review are given in the table below:

Date of the meeting	Members present (M/s)
23 rd July 2008	Vice Admiral P J Jacob, H Lakshmanan and Narayan K Seshadri
20 th August 2008	Vice Admiral P J Jacob, H Lakshmanan and Narayan K Seshadri
20 th October 2008	Vice Admiral P J Jacob, H Lakshmanan, Narayan K Seshadri and D E Udwadia.
23 rd January 2009	Vice Admiral P J Jacob, H Lakshmanan, Narayan K Seshadri and D E Udwadia.
12 th March 2009	Vice Admiral P J Jacob, H Lakshmanan, Narayan K Seshadri and D E Udwadia.

4. Disclosures

4.1 Materially significant related party transactions:

During the year, the Company has not entered into any transaction of material nature with the directors, their relatives or management which is in conflict with the interests of the Company.

The transactions with the related parties, namely its promoters, its subsidiary and associate companies etc., are of routine nature have been reported elsewhere in the annual report as per Accounting Standard 18 (AS 18) issued by The Institute of Chartered Accountants of India.

The Audit Committee is briefed, inter alia, on the following aspects:

- (i) the related party transactions undertaken by the Company in the ordinary course of business (summary);
- (ii) material individual transactions, if any, which were not in the normal course of business; and
- (iii) material individual transactions, if any, with related parties or others, which were not at arm's length basis.

4.2 Disclosure of accounting treatment:

The Company follows the Accounting Standards issued by The Institute of Chartered Accountants of India and Company (Accounting Standards) Rules, 2006.

4.3 Risk Management:

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

4.4 Instances of non-compliances, if any:

There were no instances of non-compliances by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities on any matter related to the capital markets during the last three years.

4.5 Disclosure by senior management personnel:

The senior management personnel have made disclosure to the board relating to all material, financial and other transactions stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

4.6 CEO and CFO Certification:

The whole-time director (CEO) and Chief Financial Officer of the Company have certified to the board on financial and other matters in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2009.

4.7 Compliance with mandatory / non-mandatory requirements:

The Company has complied with all applicable mandatory requirements in terms of clause 49 of the Listing Agreement. The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed elsewhere in this report.

4.8 Management discussion and analysis report:

The management discussion and analysis report has been attached to the directors' report.

5. Remuneration Committee

The board has not constituted a remuneration committee, as the need for forming such committee has not arisen. The remuneration to the whole-time director was decided by the board of directors subject to the approval of the shareholders.

5.1 Remuneration to directors:

Effective 17th June 2009, Mr C N Prasad, resigned as a whole-time director of the Company. Accordingly, the agreement entered into between the Company and Mr C N Prasad on the terms and conditions, as per the resolution passed by the shareholders at the general meeting held on 29th September 2008, of his appointment to hold the office as a whole-time director of the Company for a period of five years from 28th March 2008 stands terminated by mutual consent.

Mr P Kaniappan, director of the Company, was appointed as a whole-time director of the Company for a period of five years effective 17th June 2009 on a remuneration consisting salary and other perquisites in terms of the agreement entered into between him and the Company on 17th June 2009, and the same is subject to the approval of the shareholders of the Company in the ensuing annual general meeting of the Company to be held on 24th September 2009.

The non-executive directors do not draw any remuneration from the Company other than sitting fees for attending each meeting of the board and committees thereof. The Company pays sitting fees of Rs. 7,500/- to all the non-executive directors for attending each meeting of the board and/or committee thereof which is within the limits prescribed under the Companies Act, 1956.

5.2 Particulars of sitting fees paid to non-executive directors during the financial year 2008-2009:

Name of the non-executive directors M/s.	Sitting fee (Rs.)
Venu Srinivasan	90,000
H Lakshmanan(*)	1,50,000
D E Udawadia	60,000
Vice Admiral P J Jacob (Retd.) (*)	82,500
Leon Liu	-
Trevor Lucas	7,500
Nikhil Madhukar Varty	-
Narayan K Seshadri	75,000

(*) since resigned.

5.3 Details of shareholdings of non-executive directors in the Company as on 31st March 2009:

Name of the non-executive directors (M/s)	No. of shares held (face value of Rs.5/- each)
Venu Srinivasan	Nil
H Lakshmanan (*)	1,066
C N Prasad	Nil
Vice Admiral P J Jacob (Retd.) (*)	Nil
D E Udawadia	Nil
Leon Liu	Nil
Nikhil Madhukar Varty	Nil
Narayan K Seshadri	Nil
Trevor Lucas	Nil

(*) since resigned.

There are no other particular pecuniary relationships or transactions of the non-executive directors' vis-à-vis of the Company. None of the directors is related to each other.

5.4 Particulars of remuneration paid to the whole-time director during the financial year 2008-09: (Rs in lakhs)

Name of the director (M/s)	Salary	Contribution to PF and other funds	Perquisites & Allowances	Total
C N Prasad(*)	47.88	4.39	35.62	87.89

(*) resigned as WTD effective 17th June 2009.

5.5 Presently, the Company does not have a scheme for grant of stock options either to the directors or employees of the Company.

6. Investors' grievance committee:

6.1 As on 31st March 2009, the investors' grievance committee consisted of three members, viz., Mr Venu Srinivasan, chairman, Mr H Lakshmanan, director and Mr C N Prasad, whole-time

director of the Company. Mr Venu Srinivasan was the Chairman of the Committee. The Committee met three times during the year.

Subsequent to the resignation of Mr Venu Srinivasan as chairman and member of the committee and Mr H Lakshmanan as member of the committee, the committee was reconstituted effective 30th July 2009 with Mr Narayan K Seshadri, director, Mr C N Prasad, director and Mr P Kaniappan, whole-time director. Mr Narayan K Seshadri is the chairman of the re-constituted investors' grievance committee.

6.2 As required by Securities and Exchange Board of India (SEBI), Mr R Madhavan, general manager (finance) and secretary of the Company has been appointed as the compliance officer. For any clarification/complaint, the shareholders may contact Mr R Madhavan, general manager (finance) and Secretary of the Company.

6.3 The committee oversees and reviews all matters connected with share transfers, issue of duplicate share certificates and other issues pertaining to shares. The committee also looks into the redressal of investors' grievances pertaining to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends, etc. The Company, as a matter of policy, disposes investor complaints within a span of seven days.

6.4 Complaints received and redressed during the year 2008-09:

S.No.	Nature of complaint	No. of complaints
1	Non receipt of share certificates	-
2	Non receipt of dividend warrants	3
3	Non receipt of annual reports	1
4	Other complaints	-
	Total	4

6.5. All the complaints were resolved and, as on 31st March 2009, no complaint was pending.

All requests for dematerialization of shares were carried out within the stipulated time period and no share certificate was pending for dematerialization as on 31st March 2009.

6.6 Secretarial Audit

A qualified practising company secretary carried out secretarial audit on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital and placed the report for perusal of the Board. The secretarial audit report confirms that the total issued and listed capital is in agreement with the total number of shares in physical form and the total number of shares in dematerialized form held with NSDL and CDSL.

7. General body meeting:

7.1 Location and time where the annual general meetings were held during the last three years.

Year	Location	Date	Time
2005-2006	Registered Office., No.29 Haddows Road Chennai 600 006	27.09.2006	9.15 A.M
2006-2007	Registered Office., No.29 Haddows Road Chennai 600 006	28.09.2007	9.15 A.M
2007-2008	The Music Academy, New No.168, T T K Road (Mowbrays Road), Chennai 600 014	29.09.2008	10.15 A.M

7.2 Special resolutions passed in the previous three annual general meetings:

- (a) At the extraordinary general meeting of the shareholders of the Company held on 19th April 2007, approval of the shareholders was obtained for the change of name of the Company under Section 21 and other applicable provisions, if any, of the Companies Act, 1956 from the then Auto (India) Engineering Limited to WABCO-TVS (INDIA) Limited.
- (b) In pursuance of the order of the Hon'ble High Court of Madras, the meeting of the shareholders was convened on 22nd October 2007 for approving the Scheme of Arrangement made between the Company (Resulting Company) and Sundaram-Clayton Limited (Demerged Company) and their respective shareholders and creditors under Sections 391 - 394 of the Companies Act, 1956. The said Scheme of Arrangement was approved by the shareholders unanimously and the result of the poll is given as follows:

Total Number of Valid Votes cast	Votes cast In favour	Votes cast against	% of votes cast in favour	% of votes cast against
1,00,000	1,00,000	-	100%	-

The Hon'ble High Court of Madras vide its order dated 20th February 2008 sanctioned the said Scheme of Arrangement. The said order was filed with the Registrar of Companies, Tamil Nadu, Chennai on 28th March 2008 and the Scheme became effective on 28th March 2008.

- (c) At the Extraordinary General meeting of the shareholders of the Company held on 17th March 2008, consent / approval of the shareholders was obtained for the following:
- (i) Authorization to make investments in securities or to provide loan or give guarantee upto a limit of Rs.200 crores more than the limits in terms of Section 372A of the Companies Act, 1956.
- (ii) Approval for keeping and maintaining books, returns and documents at a place other than the Registered office of the Company in terms of Section 163 of the Companies Act, 1956.

(iii) Approval for adopting the new set of articles of association of the Company in terms of Section 31 and other applicable provisions of the Companies Act, 1956.

(iv) Approval for amendments to the main objects of the memorandum of association and the new set of Articles of Association of the Company under Section 31 and other applicable provisions of the Companies Act, 1956

7.3 None of the subjects placed before the shareholders in the last / ensuing annual general meeting required/requires approval by a postal ballot.

8. Means of communication:

8.1 Quarterly results:

The unaudited quarterly financial results of the Company are published in the English and vernacular newspapers. These are not sent individually to the shareholders.

8.2 Newspapers wherein results normally published:

The results are normally being published in the English newspapers, namely "The Hindu" and "The Economic Times" and the Tamil version in a Tamil daily viz., "Dinamani".

8.3 Website:

The Company has in place a website addressed as www.wabco-tvs.com. The unaudited results and the quarterly distribution schedules as filed with the Stock Exchanges are published in Company website. The Company makes use of its website for publishing official news release and presentations, if any, made to institutional investors / analysts.

9. General shareholder information

9.1 Annual general meeting:

Date and Time : Thursday, the 24th September, 2009
at 10.15 a.m

Venue : 'Sathguru Gnanananda Hall',
Narada Gana Sabha Trust,
No. 314, TTK Road, Chennai - 600 018

9.2 Financial year : 1st April to 31st March

Financial calendar 2009-10 (Tentative):

Financial reporting for
the quarter ending : Financial calendar
30th June 2009 : 30th July 2009
30th September 2009 : between 15th to 31st of October 2009
31st December 2009 : between 15th to 31st of January 2010
31st March 2010 : between 15th to 30th of April 2010
Annual general meeting : August / September 2010
(next year)

9.3 Date of book closure : 22nd September, 2009 to
24th September, 2009
(both days inclusive)

9.4 Particulars of dividend payment:

An interim dividend of Rs.2.50 per share for the year ended 31st March 2009 was paid to the shareholders on 19th December 2008. The board has not recommended any further dividend for the year ended 31st March 2009.

9.5 Listing on Stock Exchanges:

Name of the stock exchange	Stock code
Madras Stock Exchange Ltd. (MSE)	-
Bombay Stock Exchange Ltd. (BSE)	533023
National Stock Exchange of India Ltd. (NSE)	WABCO-TVS
ISIN allotted by depositories (Company ID Number)	INE 342 J 01019

(Note : Annual listing fees for the year 2009-2010 have been duly paid to the above stock exchanges)

9.6 Market Price Data:

Month	Bombay Stock Exchange Limited (BSE) (in Rs.)		National Stock Exchange of India Ltd. (NSE) (in Rs.)	
	Month's high price	Month's low price	Month's high price	Month's low price
April 2008	-	-	-	-
May 2008	-	-	-	-
June 2008	-	-	-	-
July 2008	-	-	-	-
August 2008	-	-	-	-
September 2008	-	-	-	-
October 2008	374.00	111.00	370.00	102.00
November 2008	200.00	131.00	239.90	126.80
December 2008	178.45	130.90	183.10	130.05
January 2009	190.00	107.45	184.10	104.25
February 2009	127.45	101.60	122.75	101.00
March 2009	147.90	100.00	142.50	101.45

(*) The present share capital of the Company consists of 1,89,67,584 equity shares of Rs.5/- each, issued pursuant to the Scheme of Arrangement between the Company and Sundaram-Clayton Limited and their respective shareholders and creditors sanctioned by the Hon'ble High Court of Madras vide its order dated 20th February 2008.

(**) the shares of the Company were listed in the stock exchanges effective 1st October 2008. Hence the share prices commencing from the month of October 2008 is shown in the above table.

9.7 Share transfer agents (STA) and share transfer system:

a. With a view to rendering prompt and efficient service to the investors, M/s Sundaram-Clayton Limited (SCL), which has been registered with SEBI as the Share Transfer Agent (STA) in Category II, has been appointed as the STA of the Company.

The shareholders have also been advised about this appointment of STA to handle share registry work pertaining to both physical and electronic segments of the Company.

- All matters connected with the share transfer both physical and electronic, dividends and other matters are handled by the STA located at the address mentioned elsewhere in this report.
- Shares lodged for transfer are normally processed within 10 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 7 days. Grievances received from investors and other miscellaneous correspondence on change of address, mandates etc are processed by the STA within 7 days.
- Pursuant to clause 47(c) of the Listing Agreement with Stock Exchanges, certificates, on half-yearly basis, have been issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company.
- Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.
- The Company, as required under clause 47(f) of the Listing Agreement, has designated the following e-mail IDs, namely investorscomplaintsstata@scl.co.in (share transfer agent) / madhavan.rajagopalan@wabco-tvs.co.in (compliance officer) for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.
- The shareholders are, therefore, requested to correspond with the STA at the address mentioned elsewhere in this report for any change of names and queries pertaining to the shareholding and dividends etc.

9.8 Shareholding pattern as on 31st March 2009:

Particulars	No. of shares held	% to total
(A) Shareholding of Promoter and Promoter Group		
(1) Indian – Bodies Corporate	77,44,064	40.83
(2) Foreign – Bodies Corporate	74,30,000	39.17
Total Shareholding of Promoter and Promoter Group (A)	1,51,74,064	80.00*
(B) Public Shareholding		
(1) Institutions		
(a) Mutual Funds	11,25,374	5.93
(b) Banks, Financial Institutions, Insurance companies (Central, State Government Institutions, Non-Govt. Institutions)	26,967	0.14
(c) Foreign Institutional Investors	1,22,115	0.65
Sub Total Institutions	12,74,456	6.72



Particulars	No. of shares held	% to total
2. Non-Institutions		
a) Bodies Corporate	2,92,494	1.54
b) Individuals <1 lakh	18,91,864	9.97
c) Individuals >1 lakh	3,04,054	1.60
d) NRI - Repatriable	17,406	0.09
e) NRI - Non-Repatriable	13,246	0.08
Sub Total Non-Institutions	25,19,064	13.28
Total (B)	37,93,520	20.00*
Grand Total (A) + (B)	1,89,67,584	100.00

* Promoter's holding has since been reduced to 75% while the public holding has been increased to 25%.

9.9 Distribution of shareholding as on 31st March 2009

Shareholding (Range)	No. of shares	%	No. of members	%
Upto 5000	18,80,668	9.92	17,236	99.72
5001-10000	1,04,903	0.56	14	0.08
10001-20000	1,71,347	0.90	11	0.06
20001-50000	2,41,529	1.27	7	0.04
50001-100000	4,36,760	2.30	6	0.04
100001 & above	1,61,32,377	85.05	10	0.06
Total	1,89,67,584	100.00	17,284	100.00

9.10 Dematerialization of shares and liquidity

Out of 37,93,520 shares held by persons other than promoters, 33,82,173 shares have been dematerialised as on 31st March 2009 accounting for 89.16%.

9.11 The Company has not issued any Global Depository Receipt / American Depository Receipt / Warrant or any convertible instrument, which is likely to have impact on the Company's equity.

9.12 Plant locations : Factories:

Plot. No.3 (SP), III Main Road,
Ambattur Industrial Estate, Ambattur,
Chennai - 600 058
Tel : 044 - 2623 8000
Fax: 044 - 2623 8009

Large Sector, Adityapur Industrial Area,
Gamharia, Seraikella-Kharsawan District,
Jharkhand - 832 108
Tel : 0657 238 7996
Fax : 0657 238 7997

Plot No. AA8, Central Avenue,
Auto Ancillary SEZ, Mahindra World City,
Nathan Sub-Post, Chengalpet,
Kancheepuram District - 603 002
Tel : 044 - 4749 0006
Fax : 044 - 4749 0008

Software Design Centres:

"Ispahani Centre", 7th Floor,
123/124 Nungambakkam High Road,
Chennai 600 034

Tel : 044 - 2828 5000

Fax : 044 - 2833 2212

Module No – 1107, D Block,

11th Floor Tidel Park,

No.04 Rajiv Gandhi Salai,

Taramani

Chennai - 600 113

Tel : 044 - 2254 5700

Fax : 044 - 2254 0909

9.13 Address for investors' Correspondence

(i) For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the company

Sundaram-Clayton Limited
Share transfer department
New No.22, Old No.31
Railway Colony, 3rd Street
Mehta Nagar, Chennai 600 029
Tel. : 044 - 2374 1889,
044 - 2374 2939
Fax : 044 - 2374 1889

(ii) for any query on non-receipt of annual report;

Email:

kr.raman@scl.co.in

sclshares@gmail.com

(iii) for Investors Grievance & general correspondence

investorscomplaintssta@scl.co.in

madhavan.rajagopalan@wabco-tvs.co.in

10. Non-mandatory disclosures:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

10.1 The Board:

The non-executive directors of the Company are liable to retire by rotation and if eligible, offer themselves for re-appointment. No specific tenure has been fixed for the independent directors.

10.2 Remuneration committee:

The board has not set up a remuneration committee, as the need for the same has not arisen.

10.3 Shareholder rights:

The half-yearly results of the Company are published in English and vernacular newspapers and are also displayed on the Company's website, namely www.wabco-tvs.com. The results are not sent to the shareholders individually.

10.4 Audit Qualifications:

The statutory financial statements of the Company are unqualified.

10.5 Training of board members / Mechanism for evaluating non-executive directors:

The present board consists of well-experienced and responsible members of society. All the directors are well aware of business

model as well as the risk profile of the business parameters of the Company and their responsibilities as directors. Hence, in the opinion of the board, they do not require any further training. There is also no specific mechanism for evaluating the performance of the non-executive directors of the Company.

10.6 Whistle blower policy:

The Company has not adopted whistle blower policy. However, the Company has not denied access to any personnel to approach the management on any issue.

11. Request to shareholders:

Shareholders are requested to follow the general safeguards / procedures as detailed hereunder in order to serve them efficiently and avoid risks while dealing in securities of the Company.

Demat of Shares:

Shareholders are requested to convert their physical holding to demat/ electronic form through any of the depository participants (DPs) to avoid any possibility of loss, mutilation etc. of physical share certificates and also to ensure safe and speedy transaction in securities.

Registration of Electronic Clearing Service (ECS) Mandate:

ECS helps in quick remittance of dividend without possible loss/delay in postal transit. Shareholders, who have not earlier availed this facility, are requested to register their ECS details with the STA or their respective DPs.

Transfer of shares in physical mode:

Shareholders should fill in complete and correct particulars in the transfer deed, for expeditious transfer of shares. Wherever applicable, registration number of power of attorney should also be quoted in the transfer deed at the appropriate place.

Shareholders, whose signatures have undergone any change over a period of time, are requested to lodge their new specimen signature duly attested by a bank manager to the STA.

Shareholders are requested to note that SEBI has recently issued a circular vide MRD/DoP/Cir -05/1009 dated: 20th May 2009 wherein it has made it mandatory for transferees to furnish a copy of Permanent Account Number (PAN) for registration of transfer of shares to be held in physical mode

In case of loss / misplacement of share certificates, Shareholders should immediately lodge a FIR / Complaint with the police and inform the Company / STA with original or certified copy of FIR / acknowledged copy of complaint for marking stop transfer of shares.

Consolidation of Multiple Folios:

Shareholders, who have multiple folios in identical names, are requested to apply for consolidation of such folios and send the relevant share certificates to the Company.

Registration of Nominations:

Nomination in respect of shares – Section 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will etc.

It would, therefore, be in the best interests of the shareholders holding shares in physical form registered as a sole holder to make such nominations. Investors, who have not availed nomination facility, are requested to avail the same by submitting the nomination in form 2B. This form will be made available on request. Investors holding shares in demat form are advised to contact their DPs for making nominations.

Updation of address:

Shareholders are requested to update their address registered with the Company, directly through the STA located at the address mentioned above, to receive all communications promptly.

Shareholders, holding shares in electronic form, are requested to deal only with their depository participant (DP) in respect of change of address and furnishing bank account number, etc.

SMS Alerts

Investors are requested to note that National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) have announced the launch of SMS alert facility for demat account holders whereby investors will receive alerts for debits / credits (transfers) to their demat accounts a day after the transaction. These alerts will be sent to those account holders who have provided their mobile numbers to their Depository participants (DPs). No charge will be levied by NSDL / CDSL on DPs providing this facility to investors. This facility will be available to investors who request for the same and provide their mobile numbers to the DPs. Further information is available on the website of NSDL and CDSL namely www.nsd.co.in and www.cdslindia.com, respectively.

Timely encashment of dividends:

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation/ losing your right of claim owing to transfer of unclaimed dividends beyond seven years to Investors Education and Protection Fund.

As required by SEBI, shareholders are requested to furnish details of their bank account number and name and address of the bank for incorporating the same in the warrants. This would avoid wrong credits being obtained by unauthorized persons.



Shareholders who have not encashed their dividend warrants in respect of dividends declared for the year ended 31st March, 2008 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

Shareholders are requested to note that the dividend not claimed for a period of seven years from the date they first became due for payment shall be transferred to "Investors Education and Protection Fund" (IEPF) in terms of Section 205C of the Companies Act, 1956. Shareholders are requested to note that as per the Companies Act, 1956, unclaimed dividends once transferred to IEPF will not be refunded.

Information in respect of unclaimed dividends due for remittance into IEPF is given below:

PARTICULARS OF UNCLAIMED DIVIDEND

Financial year	Date of Declaration	Date of transfer to special account	Date of transfer to IEPF
2007-08 (2 nd interim)	20.08.2008	25.09.2008	25.09.2015
2008-09 (1 st Interim)	08.12.2008	13.01.2009	13.01.2016

Declaration pursuant to clause 49 of the listing agreement regarding adherence to the Code of Business Conduct and Ethics

To the shareholders of WABCO-TV S (INDIA) Limited, Chennai

On the basis of the written representations received from Members of the Board and Senior Management Personnel in terms of the relevant provisions of clause 49 of the Listing Agreement, we hereby certify that both the members of the board and the senior management personnel of the Company have affirmed compliance with the respective provisions of the Code of Business Conduct and Ethics of the Company as laid down by the board of directors for the year ended 31st March 2009.

P KANIAPPAN
Whole-time director

Chennai
27th August 2009

R MADHAVAN
General Manager (Finance) and Secretary

Auditors' certificate on compliance of the provisions of the Code of Corporate Governance in the listing agreement

To

The shareholders of WABCO-TV S (INDIA) Limited, Chennai

We have examined the compliance of conditions of Corporate Governance by WABCO-TV S (INDIA) Limited, Chennai – 600 006 for the year ended 31st March 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Investors' Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SUNDARAM & SRINIVASAN
Chartered Accountants

M BALASUBRAMANIAM
Partner
Membership No.F7945

Chennai
27th August 2009

Auditors' report to the shareholders of M/s WABCO-TVS (INDIA) Limited, Chennai 600 006 for the year ended 31st March 2009.

We have audited the attached balance sheet of M/s.WABCO-TVS (INDIA) Limited, Chennai 600 006 as at 31st March 2009, the profit and loss account and the cash flow statement for the year ended on that date both annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 and amended by the Companies (Auditor's report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the annexure referred to above, we state that -
 - (i) we have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (ii) in our opinion, proper books of account, as required by law, have been kept by the company so far as appears from our examination of those books;
 - (iii) the balance sheet and profit and loss account and cash flow statement, dealt with by this report, are in agreement with the books of account;

- (iv) in our opinion, the balance sheet, profit and loss account and the cash flow statement dealt with by this report comply with the accounting standards, referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) on the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the board of directors, we report that no director is disqualified from being appointed as a director of the company in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 on the said date;
- (vi) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a. in so far as it relates to the balance sheet, of the state of affairs of the company as at 31st March 2009;
 - b. in so far as it relates to the profit and loss account, of the profit of the company for the year ended on that date; and
 - c. in so far as it relates to the cash flow statement, of the cash flows for the year ended on that date.

For SUNDARAM & SRINIVASAN
Chartered Accountants

M BALASUBRAMANIAM
Partner
Membership No. F7945

Chennai
27th August 2009

Auditors' report to the Shareholders (Contd.)
Annexure referred to in our report of even date on the accounts for the year ended 31st March 2009

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification at reasonable intervals, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification;
- (c) The assets disposed off during the year are not substantial and therefore do not affect the going concern status of the company.
- (ii) (a) The inventory including those with third parties, other than in-transit have been physically verified at reasonable intervals during the year by the management. In our opinion the frequency of such verification is adequate.
- (b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business;
- (c) In our opinion, the company has maintained proper records of inventory. The discrepancies between the physical stocks and the book stocks were not material and have been properly dealt with in the books of account.
- (iii) During the year, the company has not granted or taken any loan, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the contracts or arrangement that need to be entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956 have been properly entered in the said register;
- (b) In our opinion and according to the information and explanations given to us, the transactions entered in the register maintained under Section 301 and exceeding during the year by rupees five lakhs in respect of each party have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The company has not accepted any deposit from the public.
- (vii) The company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government under Section 209 (1)(d) of the Companies Act, 1956 for maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) According to the records provided to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investors Education & Protection Fund, Income tax, Sales tax, Wealth tax, Customs duty, Excise duty, Service tax, Cess and other statutory dues with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income tax, Wealth tax, Sales tax, Customs duty, Excise duty, Service tax and cess were in arrears as at 31st March 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, the following are the details of the disputed dues, that were not deposited with the concerned authorities.

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Forum where dispute is pending
Customs Act, 1962	Customs duty	5.17	Commissioner of Customs (Appeals), Chennai

- (x) The company has no accumulated losses as at the end of the financial year and has not incurred cash losses during the financial year and in the immediately preceding year.
- (xi) Based on our verification and according to the information and explanations given by the management, the company has not defaulted in repayment of dues to any bank.
- (xii) Based on our examination and according to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit / nidhi / mutual benefit fund / society and as such clause (xiii) of the Order is not applicable;
- (xiv) The company is not dealing or trading in shares, securities, debentures and other investments, other than mutual fund instruments.

Auditors' report to the Shareholders (Contd.)

Annexure referred to in our report of even date on the accounts for the year ended 31st March 2009 (Contd.)

- | | |
|---|---|
| <p>(xv) During the year, there are no guarantees given by the company for loans taken by others.</p> <p>(xvi) During the year, the company has availed rupee term loan and the funds have been utilised for the purpose for which the loan was obtained.</p> <p>(xvii) On the basis of our examination, the company has not used funds raised on short term basis for long term investment.</p> <p>(xviii) During the year, the company has not allotted any shares on preferential basis to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.</p> <p>Shares were allotted on 7th May 2008 to the shareholders of Sundaram-Clayton Limited (SCL) in terms of the Scheme of Arrangement between the Company and SCL and their respective shareholders and creditors sanctioned by the Hon'ble High Court of Judicature at Madras vide its order dated 20th February 2008.</p> | <p>(xix) During the year, the company has not issued any secured debentures.</p> <p>(xx) During the year, the company has not raised any money by public issue.</p> <p>(xxi) Based on the audit procedures adopted and information and explanations given to us by the management, no fraud on or by the company has been noticed or reported during the course of our audit.</p> |
|---|---|
- For SUNDARAM & SRINIVASAN
Chartered Accountants
- M BALASUBRAMANIAM
Partner
Membership No. F7945
- Chennai
27th August 2009



Balance Sheet as at 31st March 2009

(Rupees in lakhs)

	Schedule number	As at 31.03.2009	As at 31.03.2008
I. SOURCE OF FUNDS			
1. Shareholders' funds			
a) Capital	I	948.38	948.38
b) Reserves and surplus	II	<u>18,817.52</u>	<u>15,820.10</u>
		19,765.90	16,768.48
2. Loans			
a) Secured loans	III	5,520.44	2,023.38
b) Unsecured loans	IV	<u>500.00</u>	<u>0.06</u>
		6,020.44	2,023.44
3. Deferred taxation (net)	V	<u>399.93</u>	<u>323.60</u>
		26,186.27	<u>19,115.52</u>
II. APPLICATION OF FUNDS			
1. Fixed Assets	VI		
a) Gross block		26,327.37	22,787.46
b) Less : Depreciation including impairment		<u>7,187.80</u>	<u>5,811.88</u>
c) Net block		19,139.57	16,975.58
d) Capital work-in-progress		388.37	431.45
2. Investments	VII	900.69	865.78
3. Current assets, loans and advances			
a) Inventories	VIII	4,630.40	3,102.50
b) Sundry debtors	IX	7,026.03	7,577.89
c) Cash & bank balances	X	127.91	1,163.27
d) Other current assets	XI	8.86	17.23
e) Loans & advances	XII	<u>1,092.26</u>	<u>1,536.29</u>
	(a)	<u>12,885.46</u>	<u>13,397.18</u>
Less: current liabilities and provisions			
a) Current Liabilities	XIII	5,357.60	9,838.93
b) Provisions	XIV	<u>1,770.22</u>	<u>2,715.54</u>
	(b)	<u>7,127.82</u>	<u>12,554.47</u>
Net current assets	(a)-(b)	5,757.64	842.71
		26,186.27	<u>19,115.52</u>

VENU SRINIVASAN
Chairman

P KANIAPPAN
Whole-time Director

As per our report annexed
For SUNDARAM & SRINIVASAN
Chartered Accountants

Chennai
27th August 2009

R MADHAVAN
General Manager (Finance) and Secretary

T S RAJAGOPALAN
Chief Financial Officer

M BALASUBRAMANIAM
Partner
Membership No. F7945

Profit & Loss Account for the year ended 31st March 2009

	Schedule number	Year ended 31.03.2009	(Rupees in lakhs) Year ended 31.03.2008
Sales (Gross)		48,303.53	62,825.63
Less: Excise duty		5,708.95	9,391.72
Sales (Net)		42,594.58	53,433.91
Other Income	XV	1,983.20	1,221.16
	a	44,577.78	54,655.07
Materials consumed	XVI	24,617.78	30,622.22
Salaries and wages, stores consumed and other expenses	XVII	12,625.89	12,255.81
	b	37,243.67	42,878.03
Profit before Interest, depreciation and tax	c (a-b)	7,334.11	11,777.04
Interest (net)		685.42	328.68
Depreciation		1,393.21	1,011.71
	d	2,078.63	1,340.39
Profit before tax	e (c-d)	5,255.48	10,436.65
Provision - for Income tax		1,575.00	3,215.00
- for Fringe benefit tax		51.94	53.64
- for Deferred tax		76.33	183.95
	f	1,703.27	3,452.59
Profit for the year (after tax)	g (e-f)	3,552.21	6,984.06
Balance profit / (loss) brought forward		2,515.10	(0.74)
Profit / (loss) for the year		3,552.21	6,984.06
Profit and loss account balance transferred from demerged company Sundaram-Clayton Ltd. Chennai (SCL) as on 01.01.2007		-	3,214.58
Profit after tax for three months from 01.01.2007 to 31.03.2007 transferred from SCL		-	220.55
Total		6,067.31	10,418.45
Interim dividend paid		474.20	943.63
Interim dividend payable		-	1,138.06
Dividend tax paid		80.59	160.37
Dividend tax payable		-	193.41
Transfer to general reserve		356.00	5,467.88
Balance carried to Balance Sheet		5,156.52	2,515.10
Total		6,067.31	10,418.45
Notes on accounts	XVIII		
Nominal value of each share in rupees		5.00	5.00
Basic earnings per share in rupees on 1,89,67,584 shares		18.73	36.82
Diluted earnings per share in rupees		18.73	36.82

VENU SRINIVASAN
Chairman

P KANIAPPAN
Whole-time Director

As per our report annexed
For SUNDARAM & SRINIVASAN
Chartered Accountants

Chennai
27th August 2009

R MADHAVAN
General Manager (Finance) and Secretary

T S RAJAGOPALAN
Chief Financial Officer

M BALASUBRAMANIAM
Partner
Membership No. F7945



Schedules

(Rupees in lakhs)

	As at 31.03.2009	As at 31.03.2008
I. SHARE CAPITAL		
Authorised		
2,00,00,000 Equity Shares of Rs.5/- each	<u>1,000.00</u>	<u>1,000.00</u>
Issued, subscribed and paid-up		
1,89,67,584 (Last year 1,89,67,584) Equity Shares of Rs.5/- each fully paid	<u>948.38</u>	<u>948.38</u>
Pursuant to the scheme of demerger of Brakes division into the company from Sundaram-Clayton Limited, Chennai,(SCL) the shareholders of SCL are entitled for allotment of 1,89,67,584 Equity Shares of Rs. 5/- each fully paid up for consideration other than in cash.		
These shares are deemed to be issued, subscribed and fully paid up in terms of the scheme of arrangement (vide item No 1 of notes on accounts under schedule XVIII.)		
These shares were allotted on 7 th May 2008.		
II . RESERVES AND SURPLUS		
Capital reorganisation reserve		
As per last Balance Sheet	5.00	-
Add: Reserve created consequent to cancellation of equity shares held by demerged company	<u>-</u>	<u>5.00</u>
		<u>5.00</u>
General reserve		
As per last Balance Sheet	13,300.00	-
Less: Transferred from Sundaram-Clayton Ltd on demerger	<u>-</u>	<u>7,832.12</u>
	<u>13,300.00</u>	<u>7,832.12</u>
Add: Transfer from Profit & Loss Account	<u>356.00</u>	<u>5,467.88</u>
	13,656.00	13,300.00
Surplus		
Balance in Profit & Loss Account	<u>5,156.52</u>	<u>2,515.10</u>
	18,817.52	15,820.10
III. SECURED LOANS		
From banks		
Secured by hypothecation of raw materials, components, work-in-process, finished goods, book debts, stores, spares and tools	<u>3,520.44</u>	<u>2,023.38</u>
Secured by hypothecation of specific plant and machinery	<u>2,000.00</u>	<u>-</u>
	<u>5,520.44</u>	<u>2,023.38</u>
IV. UNSECURED LOANS		
From bank-short term	<u>500.00</u>	<u>0.06</u>
V. DEFERRED TAXATION (NET)		
Deferred tax liabilities		
Tax on -		
(i) Depreciation	594.18	310.68
(ii) Employee related schemes	<u>(16.92)</u>	<u>53.37</u>
	577.26	364.05
Less : Deferred tax assets		
On other timing differences	<u>177.33</u>	<u>40.45</u>
	<u>177.33</u>	<u>40.45</u>
	399.93	323.60

Schedules (continued)

VI. FIXED ASSETS

(Rupees in lakhs)

Description	Land	Lease hold Land	Buildings	Plant & Machinery, Dies & Jigs	Furniture, Fixtures & Equipments	Vehicles	Others Fixed Assets @	Total as at	
								31.03.2009	31.03.2008
Cost of assets									
As at 01.04.2008	1,556.81	356.87	4,766.97	14,518.04	1,199.93	141.50	247.34	22,787.46	16,152.69
Additions	-	-	743.85	2,586.78	141.15	33.46	55.40	3,560.64	6,762.79
Less: sales/transfer	-	-	-	0.75	13.17	6.81	-	20.73	128.02
Total	1,556.81	356.87	5,510.82	17,104.07	1,327.91	168.15	302.74	26,327.37	22,787.46
Depreciation									
Upto 31.03.2008	-	12.91	329.02	4,614.74	571.25	65.63	218.33	5,811.88	4,905.40
For the year	-	6.08	171.27	1,011.37	132.99	15.10	56.40	1,393.21	1,011.71
Deductions on sales/transfer	-	-	-	0.75	10.92	5.62	-	17.29	105.23
Total	-	18.99	500.29	5,625.36	693.32	75.11	274.73	7,187.80	5,811.88
Written down value									
As at 31.03.2009	1,556.81	337.88	5,010.53	11,478.71	634.59	93.04	28.01	19,139.57	-
As at 31.03.2008	1,556.81	343.96	4,437.95	9,903.30	628.68	75.87	29.01	-	16,975.58

@ vide note no XVIII (z) regarding Intangible Assets under Accounting Standards 26

CAPITAL WORK-IN-PROGRESS (at cost)

Buildings	250.67	384.14
Electrical equipment	1.79	22.20
Machinery in transit / installation	135.91	25.11
	<u>388.37</u>	<u>431.45</u>



Schedules (continued)

	Face Value	As at 31.03.2009	(Rupees in lakhs) As at 31.03.2008
VII. INVESTMENTS (AT COST)			
1. Non-trade-quoted (fully paid up) - Long term			
5,69,377 Tax free bonds (6.75%) in Unit Trust of India, Mumbai (relating to last year)	569.38	–	599.54
2. Non-trade-Unquoted (fully paid up) - Long term			
ICICI Prudential Life Insurance Group Superannuation Fund	220.24	220.24	220.24
3. Non-trade-quoted (fully paid up) - Short term			
53,982.865 units (last year Nil) in UTI Mutual Fund of UTI Asset Management Company Private Limited, Mumbai - UTI Treasury Advantage Fund (institutional plan - growth option)	634.45	634.45	–
4. Non-trade-quoted (fully paid up) - Long term			
4,60,000 units in SBI Mutual Fund of State Bank of India, Mumbai - SBI One India Fund - Dividend option	46.00	46.00	46.00
		900.69	865.78
SUMMARY			
Quoted Investments		680.45	645.54
Unquoted Investment		220.24	220.24
		900.69	865.78
Short term		634.45	–
Long term		266.24	865.78
		900.69	865.78
Market value of quoted investments		660.65	618.33
VIII. INVENTORIES			
Raw materials and components*		3,340.75	2,082.02
Work-in-process*		135.35	119.29
Finished goods*		542.47	364.99
Stores*		216.45	194.22
Goods in transit		395.38	341.98
		4,630.40	3,102.50
* As certified by whole-time director, at lower of weighted average cost or net realisable value as prescribed in Accounting Standard 2 issued by The Institute of Chartered Accountants of India.			
IX. SUNDRY DEBTORS-UNSECURED, CONSIDERED GOOD			
a) Debts outstanding for a period exceeding six months			
- Considered good		–	–
- Considered doubtful		242.92	175.41
Total		242.92	175.41
b) Other debts		7,026.03	7,577.89
Less: Provision for bad and doubtful debts		242.92	175.41
		7,026.03	7,577.89
X. CASH AND BANK BALANCES			
a) Cash and cheques on hand		9.19	98.52
b) With scheduled banks - current accounts		118.72	1,064.75
		127.91	1,163.27
XI. OTHER CURRENT ASSETS			
Interest accrued on investments and deposits		8.86	17.23
		8.86	17.23
XII. LOANS AND ADVANCES-UNSECURED, CONSIDERED GOOD			
a) Advances recoverable in cash or in kind or for value to be received		896.25	1,336.76
b) Advance payment of income tax less provisions		–	4.69
c) Advance payment of fringe benefit tax less provisions		0.19	–
d) Deposits		195.82	194.84
		1,092.26	1,536.29

Schedules (continued)

	As at 31.03.2009	As at 31.03.2008
		(Rupees in lakhs)
XIII. CURRENT LIABILITIES		
Sundry creditors	5,357.60	9,838.93
	<u>5,357.60</u>	<u>9,838.93</u>
XIV. PROVISIONS		
a) Interim dividend payable	–	1,138.06
b) Dividend tax payable	–	193.41
c) Pension	615.72	468.53
d) Leave salary	162.47	142.17
e) Warranty	773.58	770.78
f) Provision for income tax less advance payments	217.60	–
g) Provision for fringe benefit tax less advance payments	–	1.74
h) Others	0.85	0.85
	<u>1,770.22</u>	<u>2,715.54</u>
XV. OTHER INCOME		
a) Sale of scrap and empties	305.95	296.00
b) Profit on sale of assets	3.86	3.64
c) Profit on sale of investments	46.82	3.37
d) Software service export	1,041.40	767.56
e) Test track service usage	159.43	116.22
f) R & D Service export	373.40	29.96
g) Tool development income (net of expenses)	49.33	–
h) Dividend income	2.38	–
i) Miscellaneous income	0.63	4.41
	<u>1,983.20</u>	<u>1,221.16</u>
XVI. MATERIALS CONSUMED		
Opening stock		
Raw materials	2,082.02	1,261.81
Work-in-process	119.29	79.85
Finished goods	364.99	190.81
	<u>2,566.30</u>	<u>1,532.47</u>
Add : Purchases	<u>26,070.05</u>	<u>31,656.05</u>
Total (a)	<u>28,636.35</u>	<u>33,188.52</u>
Less : Closing stock		
Raw materials	3,340.75	2,082.02
Work-in-process	135.35	119.29
Finished goods	542.47	364.99
	<u>4,018.57</u>	<u>2,566.30</u>
Total (b)	<u>4,018.57</u>	<u>2,566.30</u>
Net	(a)-(b) <u>24,617.78</u>	<u>30,622.22</u>

Schedules (continued)

	Year ended 31.03.2009	(Rupees in lakhs) Year ended 31.03.2008
XVII. SALARIES AND WAGES, STORES CONSUMED AND OTHER EXPENSES		
Salaries, wages and bonus (includes Rs. 83.36 lakhs to whole - time director) (last year Rs 0.59 lakhs)	4,180.81	3,831.65
Stores and tools consumed	1,624.65	1,662.24
Contribution to provident and other funds (includes Rs. 4.39 lakhs to whole - time director) (last year Rs 0.03 lakhs)	362.23	123.65
Power and fuel	736.58	666.59
Workmen and staff welfare expenses (includes Rs. 0.14 lakhs to whole - time director) (last year Rs. Nil)	482.26	558.11
Rent	129.17	103.10
Rates and taxes	105.59	47.84
Repairs and maintenance		
a) Building	204.07	155.06
b) Machinery	272.33	229.43
c) Other assets	32.20	24.07
Insurance	49.95	50.16
Commission	55.19	29.82
Audit fees	18.49	13.37
Cash discount	31.31	30.92
Travel and conveyance	449.39	532.54
Packing and forwarding	1,356.76	1,725.01
Data processing	69.53	72.56
Sitting fees to directors	4.65	-
Research and development	314.32	510.21
Other expenses	2,113.69	1,872.28
Loss on sale of investments	30.15	-
Loss on sale of assets	2.57	17.20
	<u>12,625.89</u>	<u>12,255.81</u>

XVIII. NOTES ON ACCOUNTS

- Pursuant to the Scheme of arrangement between the Company (Resulting Company) and Sundaram-Clayton Limited, Chennai (Demerged company) and their respective shareholders and creditors sanctioned by the Hon'ble High Court of Madras, the business of brakes division of the Demerged company got demerged into the Company with effect from 1st January 2007 (the appointed date). Accordingly, the assets and liabilities of the said division of Demerged Company transferred to / vested in the Company. The effect of the order of the Hon'ble Court reflected in the accounts for the year ended 31st March 2008 is given below:

(a) Transfer of share capital	-	948.38
(b) Transfer of general reserve	-	7832.12
(c) Transfer of profit upto 31.12.2006	-	3214.58
(d) Transfer of profit for the first three months ended 31.03.2007) (net of dividend and tax liability)	-	220.55

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

	As at/ Year ended 31.03.2009	As at/ Year ended 31.03.2008
(Rupees in lakhs)		
Accounting Standards		
a) AS - 1 Disclosure of Accounting policies The accounts are maintained on accrual basis as a going concern.		
b) AS - 2 Valuation of Inventories Inventories are valued in accordance with the method of valuation prescribed by The Institute of Chartered Accountants of India at lower of weighted average cost or net realisable value.		
c) AS - 3 Cash Flow Statement Cash flow statement is prepared under "Indirect Method" and the same is annexed.		
d) AS - 4 Contingencies and events occurring after balance sheet date	Nil	Nil
e) AS - 5 Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies Rates and Taxes	21.19	-
f) AS - 6 Depreciation Accounting Depreciation has been provided under the straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956 with applicable shift allowance. In respect of the assets added/sold during the year, pro-rata depreciation has been provided. Depreciation in respect of computers and vehicles has been provided @30% and 18% respectively which is higher than the rate prescribed in Schedule XIV of the Companies Act, 1956. Depreciation in respect of assets acquired during the year whose actual cost does not exceed Rs. 5,000/- has been provided at 100%.		
g) AS - 7 Construction contracts This accounting standard is not applicable.		
h) AS - 8 Research and Development This accounting standard is withdrawn.		
i) AS - 9 Revenue Recognition The income of the Company is derived from sale of air brake equipment, parts and accessories thereof net of trade discount, tool development income and software services and includes realised exchange fluctuation gain on exports, amounting to Rs. 111.90 lakhs (last year - loss of Rs.45.98 lakhs) Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable. The revenue and expenditure are accounted on a going concern basis.		
j) AS - 10 Accounting for Fixed Assets All the fixed assets are valued at cost including expenditure incurred in bringing them to usable condition as reduced by Central Value Added Tax (CENVAT) credit less depreciation.		
k) AS - 11 Accounting for the effects in Foreign exchange rates Foreign Currency transactions Income and expenses in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange differences arising out of such translation are recognised in the Profit and Loss Account.		

Schedules (continued)
XVIII. NOTES ON ACCOUNTS (continued)

(Rupees in lakhs)

	As at/ Year ended 31.03.2009	As at/ Year ended 31.03.2008
Net exchange differences credited (last year debited) debited to Profit and Loss Account		
- purchase of raw materials and components	30.87	123.61
Net exchange differences debited to Profit and Loss Account - capital expenditure	-	3.90

Foreign currency exposures

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Sl.No	Description	Value in foreign currency (in Millions)			Value in Indian Rupees (in lakhs)	
1	Import of goods and services	USD	0.03	(0.02)	15.54	(6.57)
		Euro	0.36	(0.97)	242.62	(613.57)
		JPY		(0.32)		(1.30)
	Total			258.16	(621.44)	
2	Capital goods	Euro		(0.09)		(58.70)
		JPY		(1.25)		(5.02)
		Total				(63.72)
3	Export of goods & services	USD	0.82	(1.17)	417.77	(468.68)
		Euro	1.09	(0.85)	733.48	(537.38)
		AUD		(0.01)		(1.90)
		GBP		(0.01)		(6.37)
		Total			1,151.25	(1,014.33)

(figures in brackets relates to last year)

l) AS - 12 Accounting for Government grants

The Company has not received any grant from the Government.

m) AS - 13 Accounting for Investments

Investments are valued at cost. Provision for diminution in the carrying cost of long term investments is made if such diminutions are other than temporary in nature in the opinion of the management.

(i) Investments made during the year

UTI Asset Management Company Private Limited, Mumbai	634.45	-
DSP Merrill Lynch Investment Managers Limited, Mumbai	50.00	-
Lotus India Asset Management Company Private Limited, Mumbai	50.00	-
	734.45	-

(ii) Investments realised during the year

DSP Merrill Lynch Investment Managers Limited, Mumbai	50.00	-
Lotus India Asset Management Company Private Limited, Mumbai	50.00	-
6.75% Tax free bonds in Unit Trust of India, Mumbai	599.54	-
	699.54	-

(The amounts of Rs 734.45 lakhs (last year Nil) and Rs 699.54 lakhs (last year Nil) are cumulative figures).

Cost of investments held as at balance sheet date	900.69	865.78
---	---------------	--------

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

	As at/ Year ended 31.03.2009	(Rupees in lakhs) As at/ Year ended 31.03.2008	
n) AS - 14 Accounting for Amalgamation			
During the year there was no amalgamation.			
o) AS - 15 Accounting for retirement benefits			
Disclosure is made as per the requirements of the standard and the same is furnished below:			
A Defined contribution plans			
(a) Contribution to provident fund is in the nature of defined contribution plan and are made to a recognised trust. The Company has discontinued contribution to superannuation fund.			
B Defined benefit plan			
(a) The Company extends defined benefit plans in the form of leave salary to employees. In addition, the Company also extends pension to senior managers of the Company. Provision for leave salary and pension is made on actuarial valuation basis.			
(b) The Company also extends defined benefit plan in the form of gratuity to employees. Contribution to gratuity is made to Life Insurance Corporation of India in accordance with the schemes framed by the Corporation.			
C Disclosure as required by Accounting Standard 15			
	Rupees in lakhs		
	Leave salary	Pension	Gratuity
(a) Expenses recognised in the Profit & Loss Account			
i) Current service cost	13.68	-	60.95
ii) Interest cost	10.54	42.17	48.68
iii) Expected return on plan assets	-	-	(60.60)
iv) Net actuarial loss / (gain) recognised in the year	47.32	105.02	(41.83)
Total	<u>71.54</u>	<u>147.19</u>	<u>7.20</u>
(b) Change in defined benefit obligation during the year ended 31 st March 2009			
i) Present value of obligation as at beginning of the year (01.04.2008)	142.17	468.53	608.58
ii) Interest cost	10.54	42.17	48.68
iii) Current service cost	13.68	-	60.95
iv) Benefits paid	(51.23)	-	(85.71)
v) Actuarial loss on obligation	47.32	105.02	(41.83)
vi) Present value of obligation as at the end of the year (31.03.2009)	162.48	615.72	590.67

Schedules (continued)
XVIII. NOTES ON ACCOUNTS (continued)

(Rupees in lakhs)

	Leave salary	Pension	Gratuity
(c) Change in fair value of plan assets during the year ended 31 st March 2009			
i) Fair value of plan assets at the beginning of the year (01.04.2008)	–	–	694.97
ii) Expected return on plan assets	–	–	60.60
iii) Contributions made during the year	–	–	–
iv) Benefits paid	–	–	(85.71)
v) Actuarial gain on plan assets	–	–	–
vi) Fair value of plan assets as at the end of the year (31.03.2009)	–	–	669.86
(d) Balance Sheet movements			
i) Value of benefit obligations / (net assets) at the beginning of the year (01.04.2008)	142.17	468.53	694.97
ii) Actual return on plan assets			60.60
iii) Contributions made during the year	–	–	–
iv) Expenses	71.54	147.19	–
v) Benefits paid	(51.23)	–	(85.71)
vi) Value of benefit	–	–	–
vii) Fair value of plan assets as at the end of the year (31.03.2009)	162.48	615.72	669.86
Funded status	–	–	79.19
The net asset in respect of gratuity plan is not recognised as it is lying in irrevocable trust fund approved by Income tax authorities.			
(e) Actuarial assumptions			
i) Discount rate used	9.00%	9.00%	8.00%
ii) Expected return on plan assets	NA	NA	8.00%

Estimates of future salary increase considered in actuarial valuation taking into account the inflation, seniority and other relevant factors.

p) AS - 16 Borrowing Cost

The borrowing cost has been treated in accordance with Accounting Standard on borrowing cost (AS 16) issued by The Institute of Chartered Accountants of India. During the year, there were no borrowings attributable to qualifying assets and hence no borrowing costs were capitalised.

q) AS - 17 Segment Reporting

The Company operates in only one segment viz., Automotive Components and there are no separate reportable segments. As the income from software services division is less than 10% of total income, it is not recognised as a separate segment.

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

	As at/ Year ended 31.03.2009	(Rupees in lakhs) As at/ Year ended 31.03.2008
r) AS - 18 Related Party Disclosure		
Disclosures are made as per the requirements of the standard and clarifications issued by The Institute of Chartered Accountants of India.		
s) AS - 19 Accounting of leases		
As the Company has not entered in to any lease agreement during the year, this standard is not applicable.		
t) AS - 20 Earnings Per Share (EPS)		
Disclosure is made in the Profit and Loss Account as per the requirements of the standard.		
u) AS - 21 Consolidated Financial Statements		
Not applicable as the Company has no subsidiary.		
v) AS - 22 Accounting for Taxes on Income		
Current tax is determined as the amount of tax payable in respect of taxable income for the period.		
Deferred tax liability and asset are recognised, subject to the consideration of prudence, on timing differences using the tax rates substantively enacted on the Balance Sheet date.		
w) AS - 23 Accounting for Investments in Associates in Consolidated Financial Statements		
Not applicable as the Company has no shareholding/control in any associates.		
x) AS - 24 Discontinuing Operations		
Not applicable as the Company has not discontinued any operations during the year.		
y) AS - 25 Interim Financial Reporting		
The Company has elected to publish quarterly financial results which were subject to limited review by the statutory auditors. The Company has started publishing the unaudited financial results from quarter ended 31 st December 2008 as the shares got listed only on 1 st October 2008.		
z) AS - 26 Intangible Assets		
During the year, the Company acquired the following assets falling under the definition of intangible assets as per the Accounting Standard and the following disclosure is made in respect of those assets :		
Licences & Software :		
- Useful life of the assets	2 years	2 years
- Amortisation rate used	50% each year as depreciation	50% each year as depreciation

Schedules (continued)
XVIII. NOTES ON ACCOUNTS (continued)

		(Rupees in lakhs)	
		As at/ Year ended	As at/ Year ended
		31.03.2009	31.03.2008
z)	AS - 26 Intangible Assets (contd.)		
-	Gross carrying amounts at the beginning and at the end of the period together with additions and deletions during the year		
	Opening balance	247.34	188.44
	Additions during the year	55.40	58.90
	Total (A)	302.74	247.34
	Amortisation		
	Opening balance	218.33	151.34
	During the year	56.40	66.99
	Total amortisation (B)	274.73	218.33
	Closing balance (A – B)	28.01	29.01
aa)	AS - 27 Financial Reporting of Interests in Joint Ventures		
	The Company has no interest in any joint venture.		
ab)	AS - 28 Impairment of Assets		
	During the year 2008-09, the carrying amount of the assets net of accumulated depreciation as on the balance sheet date is not less than the recoverable amount of those assets. However, during 2007-08, in respect of certain plant and machinery, the carrying amount net of accumulated depreciation is less than the recoverable amount by Rs 9.62 lakhs and the impairment loss has been provided. This is included in the depreciation charge.		
ac)	AS - 29 Provisions, contingent liabilities and contingent assets		
i)	Provisions		
	In respect of warranty obligations, provision is made in accordance with terms of sale vide Schedule XIV to Balance Sheet		
ii)	Contingent liabilities		
	Amount for which the Company is contingently liable is disclosed in note 6.		
iii)	Contingent assets		
	Contingent assets which are likely to give rise to possibility of inflow of economic benefits - Nil		
iv)	Contested liabilities are detailed in note 6.		
2.	Amount of loan repayable within one year:		
a)	Secured - from banks	3,895.44	2,023.38
b)	Unsecured - from bank	500.00	0.06
3.	Sundry creditors include:		
a)	Total outstanding dues to Micro and Small enterprises	220.05	294.53
b)	Total outstanding dues to creditors other than Micro and Small enterprises	2,510.98	4,295.66
	The above dues are furnished based on the information available with the Company in respect of Micro, Small and Medium Enterprises (as defined in the Micro, Small and Medium Enterprises Development Act, 2006).		

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

	As at/ Year ended 31.03.2009	(Rupees in lakhs) As at/ Year ended 31.03.2008
<p>The Company is regular in making payments of dues to such enterprises before due dates agreed upon. Hence the question on payment/provision of interest towards belated payments does not arise.</p>		
c) Investors Education and Protection Fund		
Unclaimed dividend	7.39	–
4. Bank balance include:		
Unclaimed dividend	7.39	–
5. Loans and Advances include:		
- Amount lying with central excise	5.00	15.66
- Amount due from an officer of the Company	1.81	1.91
- Maximum amount due from an officer of the Company at any time during the year	1.91	1.98
6. Contingent Liability not provided for:		
Liability not provided for:		
i) On counter guarantee given to bankers	59.03	32.47
ii) On letters of credit opened with bankers	18.61	23.59
iii) Capital commitments not provided	82.93	1,695.35
iv) On account of future export obligations (under Export Promotion Capital Goods scheme and Advance Licence)	1,913.23	1,969.01
v) Bills discounted	2,966.48	10,079.28
Contested Liabilities:		
i) Customs duty	5.17	–
7. Tax deducted at source on		
a) Interest receipts	0.71	0.40
b) Miscellaneous income	11.48	3.72
8. Audit fees consists of		
a) Audit fees	12.00	10.00
b) Certification fees	2.00	1.00
c) Taxation matters	2.00	1.00
d) Reimbursement of expenses	1.99	1.37
e) Other services	0.50	–
9. Contribution to provident and other funds include :		
a) Contribution towards gratuity as per scheme framed by Life Insurance Corporation of India	4.20	83.79
b) Contribution towards superannuation as per scheme framed by Life Insurance Corporation of India	–	24.02
c) Contribution to pension fund	147.19	(177.00)
d) Contribution towards deposit linked insurance as per scheme framed by Life Insurance Corporation of India	3.83	2.57
10. Repairs include		
Stores consumed	19.74	47.05

Schedules (continued)
XVIII. NOTES ON ACCOUNTS (continued)

	As at/ Year ended 31.03.2009	(Rupees in lakhs) As at/ Year ended 31.03.2008
11. Interest paid comprises of:		
a) Interest on fixed loans	134.30	–
b) Interest on others	570.65	373.31
c) Less: Interest receipts on bonds, deposits, staff advances and Other advance made (gross)	19.53	44.63
Interest (net of income)	685.42	328.68
12. Expenses in cases of 1% of the total revenue		
Fees paid for management services	685.22	700.00

13. Research and development

Following the order of the Hon'ble High Court of Judicature at Madras in the demerger of brakes division into the Company, as required by the Department of Science and Technology, Ministry of Science and Technology, the letter of undertaking was submitted that notwithstanding the demerger of the brakes business from Sundaram-Clayton Limited, Chennai (SCL) into this Company, the procedures, processes, design and development matters relating to brakes business adopted by the demerged Company will be continued and carried on by this Company, without any change. This undertaking was given to enable this Company to continue to enjoy the weighted deduction under Section 35(2AB) of the Income Tax Act 1961, without any break from the appointed date viz., 1st January 2007, when as per this Scheme of Arrangement the brakes business devolved upon this Company from SCL.

	For the Year ended 31.3.2009	For the Year ended 31.3.2008	For the period from 01.01.2007 to 31.03.2007
Revenue Expenditure	561.95	838.43	332.17
Capital expenditure			
a. Land & buildings	23.82	–	–
b. Other than land & buildings	108.34	144.45	50.59

14. Previous year's figures have been regrouped wherever necessary to conform to current year's classification.

15. Disclosure made in terms of clause 32 and clause 41 of the Listing Agreement with Stock Exchanges

Particulars	Name of the Company	Amount outstanding as on 31.03.2009	Maximum amount due at any time during the year	Amount outstanding as on 31.03.2008
(a) Loans and advances				
(i) Loans and advances in the nature of loans made to subsidiary Company	The Company does not have any subsidiary.			
(ii) Loans and advances in the nature of loans made to associate Company	The Company does not have any associate Company.			
(iii) Loans and advances in the nature of loans made to firms/companies in which directors of the Company are interested	The Company has not given any advance to firms/companies in which director of the Company are interested.			

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

15. Disclosure made in terms of clause 32 and clause 41 of the Listing Agreement with Stock Exchanges (continued)

Particulars	Name of the Company	Amount outstanding as on 31 03 2009	Maximum amount due at any time during the year	Amount outstanding as on 31 03 2008
(b) Investments by the Company				
(i) In subsidiary companies	The Company does not have any subsidiary.			
(ii) In associate companies	The Company does not have any associate Company.			
(iii) In joint venture	The Company does not have any joint venture.			
(c) Investments by the holding Company	The Company was not a subsidiary of any holding Company during 2008-09. On 3 rd June 2009, the Company became a subsidiary of Clayton Dewandre Holdings Ltd, Rotterdam, The Netherlands when the latter acquired 35.83% of share capital and is now holding 75% of the share capital.			

16. Related party disclosure

LIST OF RELATED PARTIES

- a) **Reporting entity** WABCO-TVS (INDIA) Limited, Chennai
- b) **Subsidiary companies** The reporting entity does not have any subsidiary Company.
- c) **Associate companies**
- 1* Sundaram Industries Limited, Madurai
 - 2* Southern Roadways Limited, Madurai
 - 3* T V Sundram Iyengar & Sons Limited, Madurai
 - 4** Clayton Dewandre Holdings Limited, Rotterdam, The Netherlands.

* Ceased to be associate companies with effect from 3rd June 2009 consequent to the disposal of 35.83% of the shares held in the Company to Clayton Dewandre Holdings Ltd, Rotterdam, The Netherlands.

** The Company became a subsidiary of Clayton Dewandre Holdings Ltd, Rotterdam with effect from 3rd June 2009 consequent to the purchase of 35.83% shares.



Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

LIST OF RELATED PARTIES (continued)

d) Fellow Subsidiary companies

1	WABCO Fahrzeugbremsen, Germany
2	WABCO China Co Ltd, China
3	WABCO France SAS, France
4	Meritor WABCO Vehicle Control Systems, USA
5	Shandong Wieming Automotive Product Co. Ltd, China
6	WABCO (Shanghai) Management Co Limited, China
7	WABCO Automotive, South Africa
8	WABCO Automotive UK Ltd, United Kingdom
9	WABCO Australia Pty Limited, Australia
10	WABCO Compressor Mfg. Co. USA
11	WABCO Hong Kong Limited, Hong Kong
12	WABCO Japan Inc, Japan
13	WABCO Korea Ltd, Korea
14	WABCO Polska Z.O.O, Poland
15	WABCO Development Gmbh, Germany
16	WABCO Logistics GmbH, Germany
17	WABCO Asia Private Ltd, Singapore
18	WABCO Europe BVBA, Belgium
19	WABCO Austria GesmbH, Austria
20	WABCO Belgium BVBA/SPRL, Belgium
21	WABCO do Brasil Industria e comercio DE freios Ltd, Brazil
22	WABCO Brzdy K Vozidlum spol S.R.O, Czech Republic
23	WABCO Gmbh, Germany
24	WABCO Radbremsen Gmbh, Germany
25	WABCO Automotive Italia SRL, Italy
26	WABCO BV, Netherlands
27	WABCO Europe Holdings BV, Netherlands
28	WABCO Espana SLU, Spain
29	WABCO Automotive AB, Sweden
30	WABCO (Schweiz) GmbH, Switzerland
31	WABCO Automotive B.V. Netherlands
32	WABCO ARAC Kontrols Sistemleri Destek VE Pazarlama Limited Sirketi , Turkey
33	WABCO Holdings INC,USA

e) Key management personnel

Mr C N Prasad - Whole-time director till 17.06.2009

Mr P.Kaniappan- Whole-time director from 17 06 2009

Schedules (continued)

XVIII NOTES ON ACCOUNTS (continued)

17 Related party transactions

(Rupees in lakhs)

Sl No	Nature of transactions	Name of the Company	Associates	Associates	Fellow	Fellow	Key	Key
			year ended 2008-09	year ended 2007-08	Subsidiary year ended 2008-09	Subsidiary year ended 2007-08	management personnel year ended 2008-09	management personnel year ended 2007-08
1	Purchase of goods	Sundaram Industries Limited, Madurai	816.64	1159.76	-	-	-	-
		Shandong Wieming Automotive Product Co Ltd, China	-	-	2.87	-	-	-
		WABCO Westinghouse Fahrzeugbremsen Germany	-	-	1443.05	-	-	-
		WABCO do Brasil Industria e Comercio DE Freios Ltd, Brazil	-	-	1.80	-	-	-
		WABCO France, France	-	-	98.35	-	-	-
		WABCO China Ltd, China	-	-	540.97	-	-	-
		WABCO Compressor Manufacturing Co, USA	-	-	0.69	-	-	-
		816.64	1,159.76	2,087.73	-	-	-	
2	Receiving of services	Southern Roadways Limited, Madurai	42.14	24.73	-	-	-	-
		T V Sundram Iyengar & Sons, Madurai	0.97	4.67	-	-	-	-
		WABCO (Shanghai) Management Co., Limited, China	-	-	61.38	-	-	-
		43.11	29.40	61.38	-	-	-	
3	Sale of goods	T V Sundram Iyengar Sons Limited, Madurai.	946.10	1,803.00	-	-	-	-
		Meritor WABCO Vehicle Control Systems, USA	-	-	191.27	-	-	-
		WABCO Logistics GmbH, Germany	-	-	938.31	-	-	-
		WABCO China Co Ltd, China	-	-	1,080.92	-	-	-
		WABCO Automotive, South Africa	-	-	-	10.01	-	-
		WABCO Compressor Mfg. Co, USA	-	-	879.52	-	-	-
		WABCO Polska Z.O.O, Poland	-	-	162.47	-	-	-
		WABCO Automotive UK Ltd, United Kingdom	-	-	205.82	-	-	-
		946.10	1,803.00	3,468.32	-	-	-	



Schedules (continued)

XVIII NOTES ON ACCOUNTS (continued)

17 Related party transactions (continued)

(Rupees in lakhs)

Sl No	Nature of transactions	Name of the Company	Associates year ended 2008-09	Associates year ended 2007-08	Fellow Subsidiary year ended 2008-09	Fellow Subsidiary year ended 2007-08	Key management personnel year ended 2008-09	Key management personnel year ended 2007-08
4	Rendering of Services	WABCO Development GmbH, Germany	-	-	1,356.29	-	-	-
			-	-	1,356.29	-	-	-
5	Receivables as on 31.03.2009	T V Sundram Iyengar & Sons Limited, Madurai.	174.71	185.59	-	-	-	-
		WABCO Logistics GmbH, Germany	-	-	202.34	-	-	-
		WABCO China Co Ltd, China	-	-	328.21	-	-	-
		WABCO Automotive UK Ltd, United Kingdom	-	-	120.78	-	-	-
		Meritor WABCO Vehicle Control Systems, USA	-	-	22.38	-	-	-
		WABCO Development GmbH, Germany	-	-	322.88	-	-	-
		WABCO Compressor Mfg. Co, USA	-	-	120.94	-	-	-
		WABCO Polska Z.O.O, Poland	-	-	29.11	-	-	-
			174.71	185.59	1,146.64	-	-	-
6	Payables as on 31.03.2009	Sundaram Industries Limited ,Madurai	61.58	96.70	-	-	-	-
		Southern Roadways Limited ,Madurai	7.01	3.21	-	-	-	-
		T.V.Sundram Iyengar & Sons Limited ,Madurai	1.83	4.16	-	-	-	-
		WABCO do Brasil Industria e Comercio DE Freios Ltd, Brazil	-	-	0.27	-	-	-
		WABCO Compressor Manufacturing Co, USA	-	-	0.69	-	-	-
		WABCO Westinghouse Fahrzeugbremsen, Germany	-	-	191.44	-	-	-
			70.42	104.07	192.40	-	-	-
7	Remuneration to whole time director		-	-	-	-	87.89	0.62

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

18. Information pursuant to the provisions of part II of Schedule VI of the Companies Act, 1956 (vide Notification dated 30th October, 1973 of the Ministry of Corporate Affairs, Government of India)

(Rupees in lakhs)

	Year ended 31.03.2009		Year ended 31.03.2008		
	Quantity	Value	Quantity	Value	
I. RAW MATERIALS CONSUMED					
1. a) Basic raw materials					
Steel sheets, bar materials & tubes	Kgs	37.232	24.96	12,04,293	693.40
Castings and forgings	Nos	43,99,336	5,299.54	59,48,070	6,255.19
b) Intermediates and components (which individually do not account for 10 % or more of the total value of consumption)		-	19,486.82	-	23,887.25
			24,811.32		30,835.84
		% of total consumption		% of total consumption	
2 Consumption of raw materials and components					
a) Imported		9.0	2,225.36	9.0	2,772.89
b) Indigeneous		91.0	22,585.96	91.0	28,062.95
		100.0	24,811.32	100.0	30,835.84
II. CONSUMPTION OF MACHINERY SPARES					
a) Imported		2.00	1.81	-	-
b) Indigeneous		98.0	105.78	100.0	85.67
		100.0	107.59	100.0	85.67
III. IMPORTS (CIF value)					
a) Raw materials			3,147.55		3,356.40
b) Spares, stores and components			193.88		205.82
c) Capital goods			743.82		1,821.12
IV. EXPENDITURE IN FOREIGN CURRENCY					
a) Commission on export sales			27.17		6.22
b) Travel			109.10		151.65
c) Training			14.56		13.99
d) Consultancy, retainer					
- Productivity improvement			10.12		13.46
- Recruitment			61.37		18.27
e) Subscription to associations			-		0.49
f) Books and periodicals			0.50		0.07
g) Warranty related			-		1.05
h) Others			77.26		77.90
V. PAYMENT TO NON RESIDENT SHAREHOLDERS					
a) No. of non resident shareholders			One		One
b) No. of shares held by non residents			74,30,000		74,30,000
c) Dividend					
- relating to 31 st March 2008 interim			445.78		943.63*
- relating to 31 st March 2009 interim			185.74		-
VI. EARNINGS IN FOREIGN EXCHANGE					
a) Exports (on FOB basis)			3,433.18		1,863.46
b) Freight and insurance recovery			100.44		67.29
c) Software service			1,041.40		767.56
d) R & D Service			373.40		29.96
e) Others			662.22		93.30

* Apportioned and reckoned as interim dividend on the basis of the profit earned in 2007-08 pursuant to the scheme of arrangement between the Company and Sundaram-Clayton Limited, Chennai and respective shareholders and creditors sanctioned by the Hon'ble High Court of Judicature at Madras vide its order dated 20.02.2008.



WABCO-TVS (India) Limited

Schedules (continued)

XVIII. NOTES ON ACCOUNTS (continued)

Information pursuant to Schedule VI of the Companies Act, 1956 (contd.)

VII. PRODUCTION, SALES, OPENING & CLOSING STOCKS OF GOODS PRODUCED

(Rupees in lakhs)

Product	Quantity in	Year ended 31.03.2009						Year ended 31.03.2008									
		Opening Stock		Production meant for sale		Sales		Closing Stock		Opening Stock*		Production		Sales		Closing Stock	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
A) Manufactured items																	
a) Air assist and full air actuation system for automotive and non-automotive applications and elements thereof	(Sets)	3,124	333.69	266,561	28,727.21	267,046	2,639	509.80	1,716	171.42	405,819	404,411	41,001.55	3,124	333.69		
b) Spares			31.30		8,947.92			32.67		19.39			8,336.30		31.30		
c) Exports					3,533.62								1,930.75				
d) Anti lock braking systems					1,385.83								2,165.31				
			364.99		42,594.58			542.47		190.81			53,433.91		364.99		

* represents transfer from Sundaram-Clayton Limited, Chennai on demerger.

Licensed / installed capacities information is not furnished in view of the abolition of the Industrial Licensing requirements.

VENU SRINIVASAN
Chairman

R MADHAVAN
General Manager (Finance) and Secretary

T S RAJAGOPALAN
Chief Financial Officer

P KANIAPPAN
Whole-time Director

M BALASUBRAMANIAM
Partner
Membership No. F.7945

As per our report annexed
For SUNDARAM & SRINIVASAN
Chartered Accountants

Chennai
27th August 2009

Cash Flow Statement for the year ended 31st March 2009

	Year ended 31.03.2009	Year ended 31.03.2008
		(Rupees in lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items	5,255.48	10,436.65
Adjustments for:		
Depreciation	1,393.21	1,011.71
Profit on sale of investments	(46.82)	(3.37)
Interest (net)	685.42	328.68
	<u>2,031.81</u>	<u>1,337.02</u>
Operating profit before working capital changes	7,287.29	11,773.67
Adjustments for:		
Inventories	(1,527.90)	(3,102.50)
Sundry debtors	551.86	(7,577.89)
Other current assets	8.37	(17.23)
Loans and advances	439.53	(1,531.60)
Current liabilities	(4,481.33)	9,838.84
Provisions	170.29	1,382.33
	<u>(4,839.18)</u>	<u>(1,008.05)</u>
	2,448.11	10,765.62
Interest paid	(704.95)	(373.31)
Direct taxes paid	(1,406.58)	(3,271.59)
Net cash from operating activities	(A) 336.58	7,120.72
B. CASH FLOW FROM INVESTING ACTIVITIES		
Transfer of fixed assets from Sundaram-Clayton Limited (net)	-	(11,127.87)
Additions to fixed assets including capital work in progress	(3,517.56)	(7,194.24)
Sale of fixed assets during the year (net)	3.44	22.79
Redemption / (Purchase) of investments (net)	(34.91)	(865.78)
Profit on sale of investments	46.82	3.37
Interest received	19.53	44.63
Net cash used in investing activities	(B) (3,482.68)	(19,117.10)



Cash Flow Statement for the year ended 31st March 2009 (continued)

(Rupees in lakhs)

	Year ended 31.03.2009	Year ended 31.03.2008
C. CASH FLOW FROM FINANCING ACTIVITIES		
Transfers consequent to demerger from Sundaram-Clayton Limited		
Share capital	-	948.38
General reserves	-	7,832.12
Profit and Loss Account	-	3,435.13
Deferred tax liability	-	139.66
Rupee term loan availed	<u>2,000.00</u>	-
Unsecured loans (repaid)	<u>499.94</u>	(119.43)
Miscellaneous expenditure not written off	-	0.24
Dividend and dividend tax paid	<u>(1,886.26)</u>	<u>(1,104.00)</u>
Net cash from financing activities (C)	<u>613.68</u>	<u>11,132.10</u>
D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		
	(2,532.42)	(864.28)
Opening cash and cash equivalents (01.04.2008)		
- Cash and bank balances	<u>1,163.27</u>	4.17
- Cash credit utilisation	<u>(2,023.38)</u>	-
Closing cash and cash equivalents (31.03.2009)		
- Cash and bank balances	<u>127.91</u>	1,163.27
- Cash credit utilisation	<u>(3,520.44)</u>	<u>(2,023.38)</u>

Notes :

- 1 The above statement has been prepared in indirect method except in case of dividend and investments which have been considered on the basis of actual movement of cash
- 2 Cash and cash equivalent include cash and bank balances.

VENU SRINIVASAN
Chairman

P KANIAPPAN
Whole-time Director

As per our report annexed
For SUNDARAM & SRINIVASAN
Chartered Accountants

Chennai
27th August 2009

R MADHAVAN
General Manager (Finance) and Secretary

T S RAJAGOPALAN
Chief Financial Officer

M BALASUBRAMANIAM
Partner
Membership No. F7945

Balance Sheet abstract and Company's General Business Profile

I Registration Details

Registration No. of
 State Code
 Balance Sheet Date - -

II Capital Raised during the Year (Amount in Rs. Thousands)

Public Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Rights Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L
Bonus Issue	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L	Private Placement	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> N I L

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	<input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="7"/>	Total Assets	<input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="7"/>
-------------------	--	--------------	--

Source of Funds

Paid-up Capital	<input type="text"/> <input type="text"/> 9 4 8 3 8	Reserves & Surplus	<input type="text" value="1"/> <input type="text" value="8"/> <input type="text" value="8"/> <input type="text" value="1"/> <input type="text" value="7"/> <input type="text" value="5"/> <input type="text" value="2"/>
Secured Loans	<input type="text"/> <input type="text"/> 5 5 2 0 4 4	Unsecured Loans	<input type="text"/> <input type="text"/> 5 0 0 0 0
Deferred Tax Liability	<input type="text"/> <input type="text"/> 3 9 9 9 3		

Application of Funds

Net Fixed Assets	<input type="text" value="1"/> <input type="text" value="9"/> <input type="text" value="1"/> <input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="7"/>	Capital work-in-progress	<input type="text"/> <input type="text"/> 3 8 8 3 7
Investments	<input type="text"/> <input type="text"/> 9 0 0 6 9	Net current Assets	<input type="text"/> <input type="text"/> 5 7 5 7 6 4
Misc. Expenditure	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> -		

IV Performance of the Company (Amount in Rs. Thousands)

Turnover	<input type="text" value="4"/> <input type="text" value="4"/> <input type="text" value="5"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="7"/> <input type="text" value="8"/>	Total Expenditure	<input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="3"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="0"/>
Profit before tax	<input type="text"/> <input type="text"/> 5 2 5 5 4 8	Profit after tax	<input type="text"/> <input type="text"/> 3 5 5 2 2 1
Earning per share in Rs.	<input type="text"/> <input type="text"/> 1 8 . 7 3	Dividend Rate - %	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 5 0

V Generic names of three Principal Products / Services of the Company (As per monetary terms) (ITC Code)

Product Description	Item Code No. (ITC Code)
Air assist and full air actuation systems for automotive and non-automotive applications and elements thereof	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> 8 7 0 8



WABCO-TVS (INDIA) Limited

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

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of the attending member _____

DP Id.* _____ Client Id* _____

Folio No.** _____ No. of shares _____

Name of proxy _____

(If proxy attends instead of member)

I hereby register my presence at the annual general meeting.

Venue : Sathguru Gnananda Hall, Narada Gana Sabha Trust,
314, (Old No. 254) T T K Road
Chennai 600 018

Date : 24th September 2009

Time : 10.15 a.m.

Signature of member/proxy

* Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

REQUEST TO MEMBERS

1. Members and their proxies/bodies corporate should bring the attendance slip duly filled in for attending the meeting.
2. Members are requested to avoid being accompanied by non-members and/or children.
3. Members are requested to bring their copies of annual report to the meeting as the Company is unable to provide another copy in view of the increased cost of paper.
4. Members are requested to be in their seats at the meeting hall before the scheduled time for commencement of the annual general meeting to avoid interruption in the proceedings.
5. Members who are holding shares in physical form are requested to intimate the Share Transfer Department of the Company changes, if any, in their registered address.
6. Members intending to appoint proxies are requested to complete the proxy form sent herewith and deposit the same with the Share Transfer Department, at least 48 hours before the time fixed for holding the meeting.
7. If you and/or your family members are receiving more than one copy of the annual report and other communications and would like to avoid duplication, kindly advise to enable us to mail only one copy. This will help us to avoid wastage.
8. In the case of shares held in electronic form, the beneficial owners are advised to bring the identity card issued by the depository participant.

Tear Here

WABCO-TVS (INDIA) Limited

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

PROXY FORM

DP Id.* _____ Client Id.* _____ Folio No. ** _____

I/We _____ of _____ in the district of _____ being a Member/Members of

WABCO-TVS (INDIA) LIMITED hereby appoint _____ of _____ in the

district of _____ or failing him _____ of _____ in the district of

_____ as my/our proxy to attend and vote for me/us on my/our behalf at the annual general meeting of the

Company to be held on Thursday the 24th September 2009 and at any adjournment thereof.

Signed this _____ day of _____ 2009.

For Office use	
Proxy No.	
Date of receipt	
No. of shares	

Revenue
Stamp

N.B.: The instrument appointing proxy should be deposited with the Share transfer department at least 48 hours before the commencement of the meeting

* Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

Please fill in the particulars, viz. Folio No./DP Id/Client Id as given in the address slip.

