

# **WABCO INDIA LIMITED**

*11th Annual Report 2015*

## WABCO INDIA LIMITED

### Board of Directors

M LAKSHMINARAYAN

*Chairman*

D E UDWADIA

NARAYAN K SESHADRI

LEON LIU <sup>!</sup>

TREVOR LUCAS

VINCENT PICKERING

MICHAEL EDWARD THOMPSON <sup>#</sup>

LISA BROWN <sup>@</sup>

### Managing Director

P KANIAPPAN

### Chief Financial Officer

T S RAJAGOPALAN

### General Manager - Finance and Company Secretary

N SIVALAI SENTHILNATHAN

### Audit Committee

NARAYAN K SESHADRI

*Chairman*

D E UDWADIA

TREVOR LUCAS

### Stakeholders Relationship Committee

D E UDWADIA

*Chairman*

P KANIAPPAN

TREVOR LUCAS

### Nomination and Remuneration Committee

NARAYAN K SESHADRI

*Chairman*

M LAKSHMINARAYAN

D E UDWADIA

LEON LIU

VINCENT PICKERING

### Corporate Social Responsibility Committee

M LAKSHMINARAYAN

*Chairman*

P KANIAPPAN

LEON LIU

TREVOR LUCAS

<sup>#</sup> Resigned w.e.f. 05.11.2014

<sup>!</sup> Resigned w.e.f. 15.04.2015

<sup>@</sup> Appointed w.e.f. 23.01.2015

### Listing of Shares with

National Stock Exchange of India Limited

Mumbai

BSE Limited

Mumbai

### Share Transfer Agent

Sundaram-Clayton Limited

"Jayalakshmi Estates", 1<sup>st</sup> Floor,

29 Haddows Road, Chennai - 600 006

Tel. : 044 - 2830 7700

044 - 2828 4959

Fax : 044 - 2825 7121

E-mail : raman@scl.co.in

investorscomplaintsstta@scl.co.in

### Bankers

Citibank N.A.

3rd Floor, 2 Club House Road,

Chennai 600 002

BNP Paribas

Prince Towers, 3rd Floor, 25/26 College Road,

Chennai 600 006

State Bank of India

Corporate Accounts Group Branch

3rd Floor, Sigappi Achi Building

18/3, Rukmanilakshmi pathy Road

Egmore, Chennai 600 008

### Auditors

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Tidel Park, 6<sup>th</sup> & 7<sup>th</sup> Floor,

A - Block (Module 601, 701-702),

4, Rajiv Gandhi Salai, Chennai 600 113

### Solicitors & Advocates

UDWADIA & UDESHI

Solicitors & Advocates

Elphinstone House

1<sup>st</sup> Floor, 17 Murzban Road

Mumbai 400 001

### Registered Office

Plot No. 3 (SP), III Main Road,

Ambattur Industrial Estate,

Chennai 600 058

Tel. : 044 4224 2000

Fax : 044 4224 2009

**Website** : www.wabcoindia.com

Email: info.india@wabco-auto.com

CIN: L34103TN2004PLC054667

### Factories

Plot No. 3 (SP), III Main Road,

Ambattur Industrial Estate,

Chennai 600 058

Tel. : 044 4224 2000

Fax : 044 4224 2009

Large Sector,

Adityapur Industrial Area, Gamharia,

Seraikella-Kharsawan Dist.

Jharkhand 832 108

Tel. : 0657 398 5700

Fax : 0657 238 7997

Plant - 1 & Plant - 2

Plot No. AA8, Central Avenue,

Auto Ancillary SEZ,

Mahindra World City,

Natham Sub-Post, Chengalpet,

Kancheepuram District 603 002

Tamil Nadu

Tel. : 044 3090 1200

Plot No.11, Sector 4, SIDCUL,

IIIE Pantnagar,

Udham Singh Nagar,

Uttarakhand - 263 153

Tel. : 05944 250885

KH 159-162, 164 Village Dhakauli

Nawabganj, Barabanki Dewa Road,

Somaiya Nagar, Barabanki

Lucknow, Uttar Pradesh 225 123

Tel. : 05248 230065

### Software Design Centre

"Ispahani Centre", 5<sup>th</sup> & 7<sup>th</sup> Floor,

123/124 Nungambakkam High Road,

Chennai 600 034

Tel. : 044 2828 5000

Fax : 044 2833 2212

### CONTENTS

### Page No.

Notice to the shareholders	4
Directors' report to the shareholders	11
Management discussion and analysis report	30
Report on corporate governance	35
Auditors' certificate on corporate governance	46
Auditors' report to shareholders	47
Balance sheet	52
Statement of Profit & Loss	53
Cash flow statement	54
Notes to financial statements	56



## WABCO INDIA LIMITED

### FINANCIAL HIGHLIGHTS

Rupees in lakhs

Year ended March 31 <sup>st</sup>	2010-11	2011-12	2012-13	2013-14	2014-15
<b>Profit and Loss Account</b>					
Revenue from operations	89,252	104,564	96,592	111,070	<b>1,34,796</b>
Other income	536	1,206	1,264	2,721	<b>2,030</b>
Total income	89,788	105,770	97,856	113,791	<b>1,36,826</b>
Gross profit before interest, depn & tax	20,600	23,199	20,668	19,336	<b>22,365</b>
Depreciation	1,442	1,564	2,172	3,215	<b>4,667</b>
Profit before interest & tax	19,158	21,635	18,497	16,121	<b>17,699</b>
Interest	20	12	2	14	<b>36</b>
Profit before taxation	19,138	21,623	18,495	16,107	<b>17,663</b>
Profit after taxation	12,743	15,340	13,079	11,748	<b>12,066</b>
<b>Balance Sheet</b>					
Net Fixed assets	19,031	24,300	28,892	31,756	<b>34,137</b>
Investments	1,220	2,320	2,545	5,020	<b>3,920</b>
Net current assets	18,984	26,726	34,479	39,652	<b>49,407</b>
Long term loans and advances	1,582	1,827	1,566	2,369	<b>2,292</b>
Total	40,817	55,173	67,482	78,797	<b>89,756</b>
Share capital	948	948	948	948	<b>948</b>
Reserves & surplus	37,724	51,962	63,932	74,570	<b>85,356</b>
Net worth	38,672	52,910	64,880	75,518	<b>86,304</b>
Non current liabilities	1,330	1,169	1,431	1,665	<b>1,807</b>
Deferred taxation (net)	815	1,094	1,171	1,614	<b>1,645</b>
Total	40,817	55,173	67,482	78,797	<b>89,756</b>
EPS (Rs)	67.18	80.87	68.95	61.94	<b>63.61</b>
DPS (Rs)	5.00	5.00	5.00	5.00	<b>5.00</b>
Book value per share (Rs)	203.89	278.95	342.04	398.12	<b>455.01</b>
Return on capital employed (ROCE) %	55.6	45.1	30.2	22.0	<b>20.9</b>
Return on net worth (RONW) %	38.8	33.5	22.2	16.7	<b>14.9</b>
Fixed assets turnover (no. of times)	4.7	4.8	3.6	3.7	<b>4.1</b>
Working capital turnover (no. of times)	6.3	4.6	3.2	3.0	<b>3.0</b>
Gross profit as % of sales (EBITDA)	23.1	22.2	21.4	17.4	<b>16.6</b>
Gross profit as % of total income	22.9	21.9	21.1	17.0	<b>16.3</b>
Net profit as % of total income	14.2	14.5	13.4	10.3	<b>8.8</b>

ROCE is profit before interest and taxation divided by average networth plus loan funds.

RONW is profit after tax divided by average networth.

Fixed assets turnover is sales divided by average net fixed assets as at the end of the year.

Working capital turnover is sales divided by average net current assets as at the end of the year.

## WABCO INDIA LIMITED

### Notice to the Shareholders

NOTICE is hereby given that the Eleventh Annual General Meeting of WABCO India Limited will be held at "The Music Academy", New No. 168 (Old No. 306), T.T.K. Road, Chennai 600 014 on Thursday, the 30<sup>th</sup> day of July 2015 at 10.00 A.M. to transact the following businesses:

**1. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March 2015 consisting of the balance sheet as at 31<sup>st</sup> March, 2015, the statement of profit and loss and the cash flow statement for the year ended on that date and the explanatory notes annexed to or forming part thereof together with the reports of the Board of Directors and Auditors thereon, be and are hereby adopted.

**2. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT in terms of Section 123 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendation of the Board of Directors of the Company, a dividend of Rs.5/- (Rupees five only) per share on 1,89,67,584 equity shares of Rs.5/- each fully paid up, which make up the entire paid-up equity capital of the Company, absorbing a sum of Rs. 948.38 lakhs, be and is hereby declared for the year ended 31<sup>st</sup> March, 2015, out of the profits of the company for that year, and the same be paid to the shareholders whose names appear in the register of members/ record of the depositories of the Company as at the close of 28<sup>th</sup> July, 2015.

**3. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT Mr. Trevor Lucas (DIN:01627818), Director retiring by rotation at this meeting and who is eligible for reappointment, be and is hereby re-appointed as a Director, liable to retire by rotation.

**4. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT in terms of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the appointment of Messrs S.R. Batliboi & Associates LLP, Chartered Accountants, Tidel Park, 6<sup>th</sup> & 7<sup>th</sup> Floor - A Block (Module 601,701-702), No. 4, Rajiv Gandhi Salai, Taramani, Chennai 600 113, holding Firm Registration

No.101049W allotted by the Institute of Chartered Accountants of India, as Auditors of the company from the conclusion of this Annual General Meeting upto the conclusion of the Twelfth Annual General Meeting, being the second consecutive year out of their term of five consecutive years approved at the Tenth Annual General Meeting, on such remuneration as shall be fixed by the Board of Directors of the Company, be and is here by ratified.

**5. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT in terms of Section 161(4) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Ms. Lisa Brown (DIN 07053317) who was appointed by the Board of Directors of the Company as a Non-Executive Non-Independent Director of the Company with effect from 23<sup>rd</sup> January, 2015 in the casual vacancy caused by the resignation of Mr. Michael Edward Thompson who would have held office upto the date of this Annual General Meeting had he not resigned and in respect of whom the Company has received a notice in writing along with the prescribed deposit amount of Rs.1,00,000/- (Rupees one lakh only) from a member proposing her candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**6. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT in terms of Section 161(4) and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Jorge Solis (DIN 7119701) who was appointed as a Non-Executive Non-Independent Director of the Company with effect from 20<sup>th</sup> May, 2015 in the casual vacancy caused by the resignation of Mr. Leon Liu who would have held office upto the date of this Annual General Meeting had he not resigned and in respect of whom the Company has received a notice in writing along with the prescribed deposit amount of Rs.1,00,000/- (Rupees one lakh only) from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**7. To consider and to give your assent or dissent to the following ordinary resolution:**

RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs.4,00,000/- (Rupees Four Lakhs

## WABCO INDIA LIMITED

only) plus applicable taxes and out of pocket expenses at actuals, payable to Mr. A. N Raman, Cost Accountant, having registration number M.5359, appointed by the Board of Directors as Cost Auditor to audit the cost records of the Company for the financial year ending 31<sup>st</sup> March 2016, be and is hereby ratified.

### 8. To consider and to give your assent or dissent to the following special resolution:

RESOLVED THAT in terms of Clause 49(VII) of the Company's Listing Agreement with the Stock Exchanges, approval be and is hereby accorded to the related party transactions entered into by the Company with WABCO Europe BVBA, a related party, during the financial year ended 31<sup>st</sup> March 2015, and the related party transactions proposed to be entered into with WABCO Europe BVBA during the financial year ending 31<sup>st</sup> March 2016, as shown in the Explanatory Statement; which transactions, individually or taken together with previous transactions during any financial year, exceed or may exceed ten per cent of the annual consolidated turnover of the company as per its last audited financial statement.

By order of the board

Chennai  
20<sup>th</sup> May 2015

N SIVALAI SENTHILNATHAN  
General Manager - Finance and  
Company Secretary

Registered Office:  
CIN:L34103TN2004PLC054667  
WABCO India Limited  
Plot No.3, (SP), III Main Road,  
Ambattur Industrial Estate,  
Chennai - 600 058

### Notes:

#### 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy so appointed need not be a member 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.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate

not more than ten percent of the total share capital of the Company. However, a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.

2. The Statement pursuant to Section 102 of the Companies Act, 2013, with respect to the special businesses to be transacted at the Meeting is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed for 2 days from 29<sup>th</sup> July 2015 to 30<sup>th</sup> July, 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2014-15.
4. The dividend of Rs.5/- per share has been recommended by the Board of Directors for the year ended 31<sup>st</sup> March, 2015 and subject to the approval of the shareholders at the ensuing Annual General Meeting, is proposed to be paid on or before 7<sup>th</sup> August, 2015.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company or the Share Transfer Agent.
6. Under Section 205A of the Companies Act, 1956, and Section 124 read with Section 125 of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the report on Corporate Governance forming part of the annual report.

The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notified the IEPF (Uploading of information

## WABCO INDIA LIMITED

regarding unpaid and unclaimed amounts lying with companies) Rules, 2012 (IEPF Rules), which are applicable to the Company. The objective of the IEPF Rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation thereof by post etc. In terms of the said IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the financial years from 2007-08, as on the date of the 10<sup>th</sup> Annual General Meeting (AGM) held on 22<sup>nd</sup> July 2014 on the website of IEPF viz., [www.iepf.gov.in](http://www.iepf.gov.in) and under "investor section" on the website of the Company viz., [www.wabcoindia.com](http://www.wabcoindia.com).

A separate reminder was also sent to those members having unclaimed dividends since 2008. Members who have not encashed their dividend warrants are advised to surrender the unencashed warrants immediately to the Company or the Share Transfer Agent and to claim the dividends.

7. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
9. As a measure of economy, copies of the Annual Report will not be distributed at the venue of AGM. Members are, therefore, requested to bring their copies of the Annual Report to the meeting.
10. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form and hand over the Slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the board resolution / power of attorney authorizing their representatives to attend and vote at the AGM.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
12. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite consent and declaration for their appointment.
13. Electronic copy of the Annual Report for the financial year ended 31<sup>st</sup> March 2015 is being sent to all the members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent in the permitted mode.
14. Electronic copy of the Notice of the 11<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting alongwith Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 11<sup>th</sup> Annual General Meeting of the Company *inter alia* indicating the process and manner of e-Voting alongwith Attendance Slip and Proxy Form are being sent in the permitted mode.
15. Members may also note that the Notice of the 11<sup>th</sup> Annual General Meeting and the Annual Report for 2015 will also be available on the Company's website: [www.wabcoindia.com](http://www.wabcoindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email ID: [investorcomplaintssta@scl.co.in](mailto:investorcomplaintssta@scl.co.in) / [info.india@wabco-auto.com](mailto:info.india@wabco-auto.com).
16. Voting through electronic means
  - I. In compliance with provisions of Section 108 and other applicable provisions of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the



## WABCO INDIA LIMITED

Company is pleased to provide to its members facility to exercise their right to vote at the 11<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-Voting Services provided by National Securities Depository Limited (NSDL): The instructions for e-Voting are as under:

- II. Remote e-Voting means the facility of casting votes by a member using an electronic voting system from a place other than venue of general meeting;
- III. The members holding shares as on the "cut-off date" viz., 24<sup>th</sup> July, 2015 are eligible for voting either through electronic voting system or ballot.
- IV. The instructions for remote e-Voting by shareholders:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:
    - i. Open email and open PDF file viz; "[wabcoindiae-voting.pdf](#)" with your Client ID or Folio No. as password. The said PDF file contains your user ID and Password / PIN for e-Voting. Please note that the password is an initial password.
    - ii. Launch internet browser by typing the following URL:<https://www.evoting.nsdl.com>.
    - iii. Click on Shareholder - Login
    - iv. Put user ID and password as initial Password / PIN noted in step (i) above. Click Login.
    - v. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - vi. Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
    - vii. Select "EVEN" of WABCO India Limited.
    - viii. Now you are ready for e-Voting as Cast Vote page opens.
    - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - B. In case a Member receives physical copy of the Notice of AGM [for members whose e-mail IDs are not registered with the Company / Depository Participant(s) or requesting physical copy]:
    - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
EVEN (Remote e-voting Event Number)  
USER ID PASSWORD/PIN
    - (ii) Please follow all steps from Sl. No.(ii) to Sl. No. (xii) above, to cast vote.
- V. Voting at AGM: The members who have not cast their vote by remote e-Voting can exercise their voting rights at the AGM. The Company will make arrangements for ballot papers in this regard at the AGM Venue.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the Downloads Section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the Telephone No.022-24994600.
- VII. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password / PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- IX. The remote e-Voting period commences on 27<sup>th</sup> July, 2015 (9:00 am) and ends on 29<sup>th</sup> July, 2015 (5:00 pm) (three days). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24<sup>th</sup> July, 2015, may
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF / JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [skco.cs@gmail.com](mailto:skco.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).



## WABCO INDIA LIMITED

cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- X. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24<sup>th</sup> July, 2015
- XI. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24<sup>th</sup> July, 2015 may obtain the login ID and password by sending an email to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning his Folio No./DP ID and Client ID No.
- XII. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details / Password" option available on NSDL Website
- XIII. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- XIV. Mr K Sriram (C.P. No. 2215), Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
- XV. The Scrutinizer shall immediately after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-Voting in the presence of atleast two (2) witnesses not in the employment of the Company and make, not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- XVI. The Chairman or a person authorized by him in writing shall declare the results forthwith.
- XVII. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.wabcoindia.com](http://www.wabcoindia.com) immediately after the result is declared and simultaneously communicated to the stock exchanges where the shares of the Company are listed.

17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company from 2 P.M. to 4 P.M. on all working days, up to and including the date of the Annual General Meeting of the Company.

18. In terms of Clause 49(VIII)(E) of the Listing Agreement with the Stock Exchanges, a brief profile of director, who is proposed to be re-appointed in this AGM, nature of his expertise in specific functional areas, his other directorships and committee memberships, his shareholding and relationship with other directors of the Company are given below:

### Mr. Trevor Lucas

He 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 and 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 held his position as Vice President-Taxes of WABCO Holdings Inc. He retired recently from WABCO but continues consulting on a need basis.

He is a member of the Audit Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee of the company. He is not a director / member of any committee of board of directors of any other company. He does not hold any shares in the Company and he is not related to any other directors of the Company.

None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no.3.

By order of the board

Chennai  
20<sup>th</sup> May 2015

N SIVALAI SENTHILNATHAN  
General Manager - Finance and  
Company Secretary

Registered office:  
CIN: L34103TN2004PLC054667  
Plot No 3 (SP), III Main Road  
Ambattur Industrial Estate, Chennai 600 058.

## WABCO INDIA LIMITED

### Statement pursuant to Section 102 of the Companies Act, 2013.

#### Item No. 5

Ms. Lisa Brown was appointed as a non executive non independent director by the Board of Directors of the Company with effect from 23<sup>rd</sup> January, 2015 in the casual vacancy caused by the resignation of Mr. Michael E. Thomson. He would have retired at the forthcoming Annual General Meeting had he not resigned. Ms. Brown will hold office upto the date of this Annual General Meeting, in terms of Section 161(4) of the Companies Act, 2013.

Ms. Brown holds Bachelor of Laws, University of Derby, and she is a registered Trade Mark Attorney and member of the Institute of Trade Mark Attorneys. She is currently Vice President, Legal & Secretary for WABCO Holdings Inc.

Before joining WABCO Holdings Inc., she was associated with SSL International Plc, London, United Kingdom in various positions including as Group Head of Legal and Intellectual Property until March 2011. She joined WABCO Holdings Inc, where she served as Senior Legal Counsel until May 2015.

She does not hold any shares in the Company and she is not related to any other director of the Company. The Board recommends her appointment as a director liable to retire by rotation in view of her vast knowledge and experience.

Ms. Brown is interested in the resolution at Item no.5 of the Notice since it relates to her own appointment as a Director. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item no.5. The above may also be regarded as a disclosure as required by Clause 49 of the Listing Agreement.

#### Item No. 6

Mr. Jorge Solis was appointed as a non executive non independent director by the Board of Directors of the Company with effect from 20<sup>th</sup> May, 2015 in the casual vacancy caused by the resignation of Mr. Leon Liu. Mr. Liu would have retired at the forthcoming Annual General Meeting had he not resigned. Mr. Jorge will hold office upto the date of this Annual General Meeting, in terms of Section 161(4) of the Companies Act, 2013.

Mr. Jorge holds Bachelor's Degree in Industrial and Systems Engineer from ITESM, Mexico and holds Masters in Business Administration. He has over 20 years of experience in automotive industry and he is currently associated with WABCO Global as Vice-President for DLSC Business unit (BU Drive Line and Suspension controls).

He was Branch Purchasing Director of VALEO, France and he was associated with VALEO from 1995 to 2013. He has served as SQA and Quality manager, Purchasing Director of VALEO before joining WABCO Group.

The Board recommends his appointment as a director liable to retire by rotation in view of his vast knowledge and experience. Mr. Jorge is interested in the resolution at item no.6 of the Notice since it relates to his own appointment as a Director. He does not hold any shares in the Company and he is not related to any other director of the Company. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution. The above may also be regarded as a disclosure as required by Clause 49 of the Listing Agreement.

#### Item No. 7

Pursuant to Section 148 of the Companies Act, 2013 and Rule 4 of Companies (Cost Records and Audit) Rules, 2014 including amendments and re-enactments and clarifications issued by the Ministry of Corporate Affairs, the Company is required to appoint Cost Auditor to audit the cost records of the applicable products of the Company.

Based on the recommendation of the Audit Committee at its meeting held on 20<sup>th</sup> May, 2015, the Board has, considered and approved the appointment of Mr. A.N Raman, as Cost Auditor for the financial year 2015-16 on a remuneration of Rs.4,00,000/- plus applicable taxes and reimbursement of out of pocket expenses at actuals. The remuneration payable to Mr. Raman requires to be ratified by the Members at the forthcoming Annual General Meeting. Hence, the resolution at item no.7 of the Notice. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

The Board recommends this resolution for approval of the Members.

#### Item No. 8

WABCO Europe BVBA (WABCO Europe) is a related party as defined in Clause 49(VII) of the listing Agreement between the Company and the Stock Exchanges on which the Company's shares are listed, since the Company is a fellow subsidiary of WABCO Europe BVBA, headquartered at Brussels, Belgium.

WABCO Europe is one the major overseas customers of the Company. The orders placed by WABCO Europe

## WABCO INDIA LIMITED

are progressively growing year after year, which has significantly contributed to the increase in the Company's turnover and profits. During the year ended 31<sup>st</sup> March 2015 the following transactions were entered into by the Company with them:

S.No.	Nature of transaction	Amount (Rs. In Lakhs)
1.	Sale of Automotive Components by the Company	12,414.80
2.	Services rendered by the Company	2,398.23
3.	Services availed by the Company	552.98
	Total	15,366.01

The annual consolidated turnover of the Company as per the last audited financial statement (for the financial year ended 31<sup>st</sup> March 2014) is Rs. 1,137.91 Lakhs. The total transactions work out to about 14% of the company's turnover for 2013-14. Since this is in excess of the threshold limit of 10%, the transactions would be "material transactions" with a related party in terms of the revised Clause 49(VII) of the Listing Agreement effective from 1<sup>st</sup> October, 2014. Such material transactions require approval of the Shareholders of the Company by a special resolution.

The Company expects further growth in similar transactions with WABCO Europe in the course of the financial year ending 31<sup>st</sup> March 2016, which are also likely to be "material transactions". Hence approval of the members is being sought to the above material related party transactions entered into for the financial

year ended 31<sup>st</sup> March 2015 and to the similar transactions proposed to be entered into by the Company with WABCO Europe in the course of the financial year ending 31<sup>st</sup> March 2016.

Pursuant to Clause 49 (VII) of the Listing Agreement such approval of members is to be obtained by a special resolution. Hence, the special resolution at Item No.8 of the Notice. Voting by related parties on the special resolution will be governed by the applicable provisions of the Listing Agreement.

Agreements have been entered into by the Company with WABCO Europe in this regard and the material terms are: a) Credit terms of 90 days from the date of invoice; b) Warranty for a period of 12 months for the product specifications; and c) Mark-up on cost of raw materials, conversion cost and other relevant expenses.

Mr. Trevor Lucas, Ms. Lisa Brown, Mr. Jorge Solis and Mr. P. Kaniappan may be deemed to be interested in the above special resolution by virtue of their holding senior management positions in WABCO Europe and / or in other associate concerns of WABCO Europe. None of the other directors and key managerial personnel of the Company and their relatives, is concerned or interested, financially or otherwise in this item of business. The board recommends this resolution to the members for their approval.

By order of the board

Chennai  
20<sup>th</sup> May 2015

N SIVALAI SENTHILNATHAN  
General Manager - Finance and  
Company Secretary

## WABCO INDIA LIMITED

### Directors' report to the shareholders

The directors have pleasure in presenting the eleventh annual report and the audited accounts for the financial year ended 31<sup>st</sup> March 2015.

#### 1. FINANCIAL HIGHLIGHTS

Details	Rs. in lakhs	
	Year ended 31.03.2015	Year ended 31.03.2014
Sales (net)	1,34,796.34	1,11,070.09
Other income	2,029.89	2,721.18
<b>Total revenue from operations</b>	<b>1,36,826.23</b>	<b>1,13,791.27</b>
Gross profit before interest and depreciation	22,365.32	19,336.25
Finance costs	36.09	14.46
Depreciation	4,666.37	3,215.09
Profit before tax	17,662.86	16,106.70
Provision for taxation (including deferred tax and tax relating to earlier years)	5,596.82	4,358.92
Profit after tax	12,066.04	11,747.78
Surplus brought forward from previous year	49,648.51	40,210.29
<b>Total</b>	<b>61,714.55</b>	<b>51,958.07</b>
<b>Appropriations:</b>		
Proposed dividend	948.38	948.38
Dividend tax payable	198.45	161.18
Transfer to general reserve	-	1,200.00
<b>Surplus in profit &amp; loss account</b>	<b>60,567.72</b>	<b>49,648.51</b>
	<b>61,714.55</b>	<b>51,958.07</b>

#### 2. DIVIDEND

The board of directors has recommended a dividend of Rs.5/- per share for the year ended 31<sup>st</sup> March 2015 absorbing a sum of Rs.948.38 lakhs for approval of the shareholders at the ensuing annual general meeting.

#### 3. PERFORMANCE

During the year 2014-15, sales of medium and heavy commercial vehicles (M & H CV), grew by 17% over the previous year. The Company achieved a total revenue from operations and other income of Rs.1,368 crores as against a turnover of Rs.1,138 crores in the previous year, an increase of 20.2%.

#### 4. CAPITAL EXPENDITURE

Capital expenditure of Rs.90 crores is planned for the year 2015-16.

#### 5. DIRECTORS

Mr. Michael E. Thompson (DIN: 5334715) resigned from the Board with effect from 5<sup>th</sup> November 2014. Ms. Lisa Brown (DIN: 7053317) was appointed as a Director in the resulting casual vacancy, at the board meeting held on 23<sup>rd</sup> January, 2015. Ms. Lisa Brown, will hold office upto the ensuing annual general meeting of the Company. A notice has been received from a member along with the prescribed deposit of Rs. 1 Lakh proposing her appointment as a non-executive non independent director at the eleventh annual general meeting of the company.

Mr. Leon Liu (DIN: 771554) resigned from the Board with effect from 16<sup>th</sup> April 2015. Mr. Jorge Solis (DIN: 7119701) was appointed as Director in the resulting casual vacancy, at the board meeting held on 20<sup>th</sup> May, 2015. Mr. Jorge Solis, will hold this office upto the ensuing annual general meeting of the Company. A notice has been received from a member along with the prescribed deposit of Rs. 1 Lakh proposing his appointment as a non-executive non independent director at the eleventh annual general meeting of the Company.

Mr. Trevor Lucas (DIN: 1627818), retires at the ensuing annual general meeting of the Company, being eligible, offers himself for re-appointment.

In compliance with Clause 49 of the Listing Agreement, a brief resume and other required information about the directors who are being appointed/re-appointed are given in the notice convening the annual general meeting of the Company.

Mr. Vincent Pickering (DIN: 5256840), has resigned from the Board with effect from 21<sup>st</sup> May 2015 vide his resignation letter dated 20<sup>th</sup> May, 2015.

The independent directors continue to fulfill the criteria of independence as defined under Section 149(6) of the Companies Act, 2013 ("the Act") and requisite declarations in terms of Section 149(7) of the Act have been received.

#### 6. AUDITORS

Messrs S.R. Batliboi & Associates LLP, Chartered Accountants, Chennai were appointed as Statutory Auditors at the Annual General Meeting held on 22<sup>nd</sup> July 2014 for a period of 5 (five) years from conclusion of tenth annual general meeting until the conclusion of fifteenth annual general meeting, subject to ratification at every annual general meeting of the Company. The Board recommends the ratification of their continuation as Auditors. The Company has received a confirmation from the Statutory Auditors to the effect that they would be eligible for such continuation.

**7. SECRETARIAL AUDITOR**

M/s. S Krishnamurthy & Co., Company Secretaries carried out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2014-15 and submitted their report, which is annexed to this report. The report does not contain any qualification.

**8. COST AUDITOR**

Pursuant to Section 148 of the Companies Act, 2013, the Board of Directors of the Company upon recommendation made by the audit committee has appointed Mr. A.N. Raman, Cost Accountant, as Cost Auditor of the Company for the financial year 2015-16 and has recommended his remuneration to the shareholders for their ratification at the ensuing Annual General Meeting.

**9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year, the Company has not provided any Loans or Guarantees to any other company as per the provisions of Section 186 of the Companies Act, 2013 and the details of investments made are given in the notes to the Financial Statements.

**10. EVALUATION OF THE BOARD'S PERFORMANCE**

During the year, the Board adopted a formal mechanism for evaluating its performance and that of its Committees and directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the functioning of the Board and Committees such as their composition, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of each individual director including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings, independent judgment and other relevant aspects.

The Board was satisfied with the evaluation results, which reflected the overall engagement of the Board, Committees and the Directors of the Company.

**11. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established vigil mechanism through "WABCO Whistle Blower Policy" to deal with instance of fraud and mismanagement, if any and the whistle blower shall have direct access to the Chairman of the audit committee / Chief Ethics officer of the Company as the case may be, to report any concerns or unethical activities.

**12. STATUTORY STATEMENTS**

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

Information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is given in Annexure 1 to this report, as per the requirements of Section 134(3)(m) of the Companies Act, 2013.

**12.2 Corporate Social Responsibility**

As required under Section 134(3)(o) of the Companies Act, 2013, details about policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year ended 31<sup>st</sup> March, 2015 are given in Annexure 2 to this report

**12.3 Directors' Responsibility Statement**

Pursuant to Section 134(3)(c) of the companies Act, 2013 (Act) it is hereby confirmed that;

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended on that date;
- c. that directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis;
- e. the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**13. DISCLOSURES UNDER COMPANIES ACT, 2013**

**13.1 Extract of the Annual Return**

Details of extracts of the annual return as per Form MGT - 9 is enclosed in Annexure 3 to the Directors report.

**13.2 Number of Board Meetings**

The Board of Directors met four times during the year 2014-15. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

**13.3 Committees of Board of Directors**

Details of memberships and attendance of various committee meetings are given in Corporate Governance Report.



### 13.4 Related Party Transactions

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designed persons which may have a potential conflict with the interest of the Company at large.

Certain related party transactions, entered into during the year ended 31<sup>st</sup> March 2015 and transactions proposed to be entered into during the year ending 31<sup>st</sup> March 2016 between the Company and WABCO Europe BVBA, which is fellow subsidiary of the Company, are material in nature and require the approval of members by special resolution as per the Listing Agreement. A special resolution seeking shareholders' approval is included in the notice to shareholders.

All transactions with related parties are placed before the Audit Committee and prior approval of the Audit Committee is obtained for related party transactions. The Company has developed a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions.

Details of material Related Party Transactions entered by the Company as required under Section 134(3)(h) of the Companies Act, 2013 are given in Annexure 4 to this report.

### 14. POLICIES

14.1 The following policies approved by the Board of Directors of the Company were uploaded in the Company's website at the web link: [http://www.wabco-auto.com/en/investor\\_relations/wabco\\_india\\_investor\\_relations](http://www.wabco-auto.com/en/investor_relations/wabco_india_investor_relations)

1. Corporate Social Responsibility Policy
2. Related Party Transaction Policy
3. Nomination and Remuneration Policy
4. Whistle Blower Policy

14.2 Policy on director appointment and remuneration

Company's policy on directors' appointment and remuneration including criteria determining qualification, positive attributes, independence of a director and other

matters provided under Section 178(3) of the Companies Act, 2013 is provided in the Corporate Governance Report.

### 15. PARTICULARS OF DISCLOSURES AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013

15.1 The ratio of the remuneration of each director to the median employee's remuneration for the financial year and such other details as prescribed are as given below:

Name	Ratio
Mr. P. Kaniappan, Managing Director	25.5:1
Mr. M. Lakshminarayan, Independent Director	2.1:1
Mr. D.E. Udawadia, Independent Director	2.1:1
Mr. Narayan K. Seshadri, Independent Director	2.1:1

Directors other than those mentioned above have not drawn any remuneration for the financial year 2014-15.

15.2 The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer, Company Secretary, in the financial year:

Mr. M. Lakshminarayan, Chairman *	33%
Mr. D.E. Udawadia, Director *	33%
Mr. Narayan K. Seshadri, Director *	33%
Mr. P. Kaniappan, Managing Director	12%
Mr. T.S. Rajagopalan, Chief Financial Officer	6%
Mr. N. Sivalai Senthilnathan, Company Secretary	7%

\* Independent Directors' commission was increased from Rs.7.5 lakhs to Rs.10 lakhs for the financial year 2014-15

15.3 The percentage increase in the median remuneration of employees in the financial year: 7%

15.4 The number of permanent employees on the rolls of company as on 31<sup>st</sup> March 2015 : 1,109

15.5 The explanation on the relationship between average increase in remuneration and company performance: The Company's total revenue grew by 20.2% against which the average increase in remuneration is 12.2%; and this increase is aligned with the Remuneration Policy of the Company.

15.6 Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:



## WABCO INDIA LIMITED

During the Financial year 2014-15, the Company's total revenue grew by 20.2% and the percentage of increase in remuneration of the Key Managerial Personal is given below:-

Mr. P. Kaniappan, Managing Director	12%
Mr. T S Rajagopalan, Chief Financial Officer	6%
Mr. N. Sivalai Senthilnathan, Company Secretary	7%

15.7 The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: NIL

15.8 Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer/demerger:

Date		Issued Capital No. of shares	Closing Market Price (Rs. per share)	EPS (In Rs.)	PE Ratio	Market Capitalisation (Rs. in Crores)
(A) Price on demerger		18967584	142.10	36.82	3.86	269.53
(B) 31.3.2014		18967584	2,024.05	61.94	32.67	3,839.13
(C) 31.3.2015		18967584	5,688.90	63.61	89.85	10,790.46
(D) Increase (B) to (C) (From last year)	Amount (Rs)	–	3,664.85	1.67	57.28	6,951.33
	%	–	181%	3%	172%	181%
(E) Increase (A) to (C) (From demerger)	Amount (Rs)	–	5,546.80	26.79	85.99	10,520.93
	%	–	3,903%	73%	2,227%	3,903%

15.9 No employee is in receipt of remuneration over and above the managerial remuneration received by executive director of the Company.

15.10 Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year : 12.35%

Percentage increase in the managerial remuneration in the last financial year : 8.78% and

there are no exceptional circumstances for increase in the managerial remuneration.

15.11 The key parameters for any variable component of remuneration availed by the directors: Independent directors have been paid sitting fees for attending meetings of the Board and Committees and also paid a profit related commission, but not exceeding 1% of the net profit of the Company for the financial year. No sitting fee and commission is paid to non-executive non-independent Directors of the Company. However, with respect to Mr. P. Kaniappan, Managing Director of the Company, variable component is paid in the form of incentive, as per the Remuneration Policy of the Company and based on the financial and non-financial parameters.

15.12 The remuneration of directors and employees are as per the remuneration policy of the Company.

15.13 Particulars of Employees

The statement of particulars of employees as per Section 197 of the Companies Act, 2013, read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, for the year ended 31<sup>st</sup> March, 2015, is given in Annexure 5 and forms part of this Report.

## 16. CORPORATE GOVERNANCE

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

The Managing 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 31<sup>st</sup> March 2015.

The management discussion and analysis report, as required by the Listing Agreement and various disclosures required under the Companies Act, 2013, is also attached and forms part of this report.

## WABCO INDIA LIMITED

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### 17. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has a structured familiarization programme for Independent Directors of the Company which is also extended to other Non-Executive Directors to ensure that Directors are familiarized with their function, role, rights, responsibilities and the nature of our Business viz., automotive component industry and WABCO global business model, etc.,

The Board of Directors has complete access to the information within the Company. Presentations are regularly made to the Board of Directors and all Committees of the Board on various matters, where Directors get an opportunity to interact with Senior Management. Presentations, *inter alia*, cover the Company's strategy, business model, operations, markets, organization structure, product offerings, finance, risk management framework, quarterly and annual results, human resources, technology, quality and such other areas as may arise from time to time.

The Company also issues appointment letter to the Independent Directors which also incorporates their role, duties and responsibilities.

### 18. ACKNOWLEDGEMENT

The directors thank the vehicle manufacturers, distributors, vendors and bankers for their continued support and assistance. The directors gratefully acknowledge the support rendered by WABCO Europe BVBA, Belgium.

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

For and on behalf of the board

Chennai  
20<sup>th</sup> May, 2015

M. Lakshminarayan  
Chairman

**A. CONSERVATION OF ENERGY**

**1. Measures taken for conservation of energy and for utilizing alternate sources of energy**

- i) Upgradation of old machines (HR3A, Takisawa & test rig) with new energy efficient high torque servo motor system.
- ii) Installation of 15 KW Solar power system at roof top to operate air conditioning and lighting.
- iii) Introduction of Air Solenoid in machines to reduce Compressed air consumption during idle stage of machines.
- iv) Implementing of Adiabatic cooling system for reducing energy in Air Conditioning system.
- v) Introduction of Gas operated fryer instead of electrical fryer at canteen.
- vi) Replacement of 3 numbers of obsolete Program Logic Control (PLC) and contactors with latest PLC and frequency drive in grinding machines.
- vii) Utilization of waste compressed air from test rig for component cleaning purpose.
- viii) Introduction of air blowers instead of compressed air in 3 numbers of washing Machines.
- ix) Introduction of regulator for air guns to reduce pressure from 7 bar to 4 bar.

The capital investment on energy conservation equipment during the year was Rs.14 Lakhs.

The expected saving is about 6.70 Lakhs Units and Rs. 39 Lakhs per annum.

**2. Measures Proposed**

- i) Removal of Oil Coolers from Machines by implementing Heat reduction kaizen.
- ii) Provision of LED Lamps instead of CFL Lamps in Office areas & Assembly.
- iii) Combination of Hydraulic Power packs from Individual to Multiple Machines.
- iv) Introduction of Solar Power for ISD Server.
- v) Introduction of 15 Watts LED fittings instead of 28 Watts Tube light in Machine Shop.
- vi) Converting High Pressure lines to Low pressure in all Nut Runners.
- vii) Introduction of 90W LED fitting instead of 400W Metal Halide Lamps in Machine shop.

viii) Provision of New Compressor for Assembly to eliminate Boosters.

ix) Conversion of Panel Cooler Refrigerant to Air Cooler.

x) Introduction of Zero Air leak Solenoid valves at end of lines to reduce the leakages.

This will result in a saving of about 7.20 Lakhs Units and Rs. 42 Lakhs per annum.

**B. TECHNOLOGY ABSORPTION**

**1. Efforts made towards technology absorption**

- (a) Mathematical model for NLC II 230 cc compressor.
- (b) Development of PE coating.
- (c) Development of Cataphoretic electro coating process.
- (d) Development of Laser forming.
- (e) Automatic data acquisition for SBA endurance.
- (f) Rubber parts for wider temperature applications in VBV.

**2. Benefits derived**

- (a) Market expansion and improved competitive position through significantly improved products for new markets.
- (b) New opportunity in global market by introducing new range of foot brake valve and relay valves.
- (c) Improved competency for designing products for global market.
- (d) Acquiring competency in new areas like exhaust pressure modulator.

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

<b>4. Expenditure on R &amp; D:</b>	Rs. in Lakhs
Capital expenditure	184.83
Recurring expenditure (including salaries)	759.84
	944.67

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

	Rs. in Lakhs
Foreign exchange inflow	Rs. 47,445.34
Foreign exchange outflow	Rs. 21,287.36

**Report on CSR activities for the year ended 31<sup>st</sup> March 2015**

**1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company focuses on CSR activities as specified in Schedule VII of the Companies Act 2013 and accordingly the projects have been identified and recommended by the CSR Committee and approved by the Board. The projects have been implemented through internal executive committee.

The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is :<http://www.wabco-auto.com/investor-relations/wabco-india-investor-relations/>

**2. The Composition of the CSR Committee**

- a. Mr. M Lakshminarayan - Chairman
- b. Mr. Leon Liu (upto 15.4.2015) - Member
- c. Mr. P Kaniappan - Member
- d. Mr. Trevor Lucas - Member

3. Average net profit of the company for last three financial years: Rs. 18,745.32 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 374.91 Lakhs

5. Details of CSR spent during the financial year.

a. Total amount to be spent for the Financial Year 2014-15: Rs.374.91 Lakhs

b. Amount unspent, if any; Rs.370.18 Lakhs

c. Manner in which the amount spent during the financial year is given below: (Rs. in Lakhs)

1	2	3	4	5	6	7	8
Sl. No	CSR project or activity identified	Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs were undertaken	Sector in which the project is covered	Amount outlay (budget) project or program wise	Direct expenses on projects or programs  Overheads - Nil	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing Agency
1	Sanitation and Preventive health care programs	Local area: Chennai / Tiruvallur / Kanchipuram Districts - Tamil Nadu Barabanki District - Uttar Pradesh Seraikella - Kharsawan District - Jharkhand & Udham Singh Nagar - Uttarkhand	Eradicating hunger, poverty and malnutrition, promoting preventive health care, including sanitation and making available safe drinking water	23.00	4.73	4.73	Direct
2	Making available safe drinking water	Local area: Chennai / Tiruvallur / Kanchipuram Districts - Tamil Nadu. Barabanki District - Uttar Pradesh & Seraikella - Kharsawan District - Jharkhand	Eradicating hunger, poverty and malnutrition, promoting preventive health care including sanitation and making available safe drinking water	5.00	-	-	-

**WABCO INDIA LIMITED**

1	2	3	4	5	6	7	8
3	Promotion of education and Road Safety awareness in all facets of road usage	Local area: Chennai / Tiruvallur / Kanchipuram Distrcts - Tamil Nadu Barabanki District - Uttar Pradesh Seraikella - Kharsawan District - Jharkhand & Udham Singh Nagar - Uttarkhand	Promoting education, including special education and employment enhancing vocation skills	12.00	-	-	-

6. Being the first year of formulating and implementing CSR Policy and projects, company is in the process of identifying suitable projects and implementing the selected projects, hence could not spent 2% of the average net profits of last three years.
7. The CSR committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

P. Kaniappan  
Managing Director

M. Lakshminarayan  
Chairman of CSR Committee

## WABCO INDIA LIMITED

### Annexure - 3

Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.3.2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS

1.	CIN	L34103TN2004PLC054667
2.	Registration Date	18/11/2004
3.	Name of the Company	WABCO India Limited
4.	Category / Sub-Category of the Company	Public Company, Listed by Shares
5.	Whether listed company Yes / No	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sundaram-Clayton Limited (Shares) "Jayalakshmi Estates", 1 <sup>st</sup> Floor, No.29, Haddows Road, Chennai - 600 006 Tel. : 044 - 2827 2233 / 044 - 2830 7700 investorscomplaintssta@scl.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of Main Products / Services	NIC code of the product / service	% to total turnover of the Company
1	Auto components	34300	93.55%

Except sale of auto components no other income which contributes more than 10% of the turnover of the Company.

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary of the Company	% of shares held	Applicable Section
1.	WABCO Asia Private Limited	NA	Holding Company	75%	Sec.2(46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a. Individual / HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. BodiesCorp.	-	-	-	-	-	-	-	-	-
e. Bank/FI	-	-	-	-	-	-	-	-	-
f. Any Others	-	-	-	-	-	-	-	-	-
Sub-Total-A-(1)	-	-	-	-	-	-	-	-	-
<b>2. Foreign</b>									
a. NRI-Individuals	-	-	-	-	-	-	-	-	-
b. Other Individuals	-	-	-	-	-	-	-	-	-
c. Body Corporate	1,42,25,684	-	1,42,25,684	75%	1,42,25,684	-	1,42,25,684	75%	Nil
d. Bank / FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub Total- A(2)	1,42,25,684	-	1,42,25,684	75%	1,42,25,684	-	1,42,25,684	75%	Nil
<b>Total Share Holder of Promoters(1+2)</b>	<b>1,42,25,684</b>	<b>-</b>	<b>1,42,25,684</b>	<b>75%</b>	<b>1,42,25,684</b>	<b>-</b>	<b>1,42,25,684</b>	<b>75%</b>	<b>Nil</b>



**WABCO INDIA LIMITED**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>B. Public Shareholding</b>									
<b>1. Institution</b>									
a. Mutual Funds	16,49,267	–	16,49,267	8.70%	16,43,684	–	16,43,684	8.67%	–0.03
b. Bank / FI	6,002	–	6,002	0.03%	3,065	–	3,065	0.02%	–0.01
c. Cent. Govt.									–
d. State Govt.									–
e. Venture Capital									–
f. Insurance Co.									–
g. FIs	4,74,685	43	4,74,728	2.50%	3,87,471	–	3,87,471	2.04%	–0.46
h. Foreign Portfolio Corporate	–	–	–	–	69,865	–	69,865	0.37%	+0.37
i. Foreign Venture Capital Fund									–
j. Others									–
<b>Sub-Total-B(1)</b>	<b>21,29,954</b>	<b>43</b>	<b>21,29,997</b>	<b>11.23%</b>	<b>21,04,085</b>	<b>–</b>	<b>21,04,085</b>	<b>11.10%</b>	<b>–0.13</b>
<b>2. Non-Institution</b>									
a. Body Corp.	7,31,071	1958	7,33,029	3.86%	7,78,717	1,651	7,80,368	4.12%	+0.25
b. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 lakh	13,10,488	278239	15,88,727	8.38%	14,62,823	2,31,643	16,94,466	8.92%	–0.55
ii. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	2,59,143	–	2,59,143	1.36%	1,07,856	–	1,07,856	0.57%	–0.79
Others									
NRI (Repatriable)	16,788	–	16,788	0.09%	24,826	–	24,826	0.13%	–0.04
NRI (Non-Repatriable)	14,042	174	14,216	0.08%	30,125	174	30,299	0.16%	–0.08
Foreign National									
OCB									
Trust									
In Transit	–	–	–	–	–	–	–	–	–
<b>Sub-Total-B(2)</b>	<b>23,31,532</b>	<b>2,80,371</b>	<b>26,11,903</b>	<b>13.77%</b>	<b>24,04,347</b>	<b>2,33,468</b>	<b>26,37,815</b>	<b>13.90%</b>	<b>–0.13</b>
<b>Net Total (1+2)</b>	<b>44,61,486</b>	<b>2,80,414</b>	<b>47,41,900</b>	<b>25.00%</b>	<b>45,08,432</b>	<b>2,33,468</b>	<b>47,41,900</b>	<b>25.00%</b>	<b>–</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
Promoter and Promoter Group	–	–	–	–	–	–	–	–	–
Public									–
<b>Grand Total (A+B+C)</b>	<b>1,86,87,170</b>	<b>2,80,414</b>	<b>1,89,67,584</b>	<b>100%</b>	<b>1,87,34,116</b>	<b>2,33,468</b>	<b>1,89,67,584</b>	<b>100%</b>	<b>–</b>

## WABCO INDIA LIMITED

### V. SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the
		No of Shares	% of total shares the Company	% of Shares Pledged / encumbered total shares	No. of Shares	% of total shares the Company	% of Shares Pledged / encumbered total shares	
1	WABCO Asia Private Limited	1,42,25,684	75%	–	1,42,25,684	75%	–	–

Note: There is no change in the shareholding of the Promoter Group.

### VI. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01.04.2014		Shareholding at the end of the year 31.03.2015	
	Name of the Director / KMP	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. M. Lakshminarayan	50	0.0003%	50	0.0003%
2.	Mr. D.E. Udawadia	–	–	–	–
3.	Mr. Narayan K. Seshadri	–	–	–	–
4.	Mr. Leon Liu (director till 15.4.2015)	–	–	–	–
5.	Mr. Trevor Lucas	–	–	–	–
6.	Mr. Vincent Pickering	–	–	–	–
7.	Ms. Lisa Brown	–	–	–	–
8.	Mr. P. Kaniappan	–	–	–	–
9.	Mr. T.S. Rajagopalan	–	–	–	–
10.	Mr. N. Sivalai Senthilnathan	–	–	–	–

Note: No addition or deletion of shares held by Mr. Lakshminarayan, Chairman as well as other directors and Key Managerial Personal during the financial year.

**WABCO INDIA LIMITED**

**VII. TOP 10 SHAREHOLDERS AS ON 31.03.2015**

Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of shares	% of total shares of the Company	Cumulative		Closing Balance	
					No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>SUNDARAM MUTUAL FUND A/C SUNDARAM SELECT MIDCAP</b>								
290,572	01-04-2014	Opening Balance						
	16-05-2014	Transfer /Sale	5,000	0.03	285,572	1.51		
	30-05-2014	Transfer /Sale	572	0.00	285,000	1.50		
	06-06-2014	Transfer /Sale	460	0.00	284,540	1.50		
	13-06-2014	Transfer /Sale	20	0.00	284,520	1.50		
	30-06-2014	Transfer /Sale	144	0.00	284,376	1.50		
	04-07-2014	Transfer /Sale	376	0.00	284,000	1.50		
	11-07-2014	Transfer /Sale	339	0.00	283,661	1.50		
	05-09-2014	Transfer /Sale	3,661	0.02	280,000	1.48		
	12-09-2014	Transfer /Sale	178	0.00	279,822	1.48		
	19-09-2014	Transfer /Sale	21	0.00	279,801	1.48		
	10-10-2014	Transfer /Sale	974	0.01	278,827	1.47		
	17-10-2014	Transfer /Sale	4,000	0.02	274,827	1.45		
	31-10-2014	Transfer /Sale	209	0.00	274,618	1.45		
	14-11-2014	Transfer /Sale	2,896	0.02	271,722	1.43		
	21-11-2014	Transfer /Sale	549	0.00	271,173	1.43		
	28-11-2014	Transfer /Sale	900	0.00	270,273	1.42		
	12-12-2014	Transfer /Sale	3,000	0.02	267,273	1.41		
	31-12-2014	Transfer /Sale	4,019	0.02	263,254	1.39		
	02-01-2015	Transfer /Sale	300	0.00	262,954	1.39		
09-01-2015	Transfer /Sale	1,612	0.01	261,342	1.38			
16-01-2015	Transfer /Sale	3,621	0.02	257,721	1.36			
23-01-2015	Transfer /Sale	3,000	0.02	254,721	1.34			
06-03-2015	Transfer /Sale	721	0.00	254,000	1.34			
31-03-2015	Transfer /Sale	404	0.00	253,596	1.34			
	31-03-2015	Closing Balance					253,596	1.34
<b>TATA AIA LIFE INSURANCE CO LTD-WHOLE LIFE MID CAP EQUITY FUND-ULIF 009 04/01/07 WLE 110</b>								
202,370	01-04-2014	Opening Balance						
	21-11-2014	Transfer /Sale	1,075	0.01	201,295	1.06		
	28-11-2014	Transfer /Sale	1,600	0.01	199,695	1.05		
	02-01-2015	Transfer /Sale	305	0.00	199,390	1.05		
	30-01-2015	Transfer /Sale	3,912	0.02	195,478	1.03		
	13-02-2015	Transfer /Sale	842	0.00	194,636	1.03		
	20-02-2015	Transfer /Sale	6,335	0.03	188,301	0.99		
	27-02-2015	Transfer /Sale	1,000	0.01	187,301	0.99		
	06-03-2015	Transfer /Sale	2,000	0.01	185,301	0.98		
	13-03-2015	Transfer /Sale	5,301	0.03	180,000	0.95		
	31-03-2015	Closing Balance					180,000	0.95
<b>CATAMARAN MANAGEMENT SERVICES PRIVATE LIMITED</b>								
150,712	01-04-2014	Opening Balance						
	31-03-2015	Closing Balance					150,712	0.79

**WABCO INDIA LIMITED**

Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of shares	% of total shares of the Company	Cumulative		Closing Balance	
					No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS LONG TERM EQUITY FUND</b>								
95,191	01-04-2014	Opening Balance						
	04-04-2014	Transfer / Purchase	420	0.00	95,611	0.50		
	02-05-2014	Transfer / Sale	600	0.00	95,011	0.50		
	16-05-2014	Transfer / Purchase	3,000	0.02	98,011	0.52		
	30-06-2014	Transfer / Sale	341	0.00	97,670	0.51		
	04-07-2014	Transfer / Purchase	3,000	0.02	100,670	0.53		
	25-07-2014	Transfer / Purchase	7,000	0.04	107,670	0.57		
	22-08-2014	Transfer / Purchase	1,350	0.01	109,020	0.57		
	19-09-2014	Transfer / Purchase	10,000	0.05	119,020	0.63		
	14-11-2014	Transfer / Purchase	10,000	0.05	129,020	0.68		
	28-11-2014	Transfer / Purchase	1,000	0.01	130,020	0.69		
	23-01-2015	Transfer / Sale	1,050	0.01	128,970	0.68		
	30-01-2015	Transfer / Sale	8,000	0.04	120,970	0.64		
	06-02-2015	Transfer / Purchase	5,000	0.03	125,970	0.66		
	06-03-2015	Transfer / Purchase	12,500	0.07	138,470	0.73		
13-03-2015	Transfer / Purchase	4,000	0.02	142,470	0.75			
	31-03-2015	Closing Balance					142,470	0.75
<b>IDFC STERLING EQUITY FUND</b>								
198,470	01-04-2014	Opening Balance						
	19-09-2014	Transfer / Sale	57,676	0.30	140,794	0.74		
	09-01-2015	Transfer / Sale	1,575	0.01	139,219	0.73		
	16-01-2015	Transfer / Sale	5,000	0.03	134,219	0.71		
	31-03-2015	Transfer / Sale	1,517	0.01	132,702	0.70		
		31-03-2015	Closing Balance					132,702
<b>PINEBRIDGE INVESTMENTS ASIA LIMITED A/C, PINEBRIDGE INVESTMENTS GF MAURITIUS LTD</b>								
163,437	01-04-2014	Opening Balance						
	16-05-2014	Transfer / Purchase	10,000	0.05	173,437	0.91		
	23-05-2014	Transfer / Purchase	1,508	0.01	174,945	0.92		
	05-09-2014	Transfer / Sale	7,000	0.04	167,945	0.89		
	12-09-2014	Transfer / Sale	4,277	0.02	163,668	0.86		
	19-09-2014	Transfer / Sale	1,685	0.01	161,983	0.85		
	30-09-2014	Transfer / Sale	20,000	0.11	141,983	0.75		
	14-11-2014	Transfer / Sale	585	0.00	141,398	0.75		
	21-11-2014	Transfer / Sale	13,968	0.07	127,430	0.67		
	05-12-2014	Transfer / Sale	1,553	0.01	125,877	0.66		
		31-03-2015	Closing Balance					125,877

**WABCO INDIA LIMITED**

Opening Balance	Date of increase or decrease (Benpos date)	Reasons for increase or decrease	No. of shares	% of total shares of the Company	Cumulative		Closing Balance		
					No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
<b>SBI LIFE INSURANCE CO. LTD.</b>									
NIL	01-04-2014	Opening Balance							
	30-09-2014	Transfer / Purchase	70,657	0.37	70,657	0.37			
	10-10-2014	Transfer / Purchase	5,000	0.03	75,657	0.40			
	07-11-2014	Transfer / Purchase	100	0.00	75,757	0.40			
	28-11-2014	Transfer / Purchase	210	0.00	75,967	0.40			
	05-12-2014	Transfer / Purchase	4,532	0.02	80,499	0.42			
	12-12-2014	Transfer / Purchase	400	0.00	80,899	0.43			
	19-12-2014	Transfer / Purchase	5,432	0.03	86,331	0.46			
	31-12-2014	Transfer / Purchase	90	0.00	86,421	0.46			
	02-01-2015	Transfer / Purchase	643	0.00	87,064	0.46			
	23-01-2015	Transfer / Purchase	4,771	0.03	91,835	0.48			
	13-02-2015	Transfer /Sale	9	0.00	91,826	0.48			
	20-02-2015	Transfer / Purchase	18	0.00	91,844	0.48			
	27-02-2015	Transfer / Purchase	3,796	0.02	95,640	0.50			
	06-03-2015	Transfer / Purchase	3,015	0.02	98,655	0.52			
20-03-2015	Transfer /Sale	72	0.00	98,583	0.52				
	31-03-2015	Closing Balance					98,583	0.52	
<b>L AND T MUTUAL FUND TRUSTEE LTD - L AND T EQUITY FUND</b>									
112,034	01-04-2014	Opening balance							
	12-09-2014	Transfer / Purchase	1,000	0.01	113,034	0.60			
	30-09-2014	Transfer /Sale	17,400	0.09	95,634	0.50			
	03-10-2014	Transfer /Sale	4,611	0.02	91,023	0.48			
	28-11-2014	Transfer /Sale	1,200	0.01	89,823	0.47			
	12-12-2014	Transfer /Sale	6,000	0.03	83,823	0.44			
	19-12-2014	Transfer / Purchase	1,543	0.01	85,366	0.45			
	31-12-2014	Transfer / Purchase	2,000	0.01	87,366	0.46			
	02-01-2015	Transfer / Purchase	3,500	0.02	90,866	0.48			
	06-03-2015	Transfer /Sale	3,000	0.02	87,866	0.46			
		31-03-2015	Closing Balance					87,866	0.46
<b>U T I - EQUITY FUND</b>									
75,000	04-01-2014	Opening Balance							
	16-05-2014	Transfer / Purchase	4,252	0.02	79,252	0.42			
	23-05-2014	Transfer / Purchase	588	0.00	79,840	0.42			
	20-06-2014	Transfer / Purchase	1,730	0.01	81,570	0.43			
	06-02-2015	Transfer / Sale	1,095	0.01	80,475	0.42			
	27-02-2015	Transfer / Sale	28	0.00	80,447	0.42			
		31-03-2015	Closing Balance					80,447	0.42
<b>RADHA MADHAV INVESTMENTS LTD</b>									
78,770	01-04-2014	Opening Balance							
	31-03-2015	Closing Balance					78,770	0.42	

## WABCO INDIA LIMITED

### VIII. INDEBTEDNESS

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

(Rs. In Lakhs)

Particulars	Secured Loan Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year 1.4.2014</b>				
1) Principal Amount				
2) Interest due but not paid				
3) Interest accrued but not due				
<b>Total of (1 + 2 + 3)</b>				
<b>Change in Indebtedness during the financial year</b>				
+Addition			NIL	
-Reduction				
Net change				
<b>Indebtedness at the end of the financial year - 31.3.2015</b>				
1) Principal Amount				
2) Interest due but not paid				
3) Interest accrued but not due				
<b>Total of (1 + 2 + 3)</b>				

### IX REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Directors and / or Manager

(Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Mr. P. Kaniappan, Managing Director
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	84.40
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	4.98
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2.	Stock Option	
3.	Sweat Equity	
4.	Commission - As % of Profit - Others, specify	
5.	Others, please specify Provident Fund & other Funds	6.96
	Performance Bonus	24.81
	Total	121.15
	Ceiling as per the Act	883.00

B. Remuneration of other directors:

Independent Directors

Particulars of Remuneration	Name of Independent Directors			Total Amount (Rs. in Lakhs)
	M Lakshminarayan	D E Udwadia	Narayan K Seshadri	
Fee for attending board and committee meetings and Independent Directors meeting	1.50	3.00	2.25	6.75
Commission *	10.00	10.00	10.00	30.00
Others	-	-	-	-
Total (1)	11.50	13.00	12.25	36.75



## WABCO INDIA LIMITED

### Other Non-Executive Directors:

Other Non-Executive Directors							Total Amount (Rs. in Lakhs)
Fee for attending board and committee meetings	NIL						
Commission							
Others							
Total (2)	-	-	-	-	-	-	-
Total B = (1+2)							36.75
Ceiling as per the Act							177.00

No sitting fee and commission paid to Non-executive and non-independent directors of the Company

### C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the KMP		Total Amount
		Mr. T S Rajagopalan Chief Financial Officer	Mr. N Sivalai Senthilnathan Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	62.73	42.06	104.79
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0.40	-	0.40
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - As % of Profit - Others, specify			
5.	Others, Provident Fund & other Funds	3.41	2.60	6.01
	Performance Bonus	13.57	4.59	18.16
	Total (C)	80.11	49.25	129.36

### X. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

## WABCO INDIA LIMITED

### Form No. AOC - 2

### Annexure - 4

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

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis.

(Rs.in Lakhs)

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the transactions	Salient terms of the contracts or arrangements or transactions including		Date(s) of approval by the Board, if any: the value, if any:
WABCO Europe BVBA, a fellow subsidiary	Sale of goods	01.04.2014 to 31.03.2015	Mark-up on cost of raw materials, conversion cost and other relevant expenses	12,414.80	20.05.2014
	Rendering of services	01.04.2014 to 31.03.2015	Mark-up on cost of salary, rent and other relevant expenses	2,398.23	20.05.2014
	Availing of services	01.04.2014 to 31.03.2015		552.98	20.05.2014

Note: There is no advance amount paid.

M. Lakshminarayan  
Chairman

### Annexure - 5

Statement under Section 197 (12) of the Companies Act, 2013, read with the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2015.

1. Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 6,000,000/- per annum

Sl. No.	Name of the employee	Date of Joining	Designation	Qualification	Age	Experience Years	Remuneration	Last Employment
1.	P. Kaniappan	20/02/2008	Managing Director	B. Tech, M.Sc, Engg., (Warwick), Executive MBA	55	33	12,115,952	Sundaram-Clayton Ltd.
2.	Rajagopalan T S	25/12/2008	Chief Financial Officer	B.Com., ACA, AICWA, ACS, CFA, CMA & Executive MBA	57	32	80,11,247	Sundaram-Clayton Ltd.
3.	Dinesh Shyamsundar	02/09/2011	Leader, Software Development Centre	B.E.,	52	29	62,06,550	Varroc Engineering Pvt. Ltd.
4.	Narayanamurthy G	20/02/2008	Sr. Vice President - Marketing	B.E.,	59	37	76,93,461	Sundaram-Clayton Ltd.

2. Employed for part of the year and were in receipt of remuneration at the rate of not less than Rs. 500,000/- per month.

Sl. No.	Name of the employee	Date of Joining	Designation	Qualification	Age	Experience Years	Remuneration	Last Employment
1.	Selvamani S.**	20/02/2008	Sr. Vice President - R & D	B.E.	61	35	1,06,79,700	Sundaram-Clayton Ltd.

#### Notes:

1. \* Remuneration shown above includes Salary, Allowance, Medical, Leave Travel Assistance, Leave Encashment, Arrears of Salary, Bonus, contribution towards Provident Fund, Gratuity and value of perquisites as per income tax rule.
2. \*\* Mr. S. Selvamani, retired from the services on 8<sup>th</sup> January, 2015.
3. Nature of employment is contractual.
4. None of the above employees is related to any director of the Company.
5. No employee holds more than 2% of shares in the Company.

**Form No. MR-3****Secretarial Audit Report for the financial year ended 31<sup>st</sup> March 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
WABCO India Limited,  
CIN: L34103TN2004PLC054667  
Plot No.3, Third Main Road,  
Ambattur Industrial Estate,  
Chennai - 600058

We have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. WABCO India Limited (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of M/s. WABCO India Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter of even date annexed to this report as Annexure - A.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. WABCO India Limited (the Company) for the financial year ended on 31<sup>st</sup> March 2015 according to the applicable provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
  - (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
  - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
    - (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - (d) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client; and
    - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
2. We are informed that, for the financial year ended on 31<sup>st</sup> March 2015:
  - (i) The Company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):
    - (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
    - (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
    - (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - (ii) There are no other laws specifically applicable to the company the books, papers, minute books, forms and returns of which were required to be examined by us for the purpose of this report.
3. We have not examined compliance with the Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India as they become applicable only from 1<sup>st</sup> July 2015.
4. During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable.
5. We further report that:
  - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors

## WABCO INDIA LIMITED

and Independent Directors. The Board has also appointed a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- (ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings were sent at least seven days in advance. Agenda and detailed notes on agenda were sent less than seven days before the meeting, since there was no statutory requirement during the year to send them seven days in advance of the meeting.
- (iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- (iv) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- (v) During the audit period the Company has voluntarily delisted its shares from Madras Stock Exchange Limited with effect from 22<sup>nd</sup> December 2014.

**For S Krishnamurthy & Co.,**  
Company Secretaries,

K. Sriram  
Partner

Date : 20<sup>th</sup> May 2015  
Place : Chennai

Membership No: F6312  
Certificate of Practice No:2215

### Annexure - A to Secretarial Audit Report dated 20<sup>th</sup> May 2015

To,

The Members,

**WABCO India Limited,**

CIN: L34103TN2004PLC054667

Plot No.3, Third Main Road,

Ambattur Industrial Estate,

Chennai - 600058

**Our Secretarial Audit Report of even date is to be read along with this letter**

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We verified the records on a test basis to see whether the correct facts are reflected in the secretarial records. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

5. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
6. While forming an opinion on compliance and issuing the secretarial audit report, we have also taken into consideration the compliance related action taken by the Company after 31<sup>st</sup> March 2015 but before the issue of the report.
7. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law, wherever there was scope for multiple interpretations, especially since the financial year ended 31<sup>st</sup> March 2015 was the first full financial year in which the Companies Act, 2013 became operational and also on account of the listing agreement with the stock exchanges undergoing major amendments from 1<sup>st</sup> October 2014.
8. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For S Krishnamurthy & Co.,**  
Company Secretaries,

K. Sriram  
Partner

Date : 20<sup>th</sup> May 2015  
Place : Chennai

Membership No: F6312  
Certificate of Practice No:2215

## Management discussion and analysis report

### I. Industry Structure and Development:

#### i. Gross Domestic Product (GDP) Growth:

India's GDP growth for 2014-15 at 5.6% was marginally higher than the GDP of 2013-14. Table -1 shows India's real GDP growth rates (at factor cost) for various sectors broadly from 2010-11 to 2014-15.

Sector	2010-11	2011-12	2012-13	2013-14	2014-15 (Forecast)
Agriculture	8.6	5.0	1.42	4.71	2.9
Industry	7.5	7.8	0.96	0.35	3.6
Services	9.6	6.5	6.96	6.78	7.0
GDP (constant prices)	8.9	6.6	4.47	4.74	5.6

Source: Reserve Bank of India - Publications, Government of India.

The GDP growth in 2014-15 is driven by a significant growth in industrial production.

#### Industrial Growth:

On a cumulative basis in Apr'14 - March '15, IIP registered a growth of 2.82% as compared to previous year negative growth of 0.1%.

#### ii. Indian Commercial Vehicle Industry:

The Indian Commercial Vehicle (CV) Industry has witnessed a sign of recovery from its lackluster performance over past two years. Medium & Heavy Commercial Vehicle (M & H CV) is the major contributor for the out-performance of CV industry which grew around 17%. Positive market sentiment, resolution of the mining imbroglio and real spends on infrastructure are key factors to trigger a growth in the CV industry.

However in 2014-15, sale of Light Commercial Vehicles (LCV) declined by 13.8% as compared to the previous year. Performance of LCV market largely depends on overcapacity issues and constrained financing environment which were unfavorable to the LCV market and which is expected to perform reasonably in near future.

The competitive intensity in the domestic CV industry has increased over the past five years as new OEMs have entered the market while existing players have ventured into new segments and expanded their sales-cum-service network.

From fleet operator's perspective, sharp decline in diesel rates, moderate interest rates and hike in freight charges by railways impacted positively and operators were able to operate with full capacity which impacted positively in their cash flow and enhanced the sale of M & H CV. Table 2 shows the growth in production and sales of M & H CV from 2013-14 to 2014-15.

Table - 2 M & H CV Production and Sales numbers.

Category	Figures in units		
	2013-14	2014-15	Growth
M & H CV production	2,21,556	2,68,553	21%
M & H CV Sales	2,24,431	2,63,407	17%

Source: SIAM

### II. Business outlook and overview

The macroeconomic situation in India has improved significantly during the year and current account deficit has contracted, the fiscal deficit target has been met, and investment project approvals are accelerating. In addition government's policy to boost the manufacturing and service sector and commitment to resolve mining and infra projects will give positive outlook for the year 2015-16. But high inflation, tax complexity, unpredicted monsoon and global slowdown continues to be a cause of concern for India in the next year.

**Growth:** The economic growth outlook for the year 2015-16 is to be in the range of 7.5% to 8% as estimated by various rating agencies and Government and international bodies, on the back of a high investment inflow, GDP growth coupled with new initiatives for manufacturing and service sector and accelerated project clearance. The mining sector is expected to overcome the recent past repercussion on government policy issues.

**Inflation & Monetary Context:** For more than a year now, inflation continues to remain untamed. Meanwhile, leakages in the food and petroleum sectors, the two key drivers of inflation persist. And critical road and rail infrastructure projects are progressing only slowly, preventing Indian businesses from exploiting the shortest possible routes to efficiently transport food, raw materials and petroleum products. The Reserve Bank of India (RBI) aims to

guide consumer price inflation to below 8% by January 2015 - and gradually to 4% over a three year horizon as part of its process to move toward an inflation-targeting monetary policy framework. As a favourable monsoon last year is limiting food cost gains, consumer price inflation has dropped in the past few months. The RBI noted that conditional on enduring disinflation; further monetary tightening is not anticipated in the near term.

### III. Opportunities & Threats

The Company provides safety and vehicle control solutions to the commercial vehicle segment of the automotive industry. In connection to this, the Anti-Lock Brake Systems (ABS) legislation for M3 and N3 vehicles is getting implemented from Q3 15-16 which will result in increased business. Local market growth opportunities through increase in content per vehicle in the form of introducing new systems / technologies like Automated Manual Transmission (AMT), Automatic Slack Adjusters, Lift Axle control valve, Air Disc Brake, higher capacity compressors etc. The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) tender Phase II has been renamed as Atal Mission for Rejuvenation and Urban Transformation (AMRUT). The bus program will be completed under JNNURM Phase I and urban transformation of 500 cities and towns will begin under AMRUT as a 10 year program. This is likely to boost the CV sector as production of trucks and buses will be essential for this infrastructure change.

In the Aftermarket side, further potential in retro fitment of Anti-Lock Brake Systems (ABS) for buses and LCV segment is being explored. Our focused efforts in Trailer segment have-boosted the sales considerably and Trailer Anti-Lock Brake Systems (TABs) and Trailer Electronic Brake Systems (TEBS) are also continued to be explored in this segment.

As a measure of improving the safety in passengers transport, zero leak programs at public transports, school and college buses are being carried out. Distributor branches are increasing their presence in B & C towns and that is resulting in availability of genuine parts in remote locations. Our authorized service center network is expanding and currently we have 200 service centers with Pan India presence to cater the customer requirements. These initiatives would result in improved service practices, availability of genuine parts and generate additional revenue for the Company.

The company's competitors have an active presence in India and are trying to establish a base through new investments in production and R & D facilities.

### IV. Risks and concerns

The cyclical nature of the Indian commercial vehicle industry (Company's major customer segment) might affect the demand. In 2015-16, operating expenses are likely to rise with the expected increase in prices of key raw materials.

### ALUMINIUM

In the domestic market aluminum Ingot prices rose by 12.2% during April to Dec 2014. Although domestic demand during this period was low with consumption declining by 7.9%, prices rose on the back of improved global demand. The London Metal Exchange (LME) index marginally rose by 3% y-o-y during Jan - Dec 2014, the impact on price contributed due to weaker Indian rupee against dollar by 4% y-o-y, in overall the procurement prices had an impact of 5% higher in 2014 compared to 2013. With demand for aluminum rising, we expect the production cuts imposed by manufacturers to be lifted in the coming months. China has increased its aluminum production even when other major producers implemented production cuts. This increase in supply is expected to cap the rise in aluminum prices globally to 3.4 percent in 2015-16. However the domestic market may witness a higher percent of increase during 2015 if the rupee weakens further against USD.

Since, major growth is expected from ABS and new technological products, new product launch at the right time will be the focus area. Suitable measures to ensure on time launch and supplies of new products have been factored in the company's operating plan. 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 design to cost, localization, process optimization and sourcing from the best cost countries.

### 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.

### 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 thereof. All transactions are authorized, recorded and reported correctly. The internal controls are checked by internal auditors. The observations made by them, management action and time frame are reviewed by the audit committee of the Board of Directors. Concerns if any are reported to the Board.

### VI. Operations review

#### A. Manufacturing

WIN 2.0 was a transformation initiative taken to change the mindset of employees at all levels and across locations. This was largely successful and gave good results in operations, supply chain and delivery performance. Our key customers have recognized and appreciated the transformation.



In 2013-14, the Company completed the construction of its plant near Lucknow in the State of Uttar Pradesh and in 2014-15, the manufacturing activities have increased and become manufacturing hub for north and central India customers. WABCO Owned warehouse in Pune was established during 2014-15 to cater to the needs of customers located in western India. Company initiated "Lean Equipment Development center" for frugal, high quality, low cost capital investments in new projects.

The Company's manufacturing facilities honing 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 companywide 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, challenging site layouts for more compact & efficient floor space utilization in Ambattur & Mahindra City plant. This helps in increasing the sales within the current floor space which is fully utilized now.

During the year under review, the company obtained awards and appreciation from customers, which include, "Quality Award" from Ashok Leyland Pant Nagar, "IMEA Gold award" from Frost & Sullivan for Mahindra World City plant, "Silver Trophy for Star Performer in Exports" from EEPC INDIA, "Award of Honor" for Ambattur plant and "Safety Appreciation" award for Mahindra World City plant from National Safety Council and NABL accreditation of materials & metrology lab for Ambattur Plant.

### B. Quality

The quality system at the plants 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. Deploying global best practices like "8 steps of Quality Fundamental", "VDA 6.3" standards, helped us to reduce the defects significantly. 60% of our assembly lines are certified for 8 steps of Quality fundamentals, 24 assembly lines were upgraded for making them robust enough to prevent the generation of defects. Also new warranty process to do level zero inspection at customer end helped in speedy analysis and resolution of failures.

The same rigor introduced in supplier process to improve the child part quality. Front loading of quality deliverables in new projects is introduced to improve the new product quality.

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

TQM is a way of life at the Company. 100% participation in employee involvement has been successful for the past 15 consecutive years.

Employees have completed more than 173 projects by applying statistical tools through QC Circles in 2014-15. The average number of suggestions implemented per employee is 48 in 2014-15 which is close to international benchmark.

QC circle, Cross functional teams of employees participated in external competitions conducted by industry bodies, Automotive Component Manufacturers Association (ACMA), Confederation of Indian Industry (CII), Association of Overseas Technical Scholarship (AOTS, Japan) and won prizes.

### C. Cost management

The Company continues its rigorous focus on its costs through an effective cost deployment system. Value engineering and continuous change in design for easy application are the major cost reduction factors. Cost reduction workshops are conducted periodically to identify cost reduction opportunities on various product groups. Some of the strategies for cost reduction include material change, process change, source change etc. Commodity sourcing from prime producers helps in managing the cost effectively and efficiently.

Other significant cost reduction projects include;

- Usage of new generation cutting tools, thereby improving the productivity levels.
- 100 % returnable packing used during delivery of materials to key customers.
- Truck load optimization, production optimization for voluminous parts at Pant Nagar and Lucknow.
- Enhanced usage of Adiabatic cooling systems for chillers & utilizing third party power to reduce energy cost.
- Low cost automation to improve the productivity.

### D. Information Technology

The Company uses ERP system that integrates all business processes across the Company as well as customers and suppliers. During the year, the Company has focused on further leveraging the ERP system by creating new plant configuration in SAP for Aftermarket business in Lucknow. Special focus was given towards paperless office wherein



## WABCO INDIA LIMITED

e-CAPEX & e-REVEX system, Online Medical Management system, Online NABL certification etc. have been implemented to eliminate the non-value added activities. On the infrastructure front, the Company has implemented server Virtualization for business continuity, and Bring Your Own Device (BYOD) concept for messaging solutions.

### VII. Human Resource Development

The Company focuses on attracting and retaining the best talent and enjoys a good brand image across leading educational institutions and talent pool. The current average hiring speed of the lateral talent is within 80 days. The Company blends successfully mid career recruitment with internally grown talent through a globally robust managed talent management process. Rewards and recognition system is in place to retain and provide fast track growth for high potential employees. Talent Retreat workshops are undertaken every year by the Leadership to identify such high potential employees and facilitate career moves within India and Global sites. Our Voluntary attrition rate is at 4.69%, while similar Industry attrition rates are at an average of 11.6%.

Potential talents are sponsored to overseas and inland universities for developing their capabilities to handle new technologies and management practices. Customized management development programs have been developed in partnership with reputed educational institutions to hone the leadership skills of the senior executives. "Next Gen" Leadership programs were conducted to identify and nurture critical mass of young, talented individuals with the potential to occupy key positions in the Company. "Let's Get Acquainted" is another unique initiative - a platform to

develop a cohesive work environment between supervisor and subordinate which enables them to complement each other and enhance their individual capabilities.

As of 31<sup>st</sup> March 2015, the Company had 1109 employees on its rolls.

### VIII. Environment & Safety

Safety management is integrated with the overall Safety Health and Environment (SHE) management system. Further, the Company successfully observed "Safety Months" programs and conducted various safety awareness events for the employees. Chennai plant has been awarded with EHS Excellence award from CII Southern India for implementing the best EHS practices with 4 star rating.

The Company won the State Safety Award from Tamil Nadu Government for the best safety practices implementation and also awarded with Award of Honour from National Safety Council, Tamil Nadu chapter for the best SHE practices.

### IX. Community development and social responsibility

As a corporate citizen, the Company believes in its social responsibility and community development activities. This year the team planned to contribute to the society through internal engagement of employees, resources and driving activities which would help the needy.

Your Company has taken various initiatives for community development during the year which are dealt in the CSR Report annexed to Directors' Report.

## WABCO INDIA LIMITED

### X. Financial statement

Particulars	Year ended 31 <sup>st</sup> March 2015		Year ended 31 <sup>st</sup> March 2014	
	Rs. in lakhs	%	Rs. in lakhs	%
Sales (net)	134,796.34	98.52%	111,070.09	97.61%
Other income	2,029.89	1.48%	2,721.18	2.39%
<b>Total income</b>	<b>136,826.23</b>	<b>100%</b>	<b>113,791.27</b>	<b>100%</b>
Raw materials consumed	79,003.25	57.74%	63,287.63	55.62%
Changes in inventories of finished goods and WIP	290.68	0.21%	99.35	0.09%
Staff cost	14,344.87	10.48%	12,525.48	11.01%
Stores & tools consumed	5,101.63	3.73%	4,676.50	4.11%
Power & fuel	1,991.88	1.46%	1,966.17	1.73%
Repairs & maintenance	1,261.29	0.92%	1,099.38	0.97%
Other expenses	12,467.31	9.12%	10,800.51	9.49%
Finance costs	36.09	0.03%	14.46	0.01%
Depreciation	4,666.37	3.41%	3,215.09	2.83%
<b>Total expenditure</b>	<b>119,163.37</b>	<b>87.09%</b>	<b>97,684.57</b>	<b>85.85%</b>
<b>Profit before tax</b>	<b>17,662.86</b>	<b>12.91%</b>	<b>16,106.70</b>	<b>14.15%</b>
Provision for taxation	5,596.82	4.09%	4,358.92	3.83%
<b>Profit after tax</b>	<b>12,066.04</b>	<b>8.82%</b>	<b>11,747.78</b>	<b>10.32%</b>

### 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 31<sup>st</sup> March 2015, the total strength of the Board of Directors (the board) was eight directors. All the directors except the Managing Director are Non-Executive Directors.

Out of the seven Non-Executive Directors, three Directors viz., Messrs. M Lakshminarayan (Chairman), D E Udwadia and Narayan K Seshadri are independent directors. Chairman is not related to any promoter of the Company as defined under Clause 49 of the Listing Agreement.

The number of Independent Directors is more than one third of Board's 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 2014-15, the Board met 4 times on 20<sup>th</sup> May 2014, 21<sup>st</sup> July 2014, 20<sup>th</sup> October 2014 and 23<sup>rd</sup> January 2015 and the gap between two meetings did not exceed 120 days.

#### 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 22<sup>nd</sup> July 2014 and also the number of other directorships and committee memberships / chairmanships as on 31<sup>st</sup> March 2015 are as follows:

Name of the director Messrs	Category	Attendance particulars		Number of directorships* and committee member! / chairmanships**		
		Board meeting	Last AGM	Other directorships	Committee memberships	Committee chairmanships
M Lakshminarayan	C-I	3	Yes	6	2	1
P Kaniappan	MD-NI	4	Yes	-	-	-
Narayan K Seshadri \$	NE-I	4	Yes	15	6	3
D E Udwadia	NE-I	4	Yes	14	8	1
Leon Liu \$ (Upto 15/4/2015)	NE-NI	1	No	12	-	-
Trevor Lucas	NE-NI	3	Yes	-	-	-
Vincent Pickering \$	NE-NI	2	Yes	34	-	-
Lisa Brown (From 23/1/2015)	NE-NI	1	NA	-	-	-
Michael E Thompson (Upto 4/11/2014)	NE-NI	-	No	1	-	-

\* includes private companies.

\*\* includes committees where the director is also chairman.

\$ includes directorship in foreign companies.

! Memberships and chairmanship of Audit Committee and Stakeholders relationship committee

C-I : Chairman Independent

MD-NI : Managing Director - Non-Independent Director

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 a firm of Chartered Accountants are placed at the audit committee of the directors.

The board also reviews the declarations made by the Managing Director, General Manager - Legal and General Manager - Finance and Company 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.wabcoindia.com](http://www.wabcoindia.com).

All the board members and senior management personnel have affirmed compliance with the Code for the year ended 31<sup>st</sup> March 2015. The annual report contains a declaration to this effect signed by the Managing Director and General Manager - Finance and Company Secretary of the Company as compliance officer for the Code.

**2.6 Appointment of directors:**

In terms of Clause 49(VIII)(E) 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 following responsibilities to supervise the Company's internal control and financial reporting process:

- 1) To recommend for appointment, remuneration and terms of appointment of auditors of the company;
- 2) To approve payment to statutory auditors for any other services rendered by the statutory auditors;
- 3) To review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 4) To examine the financial statement and the auditors' report thereon;
- 5) To approve transactions of the Company with related parties and modifications thereof;
- 6) To scrutinise inter-corporate loans and investments;
- 7) To undertake valuation of undertakings or assets of the Company, wherever it is necessary;
- 8) To evaluate internal financial controls and risk management systems;
- 9) To monitor the end use of funds raised through public offers and related matters.
- 10) To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may discuss any related issues with the internal and statutory auditors and the management of the Company.
- 11) To investigate any activity within its terms of reference of the Companies Act, 2013 or referred to it by the Board and for its purpose, shall have full access to information contained in the records of the Company and external professional, legal or other advice, if necessary;
- 12) To seek information from any employee;
- 13) To secure attendance of outsiders with relevant expertise, if it considers necessary;
- 14) To oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 15) To review, with the management, the annual financial statements and auditor's report thereon before

## WABCO INDIA LIMITED

submission to the board for approval, with particular reference to:

- a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions; and
  - g) qualifications in the draft audit report.
- 16) To review, with the management, the quarterly financial statements before submission to the board for approval;
  - 17) To review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - 18) To review, with the management, performance of internal auditors, adequacy of the internal control systems;
  - 19) To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - 20) To discuss with internal auditors any significant findings and follow up there on;
  - 21) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

- 22) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 23) To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- 24) To review the functioning of the Whistle Blower mechanism;
- 25) To approve appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

Carrying out any other function as is mentioned in the terms of reference of the Audit Committee from time to time.

The auditors of the Company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

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

As of date, the Audit Committee consists of the following directors:

Name of the directors - Messrs	Status
Narayan K Seshadri	Non-executive, Independent director
D E Udawadia	Non-executive, Independent director
Trevor Lucas	Non-executive, Non-Independent director

Mr Narayan K Seshadri, Independent Director, is the Chairman of the Audit Committee. Mr N Sivalai Senthilnathan, General Manager - Finance and Company 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 22<sup>nd</sup> July 2014. The composition of the committee is in accordance with the requirements of Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The particulars of meetings and attendance by the members of the

## WABCO INDIA LIMITED

committee during the year under review are given in the table below:

Date of the meeting	Members present Messrs
20 <sup>th</sup> May 2014	Narayan K Seshadri and D E Udwadia
21 <sup>st</sup> July 2014	Narayan K Seshadri, D E Udwadia and Trevor Lucas
20 <sup>th</sup> October 2014	Narayan K Seshadri, D E Udwadia and Trevor Lucas
23 <sup>rd</sup> January 2015	Narayan K Seshadri, D E Udwadia and Trevor Lucas

#### 4. Disclosures

- 4.1 The materially significant related party transactions entered into during the year as disclosed elsewhere in the report did not have potential conflict with the interests of company at large.
- 4.2 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.
- 4.3 The Company has a Whistle Blower Policy and no personnel is denied the access to the audit committee.
- 4.4 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.
- 4.5 The Managing Director (CEO) and Chief Financial Officer (CFO) of the company have certified to the board on financial and other matters in accordance with Clause 49 of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31<sup>st</sup> March 2015.
- 4.6 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.

#### 5. Nomination and Remuneration Committee

The Board constituted a Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013.

Composition, name of members and the chairman of the Committee;

As of date, the Committee consists of the following directors:

Name of the directors - Messrs	Status
Narayan K Seshadri	Non-executive, Independent director
M Lakshminarayan	Non-executive, Independent director
D E Udwadia	Non-executive, Independent director
Leon Liu (Upto 15.04.2015)	Non-executive, Non-Independent director
Vincent Pickering	Non-executive, Non-Independent director

Mr Narayan K Seshadri, Independent Director, is the Chairman of the Nomination and Remuneration Committee. Mr N Sivalai Senthilnathan, General Manager - Finance and Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee. 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 Messrs
20 <sup>th</sup> May 2014	Narayan K. Seshadri, M. Lakshminarayan, D.E. Udwadia and Leon Liu
21 <sup>st</sup> July 2014	Narayan K. Seshadri, M. Lakshminarayan, D.E. Udwadia and Vincent Pickering
23 <sup>rd</sup> January 2015	Narayan K. Seshadri, M. Lakshminarayan and D.E. Udwadia

##### 5.1 Nomination and Remuneration Policy

As required under Section 178(3) of the Companies Act, 2013 the Company's Nomination and Remuneration Policy is hosted in the website: <http://www.wabco-auto.com/investor-relations/wabco-india-investor-relations>.

##### 5.2 Remuneration to Non-Executive Directors

Remuneration by way of sitting fee for attending the meeting of Board and committees and commission on profit not exceeding the limit specified in the Companies Act, 2013 is paid to independent directors of the Company. No remuneration including sitting fee and commission on profit is paid to non-executive and non-independent directors of the Company.



## WABCO INDIA LIMITED

### 5.3 Particulars of remuneration paid to the Managing Director during the financial year 2014-15:

(Rs. in lakhs)

Name of the director - Mr	Salary	Contribution to PF and other funds	Perquisites & Allowances	Performance Bonus	Total
P Kaniappan	84.40	6.96	4.98	24.81	121.15

Presently, the Company does not have a scheme for grant of any stock option either to the executive directors or employees.

### 5.4 Particulars of sitting fees and commission paid / payable to non-executive directors / non-executive independent directors and directors during the financial year 2014-15.

Name of the directors - Messrs	Sitting fee (Rs.)	Commission (Rs.)	Total (Rs.)
M Lakshminarayan	1,50,000	10,00,000	11,50,000
D E Udawadia	3,00,000	10,00,000	13,00,000
Narayan K Seshadri	2,25,000	10,00,000	12,25,000
<b>Total</b>	<b>6,75,000</b>	<b>30,00,000</b>	<b>36,75,000</b>

As approved by the shareholders by passing special resolution at the Annual General Meeting held on 22<sup>nd</sup> July 2014, non-executive independent directors are being paid commission not exceeding 1 % of the net profits of the Company.

Other non-executive directors, Messrs Leon Liu, Trevor Lucas, Vincent Pickering, Lisa Brown and Michael Edward Thompson have waived the sitting fees payable to them.

During the year, the Company paid Rs. 44,750 to M/s. Udawadia, Udeshi & Argus Partners, Solicitors & Advocates, Mumbai, as fees for professional services that were provided by the said firm to the Company on specific legal matters entrusted to them from time to time. Mr D E Udawadia is a partner of M/s. Udawadia, Udeshi & Argus Partners. The Board does not consider the firms' association with the Company to be of any material nature so as to affect the independence of judgement of Mr D E Udawadia as a Director of the Company.

Mr M Lakshminarayan holds 50 shares and all other directors do not hold any share in the Company. There are no other material pecuniary relationships or transactions of the non-executive directors' vis-à-vis of the Company.

None of the directors is related to each other.

## 6. Stakeholders Relationship Committee:

### 6.1 The Stakeholders Relationship Committee

Composition, name of members and the chairman of the Stakeholders Relationship Committee:

As of date, the Stakeholders Relationship Committee consists of the following directors:-

Name of the directors - Messrs	Status
D E Udawadia	Non-executive, Independent director
P Kaniappan	Executive, Non-Independent director
Trevor Lucas	Non-executive, Non-Independent director

Mr D E Udawadia, Independent Director, is the Chairman of the Stakeholders Relationship Committee. As required by Securities and Exchange Board of India (SEBI), Mr N Sivalai Senthilnathan General Manager - Finance and Company Secretary of the Company has been appointed as Compliance Officer. For any clarification / complaint, the shareholders may contact Mr N Sivalai Senthilnathan, General Manager- Finance and Company Secretary of the Company at [sivalaisenthilnathan.n@wabco-auto.com](mailto:sivalaisenthilnathan.n@wabco-auto.com). 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 Messrs
20 <sup>th</sup> May 2014	D E Udawadia and P Kaniappan
21 <sup>st</sup> July 2014	D E Udawadia, P Kaniappan and Trevor Lucas
20 <sup>th</sup> October 2014	D E Udawadia, P Kaniappan and Trevor Lucas
23 <sup>rd</sup> January 2015	D E Udawadia and Trevor Lucas

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.

Complaints received and redressed during the year 2014-15 are:

No. of complaints received during the year	7
No. of complaints resolved during the year	7
No. of complaints pending unresolved as on 31.3.2015	-

### 6.2. All the complaints were resolved and, as on 31<sup>st</sup> March 2015, no complaint was pending. All requests for dematerialization of shares were carried out within the stipulated time period.



## WABCO INDIA LIMITED

### 7. 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.

### 8. Corporate Social Responsibility Committee (CSR Committee)

The Board constituted a Corporate Social Responsibility Committee in terms of Section 135 of the Companies Act, 2013.

Composition, name of members and the chairman of the Committee.

As of date, the Committee consists of the following directors:

Name of the directors - Messrs	Status
M Lakshminarayan	Non-executive, Independent director
Leon Liu (Upto 15.4.2015)	Non-executive, Non-Independent director
P Kaniappan	Executive, Non-Independent director
Trevor Lucas	Non-executive, Non-Independent director

Mr M Lakshminarayan, Independent Director, is the Chairman of the CSR Committee. Mr N Sivalai Senthilnathan, General Manager - Finance and Company Secretary of the Company acts as the Secretary of the CSR Committee. 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 Messrs
23 <sup>rd</sup> January 2015	M Lakshminarayan, P Kaniappan and Trevor Lucas

Details of CSR report and activities carried out by the Company as required under Section 135 of the Companies Act, 2013 are given in annexure to the Directors report

### 9. General body meeting:

9.1 Location and time where the Annual General Meetings were held during the last three years.

Year	Location	Date	Time
2011-12	The Music Academy, New No. 168,	25.07.2012	10.00 A.M.
2012-13	(Old No. 306),	24.07.2013	10.00 A.M.
2013-14	T.T.K. Road, Chennai 600 014	22.07.2014	10.45 A.M.

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

Approval of Shareholders by way of Special Resolution was obtained at the Annual General Meeting held on 22.7.2014 pursuant to Section 197 of the Companies Act, 2013 for payment of commission to Non-executive and Independent Directors of the Company for a sum not exceeding 1% of the net profit of the Company computed in accordance with Section 198 of the Act, for a period of five years viz., from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March, 2019. None of the subjects placed before the shareholders in the last / ensuing Annual General Meeting required / requires approval by a postal ballot.

### 10. Delisting from Madras Stock Exchange Ltd (MSE)

In terms of SEBI circular dated 30<sup>th</sup> May, 2012 guidelines on voluntary exit option provided to the Stock Exchanges, Madras Stock Exchange (MSE) has filed an application for the voluntary exit as a Stock Exchange on 26<sup>th</sup> May, 2014 with Securities and Exchange Board of India (SEBI). MSE has written to the company stating that the company may delist its shares from MSE under the provisions of SEBI (Delisting of Equity Shares) Regulations, 2009.

In this connection your Company has passed a resolution at the Board meeting held on 20<sup>th</sup> October, 2014, for voluntary delisting from MSE and filed an application on 5<sup>th</sup> December, 2014. Accordingly your company's shares were delisted from MSE with effect from 22<sup>nd</sup> December, 2014.

Your company shares will continue to be listed in NSE (National Stock Exchange Ltd) and BSE (BSE Ltd) having nationwide trading terminals and the investors have access to trade and deal in company's shares across the country.

### 11. Unclaimed Shares

Pursuant to Clause 5A(II) of the Listing Agreement, equity shares aggregating to 26,391 of Rs.5/- each held by 411 equity shareholders were lying unclaimed (hereinafter referred to as "unclaimed shares"). The aforesaid unclaimed shares were dematerialized and transferred to "WABCO India Limited-Unclaimed Suspense Account" (hereinafter referred to as "Unclaimed suspense account") on behalf of the shareholders after providing three remainders and a public announcement in newspapers before transferring.

We request those shareholders who do not possess original share certificate with them, to contact our Share Transfer Agent, Sundaram-Clayton Limited to obtain their shares either by dematerialized form or physical form as desired by the shareholder.

## WABCO INDIA LIMITED

### Details of Unclaimed suspense account as on 31.3.2015

Particulars	No. of Shareholders	No. of Shares
No. of Shares transferred to Unclaimed suspense account as on 20.01.2015	411	26,391
No. of Shares transfer request received and transferred to the shareholders on request till 31.03.2015	1	16
Closing balance of shares lying in the Unclaimed suspense account as on 31.03.2015	410	26,375

### 12. Complaints received under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013

Your company has a robust system for prevention of sexual harassment of women in the Company. No. of complaint received and the status as on 31.03.2015 is given below:

No. of Complaints at the beginning of the year	Nil
No. of Complaints received during the year ended 31.03.2015	Nil
No. of Complaints pending at the end of the year	Nil

### 13. Means of communication

#### 13.1 Quarterly results:

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

#### 13.2 Newspapers wherein results normally published:

The results are normally being published in any one of the English newspapers, namely "Times of India", "The Hindu", "Business Line", or "Financial Express" and the Tamil version in a Tamil daily viz., "Dinamani".

#### 13.3 Website:

The Company has in place a web site addressed as [www.wabcoindia.com](http://www.wabcoindia.com). The unaudited results, quarterly compliance report on corporate governance and the quarterly shareholding pattern as filed with the Stock Exchanges are published in Company website. The Company makes use of its website for publishing official news releases and presentations, if any, made to institutional investors / analysts.

### 14. General shareholder information

#### 14.1 Annual general meeting:

Date and time : 30<sup>th</sup> July 2015 at 10.00 a.m.  
 Venue : "The Music Academy",  
 New No. 168 (Old No. 306)  
 T.T.K. Road, Chennai 600 014.

#### 14.2 Financial year : 1<sup>st</sup> April to 31<sup>st</sup> March

Financial calendar

2014-15 (Tentative) :

Financial reporting for the quarter ending : Financial calendar

30<sup>th</sup> June 2015 : between 15<sup>th</sup> and 31<sup>st</sup> July 2015

30<sup>th</sup> September 2015 : between 15<sup>th</sup> and 31<sup>st</sup> October 2015

31<sup>st</sup> December 2015 : between 15<sup>th</sup> and 31<sup>st</sup> January 2016

31<sup>st</sup> March 2016 : between 15<sup>th</sup> and 30<sup>th</sup> May 2016

Annual General Meeting

(next year) : July / August 2016

#### 14.3 Date of book closure : 29<sup>th</sup> July 2015 to 30<sup>th</sup> July 2015 (both days inclusive)

#### 14.4 Particulars of dividend payment

The board of directors had recommended a dividend of Rs.5.00 per share for the year 2014-15, absorbing a sum of Rs.948.38 lakhs, and subject to the approval of the shareholders in the ensuing annual general meeting. This dividend will be paid on or before 7<sup>th</sup> August 2015.

#### 14.5 Listing on Stock Exchanges:

<b>Name of the stock exchange</b>	<b>Stock code</b>
BSE Ltd. (BSE)	533023
National Stock Exchange of India Ltd. (NSE)	<b>WABCOINDIA</b>
<b>ISIN allotted by depositories</b>	INE342J01019
(Company ID Number)	

(Note: Annual listing fees for the year 2014-15 have been duly paid to the above stock exchanges).

#### 14.6 Market Price Data: (Amount in Rupees)

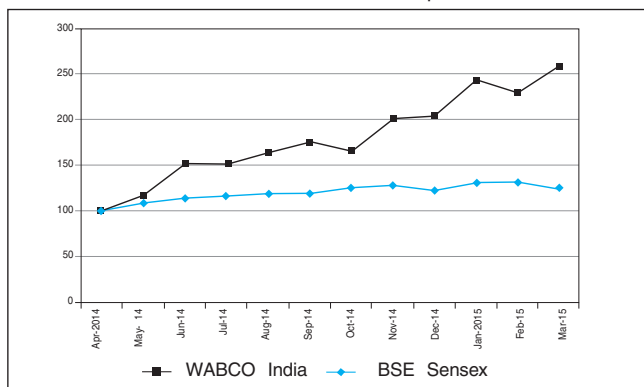
Month	National Stock Exchange		Bombay Stock Exchange	
	Share Price		Share Price	
	High	Low	High	Low
April-14	2225	1910	2300	1910
May-14	2640	2086	2630	2092
June-14	3667	2465	3570	2510
July-14	3692	3300	3700	3315
August-14	3725	3202	3725	3219
September-14	4000	3516	4000	3513
October-14	4075	3580	4050	3612
November-14	4548	3534	4600	3560
December-14	4780	4100	4769	4113
January-15	5400	4420	5400	4450
February-15	5444	4750	5439	4769
March-15	5810	5004	5799	5000

## WABCO INDIA LIMITED

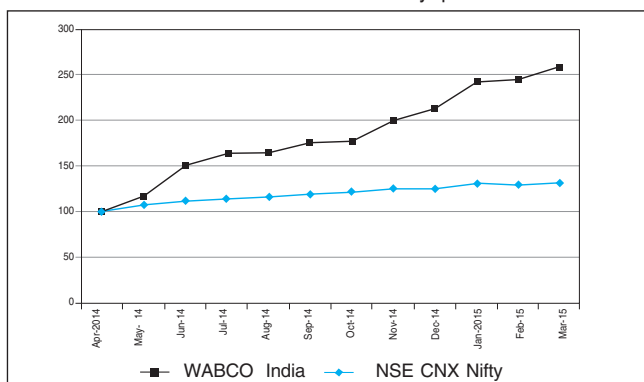
### 14.7 Performance of WABCO India shares against the Performance of BSE Sensex and NSE CNX Nifty

Stock performance indexed to 100 as on 1<sup>st</sup> April 2014

WABCO India Vs BSE Sensex performance



WABCO India Vs NSE CNX Nifty performance



Share Transfer Agents (STA) and share transfer system:

- a) With a view to rendering prompt and efficient service to the investors, Messrs 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.

- b) 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.
- c) Shares lodged for transfer will be processed within 15 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 will be given to the depositories within 15 days. Grievances received from investors and other miscellaneous correspondence on change of address, mandates etc will be processed by the STA within 7 days.

- d) Pursuant to Clause 47(c) of the Listing Agreement with Stock Exchanges, certificates, on half-yearly basis, will be issued by a Company Secretary-in-practice for due compliance of share transfer formalities by the Company.
- e) Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates 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 will be obtained.
- f) The Company, as required under Clause 47(f) of the Listing Agreement, has designated the following e-mail IDs, namely [investorscomplaintssta@scl.co.in](mailto:investorscomplaintssta@scl.co.in) (share transfer agent) / [sivalaisenthilnathan.n@wabco-auto.com](mailto:sivalaisenthilnathan.n@wabco-auto.com) (compliance officer) for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.
- g) 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.

14.8 Shareholding pattern as on 31<sup>st</sup> March 2015:

Particulars	No. of shares held	% to total
<b>(a) Shareholding of Promoter and Promoter Group</b>		
(1) Indian - Bodies Corporate	-	-
(2) Foreign- Bodies Corporate	1,42,25,684	75.00
<b>Total Shareholding of Promoter and promoter Group (A)</b>	1,42,25,684	75.00
<b>(b) Public Shareholding</b>		
1. Institutions		
(a) Mutual Funds	16,43,684	8.67
(b) Banks, Financial Institutions, Insurance Companies (Central, State Government Institutions, Non-Government Institutions)	3,065	0.023
(c) Foreign Institutional Investors	3,87,471	2.04
(d) Any Other - Foreign Portfolio Investor	69,865	0.37
<b>Sub Total Institutions</b>	21,04,085	11.10
2. Non - Institutions		
a) Bodies Corporate	7,80,368	4.12
b) Individuals <1 lakh	16,94,466	8.92
c) Individuals >1 lakh	1,07,856	0.57
d) NRI - Repatriable	24,826	0.13
e) NRI - Non - Repatriable	30,299	0.16
<b>Sub Total Non - Institutions</b>	26,37,815	13.90
<b>Total (B)</b>	47,41,900	25.00
<b>Grand Total (A) +(B)</b>	1,89,67,584	100.00

## WABCO INDIA LIMITED

### 14.9 Distribution of Shareholding as on 31<sup>st</sup> March 2015:

Shareholding (Range)	No. of Shares	%	No. of Members	%
Upto 5,000	18,67,637	9.85	20665	99.54
5,001 - 10,000	2,59,014	1.37	34	0.16
10,001 - 20,000	3,97,704	2.10	26	0.13
20,001 - 50,000	7,13,502	3.76	22	0.11
50,001 - 1,00,000	5,18,686	2.73	7	0.03
1,00,001 & above	152,11,041	80.19	7	0.03
Total	189,67,584	100.00	20,761	100.00

### 14.10 Dematerialization of shares and liquidity:

Out of 47,41,900 shares held by persons other than promoters, 44,61,486 shares have been dematerialised as on 31<sup>st</sup> March 2015 accounting for 94.09%.

14.11 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.

### 14.12 Plant locations:

- Factories:
- I. Plot No. 3 (SP), III Main Road, Ambattur Industrial Estate, Chennai 600 058.  
Tel : 044 4224 2000  
Fax : 044 4224 2009
  - II. Large Sector, Adityapur Industrial Area, Gamharia, Seraikella-Kharsawan District, Jharkhand 832 108.  
Tel : 0657 661 6800  
Fax : 0657 238 7997
  - III. Unit - 1 & Unit - 2 at:  
Plot No. AA8, Central Avenue, Auto Ancillary SEZ, Mahindra World City, Natham Sub-Post, Chengalpet, Kancheepuram District 603 002 Tamil Nadu  
Tel. : 044 3090 1200
  - IV. Plot No.11, Sector 4, SIDCUL, IIIE Panthnagar, Udham Singh Nagar, Uttarakhand - 263 153  
Tel. : 05944 250885

V. KH 159-162, 164 Village Dhakauli Nawabganj, Barabanki Dewa Road, Somaiya Nagar, Barabanki Lucknow, Uttar Pradesh 225 123  
Tel. : 05248 230065

Software Design Centre:  
"Ispahani Centre", 5<sup>th</sup> & 7<sup>th</sup> Floor, 123/124 Nungambakkam High Road, Chennai 600 034.  
Tel : 044-2828 5000  
Fax : 044-2833 2212

### 14.13 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 "Jayalakshmi Estates" No. 29, Haddows Road, Chennai 600 006.
- (ii) for any query on non-receipt of annual report; and Tel : 044 2828 4959  
044 2827 2233  
Fax : 044 2825 7121
- (iii) for investors grievance & general correspondence Email : [raman@scl.co.in](mailto:raman@scl.co.in)  
[investorscomplaintssta@scl.co.in](mailto:investorscomplaintssta@scl.co.in)  
[info.india@wabco-auto.com](mailto:info.india@wabco-auto.com)  
[sivalaisenthilnathan.n@wabco-auto.com](mailto:sivalaisenthilnathan.n@wabco-auto.com)

## 15. Non-mandatory disclosure

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

### 15.1 The Board:

During the year, the Ministry of Corporate Affairs (MCA) has notified most of the provisions of the Companies Act, 2013 and made applicable with effect from 1.4.2014 viz., appointment of woman director, evaluation of performance of each director and of the Board as a whole and report on Corporate Social Responsibility etc., Accordingly, the Company has made disclosures in the Annual Report and complied with the applicable provisions of the Companies Act, 2013

15.2 Shareholder rights:

The quarterly results of the Company are published in English and vernacular newspapers and also displayed on the Company's website, namely [www.wabcoindia.com](http://www.wabcoindia.com). The results are not sent to the shareholders individually.

15.3 Audit Qualifications:

The statutory financial statements of the Company are unqualified.

**16. 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 securities transfer form, 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 as per SEBI circular no. MRD/DoP/Cir -05/1009 dated 20<sup>th</sup> May 2009, it is 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 72 of the Companies Act, 2013 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. Shareholders, who have not availed nomination facility, are requested to avail the same by submitting the nomination in Form SH-13 to the Company or STA. This form will be made available on request. Shareholders holding shares in demat form are advised to contact their DP's for making nominations.

Updation of address:

Shareholders are requested to update their addresses registered with the Company, directly through the STA 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:

Shareholders 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 shareholders 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 shareholders. 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](http://www.nsd.co.in) and [www.cdslindia.com](http://www.cdslindia.com), respectively.

## WABCO INDIA LIMITED

Timely encashment of dividends:

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation / losing their right of claim owing to transfer of unclaimed dividends beyond seven years to Investor 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 31<sup>st</sup> 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 125 of the Companies Act, 2013. Shareholders are requested to note that as per the Companies Act, 2013, unclaimed dividends once transferred to IEPF will not be refunded.

Web based applications - SEBI / NSE

In line with the circular No. CIR/OIAE/2/2011 dated 3<sup>rd</sup> June 2011 from SEBI, the investors' complaints are now centrally monitored through web based complaints redressal system called

SCORES. The Company processes the investor complaints through this system and updates status periodically.

In line with the circular No. NSE/LIST/C/2011 dated 29<sup>th</sup> September 2011 from the National Stock Exchange of India Ltd, (NSE) the Company now uploads its quarterly shareholding pattern, corporate governance report, financial results, corporate announcements through a web based application designed for corporates by NSE called NEAPS.

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 <sup>nd</sup> interim)	20.08.2008	25.09.2008	25.09.2015
2008-09 (1 <sup>st</sup> Interim)	08.12.2008	13.01.2009	13.01.2016
2009-10	26.08.2010	01.10.2010	01.10.2017
2010-11	27.07.2011	01.09.2011	01.09.2018
2011-12	25.07.2012	30.08.2012	30.08.2019
2012-13	24.07.2013	24.08.2013	24.08.2020
2013-14	02.07.2014	25.08.2014	25.08.2021



## WABCO INDIA LIMITED

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

To

The Shareholders of WABCO INDIA LIMITED

On the basis of the written representations received from Members of the Board and Senior Management Personnel in terms of the relevant provision 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 31<sup>st</sup> March, 2015.

Chennai  
20<sup>th</sup> May, 2015

P KANIAPPAN  
Managing Director

N SIVALAI SENTHILNATHAN  
General Manager - Finance and Company Secretary

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### Auditors' certificate on corporate governance

To

The Members of WABCO INDIA LIMITED

We have examined the compliance of conditions of corporate governance by WABCO INDIA Limited ('the Company'), for the year ended on March 31, 2015, 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 the 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 above mentioned Listing Agreements.

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 S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Chennai  
20<sup>th</sup> May, 2015

Per S BALASUBRAHMANYAM  
Partner  
Membership No. 053315



**Independent Auditors' report**

To  
The Members of **WABCO INDIA LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of WABCO INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its profit, and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge

## WABCO INDIA LIMITED

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- and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of

the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 27 (B) to the financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S. BALASUBRAHMANYAM

Place: Chennai  
Date : May 20, 2015

Partner  
Membership No. 053315

## WABCO INDIA LIMITED

### Annexure 1 referred to in paragraph 1 of our report of even date

Re: WABCO INDIA LIMITED ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets except vendor tooling have been physically verified by the management during the year and no material discrepancies were identified on such verification. Vendor tooling is verified by the Company in a phased manner, no material discrepancies were noted on such verification.
- (ii) (a) The management has conducted physical verification of inventory, except inventory at suppliers location, which has been confirmed as at year end, at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under Clause 148(1) of the Act for the products/services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

Name of the statute	Nature of dues	Gross dues (Rs. in lakhs)	Tax paid under protest	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	292.90	–	292.90	2008 - 2009	Commissioner of Income tax (Appeals), Chennai
Income Tax Act, 1961	Income Tax	20.00	–	20.00	2010 - 2011	Commissioner of Income tax (Appeals), Chennai

**WABCO INDIA LIMITED**

**Annexure referred to in paragraph 3 of our report of even date**

**Re: WABCO INDIA LIMITED ('the Company')**

Name of the statute	Nature of dues	Gross dues (Rs. in lakhs)	Tax paid under protest	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty - CENVAT credit availment on inputs and capital goods pertaining to R&D unit	67.74	67.74	–	2008 - 2009 2009 - 2010 2010 - 2011 2011 - 2012 2012 - 2013	Additional Commissioner of Central Excise, Chennai
Service Tax	Service tax-Credit reversal on certain inputs.	2.93	–	2.93	2009 - 2010	Deputy Commissioner of Central Excise (Appeals), Chennai
Service Tax	Service tax-Credit reversal on certain inputs.	19.21	–	19.21	2008 - 2009 2009 - 2010	The Customs, Excise and Service Tax Appellate Tribunal
Service Tax	Service tax-Credit reversal on certain inputs.	4.47	–	4.47	2010 - 2011	The Customs, Excise and Service Tax Appellate Tribunal
Service Tax	Service tax-Credit reversal on certain inputs.	4.11	–	4.11	2010 - 2011	Deputy Commissioner of Central Excise, Chennai
Service Tax	Service tax-Credit reversal on certain inputs.	3.03	–	3.03	2011 - 2012	The Customs, Excise and Service Tax Appellate Tribunal
Service Tax	Service tax-Credit reversal on certain inputs.	0.04	–	0.04	2011 - 2012	Deputy Commissioner of Central Excise, Chennai
Service Tax	Service tax-Credit reversal on certain inputs.	1.33	0.13	1.20	2011 - 2012	The Customs, Excise and Service Tax Appellate Tribunal
Service Tax	Service tax-Credit reversal on certain inputs.	1.08	0.11	0.97	2012	The Customs, Excise and Service Tax Appellate Tribunal

## WABCO INDIA LIMITED

### Annexure referred to in paragraph 3 of our report of even date

Re: WABCO INDIA LIMITED ('the Company')

Name of the statute	Nature of dues	Gross dues (Rs. in lakhs)	Tax paid under protest	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service tax-Credit reversal on certain inputs.	1.56	–	1.56	2010 - 2011	The Customs, Excise and Service Tax Appellate Tribunal
Service Tax	Service tax-Credit reversal on certain inputs.	30.73	30.73	–	2010 - 2011 2011 - 2012	Commissioner of Central Excise, Chennai
Service Tax	Service tax - Non-distribution of common services input credit	1.09	–	1.09	2012 - 2013	Commissioner of Central Excise (Appeals), Chennai

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company does not have any dues payable to the financial institutions or debenture holders and hence, has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company did not have any term loans outstanding during the year.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S. BALASUBRAHMANYAM  
Partner  
Membership No. 053315

Place : Chennai  
Date : May 20, 2015

## WABCO INDIA LIMITED

### Balance Sheet as at 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	Notes	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
Corporate information	1		
Basis of preparation	2		
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	948.38	948.38
Reserves and surplus	4	85,355.36	74,569.69
	(A)	<u>86,303.74</u>	<u>75,518.07</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	5	1,645.24	1,614.46
Other long-term liabilities	6	3.00	4.00
Long-term provisions	7	1,803.65	1,660.56
	(B)	<u>3,451.89</u>	<u>3,279.02</u>
<b>Current liabilities</b>			
Trade payables	8.1	19,358.43	15,099.35
Other current liabilities	8.2	763.12	515.08
Short-term provisions	7	1,470.75	1,280.95
	(C)	<u>21,592.30</u>	<u>16,895.38</u>
<b>TOTAL</b>	<b>(A+B+C)</b>	<b><u>111,347.93</u></b>	<b><u>95,692.47</u></b>
<b>ASSETS</b>			
<b>Non Current assets</b>			
Fixed assets			
Tangible assets	9	31,993.32	30,344.77
Intangible assets	9	380.43	300.89
Capital work-in-progress	10	1,763.28	1,110.16
Non-current investments	11	220.24	220.24
Long-term loans and advances	12	2,291.83	2,369.26
	(A)	<u>36,649.10</u>	<u>34,345.32</u>
<b>Current assets</b>			
Current investments	15	3,700.00	4,800.00
Inventories	16	11,797.03	11,244.41
Trade receivables	13	29,915.05	23,147.38
Cash and cash equivalents	17	22,305.12	15,540.53
Short-term loans and advances	12	6,812.57	6,548.01
Other current assets	14	169.06	66.82
	(B)	<u>74,698.83</u>	<u>61,347.15</u>
<b>TOTAL</b>	<b>(A + B)</b>	<b><u>111,347.93</u></b>	<b><u>95,692.47</u></b>
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.  
For and on behalf of the board of directors of WABCO INDIA LIMITED

M LAKSHMINARAYAN  
Chairman

P KANIAPPAN  
Managing Director

N SIVALAI SENTHILNATHAN  
General Manager - Finance and Company Secretary

T S RAJAGOPALAN  
Chief Financial Officer

Chennai, 20<sup>th</sup> May, 2015

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S BALASUBRAHMANYAM  
Partner

Membership No. 053315

## WABCO INDIA LIMITED

### Statement of Profit & Loss for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	Notes	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>CONTINUING OPERATIONS</b>			
<b>Revenue</b>			
Revenue from operations (gross)	18	146,005.84	119,991.49
Less: Excise duty		11,209.50	8,921.40
Revenue from operations (net)		134,796.34	111,070.09
Other income	19	2,029.89	2,721.18
<b>Total revenue (I)</b>		<b>136,826.23</b>	<b>113,791.27</b>
<b>Expenses</b>			
Cost of raw material and components consumed	20	79,003.25	63,287.63
Changes in inventories of finished goods and work-in-process	21	290.68	99.35
Employee benefits expense	22	14,344.87	12,525.48
Other expenses	23	20,822.11	18,542.56
Finance costs	24	36.09	14.46
Depreciation and amortization expense	9	4,666.37	3,215.09
<b>Total expenses (II)</b>		<b>119,163.37</b>	<b>97,684.57</b>
<b>Profit before tax (I - II)</b>		<b>17,662.86</b>	<b>16,106.70</b>
<b>Tax expenses</b>			
Current tax		5,520.00	4,148.54
Deferred tax		102.76	443.82
Tax relating to earlier years		(25.94)	(233.44)
<b>Total tax expense</b>		<b>5,596.82</b>	<b>4,358.92</b>
<b>Profit for the year</b>		<b>12,066.04</b>	<b>11,747.78</b>
Summary of significant accounting policies	2.1		
Nominal value of each share in rupees		5.00	5.00
Basic and diluted earnings per share in rupees on 1,89,67,584 shares		63.61	61.94

The accompanying notes are an integral part of the financial statements.  
For and on behalf of the board of directors of WABCO INDIA LIMITED

M LAKSHMINARAYAN  
Chairman

P KANIAPPAN  
Managing Director

N SIVALAI SENTHILNATHAN  
General Manager - Finance and Company Secretary

T S RAJAGOPALAN  
Chief Financial Officer

Chennai, 20<sup>th</sup> May, 2015

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S BALASUBRAHMANYAM  
Partner  
Membership No. 053315



## WABCO INDIA LIMITED

### Cash Flow Statement for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	Year ended 31 <sup>st</sup> March 2015 ₹ lakhs	Year ended 31 <sup>st</sup> March 2014 ₹ lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	17,662.86	16,106.70
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation / amortization	4,666.37	3,215.09
Provision for doubtful debt	61.81	19.78
Provision for doubtful advances	325.25	-
Net foreign exchange loss (not realised)	27.33	189.53
Profit on sale of investments	(324.77)	(181.21)
Loss / (Profit) on sale of fixed assets (net)	(4.94)	1.74
Interest paid	36.09	14.46
Interest income	(1,425.63)	(882.32)
	<u>3,361.51</u>	<u>2,377.07</u>
<b>Operating profit before working capital changes</b>	<b>21,024.37</b>	<b>18,483.77</b>
Adjustments for:		
(Increase) / decrease in inventories	(552.62)	2,318.06
(Increase) / decrease in trade receivable	(6,836.72)	(4,396.67)
(Increase) / decrease in loans and advances	(537.97)	(1,870.56)
Increase / (decrease) in long term liabilities	(1.00)	-
Increase / (decrease) in trade payable and current liabilities	4,487.03	4,178.96
Increase / (decrease) in provisions	295.62	228.83
	<u>(3,145.66)</u>	<u>458.62</u>
	<b>17,878.71</b>	<b>18,942.39</b>
Direct taxes paid	(5,468.47)	(4,638.93)
<b>Net cash from operating activities (A)</b>	<b>12,410.24</b>	<b>14,303.46</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to fixed assets including capital work-in-progress	(7,268.28)	(6,165.59)
Sale of fixed assets during the year	13.86	84.97
Purchase of investments	(51,600.00)	(31,225.00)
Redemption of investments	53,024.77	28,931.21
Interest received	1,323.39	822.16
<b>Net cash from / (used in) investing activities (B)</b>	<b>(4,506.26)</b>	<b>(7,552.25)</b>

## WABCO INDIA LIMITED

### Cash Flow Statement for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	Year ended 31 <sup>st</sup> March 2015 ₹ lakhs	Year ended 31 <sup>st</sup> March 2014 ₹ lakhs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend and dividend tax paid	(1,109.56)	(1,109.56)
Grant received from the Govt. of Uttarkhand	6.26	-
Interest paid	(36.09)	(14.46)
<b>Net cash from financing activities</b> (C)	<u>(1,139.39)</u>	<u>(1,124.02)</u>
<b>D. NET INCREASE IN CASH AND CASH EQUIVALENTS</b> (A+B+C)		
Opening cash and cash equivalents		5,627.19
- Cash and bank balances	15,540.53	9,913.34
- Cash credit utilisation	<u>-</u>	<u>15,540.53</u>
Closing cash and cash equivalents		
- Cash and bank balances (refer note 17)	22,305.12	15,540.53
- Cash credit utilisation	<u>-</u>	<u>-</u>
	<u>22,305.12</u>	<u>15,540.53</u>

Notes :

- The above statement has been prepared in indirect method as per Accounting Standard 3.
- Cash and cash equivalent include cash and bank balances. Closing cash and cash equivalents include Rs.23.38 lakhs (31<sup>st</sup> March 2014 Rs.20.29 lakhs) towards unpaid dividend accounts which are meant for settlement of unpaid dividend amounts.

For and on behalf of the board of directors of WABCO INDIA LIMITED

M LAKSHMINARAYAN  
Chairman

N SIVALAI SENTHILNATHAN  
General Manager - Finance and Company Secretary

Chennai, 20<sup>th</sup> May, 2015

P KANIAPPAN  
Managing Director

T S RAJAGOPALAN  
Chief Financial Officer

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S BALASUBRAHMANYAM  
Partner  
Membership No. 053315

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

#### 1. CORPORATE INFORMATION

WABCO INDIA LIMITED ("the Company") was incorporated originally as Auto (India) Engineering Limited on 18<sup>th</sup> November 2004. The name of the Company was changed to WABCO INDIA LIMITED on 2<sup>nd</sup> August 2011. The Company is into its present business pursuant to the scheme of demerger of the brakes division of Sundaram-Clayton Limited into the Company. The Company is primarily engaged in the manufacture of air brake actuation systems for commercial vehicles. The Company also provides software development and other services to its group companies.

On June 3, 2009, WABCO Holdings Inc., executed its step acquisition in WABCO and increased its percentage ownership to 75% by acquiring the shares from the other joint venture partner, TVS Group. Post-acquisition, the Company has become a subsidiary of WABCO Holdings Inc.

On June 28, 2013, M/s. Clayton Dewandre Holdings Limited, Rotterdam holding 75% of the equity shares of the company transferred the entire holding to M/s. WABCO Asia Private Limited, Singapore, a subsidiary of M/s. Clayton Dewandre Holdings Limited, Rotterdam.

#### 2. BASIS OF PREPARATION

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

##### 2.1 Summary of Significant Accounting Policies

###### (a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period.

###### (b) Tangible fixed assets

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

All expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred other than expenses which increase the future benefit of the existing assets.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.

###### (c) Depreciation on tangible fixed assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under Schedule II of the Companies Act, 2013.

	Useful life of the asset (years)	Rate of depreciation
Buildings <sup>@</sup>	10-30	3.33% - 10.00%
Plant and machinery*	10-21	4.75% - 10.34%
Tooling*	3	33.33%
Computers*	3	33.33%
Office & other equipments <sup>@</sup>	5	20.00%
Furniture, fixtures and equipments <sup>@</sup>	10	10.00%
Vehicles*	6	18.00%

<sup>@</sup> In respect of assets which fall under the blocks Buildings, Office other equipments and Furnitures, Fixtures and Equipments, the Company has adopted the useful life prescribed as per schedule II of the Companies Act, 2013 from April 1, 2014. Consequently, depreciation on assets forming part of the opening net block as at April 1, 2014, which needed to be fully

**Notes to financial statements for the year ended 31<sup>st</sup> March 2015**

depreciated based on the revised useful life adopted, amounting to Rs. 139.80 lakhs (net of deferred tax amounting to Rs 71.98 lakhs) has been deducted from the General Reserve. If those assets would have continued to be depreciated based on the erstwhile useful life, the depreciation expense for the current year would have been lower by Rs 191.83 lakhs.

\* In respect of the Assets falling under the Plant and machinery block, the useful life of the asset have been determined based on a technical assessment carried out by an expert during the year. In respect of other blocks, i.e Tooling, Computers and Vehicles, the Company believes that the existing useful life adopted by the Company is more representative of the useful life of the asset as compared to useful life prescribed in schedule II and continues to depreciate these assets over the existing useful life which is shorter than the Schedule II useful life.

Leasehold lands are amortised on a straight line basis over the primary lease period ranging from 30 to 99 years.

**(d) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Costs incurred towards purchase of computer software are depreciated using the straight-line method over a period of two years based on management's estimate of useful lives of such software, or over the license period of the software, whichever is shorter.

Research costs are expensed as incurred.

**(e) Impairment of tangible and intangible assets**

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

**(f) Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value, if any, is made to recognise a decline other than temporary in the value of the investments.

**(g) Leases**

Where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item the leases are classified as operating leases. Operating lease payments are recognised as an expense in the statement of Profit and loss on a straight-line basis over the lease term. Operating lease arrangements of the Company are cancellable.

**(h) Inventories**

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.

Work-in-process and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a moving weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

**(i) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The Company collects sales tax and value added tax (VAT) on behalf of the Government and therefore, these are not economic benefits flowing to the Company. Hence they are excluded from revenue.

**Notes to financial statements for the year ended 31<sup>st</sup> March 2015****Sale of goods**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the Government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

**Income from services**

Revenues from services are recognised as per the terms of the contract as and when services are rendered. The company collects service tax on behalf of the Government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

**Interest**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Profit on sale of investments**

Profit on sale of investment is recognised only at the time when the investments are realised.

**(j) Foreign currency translation****Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion**

Foreign currency monetary items are re-translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

**Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(k) Retirement and other employee benefits**

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes. The Company has no obligation other than the contribution payable to the fund. The Company recognises the contribution payable to the above schemes as an expenditure when the employee renders related service. If the contribution payable to the schemes for services received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If on the other hand the contribution already paid exceeds the contribution due for the services received before the Balance Sheet date, then the excess is recognised as an asset to the extent that the prepayment will lead to reduction in future payment or cash refund.

The Company operates two defined benefits plans viz. gratuity and pension for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on separation at 15 days of last drawn salary for each completed year of service. The scheme is funded with Life Insurance Corporation of India. The Company also operates a pension plan for selected senior managers, the eligibility and the terms and conditions of payment are at the discretion of the company. Gratuity and pension liabilities are defined benefit obligations and are provided for on the basis of an actuarial valuation done as per the projected unit credit method as at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.

Actuarial gains / losses are taken to the statement of Profit and loss and are not deferred.

The Company has a scheme of voluntary retirement applicable to certain employees. The amount payable under such scheme is expensed to the statement of profit and loss when the option under such scheme is exercised by eligible employees and accepted by the Company.

**Notes to financial statements for the year ended 31<sup>st</sup> March 2015****(l) Income tax**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflects the net impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance Sheet date the Company re-assesses unrecognised deferred tax asset. The Company recognises all unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**(m) Earnings Per Share**

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

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

**(n) Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates or on actuarial valuation where applicable.

***Warranty provisions***

Provisions for warranty related costs are recognized when the product is sold or service provided. Provision is based on historical experience. The estimate of such warranty related costs is reviewed annually. A provision is recognized for expected warranty claims on products sold, based on past experience of the level of repairs and returns. Assumptions used to calculate the provision for warranties are based on current sales levels and current information available about returns.

**(o) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company. It includes a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. It also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**(p) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received. When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value. Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds

**(q) Cash and Cash equivalents**

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>3. SHARE CAPITAL</b>		
<b>Authorised shares (in numbers)</b>		
2,00,00,000 (31 <sup>st</sup> March 2014: 2,00,00,000) Equity shares of Rs 5/- each	<u>1,000.00</u>	<u>1,000.00</u>
<b>Issued, subscribed and fully paid-up shares (in numbers)</b>		
1,89,67,584 (31 <sup>st</sup> March 2014: 1,89,67,584) Equity shares of Rs 5/- each	<u>948.38</u>	<u>948.38</u>
<b>Total issued, subscribed and fully paid-up share capital</b>	<u>948.38</u>	<u>948.38</u>

a. There is no movement of the shares outstanding during the financial year.

**b. Terms / rights attached to equity shares**

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share. During the year ended 31 March 2015, the amount of per share dividend proposed as distributions to equity shareholders is Rs .5/- (31<sup>st</sup> March 2014: Rs.5) which is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the assets of the company, in proportion to the number of equity shares held by the shareholders.

**c. Shares held by holding company**

Out of equity shares issued by the Company, shares held by its holding company are as below:

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
In Number of shares		
WABCO Asia Private Limited, Singapore 1,42,25,684 (31 <sup>st</sup> March 2014 - 1,42,25,684) Equity shares of Rs 5 each fully paid	<u>711.28</u>	<u>711.28</u>

Apart from the above, there are no shares held by the ultimate holding company, or their subsidiaries or associates.

**d. Details of shareholders holding more than 5% shares in the Company**

	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
Name of the shareholder	In numbers	% holding in the class	In numbers	% holding in the class
<b>Equity shares of Rs 5 each fully paid</b>				
<b>WABCO Asia Private Limited, Singapore</b>	<b>1,42,25,684</b>	<b>75%</b>	1,42,25,684	75%

As per records of the Company, including its register of members, the above shareholding represents both legal and beneficial ownerships of shares.



## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	Notes	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>4. RESERVES AND SURPLUS</b>			
(a) Capital reorganisation reserve			
Balance as per last financial statements	(A)	5.00	5.00
(b) General reserve			
Balance as per last financial statements		24,916.18	23,716.18
Less: Depreciation on fully depreciated assets on adoption of Sch II [refer note 2.1 (c)]		139.80	–
Add: Amount transferred from statement of Profit and Loss		–	1,200.00
<b>Closing Balance</b>	(B)	<b>24,776.38</b>	<b>24,916.18</b>
(c) Capital Investment reserve			
Grant received during the year from the Govt. of Uttarkhand [refer note 2.1(p)]	(C)	6.26	–
(d) Surplus in the statement of Profit and Loss			
Balance as per last financial statements		49,648.51	40,210.29
Profit for the year		12,066.04	11,747.78
		<b>61,714.55</b>	<b>51,958.07</b>
Less: Appropriations			
Proposed final equity dividend (amount per share Rs. 5/- (31 <sup>st</sup> March 2014 Rs. 5)		948.38	948.38
Tax on proposed equity dividend		198.45	161.18
Transfer to general reserve		–	1,200.00
Total appropriations		<b>1,146.83</b>	<b>2,309.56</b>
Net surplus in the statement of Profit and Loss	(D)	<b>60,567.72</b>	<b>49,648.51</b>
<b>(e) Total reserves and surplus</b>	(A+B+C+D)	<b>85,355.36</b>	<b>74,569.69</b>
<b>5. DEFERRED TAX LIABILITIES (NET)</b>			
(a) Deferred tax liability			
(i) Fixed assets: Impact of difference between tax depreciation and depreciation / amortization charged for the financial reporting		2,667.69	2,445.33
<b>Gross deferred tax liability</b>	(A)	<b>2,667.69</b>	<b>2,445.33</b>
(b) Deferred tax assets			
Impact of expenditure charged to the statement of Profit and Loss in the current year but allowed for tax purposes on payment basis			
(i) Provisions relating to employee benefits		680.36	623.64
(ii) Provision for warranty		153.90	130.57
(iii) Provision for doubtful debts and other losses		116.21	76.66
(iv) On initial adoption of Sch II depreciation rates		71.98	–
<b>Gross deferred tax assets</b>	(B)	<b>1,022.45</b>	<b>830.87</b>
<b>Net deferred tax liabilities</b>	(A–B)	<b>1,645.24</b>	<b>1,614.46</b>
<b>6. OTHER LONG-TERM LIABILITIES</b>			
<b>Others</b>			
Deposits from customers		3.00	4.00
		<b>3.00</b>	<b>4.00</b>

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 7. PROVISIONS

	Long-term		Short-term	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
<b>(a) Provision for employee benefits</b>				
(i) Provision for leave benefits	248.88	285.41	101.99	42.96
(ii) Provision for gratuity - refer note 25	-	-	-	1.39
(iii) Provision for pension - refer note 25	1,283.09	1,106.24	40.81	11.79
	<b>1,531.97</b>	1,391.65	<b>142.80</b>	56.14
<b>(b) Other provisions</b>				
(i) Provision for warranties	271.68	268.91	181.12	115.25
(ii) Proposed dividend	-	-	948.38	948.38
(iii) Provision for tax on proposed dividend	-	-	198.45	161.18
	<b>271.68</b>	268.91	<b>1,327.95</b>	1,224.81
	<b>1,803.65</b>	1,660.56	<b>1,470.75</b>	1,280.95

#### Provision for warranties

The table below gives information about movement in warranty provisions:

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs
Opening balance	384.16	352.64
Add: Provision made during the year	317.85	261.90
<b>Total</b>	<b>702.01</b>	614.54
Less: Utilised / withdrawn during the year	249.21	230.38
<b>At the end of the year</b>	<b>452.80</b>	384.16
Current portion	181.12	115.25
Non-current portion	271.68	268.91

#### 8. OTHER CURRENT LIABILITIES

8.1 Trade payables (refer note 29 for details of dues to micro and small enterprises)	19,358.43	15,099.35
<b>8.2 Other current liabilities</b>		
(a) Advance from customers	140.64	229.63
(b) Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	23.38	20.29
(c) Others		
(i) Income tax deducted at source payable	194.22	42.46
(ii) Employees' Provident Fund payable	59.48	51.42
(iii) Employees' State Insurance payable	13.98	3.34
(iv) Employees' Family Pension Fund deductions payable	51.68	43.63
(v) Sales Tax payable	279.74	124.31
	<b>763.12</b>	515.08
	<b>20,121.55</b>	15,614.43

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 9. TANGIBLE AND INTANGIBLE ASSETS

Description	Tangible Assets							Intangible Assets		
	Land	Lease hold Land	Buildings	Plant & Machinery, Dies & Jigs	Furniture & Fixtures	Office & other equipments	Vehicles	Total	Computer Software and licences	Total
<b>Cost of assets</b>										
As at 1 <sup>st</sup> April 2013	1,829.06	565.65	7,419.18	27,348.95	479.58	1,395.28	212.59	<b>39,250.29</b>	566.06	<b>566.06</b>
Add : Additions during the year	–	–	1,377.38	5,514.15	68.02	292.69	13.37	<b>7,265.61</b>	331.90	<b>331.90</b>
Less : Disposed during the year	–	–	–	113.39	–	0.77	18.77	<b>132.93</b>	–	–
<b>As at 31<sup>st</sup> March 2014</b>	<b>1,829.06</b>	<b>565.65</b>	<b>8,796.56</b>	<b>32,749.71</b>	<b>547.60</b>	<b>1,687.20</b>	<b>207.19</b>	<b>46,382.97</b>	<b>897.96</b>	<b>897.96</b>
<b>Add : Additions during the year</b>	<b>–</b>	<b>–</b>	<b>273.97</b>	<b>5,446.62</b>	<b>27.07</b>	<b>407.79</b>	<b>107.96</b>	<b>6,263.41</b>	<b>351.75</b>	<b>351.75</b>
<b>Less : Disposed during the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>88.30</b>	<b>–</b>	<b>–</b>	<b>27.29</b>	<b>115.59</b>	<b>–</b>	<b>–</b>
<b>As at 31<sup>st</sup> March 2015</b>	<b>1,829.06</b>	<b>565.65</b>	<b>9,070.53</b>	<b>38,108.03</b>	<b>574.67</b>	<b>2,094.99</b>	<b>287.86</b>	<b>52,530.79</b>	<b>1,249.71</b>	<b>1,249.71</b>
<b>Depreciation</b>										
As at 1 <sup>st</sup> April 2013	–	46.25	1,292.46	10,427.54	214.50	933.26	127.53	<b>13,041.54</b>	424.86	<b>424.86</b>
Add : Charge for the year	–	8.41	264.67	2,569.00	30.82	152.23	17.75	<b>3,042.88</b>	172.21	<b>172.21</b>
Less : On assets disposed during the year	–	–	–	27.80	–	0.59	17.83	<b>46.22</b>	–	–
<b>As at 31<sup>st</sup> March 2014</b>	<b>–</b>	<b>54.66</b>	<b>1,557.13</b>	<b>12,968.74</b>	<b>245.32</b>	<b>1,084.90</b>	<b>127.45</b>	<b>16,038.20</b>	<b>597.07</b>	<b>597.07</b>
<b>Add : Charge for the year</b>	<b>–</b>	<b>8.41</b>	<b>380.37</b>	<b>3,609.58</b>	<b>144.45</b>	<b>229.38</b>	<b>21.97</b>	<b>4,394.16</b>	<b>272.21</b>	<b>272.21</b>
<b>Add : Impact on adoption of Schedule II [refer note 2.1(c)]</b>	<b>–</b>	<b>–</b>	<b>157.90</b>	<b>–</b>	<b>3.40</b>	<b>50.48</b>	<b>–</b>	<b>211.78</b>	<b>–</b>	<b>–</b>
<b>Less : On assets disposed during the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>80.88</b>	<b>–</b>	<b>–</b>	<b>25.79</b>	<b>106.67</b>	<b>–</b>	<b>–</b>
<b>As at 31<sup>st</sup> March 2015</b>	<b>–</b>	<b>63.07</b>	<b>2,095.40</b>	<b>16,497.44</b>	<b>393.17</b>	<b>1,364.76</b>	<b>123.63</b>	<b>20,537.47</b>	<b>869.28</b>	<b>869.28</b>
<b>Written down value</b>										
As at 31 March 2014	1,829.06	510.99	7,239.43	19,780.97	302.28	602.30	79.74	30,344.77	300.89	300.89
<b>As at 31 March 2015</b>	<b>1,829.06</b>	<b>502.58</b>	<b>6,975.13</b>	<b>21,610.59</b>	<b>181.50</b>	<b>730.23</b>	<b>164.23</b>	<b>31,993.32</b>	<b>380.43</b>	<b>380.43</b>

#### 10. CAPITAL WORK-IN-PROGRESS

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
Building under construction	177.34	–
Machinery under installation	1,545.54	1,110.16
Furniture and fixtures	2.33	–
Office and other equipments	35.56	–
Intangibles (software under installation)	2.51	–
	<b>1,763.28</b>	<b>1,110.16</b>

#### 11. NON-CURRENT INVESTMENTS

##### Non-trade investments (at cost)

Investment towards Pension obligation with ICICI Prudential Life Insurance Group Superannuation Fund, Mumbai (unquoted)	220.24	220.24
	<b>220.24</b>	<b>220.24</b>

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 12. LOANS AND ADVANCES

	Non-Current		Current	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
<b>Capital advances</b>				
Unsecured, considered good	167.33	291.56	-	-
(A)	167.33	291.56	-	-
<b>Security deposit</b>				
Unsecured, considered good	560.80	477.22	-	-
(B)	560.80	477.22	-	-
<b>Advances recoverable in cash or kind</b>				
Unsecured, considered good	-	-	6,062.78	5,934.27
Doubtful	-	-	325.25	-
	-	-	6,388.03	5,934.27
Less: Provision for doubtful advances	-	-	(325.25)	-
(C)	-	-	6,062.78	5,934.27
<b>Other loans and advances (Unsecured, considered good)</b>				
Advance income-tax (net of provision for taxation)	1,545.96	1,571.55	-	-
Prepaid expenses	-	-	95.94	245.12
Loans to employees	17.74	28.93	22.85	18.61
Balances with government authorities	-	-	631.00	350.01
(D)	1,563.70	1,600.48	749.79	613.74
<b>Total</b>	(A+ B + C + D) 2,291.83	2,369.26	6,812.57	6,548.01

Advances recoverable in cash or kind includes Rs 1,418.65 lakhs ( 31<sup>st</sup> March 2014 Rs 964.80 lakhs) being amounts recognised under the duty drawback and Served From India Scheme from financial year 2011-12 as per eligibility. The Company has filed necessary documents with the authorities in this regard. Based on legal advice the Company is confident of eligibility under the respective schemes and expects to recover these amounts in due course.

	Non-Current		Current	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
<b>Loans and advances due by officers, etc.</b>				
<b>Loans to employees include</b>				
Dues from officers	3.26	3.47	0.21	0.21

#### 13. TRADE RECEIVABLES (UNSECURED)

**Unsecured, considered good unless stated otherwise Outstanding for a period exceeding six months from the date they are due for payment**

Unsecured, considered good	-	138.47
Doubtful	16.67	213.58
	16.67	352.05
Provision for doubtful receivables	(16.67)	(213.58)
(A)	-	138.47
<b>Other receivables</b>		
Unsecured, considered good	29,915.05	23,008.91
(B)	29,915.05	23,008.91
<b>Total</b>	(A+B) 29,915.05	23,147.38

#### 14. OTHER CURRENT ASSETS (UNSECURED, CONSIDERED GOOD)

Interest accrued on fixed deposits	169.06	66.82
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## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 15. CURRENT INVESTMENTS

Current investments (valued at lower of cost and fair value, unless stated otherwise)

##### Quoted

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
(a) 1,03,626.16 units (31 <sup>st</sup> March 2014 - 1,69,421.36 units) in SBI Mutual fund of SBI Funds Management Private Limited, Mumbai (institution plan - growth option)	3,200.00	4,800.00
(b) Investment in UTI Mutual Fund (31 <sup>st</sup> March 2015 - 21,855.01 units; 31 <sup>st</sup> March 2014 - Nil units) of UTI Asset Management Company Private Limited, Mumbai UTI Liquid Cash Plan Cash Plan (institutional plan - growth option)	500.00	-
	<u>3,700.00</u>	<u>4,800.00</u>
Market value of quoted investments	3,702.91	4,806.67

#### 16. INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

(a) Raw materials and components	7,526.47	6,296.55
(b) Work-in-process	402.24	400.01
(c) Finished goods	1,709.17	2,002.08
(d) Stores and spares	1,203.63	1,728.69
(e) Goods in transit - raw materials and components	955.52	817.08
	<u>11,797.03</u>	<u>11,244.41</u>

#### 17. CASH AND CASH EQUIVALENTS

	Current	
	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
(a) Balances with banks:		
(i) On current accounts	1,195.68	347.36
(ii) On term deposit accounts	21,076.86	15,163.64
(iii) On unpaid dividend account	23.38	20.29
(b) Cash on hand	9.20	9.24
	<u>22,305.12</u>	<u>15,540.53</u>

#### 18. REVENUE FROM OPERATIONS

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>Revenue from operations</b>		
(a) Sale of products:		
(i) Finished goods	138,362.94	113,503.89
(b) Rendering of services	6,784.67	5,736.78
(c) Other operating revenue - Scrap sales	858.23	750.82
	<u>146,005.84</u>	<u>119,991.49</u>
Less: Excise duty	11,209.50	8,921.40
Revenue from operations (net)	<u>134,796.34</u>	<u>111,070.09</u>

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>Details of products sold</b>		
<b>Finished goods sold (net of excise duty)</b>		
(a) Air assist and full air actuation system for automotive and non-automotive applications and elements thereof	58,347.04	41,658.19
(b) Spares	19,902.54	18,001.54
(c) Exports of automotive components	43,167.98	41,760.10
(d) Anti lock braking system	5,735.88	3,162.66
	<b>127,153.44</b>	<b>104,582.49</b>
<b>Details of services rendered</b>		
(a) Software services	3,494.73	2,855.59
(b) Research and Development services	1,602.27	1,648.08
(c) Shared services	908.99	691.97
(d) Test track service usage and other service income	778.68	541.14
	<b>6,784.67</b>	<b>5,736.78</b>
Tax deducted at source on test track service usage	34.02	50.24
<b>19. OTHER INCOME</b>		
<b>(a) Interest income on</b>		
(i) Bank deposits	1,403.49	868.76
(ii) Others	22.14	13.56
(b) Profit on sale of fixed assets	8.18	5.68
(c) Gain on sale of current investments	324.77	181.21
(d) Tool development income (net of expenses - 31 <sup>st</sup> March 2014 Rs 91.04 lakhs)	-	184.91
(e) Test rig income	13.35	21.44
(f) Export incentive	257.96	418.63
(g) Exchange differences (net)	-	1,026.99
	<b>2,029.89</b>	<b>2,721.18</b>
Tax deducted at source on interest income	134.44	80.44
<b>20. COST OF RAW MATERIAL AND COMPONENTS CONSUMED</b>		
Inventory at the beginning of the year	6,296.55	8,004.26
Add: Purchases	80,233.17	61,579.92
Less: Inventory at the end of the year	7,526.47	6,296.55
<b>Cost of raw material and components consumed</b>	<b>79,003.25</b>	<b>63,287.63</b>
<b>Details of raw material and components consumed</b>		
Castings and forgings	38,755.91	28,756.70
Intermediates and components (which individually do not account for 10% or more of the total value of consumption)	40,247.34	34,530.93
	<b>79,003.25</b>	<b>63,287.63</b>

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 21. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROCESS

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
<b>(a) Work-in-process</b>		
(i) Inventories at the end of the year	402.24	400.01
(ii) Inventories at the beginning of the year	400.01	412.14
	<u>(2.23)</u>	<u>12.13</u>
<b>(b) Finished goods</b>		
(i) Inventories at the end of the year	1,709.17	2,002.08
(ii) Inventories at the beginning of the year	2,002.08	2,089.30
	<u>292.91</u>	<u>87.22</u>
<b>(Increase) / decrease in inventories</b>	<u>290.68</u>	<u>99.35</u>

#### Details of inventory

##### (a) Work-in-process

Air assist and full air actuation system for automotive and non-automotive applications and elements thereof

402.24	400.01
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##### (b) Finished goods

(i) Air assist and full air actuation system for automotive and non-automotive applications and elements thereof

1,657.08	1,976.06
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(ii) Spares

52.09	26.02
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<u>1,709.17</u>	<u>2,002.08</u>
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#### 22. EMPLOYEE BENEFITS EXPENSE

(i) Salaries, wages and bonus	11,902.13	10,623.77
(ii) Contribution to provident and other funds	1,153.58	877.04
(iii) Workmen and staff welfare expenses	1,289.16	1,024.67
	<u>14,344.87</u>	<u>12,525.48</u>

#### Contribution to provident and other funds include:

(i) Gratuity as per scheme framed by Life Insurance Corporation of India (refer note 25)	208.95	93.20
(ii) Pension fund (refer note 25)	224.64	156.99
(iii) Deposit linked insurance as per scheme framed by Life Insurance Corporation of India	34.68	15.66
	<u>468.27</u>	<u>265.85</u>



## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 23. OTHER EXPENSES

	31 <sup>st</sup> March 2015 ₹ lakhs	31 <sup>st</sup> March 2014 ₹ lakhs
(i) Consumption of stores and spares (net of tool development income of Rs 51.11 lakhs - 31 <sup>st</sup> March 2014 Rs Nil)	5,101.63	4,676.50
(ii) Power and fuel	1,991.88	1,966.17
(iii) Rent	631.88	501.17
(iv) Rates and Taxes	191.80	229.72
(v) Repairs and Maintenance		
a) Building	479.07	416.54
b) Machinery	732.26	606.52
c) Other assets	49.96	76.32
(vi) Insurance	87.83	71.58
(vii) Commission	74.45	88.57
(viii) Audit fees (Refer details below)	26.00	26.00
(ix) Cash Discount	60.48	64.43
(x) Travel and Conveyance	1,315.96	1,039.26
(xi) Packing and Forwarding	4,731.38	4,433.33
(xii) Data processing	371.79	224.01
(xiii) Sitting fees to directors	6.75	3.30
(xiv) Royalty	845.93	638.66
(xv) Research and development	275.04	243.56
(xvi) Other expenses (includes Rs 30.00 lakhs - 31 <sup>st</sup> March 2014: Rs 22.50 lakhs, commission payable to non-executive independent directors)	2,709.02	3,229.50
(xvii) Loss on sale/scrapping of assets	3.24	7.42
(xviii) Exchange differences (net)	1,135.76	-
	<u>20,822.11</u>	<u>18,542.56</u>
<b>Audit fees comprise of:</b>		
<b>(a) As auditor:</b>		
Audit fee	18.00	18.00
Tax audit fee	6.00	6.00
<b>(b) In other capacity - Certification fees</b>	2.00	2.00
<b>(c) Reimbursement of expenses</b>	8.02	8.91
	<u>34.02</u>	<u>34.91</u>
<b>Repairs and maintenance includes:</b>		
Expenses incurred in the nature of CSR initiatives	4.73	-
	<u>4.73</u>	<u>-</u>
<b>Other expenses includes:</b>		
Miscellaneous expenses	90.34	116.21
	<u>90.34</u>	<u>116.21</u>
<b>24. FINANCE COSTS</b>		
Interest	36.09	14.46
	<u>36.09</u>	<u>14.46</u>

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 25. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

Disclosure under AS-15 - Refer Note 2.1 (k)

(Rupees in lakhs)

Particulars	As at /	As at /	As at /	As at /
	year ended	year ended	year ended	year ended
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	Pension		Gratuity	
<b>(a) Expenses recognised in the statement of Profit and Loss</b>				
(i) Current service cost and interest cost	94.23	82.20	241.39	121.44
(ii) Expected return on plan assets	–	–	(64.29)	(53.62)
(iii) Net actuarial loss /(gain) recognised in the year	130.41	74.79	30.46	28.83
<b>Total</b>	<b>224.64</b>	<b>156.99</b>	<b>207.56</b>	<b>96.65</b>
<b>(b) Change in defined benefit obligation during the year</b>				
(i) Present value of obligation as at beginning of the year	1,118.02	972.81	741.20	653.48
(ii) Current service cost and interest cost	94.23	82.20	241.39	121.44
(iii) Benefits paid	(18.76)	(11.78)	(63.71)	(62.55)
(iv) Actuarial gain/ (loss) on obligation	130.41	74.79	30.46	28.83
(v) Present value of obligation as at the end of the year	1,323.90	1,118.02	949.34	741.20
<b>(c) Change in fair value of plan assets during the year</b>				
(i) Fair value of plan assets at the beginning of the year	–	–	739.81	655.54
(ii) Expected return on plan assets	–	–	64.29	53.62
(iii) Contributions made during the year	–	–	208.95	93.20
(iv) Benefits paid	–	–	(63.71)	(62.55)
(v) Actuarial gain on plan assets	–	–	–	–
(vi) Fair value of plan assets as at the end of the year	–	–	949.34	739.81
<b>(d) Balance Sheet movements</b>				
(i) Value of benefit obligations / (net assets) at the beginning of the year	1,118.02	972.81	739.81	655.54
(ii) Actual return on plan assets	–	–	64.29	53.62
(iii) Contributions made during the year	–	–	208.95	93.20
(iv) Expenses	224.64	156.99	–	–
(v) Benefits paid	(18.76)	(11.78)	(63.71)	(62.55)
(vi) Value of benefit	–	–	–	–
(vii) Fair value of plan assets as at the end of the year	–	–	949.34	739.81
(viii) Value of benefit obligations / (net assets) at the end of the year	1,323.90	1,118.02	–	–
Funded status	1,323.90	1,118.02	–	(1.39)
The net asset in respect of gratuity plan is not recognised as it is lying in an irrecoverable trust fund approved by Income tax authorities.				
<b>(e) Actuarial assumptions</b>				
(i) Discount rate used	8.50%	8.50%	8.00%	8.00%
(ii) Expected return on plan assets	NA	NA	8.00%	8.00%

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

The Company expects to contribute Rs 208.77 lakhs to gratuity in the next year.

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

Amounts for the current and previous four periods are as follows:

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2013	31 <sup>st</sup> March 2012	31 <sup>st</sup> March 2011
	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
<b>Gratuity</b>					
Defined benefit obligation	949.34	741.20	653.48	606.84	607.05
Plan assets	949.34	739.81	655.54	609.07	607.43
Surplus / (deficit)	-	(1.39)	2.06	2.23	0.38
Experience adjustments on plan liabilities	30.46	28.83	14.03	9.64	29.02
Experience adjustments on plan assets	-	-	-	-	-

### 26. SEGMENT INFORMATION

The Company is engaged in the business of manufacture of automotive components and related services and accordingly this is the only primary segment. The company has considered geographical segment as the secondary segment, based on the location of the customers. There are no other assets outside India.

	Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs
<b>a) Revenue from operation</b>		
<b>(i) Sales (net of excise duty)</b>		
India	83,985.46	62,822.39
Others	43,167.98	41,760.10
Total	<u>127,153.44</u>	<u>104,582.49</u>
<b>(ii) Rendering of services</b>		
India	778.68	541.14
Others	6,005.99	5,195.64
Total	<u>6,784.67</u>	<u>5,736.78</u>
<b>b) Total assets</b>		
India	98,426.16	84,478.86
Others	12,921.77	11,213.61
Total	<u>111,347.93</u>	<u>95,692.47</u>
<b>c) Capital expenditure</b>		
India	7,008.44	5,999.46
Others	259.84	166.13
Total	<u>7,268.28</u>	<u>6,165.59</u>

### 27. OTHER INFORMATION

<b>(A) Other matters</b>		
(a) Bills discounted of customers	8,468.92	5,988.58
(b) Counter guarantee given to bankers	188.09	149.82
<b>(B) Contingent liabilities not provided for</b>		
(a) Claims against the company not acknowledged as debts primarily towards:		
i) Denial of Cenvat credit under Excise laws	0.16	0.16
ii) Reopening of assessment under Section 147 of Income tax Act for the assessment year 2007-08	-	1,010.59
iii) Reopening of assessment under Section 147 of Income tax Act for the assessment year 2009-10	292.90	-
iv) Reversal of service tax credit on certain inputs under the Service tax laws	138.59	102.51
v) Levy of infrastructure and amenities charges by the Tamilnadu Town and Country Planning Department	49.25	49.25
vi) Property tax levied by Anjur Village Panchayat	22.18	91.68
In respect all the above, based on legal advice obtained, the management is of the view that the above claims are not tenable and the same can be successfully contested and hence no provision has been made in the accounts.		
<b>(C) Commitments not provided for *</b>		
(a) Capital	1,424.35	296.32

\* As certified by management

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 28. UNHEDGED FOREIGN CURRENCY EXPOSURE

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

(Rupees in lakhs)

Sl. No.	Description	Foreign Currency (FCY)	Amount in FCY		Amount in INR	
			31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
1	Import of goods and services	USD	9.27	7.55	580.97	463.28
		JPY	1.94	–	1.01	–
		CHF	–	0.02	–	1.33
		EUR	17.32	18.80	1,176.13	1,553.41
2	Export of goods and services	USD	128.38	85.39	7,923.80	5,234.36
		EUR	67.49	69.85	4,711.97	5,849.58

#### 29. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Total outstanding dues to Micro and Small enterprises	1,563.56	925.74

The above details 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). The Company is regular in making payments of dues to such enterprises before due dates agreed upon. Hence the question of payment/provision of interest towards belated payments does not arise. During the year there was no interest payment under the above statute.

#### 30. RELATED PARTY DISCLOSURE

##### A. LIST OF RELATED PARTIES

- |                                |   |
|--------------------------------|---|
| a) Reporting entity            | WABCO INDIA LIMITED   |
| b) Subsidiary companies        | The reporting entity does not have any subsidiary company.  |
| c) Associate companies         | Nil   |
| d) Holding company             | WABCO Asia Private Limited, Singapore   |
| e) Ultimate holding company    | WABCO Holdings Inc., USA  |
| f) Fellow Subsidiary companies | <ol style="list-style-type: none"> <li>1 WABCO Fahrzeugsysteme, GmbH, Germany</li> <li>2 WABCO China Co Ltd, China</li> <li>3 WABCO France SAS, France</li> <li>4 Meritor WABCO Vehicle Control Systems, US</li> <li>5 Shandong WABCO Automotive Products Co. Ltd, China</li> <li>6 WABCO (Shanghai) Management Co Limited, China</li> <li>7 WABCO Automotive, South Africa</li> <li>8 WABCO Automotive UK Ltd, United Kingdom</li> <li>9 WABCO Compressor Manufacturing Co., US</li> <li>10 WABCO Hong Kong Limited, Hong Kong</li> <li>11 WABCO Japan Inc, Japan</li> </ol> |

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

#### f) Fellow Subsidiary companies (Contd.)

- 12 WABCO Korea Ltd, Korea
- 13 WABCO Polska sp. z.o.o., Poland
- 14 WABCO Polska Sprzedaz sp. z.o.o., Poland
- 15 WABCO Development Gmbh, Germany
- 16 WABCO Logistik GmbH, Germany
- 17 WABCO Australia Pty Limited, Australia
- 18 WABCO Europe BVBA, Belgium
- 19 WABCO Austria GesmbH, Austria
- 20 WABCO Belgium BVBA, Belgium
- 21 WABCO Financial Services SPRL, Belgium
- 22 Tavares BVBA, Belgium
- 23 Transics BVBA, Belgium
- 24 FLC NV
- 25 Transics Belux BVBA, Belgium
- 26 Transics Deutschland GmbH, Germany
- 27 Transics Italia S.R.L
- 28 Delta Industrie Service SARL, France
- 29 Transics France SARL, France
- 30 Transics Ireland Limited, Ireland
- 31 Carrierweb B.V, Netherlands
- 32 Transics Netherland B.V
- 33 Transics Telemática España
- 34 WABCO do Brasil Industria e Comercio de Freios Ltda, Brazil
- 35 WABCO Brzdy K Vozidlum spol S.R.O, Czech Republic
- 36 WABCO GmbH, Germany
- 37 WABCO Radbremsen GmbH, Germany
- 38 WABCO Automotive Italia SRL, Italy
- 39 WABCO BV, Netherlands
- 40 WABCO Europe Holdings BV, Netherlands
- 41 WABCO Espana SLU, Spain
- 42 WABCO Automotive AB, Sweden
- 43 WABCO (Schweiz) GmbH, Switzerland
- 44 WABCO Automotive B.V, Netherlands
- 45 WABCO ARAC Kontrols Sistemleri Destek VE Pazarlama Limited Sirketi, Turkey
- 46 WABCO Middle East and Africa FZCO, Dubai
- 47 WABCO IP Holdings LLC, US
- 48 WABCO Automotive Products Ltd, Cayman

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

#### f) Fellow Subsidiary companies (Contd.)

- 49 WABCO Air Compressor Holdings Inc.,US
- 50 WABCO Automotive Control Systems Inc.,US
- 51 WABCO Group Inc.,US
- 52 WABCO Group International Inc.,US
- 53 WABCO Logistics (Qingdao) Co. Ltd, China
- 54 WABCO North America LLC, US
- 55 WABCO Expats Inc.
- 56 WABCO (Thailand) Limited
- 57 Guang Dong WABCO Fuwa Vehicle Brakes Co Limited
- 58 Ephicas BV, Netherlands
- 59 WABCO Foundation Brakes Private Limited, Chennai
- 60 WABCO International LLC, US
- 61 WABCO Europe Holdings LLC, US
- 62 Ephicas Patents BVBA;
- 63 WABCO France S.A.S.
- 64 WABCO Services S.A.S, France
- 65 WABCOWURTH Workshop Services GmbH
- 66 WABCO Testbahn GmbH, Germany
- 67 WABCO Holding GmbH, Germany
- 68 WABCO Systeme GmbH, Germany
- 69 WABCO Holdings B.V., Netherlands
- 70 WABCO Sandown B.V., Netherlands
- 71 WABCO CV, Netherlands
- 72 WABCO RUS LLC.
- 73 WABCO Vostok LLC, Russia
- 74 WABCO Centro de Distribuicao de pecas Automotives Ltda, Brazil
- 75 Clayton Dewandre Holdings Limited, Rotterdam, The Netherlands (from 28<sup>th</sup> June 2013)
- 76 WABCO Automotive Pensions Trustees Limited, UK
- 77 WABCO Automotive U.K. Limited, UK

#### g) Key management personnel

- 1 Mr.P. Kaniappan - Managing Director
- 2 Mr. T.S. Rajagopalan - Chief Financial Officer
- 3 Mr. Sivalai Senthilnathan - General Manager - Finance and Company Secretary

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 31. RELATED PARTY TRANSACTIONS

(Rupees in lakhs)

Sl. No.	Nature of transactions	Name of the company	Fellow Subsidiary		Key Management Personnel	
			Year ended		Year ended	
			31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
1	Purchase of goods	Shandong Weiming Automotive Product Co. Ltd, China	87.39	2.86	-	-
		WABCO Fahrzeugsysteme GmbH, Germany	2,573.00	2,260.87	-	-
		WABCO Gmbh, Germany	7.58	-	-	-
		WABCO Radbremsen GmbH, Germany	1.13	-	-	-
		WABCO Vehicle Control Systems, US	384.28	-	-	-
		WABCO do Brasil Industria e Comercio de Freios Ltda., Brazil	46.28	97.44	-	-
		WABCO BV, Netherlands	43.64	21.41	-	-
		WABCO Polska sp.z.o.o, Poland	-	8.75	-	-
		WABCO France S.A.S, France	47.94	38.73	-	-
		WABCO China Co Ltd, China	1,005.43	420.07	-	-
		WABCO Foundation Brakes Private Limited, Chennai	1.56	-	-	-
		WABCO Compressor Manufacturing Co, USA	23.49	21.46	-	-
		WABCO North America LLC, US	16.33	-	-	-
		WABCO (Thailand) Limited, Thailand	1.26	-	-	-
			<b>4,239.31</b>	<b>2,871.59</b>	-	-
2	Receiving of services Royalty Technical services	WABCO IP Holdings LLC, USA	845.93	638.66	-	-
		WABCO Europe BVBA, Belgium	552.98	550.13	-	-
		WABCO (Shanghai) Management Company Limited	29.87	183.38	-	-
			<b>1,428.78</b>	<b>1,372.17</b>	-	-
3	Sale of products	Meritor WABCO Vehicle Control Systems, USA	7,143.46	6,321.08	-	-
		WABCO Logistics GmbH, Germany	1,390.49	1,092.56	-	-
		WABCO China Co Ltd, China	920.31	1,176.98	-	-
		WABCO Automotive, South Africa	5.40	10.51	-	-
		WABCO Compressor Mfg. Co, USA	6,984.93	6,971.18	-	-
		WABCO Polska sp.z.o.o, Poland	1,666.10	1,652.39	-	-
		WABCO Korea Ltd, Korea	91.87	42.17	-	-
		WABCO France S.A.S, France	1,450.74	2,102.93	-	-
		WABCO do Brasil Industria e Comercio.de Freios Ltda, Brazil	481.84	399.03	-	-
		Shandong Weiming Automotive Product Co. Ltd, China	543.30	174.98	-	-
		WABCO GmbH, Germany	159.04	337.80	-	-
		WABCO Asia Private Ltd., Singapore	113.89	150.23	-	-
		WABCO Middle-East & Africa FZCO, Dubai	29.93	15.84	-	-
		WABCO Europe BVBA, Belgium	12,414.80	15,343.38	-	-
		WABCO Japan Inc. Japan	1,142.52	815.23	-	-
		WABCO North America L.L.C	5,962.93	3,649.01	-	-
		WABCO (Thailand) Limited, Thailand	436.12	127.57	-	-
		WABCO Radbremsen GmbH	0.08	0.41	-	-
		WABCO Europe	-	285.43	-	-
		WABCO Automotive B.V, Netherlands	1,067.86	-	-	-
	<b>42,005.61</b>	<b>40,668.71</b>	-	-		



## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

(Rupees in lakhs)

Sl. No.	Nature of transactions	Name of the company	Fellow Subsidiary		Key Management Personnel		
			Year ended		Year ended		
			31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	
4	Rendering of Services						
	Software Service *	WABCO Development GmbH, Germany	<b>3,494.73</b>	2,855.59	-	-	
	R & D Service	WABCO Europe BVBA, Belgium	<b>1,489.24</b>	1648.08	-	-	
	R & D Service	Shandong Weiming Automotive Product Co. Ltd, China	<b>113.03</b>	-	-	-	
	Tool development	Meritor WABCO Vehicle Control Systems,USA	-	6.42	-	-	
	Tool development	WABCO Logishk GmbH, Germany	-	254.88	-	-	
	Tool development	WABCO France S.A.S, France	<b>51.10</b>	-	-	-	
	Test Rig Income	WABCO Logistics ( Qingdao) Co. Ltd	-	16.24	-	-	
	Test Rig Income	WABCO Reman Solutions	-	5.20	-	-	
	Test Rig Income	WABCO Asia Private Ltd., Singapore	<b>1.88</b>	-	-	-	
	Test Rig Income	WABCO (Thailand) Limited, Thailand	<b>4.10</b>	-	-	-	
	Test Rig Income	WABCO Compressor Mfg. Co,USA	<b>7.37</b>	-	-	-	
	Shared services	WABCO Europe BVBA, Belgium	<b>908.99</b>	691.97	-	-	
	Travel expenses	WABCO (Thailand) Limited, Thailand	<b>2.87</b>	-	-	-	
			<b>6,073.31</b>	5,478.38	-	-	
5	Receivables	WABCO Logishk GmbH, Germany	<b>321.20</b>	638.67	-	-	
		WABCO Development GmbH, Germany	-	0.30	-	-	
		WABCO China Co Ltd, China	<b>260.14</b>	308.91	-	-	
		Meritor WABCO Vehicle Control Systems, USA	<b>2,647.12</b>	2,043.06	-	-	
		WABCO Compressor Mfg. Co,USA	<b>2,497.34</b>	1,493.84	-	-	
		Shandong Weiming Automotive Product Co. Ltd, China	<b>261.41</b>	74.88	-	-	
		WABCO Polska sp.z.o.o, Poland	<b>467.34</b>	580.35	-	-	
		WABCO do Brasil Industria e Comercio.de Freios Ltda, Brazil	<b>209.71</b>	89.99	-	-	
		WABCO Asia Private Ltd., Singapore	<b>13.79</b>	4.59	-	-	
		WABCO Europe BVBA, Belgium	<b>2,962.72</b>	3,459.53	-	-	
		WABCO Japan Inc. Japan	<b>206.85</b>	107.48	-	-	
		WABCO GmbH, Germany	<b>58.88</b>	72.64	-	-	
		WABCO Automotive South Africa	<b>1.27</b>	1.66	-	-	
		WABCO France S.A.S, France	<b>278.26</b>	611.67	-	-	
		WABCO North America L.L.C	<b>1,567.24</b>	871.57	-	-	
		WABCO Middle-East & Africa FZCO, Dubai	<b>25.32</b>	10.49	-	-	
		WABCO Korea Ltd, Korea	<b>7.52</b>	8.74	-	-	
		WABCO (Thailand) Limited, Thailand	<b>306.48</b>	233.78	-	-	
		WABCO Radbremsen GmbH	<b>0.18</b>	0.32	-	-	
		WABCO Reman Solutions	<b>5.00</b>	5.20	-	-	
		WABCO BV, Netherlands	<b>349.27</b>	285.43	-	-	
		WABCO Group Inc.,US	<b>29.53</b>	-	-	-	
			<b>12,476.57</b>	10,903.10	-	-	

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

(Rupees in lakhs)

Sl. No.	Nature of transactions	Name of the company	Fellow Subsidiary		Key Management Personnel	
			Year ended		Year ended	
			31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
6	Payables /(Advances)	WABCO China Co Ltd, China	178.67	97.40	-	-
		WABCO BV, Netherlands	36.74	32.95	-	-
		WABCO Foundation Brakes Private Limited, Chennai	1.56	-	-	-
		WABCO do Brasil Industria e Comercio.de Freios Ltda, Brazil	7.76	29.95	-	-
		WABCO Compressor Mfg. Co,USA	6.54	(11.24)	-	-
		WABCO France S.A.S, France	10.01	2.62	-	-
		Shandong Weiming Automotive Product Co. Ltd, China	9.68	-	-	-
		WABCO IP Holdings LLC, USA	212.00	126.77	-	-
		WABCO Europe BVBA, Belgium	138.81	134.75	-	-
		WABCO (Shanghai) Management Company Limited	-	40.43	-	-
		WABCO Fahrzeugssysteme GmbH, Germany	809.95	240.23	-	-
		WABCO Vehicle Control systems (POLAND)	177.89	16.13	-	-
		WABCO Westinghouse	(75.38)	112.20	-	-
		WABCO Automotive U.K. Limited, UK	(3.59)	-	-	-
		WABCO Radbremsen GmbH	7.69	-	-	-
		WABCO North America L.L.C	1.08	-	-	-
		WABCO GmbH, Germany	3.10	-	-	-
WABCO (Thailand) Limited, Thailand	1.11	-	-	-		
		<b>1,523.62</b>	822.19	-	-	
7	Remuneration to Key managerial personnel					
	Mr. P. Kaniappan - Managing Director			121.15	97.38	
	Mr. T.S. Rajagopalan - Chief Financial Officer			80.11	75.69	
	Mr. Sivalai Senthilnathan - General Manager - Finance and Company Secretary			49.25	42.95	
		-	-			

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 32. IMPORTED AND INDIGENOUS RAW MATERIALS, COMPONENTS AND SPARE PARTS CONSUMED

(Rupees in lakhs)

	Year ended 31 <sup>st</sup> March 2015		Year ended 31 <sup>st</sup> March 2014	
	% of total consumption	Value	% of total consumption	Value
<b>I. CONSUMPTION OF RAW MATERIALS AND COMPONENTS</b>				
a) Imported	18.4	14,552.22	20.5	12,992.07
b) Indigeneous	81.6	64,451.03	79.5	50,295.56
	<b>100.0</b>	<b>79,003.25</b>	<b>100.0</b>	<b>63,287.63</b>
<b>II. CONSUMPTION OF MACHINERY SPARES</b>				
a) Imported	4.3	8.43	2.0	4.83
b) Indigeneous	95.7	189.32	98.0	238.95
	<b>100.0</b>	<b>197.75</b>	<b>100.0</b>	<b>243.78</b>
<b>Value of imports calculated on CIF basis</b>				
a) Raw materials and components		13,429.20		15,552.55
b) Stores and tools		472.52		67.84
c) Capital goods		619.06		322.33
<b>33. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)</b>				
a) Commission on export sales		28.91		32.08
b) Travel		269.16		118.97
c) Training		–		2.79
d) Consultancy, retainer		78.89		99.21
e) Royalty		845.93		638.66
f) Fees for technical services		582.85		733.51
g) Research and development		–		5.72
h) Others		80.81		66.23
<b>34. PAYMENT TO NON RESIDENT SHAREHOLDERS</b>				
a) No. of non resident shareholders		One		One
b) No. of shares held by non residents (in lakhs)		142.26		142.26
c) Dividend				
- relating to 31 <sup>st</sup> March 2014 (lakhs)		711.28		–
- relating to 31 <sup>st</sup> March 2013 (lakhs)		–		711.28
<b>35. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)</b>				
(a) Exports (on FOB basis)		43,167.79		40,986.00
(b) Freight and insurance recovery		0.19		774.10
(c) Software service		3,494.73		2,855.59
(d) Shared services		908.99		691.97
(e) R & D Service		1,602.27		1,648.08
(f) Test rig income		13.35		21.44
(g) Tool development income		51.10		253.95

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 36. DISCLOSURE MADE IN TERMS OF CLAUSE 32 AND CLAUSE 41 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

(Rupees in lakhs)

Particulars	Name of the company	Amount outstanding as on 31 <sup>st</sup> March 2015	Maximum amount due at any one time during the year	Amount outstanding as on 31 <sup>st</sup> March 2014
(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 directors of the company are interested.			
(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	<p>On 3<sup>rd</sup> June 2009, the company became a subsidiary of Clayton Dewandre Holdings Limited, Rotterdam, The Netherlands, when the latter acquired 35.83% of share capital and is now holding 75% of share capital.</p> <p>Effective from 28<sup>th</sup> June 2013, the entire shareholding of 75% held by Clayton ewandre Holdings Limited Rotterdam, The Netherlands, were transferred to WABCO Asia Private Limited, Singapore.</p>			

## WABCO INDIA LIMITED

### Notes to financial statements for the year ended 31<sup>st</sup> March 2015

(All amounts are in lakhs of Indian Rupees unless otherwise stated)

#### 37. RESEARCH EXPENSES

	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
	₹ lakhs	₹ lakhs
a) Revenue expenditure eligible for weighted deduction	759.84	433.23
b) Capital Expenditure - other than land and buildings	184.83	309.73
	<u>944.67</u>	<u>742.96</u>

#### 38. PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped and reclassified where necessary to conform to this year's classification.

For and on behalf of the board of directors of WABCO INDIA LIMITED

M LAKSHMINARAYAN  
Chairman

P KANIAPPAN  
Managing Director

N SIVALAI SENTHILNATHAN  
General Manager - Finance and Company Secretary

T S RAJAGOPALAN  
Chief Financial Officer

Chennai, 20<sup>th</sup> May, 2015

As per our report of even date  
For S.R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration No. 101049W

Per S BALASUBRAHMANYAM  
Partner  
Membership No. 053315




FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company:	WABCO INDIA LIMITED NSE Scrip code: WABCO INDIA BSE Scrip code: 533023
2.	Annual financial statements for the year ended	31st March, 2015
3.	Type of Audit observation	Nil
4.	Frequency of observation	Nil

  
20/05  
P Kaniappan  
Managing Director

  
20/5  
T S Rajagopalan  
Chief Financial Officer

  
S Balasubrahmanyam  
Partner  
Membership No. 053315  
S R Batliboi & Associates LLP  
ICAI Firm registration  
No.101049W

  
Narayan K Seshadri  
Audit Committee Chairman