

WABCO INDIA LIMITED

8th Annual Report 2012

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Board of Directors

M LAKSHMINARAYAN
Chairman

D E UDWADIA

NARAYAN K SESHADRI

C N PRASAD[#]

NIKHIL MADHUKAR VARTY

LEON LIU

TREVOR LUCAS

KURT LEHMANN*

VINCENT PICKERING^{\$}

Whole-time Director

P KANIAPPAN

Chief Financial Officer

T S RAJAGOPALAN

General Manager - Finance and Secretary

R MADHAVAN

Audit Committee

NARAYAN K SESHADRI
Chairman

D E UDWADIA

C N PRASAD[#]

TREVOR LUCAS[@]

Investors' Grievance Committee

NARAYAN K SESHADRI
Chairman

P KANIAPPAN

C N PRASAD[#]

TREVOR LUCAS[@]

Listing of Shares with

Madras Stock Exchange Limited
Chennai

National Stock Exchange of India Limited
Mumbai

Bombay Stock Exchange Limited
Mumbai

upto 12th May 2011
@ from 12th May 2011
* upto 25th January 2012
\$ from 23rd May 2012

Share Transfer Agent

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

Tel. : 044-2374 1889
044-2374 2939

Fax : 044-2374 1889

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

Bankers

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
Chartered Accountants
Tidel Park, 6th & 7th Floor,
A - Block (Module 601, 701-702),
4, Rajiv Gandhi Salai,
Chennai 600 113

Solicitors & Advocates

UDWADIA UDESHI & ARGUS PARTNERS
Solicitors & Advocates
Elphinstone House
1st 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

Web Site : www.wabcoindia.com

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 661 6800
Fax : 0657 238 7997

Plot No. AA8, Central Avenue,
Auto Ancillary SEZ,
Mahindra World City,
Natham Sub-Post, Chengalpet,
Kancheepuram District 603 002

Tel. : 044 4744 2000
Fax : 044 4749 0006

Plot No.11, Sector 4, SIDCUL,
IIE Pantnagar,
Rudrapur Udham Singh Nagar,
Uttarakhand - 263 153

Software Design Centres

"Ispahani Centre", 5th & 7th Floor,
123/124 Nungambakkam High Road,
Chennai 600 034

Tel. : 044 2828 5000
Fax : 044 2833 2212

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WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

FINANCIAL HIGHLIGHTS

Rupees in lakhs

Year ended March 31 st	2007-08	2008-09	2009-10	2010-11	2011-12
Profit and Loss Account					
Sales/Revenue from operations [#]	54,655	42,594	59,125	89,252	104,564
Other income	1,266	2,003	1,828	536	1,206
Total income	55,921	44,597	60,954	89,788	105,770
Gross profit before interest, depreciation and tax	11,822	7,354	13,574	20,600	23,199
Depreciation	1,012	1,393	1,444	1,442	1,564
Profit before interest and tax	10,810	5,960	12,130	19,158	21,635
Interest	373	705	296	20	12
Profit before tax	10,437	5,255	11,834	19,138	21,623
Profit after tax	6,984	3,552	7,819	12,743	15,340
Balance Sheet					
Net fixed assets	17,407	19,528	18,677	19,031	24,300
Investments	866	901	221	1,220	2,320
Net current assets	843	5,758	9,178	18,984	26,726
Long term loans and advances				1,582	1,827
Total	19,116	26,186	28,076	40,817	55,173
Share capital	948	948	948	948	948
Reserves and surplus	15,820	18,818	26,084	37,724	51,962
Net worth	16,768	19,766	27,032	38,672	52,910
Loan funds/Non current liabilities ^{##}	2,024	6,020	719	1,330	1,169
Deferred tax (net)	324	400	325	815	1,094
Total	19,116	26,186	28,076	40,817	55,173
EPS (Rs.)	36.82	18.73	41.22	67.18	80.87
DPS (Rs.)	10.98	2.50	2.50	5.00	5.00
Book value per share (Rs.) [@]	88.40	104.21	142.51	203.89	278.95
Return on capital employed (ROCE) % [@]	112.4	26.3	44.7	55.6	45.1
Return on net worth (RONW) % [@]	83.3	19.4	33.4	38.8	33.5
Fixed assets turnover (no of times) [@]	6.2	2.3	3.1	4.7	4.8
Working capital turnover (no of times)	129.1	12.9	7.9	6.3	4.6
Gross profit as % of sales (EBITDA)	21.6	17.3	23.0	23.1	22.2
Gross profit as % of total income	21.1	16.5	22.3	22.9	21.9
Net profit as % of total income	12.5	8.0	12.8	14.2	14.5

Figures for the years 2007-08 to 2009-10 represents "sales" and for 2010-11 and 2011-12 represents "Revenue from operations".

Figures for the years 2007-08 to 2009-10 represents "Loan funds" and for 2010-11 and 2011-12 represents "Non current liabilities".

ROCE is profit before interest and tax divided by average network plus loan funds.

RONW is profit after tax divided by average network.

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.

@ Return on capital employed, Return on net worth and Fixed assets turnover ratios for 2007-08 is based on demerger figures and hence not comparable with the ratios for 2008-09, 2009-10.

Notice to the Shareholders

NOTICE is hereby given that the Eighth Annual General Meeting of the Company will be held at "The Music Academy", New No 168 (Old No 306), T.T.K Road, Chennai 600 014 on Wednesday, the 25th day of July 2012 at 10.00 a.m. to transact the following business:

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

RESOLVED THAT the audited balance sheet as at 31st March, 2012 and the profit and loss account of the Company for the year ended on that date, together with the directors' report and the auditors' report thereon as presented to the meeting be and the same are hereby approved and adopted.

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

RESOLVED THAT pursuant to the recommendation of the board of directors of the Company, a dividend of Rs. 5/- per share on 1,89,67,584 equity shares of Rs. 5/- each fully paid up absorbing a sum of Rs. 948.38 lakhs be and is hereby declared for the year ended 31st March, 2012 and the same be paid to the shareholders whose name appear in the register of members of the Company as at the close of 19th July, 2012.

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

RESOLVED THAT Mr Trevor Lucas, director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

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

RESOLVED THAT Mr D E Udwadia, director who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the Company.

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

RESOLVED THAT Mr Vincent Pickering, who was appointed as a director of the Company with effect from 23rd May, 2012 to fill in the casual vacancy caused by the resignation of Mr Kurt Lehmann and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956 along with a deposit of Rs. 500/- from a shareholder intimating his intention

to propose Mr Vincent Pickering for directorship, be and he is hereby appointed as a director of the Company.

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

RESOLVED THAT Messrs. S.R. Battiboi & Associates Chartered Accountants, Tidel Park, 6th & 7th Floor - A Block (Module 601,701-702), No. 4, Rajiv Gandhi Salai, Taramani, Chennai - 600113, holding Firm Registration No.101049W allotted by the Institute of Chartered Accountants of India, be and are hereby appointed as the statutory auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorized to fix their remuneration and reimburse their travelling and out of pocket expenses.

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

RESOLVED THAT subject to Section 310 and other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereto and in partial modification of the ordinary resolution at item No. 7 passed by the shareholders, in the Sixth Annual General Meeting of the Company held on 26th August, 2010, approval of the shareholders of the Company be and is hereby accorded to the undermentioned increase in the remuneration payable to Mr P Kaniappan, Whole-time Director from 1st July 2012 until the expiry of his present term of office on 16th June 2014.

(i) Salary and commission on net profits or performance linked incentive or bonus;
subject to a ceiling of Rs.90 lakhs per annum and

RESOLVED FURTHER THAT the Supplemental Agreement dated 23rd May 2012 between the Company and Mr P Kaniappan placed on the table incorporating the above increase in his remuneration, be and is hereby approved.

By order of the board

Chennai
23rd May 2012

R MADHAVAN
General Manager -
Finance and Secretary

Registered office:
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 one or more proxies to attend and vote instead of himself and the proxy or proxies so appointed need not be a member or members, as the case may be, of the Company. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the registered office of the Company not later than 48 hours before the time fixed for holding the meeting.**
2. An explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. **5 and 7** as set out in the notice is annexed hereto.
3. The Register of Members and the share transfer register will remain closed for a period of **6 days from 20th July, 2012 to 25th July, 2012** (both days inclusive) for the purpose of dividend to be approved by the shareholders at the ensuing Annual General Meeting of the Company.
4. In terms of Section 205A read with Section 205C of the Companies Act, 1956, the dividends declared by the Company, which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund (IEPF), established by the Central Government on the due dates. The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished in the report on Corporate Governance forming part of the annual report.

Members who have not encashed their dividend warrants in respect of the above periods are requested to make their claim by surrendering the unencashed warrants immediately to the Company.
5. Members holding shares in physical form, in their own interest, are requested to dematerialize the shares to avail the benefits of electronic holding / trading.
6. Members are requested to register their e-mail address with the Company/Share transfer Agents immediately and participate in the "Green initiative" launched by the Ministry of Corporate Affairs.
7. Members holding shares in depository are requested to register their e-mail address with their depository participants and participate in the "Green initiative" launched by the Ministry of Corporate Affairs.
8. Members are requested to notify to the Company/ Share Transfer Agent immediately any change in their address. Members holding shares in depository are requested to advise change of address to their depository participants.
9. As a measure of economy, copies of the annual report will not be distributed at the Annual General Meeting.

Members are, therefore requested to bring their copies of the annual report to the meeting.

10. Members are requested to affix their signature at the space provided on the attendance sheet annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
11. In terms of clause 49 (IV)(G) of the listing agreement with the stock exchanges, a brief resume of directors, who are proposed to be re-appointed in this meeting, nature of their expertise in specific functional areas, their other directorships and committee memberships and their shareholdings in the Company and their relationships with other directors in the Company are given below:

Brief resume and other information in respect of directors seeking re-appointment at the Annual General Meeting.

Mr Trevor Lucas:

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

He has served KPMG, Dublin from 1975 to 1982 as General Practice Manager. He was with CPC Europe, holding various positions as Manager Finance 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 is presently the Vice President-Taxes of WABCO Holdings Inc.

He is a member of Audit committee, Investors' Grievance committee and Administrative committee of directors of the Company.

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

Details of his other directorships are given below:

S. No.	Name of the company	Position held
1	WABCO Air Compressor Holdings Inc.,	Director
2	WABCO Automotive Control Systems Inc.,	Director
3	WABCO Automotive Products Limited	Director
4	WABCO Group Inc.,	Director
5	WABCO Group International Inc.,	Director
6	WABCO Inc.,	Director

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Mr D E Udwardia:

Mr D E Udwardia is a post graduate from University of Bombay. He is an Advocate and Solicitor of the Bombay High Court. He is also a Solicitor of the Supreme Court of England.

Mr D E Udwardia was a partner of Crawford Bayley & Co., Mumbai, one of the India's leading law firms for nearly 22 years. He is a founder partner of Udwardia & Udeshi, Advocates and Solicitors, Mumbai. Consequent upon the reconstitution of the firm, its name was changed to Udwardia Udeshi & Argus Partners effective 1st April 2012. His firm and he are legal advisors to several Indian and multinational companies and foreign banks having a presence in India.

He has during his nearly 47 years of active law practice acquired valuable knowledge, experience and expertise in the areas of corporate law, mergers, acquisitions and take overs, corporate restructuring, foreign collaboration, joint ventures, project and infrastructure finance, intellectual property, international loans and finance related transactions and financial instruments, mutual funds, real estate and conveyancing.

He is a member of the Audit committee of directors of the Company. He does not hold any shares in the Company and he is not related to any other director of the Company. Details of his other directorships and memberships/ chairmanships of committees are given below:

S. No.	Name of the company	Position held	Committee membership/ chairmanship
1	ABB Ltd	Director	1. Audit committee - member 2. Shareholders' grievance committee - chairman
2	Astra Zeneca Pharma India Ltd	Chairman	Audit committee - member
3	The Bombay Burmah Trading Corporation Ltd	Director	Audit committee - member
4	Development Credit Bank Ltd	Director	Audit committee - member
5	Eureka Forbes Ltd	Director	
6	ITD Cementation India Ltd	Director	Audit committee - member
7	JM Financial Ltd	Director	
8	MPS Limited	Vice Chairman	Audit committee - member
9	IRD Mechanalysis Ltd	Director	

S. No.	Name of the company	Position held	Committee membership/ chairmanship
10	Nitesh Estates Ltd	Director	Audit committee - member
11	Wyeth Ltd	Director	Audit committee - member
12	Conservation Corporation of India Pvt Ltd	Director	
13	Habasisit lakoka Pvt Ltd	Director	
14	J M Financial & Investment Consultancy Services Pvt Ltd	Director	
15	JM Financial Trustee Company Pvt Ltd	Director	
16	Quantum Advisors Pvt Ltd	Director	
17	Rossi Gearmotors (India) Pvt Ltd	Director	

Mr Vincent Pickering:

Born on 27th September 1968, Mr Vincent Pickering has law degree from the University of London, and is qualified as a U K Solicitor.

He began his career at the European Commission's Directorate General for Competition. He also gained diverse legal experience working with leading international law firms while based in Brussels and London.

He served as General Counsel and Head of Regulatory Affairs at Bulldog Communications, a U K based telecom service provider. He also served for 8 years at Microsoft Corporation in Redmond, Washington, USA, as Associate General Counsel for the company's Worldwide Licensing and Pricing Division. While there, he was responsible for legal support for Microsoft's global commercial sales, as well as Microsoft financing and the company's emerging market initiatives.

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

Details of Directorships are given below:

S. No.	Name of the company	Position held
1	WABCO North America LLC	Director
2	WABCO Air Compressor Holdings Inc.,	Director
3	WABCO Automotive Control Systems Inc.,	Director
4	WABCO Automotive Holdings Inc.,	Director
5	WABCO Group Inc.,	Director
6	WABCO Group International Inc.,	Director
7	WABCO Expats Inc.,	Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

Mr Vincent Pickering was appointed as a director at the board meeting held on 23rd May, 2012 in the casual vacancy caused by the resignation of Mr Kurt Lehmann on 25th January, 2012. Mr Kurt Lehmann would have held office as a director upto the date of this Annual General Meeting had he not resigned. Pursuant to Section 262 of the Companies Act, 1956, Mr Vincent Pickering holds office upto the date of this Annual General Meeting.

Notice has been received from a shareholder of the Company under Section 257 of the Companies Act, 1956, along with a deposit of Rs. 500/- signifying his intention to propose the candidature of Mr Vincent Pickering for the office of director.

The directors recommend for approval the resolution at item no. 5 of the Notice.

Mr Vincent Pickering is interested or concerned in the resolution, since it relates to his appointment.

Item No: 7

Mr P Kaniappan was appointed as a Whole-time director for a period of five years with effect from 17th June 2009 by the board of directors of the company on 17th June 2009. His appointment as whole-time director and payment of remuneration to him were approved by the shareholders passed at the Fifth Annual General Meeting of the Company held on 24th September 2009.

In line with the general increase in remuneration payable to senior executives of the Company, the increase in his duties, functions and responsibilities and in recognition of the valuable services provided by him, the board of directors, in their meeting held on 23rd May 2012, increased the remuneration payable by way of salary and commission on net profits or performance linked incentive or bonus by increasing the present ceiling of Rs. 65 lakhs per

annum to Rs. 90 lakhs per annum effective 1st July 2012 up to the expiry of his tenure as whole-time director on 16th June 2014.

The increase in remuneration of Mr P Kaniappan is well within the limits prescribed under Schedule XIII of the Companies Act, 1956.

All other terms and conditions of his appointment, as approved by the shareholders at the Sixth Annual General Meeting of the Company held on 26th August 2010, remain unchanged.

The above increase in the ceiling is subject to the approval of the shareholders in a General Meeting. Hence the resolution at item no. 7 is proposed.

A Supplemental Agreement dated 23rd May 2012 has been entered into by the Company with Mr P Kaniappan incorporating the above increase in his remuneration.

A copy of the Supplemental Agreement dated 23rd May 2012 referred to in the resolution at item no. 7 of the Notice will be open for inspection by shareholders between 11.00 a.m. and 2.00 p.m. on any working day of the Company at the Company's Registered Office.

The directors recommend the resolution for approval by the shareholders.

Mr P Kaniappan is interested or concerned in the resolution since it relates to his remuneration.

By order of the board

Chennai
23rd May 2012

R MADHAVAN
General Manager -
Finance and Secretary

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

Directors' report to the shareholders

The directors have pleasure in presenting the eighth annual report and the audited accounts for the financial year ended 31st March 2012.

2. CHANGE OF NAME OF THE COMPANY

The shareholders had at the last Annual General Meeting held on 27th July 2011 approved the change of name of the Company, subject to the approval of the Central Government. Central Government approval having been obtained, the change of name to WABCO INDIA LIMITED became effective on 2nd August 2011, being the date of issue of a fresh Certificate of Incorporation by the Registrar of Companies, Chennai.

3. FINANCIAL HIGHLIGHTS

Details	Rupees in lakhs	
	Year ended 31.03.2012	Year ended 31.03.2011
Sales (net)	1,00,497.08	86,574.79
Other Operating income	4,067.16	2,676.87
Other income	1,205.90	535.95
Total revenue from operations and other income	1,05,770.14	89,787.61
Gross profit before interest and depreciation	23,198.63	20,600.08
Finance costs	11.88	20.47
Depreciation	1,563.72	1,442.45
Profit before tax	21,623.03	19,137.16
Provision for tax (including deferred tax and tax relating to earlier years)	6,283.07	6,393.98
Profit after tax	15,339.96	12,743.18
Surplus / (loss) brought forward from previous year	22,003.29	11,636.66
Total	37,343.25	24,379.84
Appropriations:		
Proposed dividend	948.38	948.38
Dividend tax payable	153.85	153.85
Transfer to general reserve	3,000.00	1,274.32
Surplus / (Loss) in profit and loss account	33,241.02	22,003.29
	37,343.25	24,379.84

4. DIVIDEND

The board of directors have recommended a dividend of Rs. 5 per share for the year ended 31st March 2012 absorbing

a sum of Rs. 948.38 lakhs for approval of the shareholders at the ensuing annual general meeting.

5. PERFORMANCE

During the year 2011-12, sales of medium and heavy commercial vehicles (MHCV), grew 7 % over the previous year. Sales of light commercial vehicles (LCV) registered a growth of 29% during the same period. Overall, the commercial vehicle (CV) grew 19% over the previous year.

During the year, the Company achieved a total revenue from operations and other income of Rs. 1,057 crores as against turnover of Rs. 898 crores in the previous year; a significant growth of 17.7%.

The Company has outperformed MHCV market growth in OE through,

- a. increased content per vehicle and
- b. improved market share

6. CAPITAL EXPENDITURE

Capital expenditure of Rs. 50 crores is planned for the year 2012-13 considering the industry growth in this year.

7. DIRECTORS

Mr D E Udawadia, director, Mr Trevor Lucas, director and Mr Vincent Pickering, director retire at the ensuing Annual General Meeting of the Company. Being eligible, they offer themselves for re-appointment.

A brief resume of the above three directors and other required information is given in the notice convening the annual general meeting of the Company. Necessary resolutions for their reappointment will be placed for approval of the shareholders at the ensuing annual general meeting. Your directors recommend their reappointment as directors of the Company.

Mr Kurt Lehmann resigned as a director with effect from 25th January 2012. The Board of Directors at its meeting on 25th January 2012 placed on record its appreciation of the valuable services rendered by him during his tenure as a director. Mr Vincent Pickering was appointed as a director in the casual vacancy caused by the resignation of Mr Kurt Lehmann at the board meeting on 23rd May 2012.

8. AUDITORS

Messrs S.R.Batlboi & Associates, Chartered Accountants, Chennai retire at the ensuing Annual General Meeting and are eligible for re-appointment.

9. COST AUDITOR

The Ministry of Corporate Affairs, Cost Audit Branch, Government of India has issued an Order on 24th January 2012. In terms of this order, Companies whose shares are listed on Stock Exchanges or whose turnover is more than Rs. 100 crores in the immediately preceding financial year and engaged in Engineering machinery products are required to have the cost accounting records audited

by a Cost Accountant or a firm of Cost Accountants effective 1st April 2012.

Accordingly, the board of directors at its meeting on 23rd May 2012 had on the recommendation of the audit committee of directors, appointed Mr A N Raman, Chennai, a practising Cost Accountant and a fellow member of The Institute of Cost Accountants of India as Cost Auditor. He will audit the cost accounting records of the Company for the year 2012-13.

10. STATUTORY STATEMENTS

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 I to this report, as per the requirements of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

Particulars of employees

Particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, are set out in Annexure II and form part of this report. However, pursuant to Section 219(1)(b)(iv) of the Companies Act, 1956, the Report and Accounts are being sent to all the Members excluding the aforesaid information. The said particulars will be made available to a Member upon request and also made available for inspection at the Registered Office of the Company. Any Member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956 it is hereby confirmed:

- (i) that in the preparation of annual accounts for the financial year ended 31st March 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and

fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) that the directors have prepared the accounts for the financial year ended 31st March 2012 on a going concern basis.

11. 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 whole-time director (CEO) and the chief financial officer (CFO) of the Company have certified to the board on financial statements and other matters in accordance with clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2012.

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

12. ACKNOWLEDGEMENT

The directors gratefully acknowledge the continued support and co-operation received from WABCO Europe BVBA, Belgium.

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

The directors wish to place on record their appreciation of the excellent work done by 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
23rd May 2012

M LAKSHMINARAYAN
Chairman

Annexure I to the Directors' report

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

A. CONSERVATION OF ENERGY

1. Measures taken

- i) Provision of Natural Solar Light tubes at 10 places in office areas.
- ii) Replacement of street lights to CFL / LED lights - 20 nos.
- iii) Replacement of High bay lights to CFL / LED lamp to maintain optimum luminous level in warehouse.
- iv) Introducing efficient coolant in new grinding machines thereby resulting in reduced power consumption.
- v) Replacement of air guns by coolant guns at 7 places in Compressor machining cells.
- vi) Modifying the light fittings in production area from both sides to centre line of the gang way resulted in half of the lighting power consumption.
- vii) Modification of Anodizing Chiller pump thereby 10KW motor pump eliminated.
- viii) Removal of Chip Conveyors from Machinery at 10 places where minimum chips is generated from machine resulted in saving of 100 KW / day power consumption.

This will result in a saving of about 5.58 lakh units and Rs. 30.71 lakhs per annum.

2. Measures Proposed

- i) Modification of anodising chiller design to reduce the capacity from 90TR to 10TR.
- ii) Auto switching off the fans and lights in shop floor during lunch time through PLC.
- iii) Introduction of energy efficient air blower instead of compressed air for agitation process in anodising plant.
- iv) Replacement of compressed air to energy efficient air blowers in all ultrasonic washing machines in shop floor.
- v) Periodic replacement of air guns with energy efficient nozzles.
- vi) Introduce solar lights for street lights instead of CFL lamp.
- vii) Replace the coolants with energy efficient coolant (Quaker).
- viii) Introduce induction lamps instead of doom lights in shop floor.
- ix) Provide electronic timers in all AMS machines to switch off the same during idle time.

This will result in a saving of about 6.75 lakh units and Rs. 32.33 lakhs per annum.

B. TECHNOLOGY ABSORPTION

Research & Development (R & D)

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

- (a) Full range of Brake chambers with permanent crimping for North American Market - design and product validation completed.
- (b) Double Diaphragm Spring brake actuators for drum brakes for North American Market - design and product validation completed.
- (c) Type new range of Spring Brake Actuators-65 mm stroke - design has been completed and samples offered to customer.
- (d) Development of low cost "Pressure Sensor" with low pressure warning indication on Vehicle Dashboard, for the domestic customers.
- (e) Value Engineered "ABS Wiring Harness" for domestic customers has been launched in production.
- (f) Launching of Lift axle control system for truck application for domestic customers; concept proven and detail design started.
- (g) Adjusting valve for domestic customers for reducing tyre wear.
- (h) Air Processing and Distribution Assembly (APDA) development for domestic customers. This is a new generation air processing device combining several new functions, improving customer value and reducing cost. Lab validation and field validation under progress.
- (i) 318cm³ compressors have been developed for domestic customers.

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

- (a) Market expansion and improved competitive position through significantly improved products for new markets.
- (b) New opportunity in North America by introducing new range of valves and permanent crimp brake chambers.
- (c) Improved competency for designing products executing projects for global market.
- (d) Acquiring competency in new areas like low cost pressure sensors and switches.

3. Future plan of action:

- (i) Launch of new products under development for domestic customers.
- (ii) Reengineered products for brake system and driveline controls to improve customer value and reduce cost.

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

- (iii) Design and development of "Continuous Brake Lining Wear Sensor" integrated to Automatic Slack Adjuster.
- (iv) Series production of brake system valve devices for North American OEMs - phase II.
- (v) Development of compressor with clutch for energy saving.

4. Expenditure on R & D:	Rs. in Lakhs
Capital expenditure	280.68
Recurring expenditure (including salaries)	866.35
	1,147.03
Total expenditure as percentage of sales turnover	1.08%

Technology absorption, adaptation and innovation:

(a) Efforts in brief:

- 1. Development and validation of analysis techniques like harmonic analysis in FEA, flow simulation libraries in AME Sim.
- 2. Knowledge acquisition in electromechanical product design like pressure sensors, electric motors, switches and solenoids.
- 3. Enhance corrosion resistance of parts through improved painting technology.

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

- 1. Development of products with best in class performance and reliability.
- 2. The new simulation technologies have reduced the product development time and cost significantly. This has resulted in improved project delivery of new products enhancing customer confidence.

- 3. Developed innovative products to improve competitive position in the market, expand market through new technologies and systems and leverage global markets.
- 4. Significant growth in R&D engineers with standardized training methods to enhance competency.
- 5. Reduction of rework through improved analysis tools in Model based Engineering.

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

Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

EXPORT ACTIVITIES:

Exports during the year ended 31st March 2012 amounted to Rs. 14,811.60 lakhs.

Total foreign exchange used and earned:

a) Foreign exchange used	Rs. 11,951.21 lakhs
b) Foreign exchange earned	Rs. 18,021.65 lakhs

For and on behalf of the board

Chennai
23rd May 2012

M LAKSHMINARAYAN
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

WABCO INDIA LIMITED is the pioneer in the manufacture of automotive vehicle control systems in India. The Company has positioned itself as a "Total Solution Provider" for the braking system requirements of the customers.

The company recorded all time high total revenue (revenue from operations and other income) of Rs. 1,057 crores during 2011-12 as against Rs. 898 crores in 2010-11, registering a growth of 17.7%. The Company has achieved this performance in spite of slow down of the economy and lower growth in sectors like agriculture, industry and static growth in services sector in 2011-12 as compared to 2010-11.

I. Industry Structure and Development:

India's real Gross Domestic Product (GDP) started decreasing from 1st quarter of 2011-12 itself, GDP at 7.7% is likely to end at 6.8% for full year 2011-12. GDP growth for full year 2010-11 was at 8.4%. Broad sector wise growth for 2009-10 to 2011-12 is given below:-

Growth rate of real GDP (%)

Sector	2009-10	2010-11	2011-12 (Forecast)
Agriculture	1.0	7.0	3.0
Industry	8.4	7.2	4.1
Services	10.4	9.3	9.0
Real GDP	8.4	8.4	6.8

Source :- CMIE

Deceleration in the manufacturing sector growth and decline in the mining sector output contributed to the fall in GDP growth in 2011-12. The commercial vehicle industry registered a moderate performance in 2011-12 with a growth of 7% in Medium and Heavy Commercial Vehicles (MHCV) sales volume. This was a result of government focus on infrastructure development, rapid urbanization, robust freight demand and improved transporter profitability.

The development of road infrastructure is a key factor that influences the growth of the Indian commercial vehicle industry. With the Government paving the way for increased investment in the road and bridges sector, the total investment is set to be increased substantially during 12th Five year plan as compared to 11th Five year plan. Year wise break up of proposed investment in Roads and Bridges sector during 12th Five year plan is give below.

Sector	In Rs. Billions						
	11 th Plan 2008-12	2012-13	2013-14	2014-15	2015-16	2016-17	12 th Plan 2012-17
Roads & Bridges	2,787	1,022	1,176	1,336	1,515	1,715	6,764
Total investment in Infra. Sector	20,542	6,194	7,127	8,095	9,180	10,395	40,992
Infrastructure Investment % of GDP	7.55	9.00	9.50	9.90	10.30	10.70	9.95

Source: Planning Commission, SBI CAP Securities Research

Owing to the above growth drivers and enablers, the production of Medium and Heavy Commercial Vehicles (MHCV) in 2011-12 compared to 2010-11 has recorded growth of 11% as per data given below:

Category	2011-12	2010-11	Growth
Medium and Heavy Commercial Vehicles Production	3,83,277	3,45,818	11%

(Source: SIAM)

Indian companies are gaining recognition as manufacturers of high quality automotive components in the international market. Presence of global players like VOLVO, MAN, Navistar and Daimler will drive technology in our Market.

II. Business outlook and overview

Reserve Bank of India in its latest Monetary Policy Statement has projected a baseline GDP growth for 2012-13 at 7.3%. The rationale for this projection is that industry will perform better than in last year as leading indicators of industry suggest a turnaround in IIP (Index for Industrial Production) growth. The global outlook also looks slightly better than expected earlier. Overall the domestic growth outlook for 2012-13 looks a little better than in 2011-12.

Commercial vehicle production is likely to rise by 9.7% in 2012-13. Better road infrastructure coupled with a robust demand for light commercial vehicles, owing to the increasing acceptance of the hub-and-spoke model of transportation is expected to drive the industry's production growth during the year.

III. Opportunities & Threats

The Company caters to requirements of commercial vehicle segment of the automotive industry. As the national highway network will be strengthened, the mode of transportation for bulk commodities like steel products, cement and food grains will gradually shift from rail to road. The share of road in the transport of all commodities is hence likely to rise from 53% in 2009-10 to 58% in 2014-15. With improved road infrastructure, the demand for faster vehicles that carry higher payloads is increasing.

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,

Clutch actuation systems, higher capacity compressors etc., will result in increased business opportunities.

In the aftermarket side, so far, the Company has commissioned 179 authorized service centers at strategic locations across the country, to provide quicker and better service on air brake aggregates. Further, to improve availability of quality service in rural areas, the Company also commissioned 145 certified workshops. These initiatives would result in improved service practices, availability of genuine parts and generate additional revenue for the Company.

The unit located at Mahindra World City, a Special Economic Zone caters to the needs of WABCO plants globally. With the revival of global economy expected in the near future, business opportunities for this unit will increase. In line with this, the company has gone on an expansion of this unit, construction has been completed and manufacturing activity has commenced during April 2012.

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

IV. Risks and concerns

The cyclical nature of the Indian commercial vehicle industry (Company's major customer segment) might affect the demand. In 2012-13, operating expenses are likely to rise with the expected increase in prices of key raw materials, Energy cost & scarcity of power in state.

The trend in prices of key raw materials is as follows:-

- Steel prices have increased by 5% in 2011-12 compared to 2010-11 in spite of increased steel production by 7.9% for the period April 2011 - November 2011. Fall in Indian rupee against US Dollar by 13.5% in 2011-12 has impacted on the key raw materials imports - Iron ore and coal in turn steel price. The increase in Iron ore price by 67% in Mid-December 2011 and coal by 43% in open market expects to increase the steel price in Q1 and Q2 of 2012 as the inventory is low compared to demand.
- Domestic aluminum prices increased by 10% in 2011-12 compared to 2010-11. The impact of drop in LME index did not have effect on aluminum price due to fall in rupee against dollar. The steep rise in price of furnace oil during 2011-12 by 38% compared to 2010-11 has impacted in the aluminum price. Average aluminum prices are expected to be 6-8% higher in 2012-13, as compared to 2011-12 levels.
- Average rubber prices are expected to be 12-15% higher in 2012-13, as compared to 2011-12 levels due to continuous increase in synthetic rubber prices.

Commercial Vehicles manufacturers are likely to pass on these additional costs to customers. However, the sensitivity of transporters' profitability to the increase in vehicle cost would determine the extent of the cost actually passed on to the end customer.

Since, major growth is expected from Exports as well as from new systems; new product launch at the right time will be the focus area. Suitable measures 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 value engineering and global sourcing.

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

During the year under review, as part of expansion and to set up a plant near the major customers, the company has purchased land and production shed at Pant Nagar in the State of Uttarakhand. This unit has started manufacturing activity and commercial invoice was raised during March 2012. The company proposes to start the construction of its plant near Lucknow in the State of Uttar Pradesh during 2012-13. The company expects to commence commercial production during February / March 2013.

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

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

During the year under review, the company obtained the national award for excellence in cost management from the Institute of Cost Accountants of India. Other awards won by the company include Excellence in Quality and Excellence in Innovation and Technology awards and INNOVENDOR award from TATA Motors Limited. The company also has bagged Silver award from ACMA for technology in 2011.

B. Quality

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

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

TQM is a way of life at WABCO INDIA LIMITED. 100% participation in employee involvement has been successful for the past 12 consecutive years.

Employees have completed more than 208 projects by applying statistical tools through QC Circles in 2011-12. The average number of suggestions implemented per employee is 61 in 2011-12 which is close to international benchmark.

C. Cost management

The Company continues its rigorous focus on its costs through an effective cost deployment system. Value engineering and global sourcing projects are being pursued for cost reduction and also to insulate from cost escalation. 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 and price negotiation with customers helps in managing the cost effectively and efficiently.

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. Special emphasis on automation of repetitive activities through the usage of IT was done across several functions.

VII. Human Resource Development

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

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

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

As of 31st March 2012, the Company had 1,161 employees on its rolls.

VIII. Environment & Safety

Safety management is integrated with the overall Safety Health and Environment (SHE) management system. During the year under review, the unit at Mahindra world City has been certified for Integrated Management System viz., ISO 14001 and OHSAS 18001. The Company has also obtained "Best Safety Drive" award from ACMA.

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

- Replacement of High bay lights to CFL/LED lamp wherever suitable to maintain the luminous level.
- Introducing efficient coolant in new grinding machines thereby resulting of reduced power consumption.

- Removal of chip conveyor from machinery where minimum chips is generated from machine. This results in reduced power consumption.

IX. Community development and social responsibility

As a corporate citizen, the Company believes in its social responsibility and community development activities. Activities to be undertaken in this regard will be identified and action will be taken thereof.

X. Financial statement

Particulars	Year ended 31 st March 2012		Year ended 31 st March 2011	
	Rs. in lakhs	%	Rs. in lakhs	%
Sales (net)	1,00,497.08	95.0	86,574.79	96.4
Other Operating income	4,067.16	3.8	2,676.87	3.0
Other income	1,205.90	1.2	535.95	0.6
Total income	1,05,770.14	100.0	89,787.61	100.0
Raw materials consumed	57,926.44	54.7	50,817.77	56.6
Changes in inventories of Finished goods and WIP	(692.74)	(0.6)	(1,321.89)	(1.4)
Staff cost	9,428.80	8.9	7,119.49	7.9
Stores & tools consumed	5,091.37	4.8	3,555.41	4.0
Power & fuel	1,435.17	1.4	1,430.63	1.6
Repairs & maintenance	902.39	0.8	808.69	0.9
Other expenses	8,480.08	8.0	6,777.43	7.5
Finance costs	11.88	0.0	20.47	0.0
Depreciation	1,563.72	1.5	1,442.45	1.6
Total expenditure	84,147.11	79.5	70,650.45	78.7
Profit before tax	21,623.03	20.5	19,137.16	21.3
Provision for taxation	6,283.07	5.9	6,393.98	7.1
Profit after tax	15,339.96	14.6	12,743.18	14.2

XI. Cautionary statement

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

REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on code of governance

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

2. Board of directors

2.1 Composition and category of directors:

As of 31st March 2012, the total strength of the Board of Directors (the board) was seven directors. All the directors except the whole-time director are non-executive directors. During 2011-12, Mr C N Prasad resigned as Director on 12th May 2011, Mr Kurt Lehmann has resigned as director on 25th January 2012 and Mr Vincent Pickering was appointed as a director on 23rd May 2012. The total strength of the Board of Directors as on 23rd May 2012 is eight directors.

Out of the seven Non-Executive Directors, three Directors viz., Messrs. M Lakshminarayan, D E Udawadia and Narayan K Seshadri are independent Directors.

Chairman is a Director and not related to any promoter of the Company as defined under clause 49 of the Listing Agreement.

The number of Independent Directors is one third of its total strength. Thus, the Company meets with the requirements of composition of the board as per the Listing Agreement.

2.2 Board Meetings:

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

During the year 2011-12, the Board met 4 times on 12th May 2011, 26th July 2011, 20th October 2011 and 25th January 2012 and the gap between two meetings did not exceed four months.

2.3 Attendance and other directorships:

The details of attendance of the Directors at the board meetings, during the year, and at the last Annual General Meeting held on 27th July 2011 and also the number of other directorships and committee memberships / chairmanships as on 31st March 2012 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	4	Yes	6	2	-
P Kaniappan	WTD-NI	4	Yes	-	-	-
C N Prasad @	NE-NI	1	NA	-	-	-
Narayan K Seshadri	NE-I	4	Yes	13	7	3
D E Udawadia	NE-I	4	Yes	17	9	1
Nikhil Madhukar Varty	NE-NI	1	Yes	3	-	-
Leon Liu	NE-NI	1	Yes	11	-	-
Trevor Lucas	NE-NI	3	No	6	-	-
Kurt Lehmann \$	NE-NI	1	Yes	-	-	-
Vincent Pickering #	NE-NI	-	-	7	-	-

@ Resigned on 12th May 2011 \$ Resigned on 25th January 2012 # appointed on 23rd May 2012

* includes private companies.

** includes committees where the director is also chairman.

C-I : Chairman Independent

WTD-NI : Whole-time Director - Non Independent

NE-I : Non executive - Independent director

NE-NI : Non executive - Non-independent director

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

2.4 Access to information and Updation to directors:

The board reviews all information provided periodically for discussion and consideration at its meetings in terms of clause 49 of the Listing Agreement.

Functional heads are present whenever necessary and apprise all the directors about the developments. They also make presentations to the board and audit committee of directors.

Apart from this, the observations of audit carried out by the internal auditors and the compliance report on payment of statutory liabilities submitted by a firm of Chartered Accountants are placed at the audit committee of the directors.

The board also reviews the declarations made by the Whole-time Director and General Manager - Finance and Secretary of the Company regarding compliance of all applicable laws on quarterly basis.

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

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

All the board members and senior management personnel have affirmed compliance with the Code for the year ended 31st March 2012. The annual report contains a declaration to this effect signed by the Whole-time Director and General Manager - Finance and Secretary of the Company as compliance officer for the Code.

2.6 Appointment of directors:

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

3. Audit Committee

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

3.1 Brief description of terms of reference:

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

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

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

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
C N Prasad #	Non-executive, Non-Independent director
Trevor Lucas ###	Non-executive, Non-Independent director

resigned as Director on 12th May 2011 and ceased to be a member of audit committee on that date.

appointed as a member of audit committee on 12th May 2011.

Mr Narayan K Seshadri, Independent Director, is the Chairman of the Audit Committee. Mr R Madhavan, General Manager-Finance and Secretary of the Company acts as the Secretary of the Audit Committee.

Chairman of the Audit Committee was present at the annual general meeting held on 27th July 2011. The composition of the committee is in accordance with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

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

Date of the meeting	Members present Messrs
12 th May 2011	Narayan K Seshadri, D E Udawadia and C N Prasad
26 th July 2011	Narayan K Seshadri, D E Udawadia
20 th October 2011	Narayan K Seshadri, D E Udawadia and Trevor Lucas
25 th January 2012	Narayan K Seshadri, D E Udawadia and Trevor Lucas

4. Disclosures

4.1 Materially significant related party transactions:

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

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

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

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

4.2 Disclosure of accounting treatment:

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

4.3 Risk Management:

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

4.4 Instances of non-compliances, if any:

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

4.5 Disclosure by senior management personnel:

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

4.6 CEO and CFO Certification:

The Whole-time Director (CEO) and Chief Financial Officer (CFO) of the Company have certified to the board on financial and other matters in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2012.

4.7 Compliance with mandatory / non-mandatory requirements:

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

4.8 Management discussion and Analysis Report:

The management Discussion and Analysis Report has been attached to the Directors' Report.

5. Remuneration Committee

The board has not constituted a remuneration committee, as the need for forming such committee has not arisen. The remuneration to the Whole-time Director was decided by the Board of Directors subject to the approval of the shareholders.

5.1 Remuneration to directors:

Mr P Kaniappan, director of the Company, was appointed as a Whole-time Director of the Company for a period of five years effective 17th June 2009 on a remuneration consisting salary and other perquisites in terms of the agreement entered into between him and the Company on 17th June 2009. A supplemental agreement was entered with Mr P Kaniappan on 28th July 2010 to give effect to the increase in remuneration effective 1st April 2010 and approved by the shareholders at their meeting held on 26th August 2010.

The remuneration payable to the Whole-time Director is fixed by the board within the limits approved by the shareholders in terms of the relevant provisions of the Companies Act, 1956.

As approved by the shareholders by passing special resolution by postal ballot on 21st December 2010, non executive independent directors are being paid commission not exceeding 1% of the net profits of the Company subject to a limit of Rs. 7.50 lakhs per annum per director fixed by the board of directors, for every financial year for a period of five years from 1st April 2011 to 31st March 2016.

5.2 Particulars of sitting fees paid to non executive directors and commission payable to non-executive independent directors during the financial year 2011-12.

Name of the Messrs	Sitting fee (Rs.)	Commission (Rs.)	Total (Rs.)
M Lakshminarayan	60,000	7,50,000	8,10,000
D E Udawadia	1,20,000	7,50,000	8,70,000
Narayan K Seshadri	1,80,000	7,50,000	9,30,000
C N Prasad #	45,000	-	45,000
Total	4,05,000	22,50,000	26,55,000

resigned on 12th May 2011

Other non-executive directors, Messrs Leon Liu, Nikhil Madhukar Varty, Trevor Lucas and Vincent Pickering have waived the sitting fees payable to them.

5.3 Details of shareholdings of non-executive directors in the Company as on 31st March 2012:

Mr M Lakshminarayan holds 50 shares and all other directors do not hold any share in the Company. There are no other particular pecuniary relationships or transactions of the

non-executive directors' vis-à-vis of the Company. None of the directors is related to each other.

5.4 Particulars of remuneration paid to the whole-time director during the financial year 2011-12:

(Rs. in lakhs)

Name of the director Messrs	Salary	Contribution to PF and other funds	Perquisites & Allowances	Total
P Kaniappan	55.92	5.61	26.21	87.74

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

6. Investors' grievance committee:

6.1 As on 31st March 2012, the investors' grievance committee consisted of three members, viz., Mr Narayan K Seshadri, Director, Mr Trevor Lucas, Director and Mr P Kaniappan, Whole-time director of the Company. The Committee met four times during the year on 12th May 2011, 26th July 2011, 20th October 2011 and 25th January 2012.

During the year 2011-12, on 12th May 2011, Mr C N Prasad ceased to be a member of Investors' Grievance Committee in view of his resignation as a director. Mr Trevor Lucas, a non-independent director was appointed as a member of Investors' Grievance Committee on 12th May 2011.

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

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

6.4 Complaints received and redressed during the year 2011-12:

S.No.	Nature of complaint	No. of complaints
1	Non receipt of share certificates	2
2	Non receipt of dividend warrants	2
3	Non receipt of annual reports	2
	Total	6

6.5 All the complaints were resolved and, as on 31st March 2012, no complaint was pending. All requests for dematerialization of shares were carried out within the stipulated time period.

6.6 Secretarial Audit

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

7. General body meeting:

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

Year	Location	Date	Time
2008-09	Sathgurugnananda Hall, Narada Gana Sabha Trust, No. 314, (Old No. 254), T.T.K. Road, Chennai 600 018	24.09.2009	10.15 A.M.
2009-10	Sathgurugnananda Hall, Narada Gana Sabha Trust, No. 314, (Old No. 254), T.T.K. Road, Chennai 600 018	26.08.2010	10.00 A.M.
2010-11	The Music Academy, No. 168, (Old No. 306), T.T.K. Road, (Mowbrays Road) Chennai 600 014	27.07.2011	10.00 A.M.

7.2 Special resolutions passed in the previous three Annual General Meetings:

- (a) At the Annual General Meeting of the Shareholders of the Company held on 24th September 2009, consent / approval of the shareholders was obtained for alteration to certain clauses of Articles of Association of the Company under Section 31 and other applicable provisions of the Companies Act, 1956.
- (b) Approval of shareholders by way of Special Resolution was obtained pursuant to section 309 of the Companies Act 1956 for payment of commission to Non-executive Independent Directors effective 1st April 2011 by way of Postal Ballot process. The result was announced on 21st December 2010.
- (c) At the Annual General Meeting of the Shareholders of the Company held on 27th July 2011, consent / approval

of the shareholders was obtained for change of name of the Company pursuant to section 21 of the Companies Act, 1956. Approval of Central Government was obtained on 2nd August 2011 and fresh certificate of incorporation was issued by the Registrar of Companies Chennai on 2nd August 2011 consequent upon change of name of the Company.

7.3 None of the subjects placed before the shareholders in the last / ensuing Annual General Meeting required / requires approval by a postal ballot.

8. Means of communication

8.1 Quarterly results:

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

8.2 Newspapers wherein results normally published:

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

8.3 Website:

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

9. General shareholder information

9.1 Annual general meeting:

Date and time : 25th July 2012 at 10.00 a.m.
Venue : "The Music Academy",
No. 168 (Old No. 306) T.T.K. Road,
Chennai 600 014

9.2 Financial year : 1st April to 31st March

Financial calendar
2012-13 (Tentative) :
Financial reporting for
the quarter ending : Financial calendar
30th June 2012 : between 15th to 31st July 2012
30th September 2012 : between 15th to 31st October 2012
31st December 2012 : between 15th to 31st January 2013
31st March 2013 : between 1st to 15th May 2013
Annual General Meeting
(next year) : July / August 2013

9.3 Date of book closure : 20th July 2012 to 25th July 2012
(both days inclusive)

9.4 Particulars of dividend payment

The board of directors had recommended a dividend of Rs. 5.00 per share for the year 2010-11, absorbing a sum of Rs. 948.38 lakhs, and approved by the shareholders in the last annual general meeting. This dividend was paid on 3rd August 2011.

9.5 Listing on Stock Exchanges:

Name of the stock exchange	Stock code
Madras Stock Exchange Ltd (MSE)	–
Bombay Stock Exchange Ltd (BSE)	533023
National Stock Exchange of India Ltd. (NSE)	WABCOINDIA
ISIN allotted by depositories (Company ID Number)	INE342J01019

(Note: Annual listing fees for the year 2012-13 have been duly paid to the above stock exchanges).

9.6 Market Price Data:

Month	National Stock Exchange		Bombay Stock Exchange	
	Share Price		Share Price	
	High	Low	High	Low
April 2011	1,058.80	988.15	1,065.50	985.00
May 2011	1,055.00	971.10	1,059.00	964.10
June 2011	1,099.00	981.20	1,083.00	974.10
July 2011	1,324.80	1,016.15	1,323.90	1,055.00
August 2011	1,330.00	1,176.25	1,330.90	1,171.80
September 2011	1,399.95	1,215.10	1,334.00	1,196.40
October 2011	1,400.10	1,220.00	1,405.00	1,220.00
November 2011	1,509.70	1,206.25	1,524.95	1,215.00
December 2011	1,340.00	1,132.30	1,309.90	1,125.15
January 2012	1,395.00	1,160.00	1,385.00	1,143.05
February 2012	1,588.00	1,271.30	1,570.00	1,251.00
March 2012	1,577.45	1,480.00	1,569.00	1,490.10

9.7 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 10 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation will be given to the depositories within 7 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 (share transfer agent) / madhavan.rajagopalan@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.

9.8 Shareholding pattern as on 31st March 2012:

Particulars	No. of shares held	% to total
(a) Shareholding of Promoter and Promoter Group		
(1) Indian - Bodies Corporate	–	–
(2) Foreign- Bodies Corporate	1,42,25,684	75.00
Total Shareholding of Promoter and promoter Group (A)	1,42,25,684	75.00

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Particulars	No. of shares held	% to total
(b) Public Shareholding		
1. Institutions		
(a) Mutual Funds	20,75,825	10.94
(b) Banks, Financial Institutions, Insurance Companies (Central, State Government Institutions, Non-Government Institutions)	402	0.00
(c) Foreign Institutional Investors	2,07,773	1.10
Sub Total Institutions	22,84,000	12.04
2. Non - Institutions		
a) Bodies Corporate	4,38,151	2.31
b) Individuals <1 lakh	16,93,206	8.93
c) Individuals >1 lakh	2,95,839	1.56
d) NRI - Repatriable	14,023	0.07
e) NRI - Non-Repatriable	16,681	0.09
Sub Total Non-Institutions	24,57,900	12.96
Total (B)	47,41,900	25.00
Grand Total (A) +(B)	1,89,67,584	100.00

9.9 Distribution of Shareholding as on 31st March 2012:

Shareholding (Range)	No. of Shares	%	No. of Members	%
Upto 5,000	1,705,042	8.99	16,115	99.60
5,001 - 10,000	97,298	0.51	13	0.08
10,001 - 20,000	248,330	1.31	17	0.11
20,001 - 50,000	424,893	2.24	13	0.08
50,001 - 1,00,000	931,645	4.91	13	0.08
1,00,001 & above	15,560,376	82.04	8	0.05
Total	18,967,584	100.00	16,179	100.00

9.10 Dematerialization of shares and liquidity:

Out of 47,41,900 shares held by persons other than promoters, 44,17,790 shares have been dematerialised as on 31st March 2012 accounting for 93.16%.

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

9.12 Plant locations:

- Factories:
- 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. Plot No. AA8, Central Avenue, Auto Ancillary SEZ, Mahindra World City, Nathan Sub-Post, Chengalpet, Kancheepuram District 603 002
Tel : 044 4744 2000
Fax : 044 4749 0006
 - IV. Plot No.11, Sector 4, SIDCUL, IIE Pantnagar, Rudrapur Udham Singh Nagar, Uttarakhand - 263 153

Software Design Centre:

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

9.13 Address for investors Correspondence:

- (i) For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company. Sundaram-Clayton Limited Share transfer department New No. 22 (old No. 31) Railway Colony, 3rd Street Mehta Nagar, Chennai 600 029
- (ii) for any query on non-receipt of annual report; and Tel : 044 2374 1889, 044 4224 2000,
- (iii) for investors grievance & general correspondence 044 2374 2939 Fax : 044 2374 1889, 044 4224 2009

Email:

kr.raman@scl.co.in
sclshares@gmail.com
investorscomplaintssta@scl.co.in
madhavan.rajagopalan@wabco-auto.com

10. 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:

10.1 The Board:

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

10.2 Remuneration committee:

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

10.3 Shareholder rights:

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

10.4 Audit Qualifications:

The statutory financial statements of the Company are unqualified.

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

The present board consists of well-experienced and responsible members of society. All the directors are well aware of business model as well as the risk profile of the business parameters of the Company and their responsibilities as directors. Hence, in the opinion of the board, they do not require any further training. There is also no specific mechanism for evaluating the performance of the non-executive directors of the Company.

10.6 Whistle blower policy:

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

11. Request to shareholders:

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

Demat of Shares:

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

Registration of Electronic Clearing Service (ECS) Mandate:

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

Transfer of shares in physical mode:

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

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

Shareholders are requested to note that as per SEBI circular no. MRD/DoP/Cir -05/1009 dated 20th 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 109A of the Companies Act, 1956 provides facility for making nominations by shareholders in respect of their holding of shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his / her nominee without having to go through the process of obtaining succession certificate / probate of the Will etc.

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

Updation of address:

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

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

SMS Alerts:

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

Timely encashment of dividends:

Shareholders are requested to encash their dividends promptly to avoid hassles of revalidation/ losing your right of claim owing to transfer of unclaimed dividends beyond seven years to 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 31st March, 2008 and for any financial year thereafter may contact the Company and surrender their warrants for payment.

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

Web based applications - SEBI/NSE

In line with the circular no. CIR/OIAE/2/2011 dated 3rd 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 29th September 2011 from the National Stock Exchange of India Ltd, (NSE) the Company now uploads its quarterly shareholding pattern and the corporate governance report through a web based application designed for corporates by NSE called as NEAPS from the quarter ended 30th September 2011.

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

PARTICULARS OF UNCLAIMED DIVIDEND

Financial year	Date of Declaration	Date of transfer to special account	Date of transfer to IEPF
2007-08 (2 nd interim)	20.08.2008	25.09.2008	25.09.2015
2008-09 (1 st Interim)	08.12.2008	13.01.2009	13.01.2016
2009-10	26.08.2010	01.10.2010	01.10.2017
2010-11	27.07.2011	01.09.2011	01.09.2018

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 31st March 2012.

Chennai
23rd May 2012

P KANIAPPAN
Whole-time Director

R MADHAVAN
General Manager - Finance and Secretary

Auditors' Certificate

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, 2012, 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
Chartered Accountants
Firm Registration No. 101049W

Per S BALASUBRAHMANYAM
Partner

Membership No. 053315

Chennai
23rd May 2012

Auditors' report to the Shareholders

To

The Members of **WABCO INDIA LIMITED** (formerly known as WABCO-TVS (INDIA) LIMITED).

1. We have audited the attached Balance Sheet of WABCO INDIA LIMITED ('the Company') (formerly known as WABCO-TVS (INDIA) LIMITED) as at March 31, 2012 and also the Profit and Loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

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

Per S. BALASUBRAHMANYAM
Partner
Membership No. 053315

Place : Chennai
Date : May 23, 2012

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

Re: WABCO INDIA LIMITED ('the Company') (formerly known as WABCO-TVS (INDIA) LIMITED).

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets,
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory 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 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (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) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, related to the manufacture of automotive parts and accessories and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, 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, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other materials statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Nature of Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	93.30	2006 - 2007	Commissioner of Income Tax (Appeals), Chennai
Income Tax Act, 1961	Income Tax	90.00	2007 - 2008	Commissioner of Income Tax (Appeals), Chennai
Central Excise Act, 1944	Excise duty - Cenvat credit reversal	11.27	2008 - 2009 2009 - 2010	Commissioner of Central Excise (Appeals), Chennai
Service Tax	Service tax - Credit reversal on certain inputs	8.67	2007 - 2010	Commissioner of Central Excise (Appeals), Chennai
Service Tax	Service tax - Credit reversal on certain inputs	81.10	2008 - 2009	Commissioner of Central Excise, Chennai

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

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

Re: WABCO INDIA LIMITED ('the Company') (formerly known as WABCO-TVS (INDIA) LIMITED).

Nature of Statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Service Tax	Service tax-Credit reversal on certain inputs	44.25	2009 - 2010	Commissioner of Central Excise, Chennai
Service Tax	Service tax-Credit reversal on certain inputs	15.16	2010 - 2011	Additional Commissioner of Central Excise, Chennai
Service Tax	Service tax-Credit reversal on certain inputs	1.27	2010 - 2011	Deputy Commissioner of Central Excise, Chennai
Sales Tax	For sales made without C form and input tax credit availment for capital goods	40.49	2009 - 2010	Assistant Commissioner, Commercial Taxes, Chennai
Sales Tax	For sales made without C form and input tax credit availment for capital goods	45.56	2010 - 2011	Assistant Commissioner, Commercial Taxes, Chennai

- (x) 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.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company does not have dues payable to financial institutions, or debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii)

of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) 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.
- (xvi) The Company does not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issues and accordingly, provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xxi) 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 course of our audit.

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

Per S. BALASUBRAHMANYAM
Partner
Membership No. 053315

Place : Chennai
Date : May 23, 2012

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Balance Sheet as at 31st March 2012

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

	Notes	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
Corporate information	1		
Basis of preparation	2		
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	948.38	948.38
Reserves and surplus	4	51,962.20	37,724.47
	(A)	<u>52,910.58</u>	<u>38,672.85</u>
Non-current liabilities			
Deferred tax liabilities (net)	5	1,093.29	815.22
Other long-term liabilities	6	6.00	4.00
Long-term provisions	7	1,162.37	1,325.45
	(B)	<u>2,261.66</u>	<u>2,144.67</u>
Current liabilities			
Short-term borrowings	8	87.52	56.90
Trade payables	9.1	10,801.84	8,400.21
Other current liabilities	9.2	252.31	201.68
Short-term provisions	7	1,469.18	1,379.81
	(C)	<u>12,610.85</u>	<u>10,038.60</u>
TOTAL	(A+B+C)	<u>67,783.09</u>	<u>50,856.12</u>
ASSETS			
Non Current assets			
Fixed assets			
Tangible assets	10	22,975.37	18,029.55
Intangible assets	10	48.28	9.61
Capital work-in-progress	11	1,276.20	991.73
Non-current investments	12	220.24	220.24
Long-term loans and advances	13	1,826.55	1,582.16
	(A)	<u>26,346.64</u>	<u>20,833.29</u>
Current assets			
Current investments	15	2,100.00	1,000.00
Inventories	16	11,576.24	7,986.29
Trade receivables	14.1	15,749.86	17,118.38
Cash and cash equivalents	17	8,187.01	1,285.97
Short-term loans and advances	13	3,812.84	2,627.59
Other current assets	14.2	10.50	4.60
	(B)	<u>41,436.45</u>	<u>30,022.83</u>
TOTAL	(A + B)	<u>67,783.09</u>	<u>50,856.12</u>
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

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

M LAKSHMINARAYAN
Chairman

P KANIAPPAN
Whole-time Director

R MADHAVAN
General Manager - Finance and Secretary

T S RAJAGOPALAN
Chief Financial Officer

Per S BALASUBRAHMANYAM
Partner

Chennai
23rd May, 2012

Membership No. 053315

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Statement of Profit & Loss for the year ended 31st March 2012

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

	Notes	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
CONTINUING OPERATIONS			
Revenue			
Revenue from operations (gross)	18	114,335.94	97,769.26
Less: Excise duty		9,771.70	8,517.60
Revenue from operations (net)		104,564.24	89,251.66
Other income	19	1,205.90	535.95
Total revenue (I)		105,770.14	89,787.61
Expenses			
Cost of raw material and components consumed	20	57,926.44	50,817.77
Changes in inventories of finished goods and work-in-process	21	(692.74)	(1,321.89)
Employee benefits expense	22	9,428.80	7,119.49
Other expenses	23	15,909.01	12,572.16
Finance costs	24	11.88	20.47
Depreciation and amortization expense	10	1,563.72	1,442.45
Total expenses (II)		84,147.11	70,650.45
Profit before tax (I - II)		21,623.03	19,137.16
Tax expenses			
Current tax		6,005.00	5,900.00
Income tax relating to earlier years		-	3.33
Deferred tax		278.07	490.65
Total tax expense		6,283.07	6,393.98
Profit for the year		15,339.96	12,743.18
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		80.87	67.18

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

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

M LAKSHMINARAYAN
Chairman

P KANIAPPAN
Whole-time Director

R MADHAVAN
General Manager - Finance and Secretary

T S RAJAGOPALAN
Chief Financial Officer

Per S BALASUBRAHMANYAM
Partner
Membership No. 053315

Chennai
23rd May, 2012

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Cash Flow Statement for the year ended 31st March 2012

	Year ended 31 st March 2012 ₹ lakhs	Year ended 31 st March 2011 ₹ lakhs
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	21,623.03	19,137.16
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation/ amortization	1,563.72	1,442.45
Net foreign exchange gain (not realised)	(214.35)	(135.47)
Profit on sale of investments	(145.79)	(101.08)
Loss / (Profit) on sale of fixed assets	(3.43)	2.50
Interest paid	11.88	20.47
Interest income	(233.09)	(59.81)
	<u>978.94</u>	<u>1,169.06</u>
Operating profit before working capital changes	22,601.97	20,306.22
Adjustments for:		
(Increase) / decrease in inventories	(3,589.95)	(3,379.54)
(Increase) / decrease in trade receivable	1,539.34	(5,062.06)
(Increase) / decrease in other current assets	(5.90)	(0.05)
(Increase) / decrease loans and advances	(950.59)	(1,721.28)
Increase / (decrease) in long term liabilities	2.00	-
Increase / (decrease) in trade payable and current liabilities	2,452.26	1,188.32
Increase / (decrease) in provisions	(73.71)	14.71
	<u>(626.55)</u>	<u>(8,959.90)</u>
	21,975.42	11,346.32
Direct taxes paid	(6,440.52)	(6,425.27)
Net cash from operating activities	(A) 15,534.90	4,921.05
B. CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets including capital work-in-progress	(6,837.11)	(1,802.02)
Sale of fixed assets during the year	7.86	3.52
Purchase of investments	(55,449.97)	(40,400.00)
Redemption of investments	54,495.76	39,501.08
Interest received	233.09	59.81
Net cash from / (used in) investing activities	(B) (7,550.37)	(2,637.61)

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Cash Flow Statement for the year ended 31st March 2012

		Year ended 31 st March 2012 ₹ lakhs	Year ended 31 st March 2011 ₹ lakhs
C. CASH FLOW FROM FINANCING ACTIVITIES			
Dividend and dividend tax paid		(1,102.23)	(552.95)
Interest paid		(11.88)	(20.47)
Net cash from financing activities	(C)	(1,114.11)	(573.42)
D. NET INCREASE IN CASH AND CASH EQUIVALENTS			
	(A+B+C)	6,870.42	1,710.02
Opening cash and cash equivalents			
– Cash and bank balances	1,285.97		238.28
– Cash credit utilisation	(56.90)	1,229.07	(719.23)
Closing cash and cash equivalents			
– Cash and bank balances (refer note 17)	8,187.01		1,285.97
– Cash credit utilisation	(87.52)		(56.90)
		8,099.49	1,229.07

Notes :

- The above statement has been prepared in indirect method except in case of dividend and investments which have been considered on the basis of actual movement of cash.
- Cash and cash equivalent include cash and bank balances. Closing cash and cash equivalents include Rs. 13.66 lakhs. (31st March 2011 : Rs. 9.27 lakhs) towards unpaid dividend accounts which are meant for settlement of unpaid dividend amounts.

	M LAKSHMINARAYAN <i>Chairman</i>	P KANIAPPAN <i>Whole-time Director</i>	As per our report of even date For S.R. BATLIBOI & ASSOCIATES <i>Chartered Accountants</i> Firm Registration No. 101049W
Chennai 23 rd May, 2012	R MADHAVAN <i>General Manager (Finance) and Secretary</i>	T S RAJAGOPALAN <i>Chief Financial Officer</i>	Per S BALASUBRAHMANYAM <i>Partner</i> Membership No. 053315

Notes to financial statements for the year ended 31st March 2012

1. CORPORATE INFORMATION

WABCO INDIA LIMITED (formerly known as WABCO-TVS (INDIA) Limited) ("the company") was incorporated originally as Auto (India) Engineering Limited on 18th November 2004. The name of the company was changed to WABCO INDIA LIMITED on 2nd 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 services to the group companies.

On June 3, 2009, Clayton Dewandre Holdings Limited 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 Clayton Dewandre Holdings Limited and the company's ultimate holding company is WABCO Holdings Inc.

2. BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of Significant Accounting Policies

(a) Change in accounting policy

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

(b) 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.

(c) 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.

(d) 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 XIV of the Companies Act, 1956 whichever is higher.

	Rates (SLM)	Schedule XIV Rates (SLM)
Buildings	1.63% - 3.34%	1.63% - 3.34%
Plant and machinery	4.75% - 10.34%	4.75% - 10.34%
Computers (included in office & other equipments)	30.00%	16.21%
Furniture, fixtures and equipments	6.33%	6.33%
Vehicles	18.00%	9.50%

Depreciation in respect of assets whose actual cost does not exceed Rs. 5,000/- has been provided at 100%.

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

Notes to financial statements for the year ended 31st March 2012

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

(j) 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.

Sale of goods

Sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. In accordance with the terms of arrangements with the customers, the company has not recognised sales of Rs. 2,427.11 lakhs (31st March 2011 : Rs. 1,774.00 lakhs) and the related costs and margin on the materials despatched to the customer locations as such materials have not been received by the customers as at the balance sheet date. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Income from services is recognised upon completion of the contracts, in accordance with the specific terms of the contract with the customer.

Interest

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

Notes to financial statements for the year ended 31st March 2012

Profit on sale of investments

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

(k) 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.

(l) Retirement and other employee benefits

Retirement benefits in the form of provident fund and employee state insurance are defined contribution schemes and the contributions are charged to the statement of Profit and Loss of the year when the contributions to the funds are due. There are no other obligations other than the contribution payable to the funds.

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 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 on projected unit credit method made 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. The company presents the leave as a current liability in the balance sheet to the extent it expects to pay in the next year.

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

Expenses towards voluntary retirement scheme are charged to the statement of Profit and Loss when incurred.

(m) 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.

(n) 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.

Notes to financial statements for the year ended 31st March 2012

(o) 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 revised 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 were based on current sales levels and current information available about returns based on the average warranty period for the product portfolio of the company.

(p) 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.

(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
(formerly **WABCO-TVS (INDIA) Limited**)

Notes to financial statements for the year ended 31st March 2012

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

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
3. SHARE CAPITAL		
Authorised shares (in numbers) 20,000,000 (31 st March 2011: 20,000,000) Equity shares of Rs.5/- each	<u>1,000.00</u>	<u>1,000.00</u>
Issued, subscribed and fully paid-up shares (in numbers) 1,89,67,584 (31 st March 2011: 1,89,67,584) Equity shares of Rs.5/- each	<u>948.38</u>	<u>948.38</u>
Total issued, subscribed and fully paid-up share capital	<u>948.38</u>	<u>948.38</u>

a. There is no movement of the shares outstanding at the beginning and at the end of the reporting period

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 31st March 2012, the amount of per share dividend proposed as distributions to equity shareholders is Rs.5 (31st March 2011: 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 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
In Number of shares		
Clayton Dewandre Holdings Limited, Rotterdam, Holding Company 1,42,25,684 (31 st March 2011 - 1,42,25,684) Equity shares of Rs. 5 each fully paid	711.28	711.28

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

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

	31 st March 2012 In numbers	31 st March 2011 In numbers
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than in cash	1,89,67,584	1,89,67,584

Pursuant to the scheme of demerger of Brakes division to the company from Sundaram-Clayton Limited, Chennai, (SCL) the shareholders of SCL were entitled for allotment of 1,89,67,584 equity shares of Rs. 5/- each fully paid up for consideration other than in cash. These shares are deemed to be issued, subscribed and fully paid up in terms of the scheme of arrangement. These shares were allotted on 7th May 2008.

e. Details of shareholders holding more than 5% shares in the company

	As at 31 st March 2012		As at 31 st March 2011	
Name of the shareholder	In numbers	% holding in the class	In numbers	% holding in the class
Equity shares of Rs.5 each fully paid Clayton Dewandre Holdings Limited, Rotterdam, Holding Company	1,42,25,684	75%	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
(formerly **WABCO-TVS (INDIA) Limited**)

Notes to financial statements for the year ended 31st March 2012

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

	Notes	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
4. RESERVES AND SURPLUS			
(a) Capital reorganisation reserve			
Balance as per last financial statements	(A)	5.00	5.00
(b) General reserve			
Balance as per last financial statements		15,716.18	14,441.86
Add: Amount transferred from statement of Profit and Loss		3,000.00	1,274.32
Closing Balance	(B)	<u>18,716.18</u>	<u>15,716.18</u>
(c) Surplus in the statement of Profit and Loss			
Balance as per last financial statements		22,003.29	11,636.66
Profit for the year		15,339.96	12,743.18
		<u>37,343.25</u>	<u>24,379.84</u>
Less: Appropriations			
Proposed final equity dividend (amount per share Rs.5 (31 st March 2011 Rs. 5))		948.38	948.38
Tax on proposed equity dividend		153.85	153.85
Transfer to general reserve		3,000.00	1,274.32
Total appropriations		<u>4,102.23</u>	<u>2,376.55</u>
Net surplus in the statement of Profit and Loss	(C)	<u>33,241.02</u>	<u>22,003.29</u>
(d) Total reserves and surplus	(A+B+C)	<u>51,962.20</u>	<u>37,724.47</u>
5. DEFERRED TAX LIABILITIES (NET)			
(a) Deferred tax liability			
(i) Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting		1,793.52	1,753.44
Gross deferred tax liability	(A)	<u>1,793.52</u>	<u>1,753.44</u>
(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		497.32	455.12
(ii) Provision for warranty		154.08	185.00
(iii) Provision for doubtful debts and other losses		48.83	298.10
Gross deferred tax assets	(B)	<u>700.23</u>	<u>938.22</u>
Net deferred tax liabilities	(A-B)	<u>1,093.29</u>	<u>815.22</u>
6. OTHER LONG-TERM LIABILITIES			
Others			
Deposits from customers		6.00	4.00
		<u>6.00</u>	<u>4.00</u>

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

7. PROVISIONS

	Long-term		Short-term	
	31 st March 2012	31 st March 2011	31 st March 2012	31 st March 2011
	₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
(a) Provision for employee benefits				
(i) Provision for leave benefits	166.59	173.56	55.02	60.70
(ii) Provision for pension - refer note 25	855.23	790.10	11.79	3.93
	1,021.82	963.66	66.81	64.63
(b) Other provisions				
(i) Provision for warranties	140.55	357.24	295.59	212.95
(ii) Proposed dividend	-	-	948.38	948.38
(iii) Provision for tax on proposed dividend	-	-	153.85	153.85
(iv) Provision for fringe benefit tax (net of advance tax payments)	-	4.55	4.55	-
	140.55	361.79	1,402.37	1,315.18
	1,162.37	1,325.45	1,469.18	1,379.81

Provision for warranties

The table below gives information about movement in warranty provisions:

	31 st March 2012	31 st March 2011
	₹ lakhs	₹ lakhs
Opening balance	570.19	687.76
Add: Provision made during the year	254.47	221.12
Total	824.66	908.88
Less: Utilised / withdrawn during the year	388.52	338.69
At the end of the year	436.14	570.19
Current portion	295.59	212.95
Non-current portion	140.55	357.24

8. SHORT-TERM BORROWINGS

Cash credit from bank (secured)	87.52	56.90
	87.52	56.90

The above is secured by hypothecation of raw materials, components, work-in-process, finished goods, book debts, stores, spares and tools.

9. OTHER CURRENT LIABILITIES

9.1 Trade payables (refer note 29 for details of dues to micro and small enterprises)	10,801.84	8,400.21
9.2 Other current liabilities		
(a) Advance from customers	147.47	69.25
(b) Investor Education and Protection Fund will be credited by following amounts (as and when due)		
Unpaid dividend	13.66	9.27
(c) Others		
(i) Income tax deducted at source payable	25.92	25.82
(ii) Employees' Provident Fund payable	7.46	5.72
(iii) Employees' State Insurance payable	7.72	6.35
(iv) Employees' Family Pension Fund deductions payable	13.80	11.49
(v) Sales Tax payable	36.28	73.78
	252.31	201.68
	11,054.15	8,601.89

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

10. 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
Cost of assets										
As at 1 st April 2010	1,556.81	356.87	5,534.06	17,066.32	424.69	993.09	223.90	26,155.74	323.20	323.20
Add : Additions during the year	259.40	–	81.39	974.95	3.46	135.80	0.74	1,455.74	15.86	15.86
Less : Disposed during the year	–	–	–	6.26	–	45.33	11.32	62.91	–	–
As at 31st March 2011	1,816.21	356.87	5,615.45	18,035.01	428.15	1,083.56	213.32	27,548.57	339.06	339.06
Add : Additions during the year	12.85	208.78	1,626.82	4,452.15	21.66	158.66	17.27	6,498.19	54.45	54.45
Less: Disposed during the year	–	–	–	9.55	–	13.94	17.55	41.04	–	–
As at 31st March 2012	1,829.06	565.65	7,242.27	22,477.61	449.81	1,228.28	213.04	34,005.72	393.51	393.51
Depreciation										
As at 1 st April 2010	–	25.08	680.67	6,574.98	133.72	642.96	92.76	8,150.17	312.74	312.74
Add : Charge for the year	–	6.09	181.95	1,084.54	25.93	106.25	20.98	1,425.74	16.71	16.71
Less : On assets disposed during the year	–	–	–	5.94	–	40.19	10.76	56.89	–	–
As at 31st March 2011	–	31.17	862.62	7,653.58	159.65	709.02	102.98	9,519.02	329.45	329.45
Add : Charge for the year	–	6.67	190.04	1,191.07	26.38	112.15	21.63	1,547.94	15.78	15.78
Less: On assets disposed during the year	–	–	–	8.71	–	13.36	14.54	36.61	–	–
As at 31st March 2012	–	37.84	1,052.66	8,835.94	186.03	807.81	110.07	11,030.35	345.23	345.23
Written down value										
As at 31 March 2011	1,816.21	325.70	4,752.83	10,381.43	268.50	374.54	110.34	18,029.55	9.61	9.61
As at 31 March 2012	1,829.06	527.81	6,189.61	13,641.67	263.78	420.47	102.97	22,975.37	48.28	48.28

	31st March 2012	31 st March 2011
	₹ lakhs	₹ lakhs

11. CAPITAL WORK-IN-PROGRESS

Buildings	–	331.35
Furniture, fixtures and equipments	–	11.24
Machinery under installation	1,276.20	649.14
	1,276.20	991.73

12. 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
	220.24	220.24

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

13. LOANS AND ADVANCES

		Non-Current		Current	
		31 st March 2012	31 st March 2011	31 st March 2012	31 st March 2011
		₹ lakhs	₹ lakhs	₹ lakhs	₹ lakhs
Capital advances					
Unsecured, considered good		314.98	398.38	–	–
	(A)	314.98	398.38	–	–
Security deposit					
Unsecured, considered good		448.63	410.58	–	1.05
	(B)	448.63	410.58	–	1.05
Advances recoverable in cash or kind					
Unsecured, considered good		–	–	3,286.24	2,339.16
	(C)	–	–	3,286.24	2,339.16
Other loans and advances (Unsecured, considered good)					
Advance income-tax (net of provision for taxation)		1,029.64	728.84	134.72	–
Prepaid expenses		–	–	151.47	67.39
Loans to employees		33.30	44.36	24.01	14.94
Balances with government authorities		–	–	216.40	205.05
	(D)	1,062.94	773.20	526.60	287.38
Total	(A + B + C + D)	1,826.55	1,582.16	3,812.84	2,627.59
Loans and advances due by officers, etc.					
Loans to employees include					
Dues from officers		1.50	1.58	0.08	0.08

14. TRADE RECEIVABLES AND OTHER CURRENT ASSETS

14.1 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		–	–	368.49	32.18
Doubtful		–	–	150.49	150.49
		–	–	518.98	182.67
Provision for doubtful receivables		–	–	(150.49)	(150.49)
	(A)	–	–	368.49	32.18

Other receivables

Unsecured, considered good		–	–	15,381.37	17,086.20
	(B)	–	–	15,381.37	17,086.20
Total	(A + B)	–	–	15,749.86	17,118.38

14.2 Other current assets (Unsecured, considered good)

Interest accrued on fixed deposits		–	–	10.50	4.60
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Notes to financial statements for the year ended 31st March 2012

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

15. CURRENT INVESTMENTS

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
Current investments (valued at lower of cost and fair value, unless stated otherwise)		
Quoted		
(a) 1,24,661.7656 units in SBI Mutual Fund of SBI Funds Management Private Limited, Mumbai (institutional plan - growth option)	2,100.00	–
(b) 62,144.598 units in UTI Mutual Fund of UTI Asset Management Company Private Limited, Mumbai - UTI Liquid Cash Plan (institutional plan - growth option)	–	1,000.00
	<u>2,100.00</u>	<u>1,000.00</u>
Market value of quoted investments	2,102.49	1,000.56

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

(a) Raw materials and components	5,778.61	4,439.53
(b) Work-in-process	449.38	342.14
(c) Finished goods (refer note no. 2.1 (j))	2,690.13	2,104.63
(d) Stores and spares	1,626.42	569.93
(e) Goods in transit - raw materials and components	1,031.70	530.06
	<u>11,576.24</u>	<u>7,986.29</u>

17. CASH AND BANK BALANCES

	Non-Current		Current	
	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
Cash and cash equivalents				
(a) Balances with banks:				
(i) On current accounts	–	–	1,493.14	1,266.63
(ii) On term deposit accounts	–	–	6,669.35	–
(iii) On unpaid dividend account	–	–	13.66	9.27
(iv) Cash on hand	–	–	10.86	10.07
	<u>–</u>	<u>–</u>	<u>8,187.01</u>	<u>1,285.97</u>

18. REVENUE FROM OPERATIONS

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
Revenue from operations		
(a) Sale of products:		
(i) Finished goods	110,268.78	95,092.39
(b) Rendering of services	2,932.69	1,761.54
(c) Test track service usage	311.86	264.35
(d) Scrap sales	822.61	650.98
Revenue from operations (gross)	<u>114,335.94</u>	<u>97,769.26</u>
Less: Excise duty	9,771.70	8,517.60
Revenue from operations (net)	<u>104,564.24</u>	<u>89,251.66</u>

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

Details of products sold	31st March 2012	31st March 2011
	₹ lakhs	₹ lakhs
Finished goods sold (net of excise duty)		
(a) Air assist and full air actuation system for automotive and non-automotive applications and elements thereof	66,967.97	55,633.94
(b) Spares	14,503.67	13,911.97
(c) Exports of automotive components	14,811.60	11,574.03
(d) Anti lock braking system	4,213.84	5,454.85
	100,497.08	86,574.79
Details of services rendered		
(a) Software services	2,204.78	1,376.93
(b) Research and Development services	571.13	384.61
(c) Shared services	156.78	–
	2,932.69	1,761.54
Tax deducted at source on test track service usage	22.91	7.70
19. OTHER INCOME		
(a) Interest income on		
(i) Bank deposits	216.36	56.25
(ii) Others	16.73	3.56
(b) Profit on sale of fixed assets	3.84	1.50
(c) Gain on sale of current investments	145.79	101.08
(d) Tool development income (net of expenses Rs. 71.58 lakhs - 31 st March 2011 Rs. 96.73 lakhs)	205.78	300.83
(e) Exchange differences (net)	617.40	72.73
	1,205.90	535.95
Tax deducted at source on interest income	22.04	6.51
20. COST OF RAW MATERIAL AND COMPONENTS CONSUMED		
Inventory at the beginning of the year	4,439.53	3,069.74
Add: Purchases	59,265.52	52,187.56
Less: Inventory at the end of the year	5,778.61	4,439.53
Cost of raw material and components consumed	57,926.44	50,817.77
Details of raw material and components consumed		
Steel sheets, bar materials and tubes	310.90	105.61
Castings and forgings	17,709.85	13,158.07
Intermediates and components (which individually do not account for 10% or more of the total value of consumption)	39,905.69	37,554.09
	57,926.44	50,817.77

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

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
(a) Inventories at the end of the year		
(i) Work-in-process	449.38	342.14
(ii) Finished goods	2,690.13	2,104.63
	<u>3,139.51</u>	<u>2,446.77</u>
(b) Inventories at the beginning of the year		
(i) Work-in-process	342.14	198.61
(ii) Finished goods	2,104.63	926.27
	<u>2,446.77</u>	<u>1,124.88</u>
(Increase) / decrease in inventories	<u>(692.74)</u>	<u>(1,321.89)</u>
Details of inventory		
(a) Work-in-process		
Air assist and full air actuation system for automotive and non-automotive applications and elements thereof	449.38	342.14
(b) Finished goods		
(i) Air assist and full air actuation system for automotive and non-automotive applications and elements thereof	2,651.39	2,031.21
(ii) Spares	38.74	73.42
	<u>2,690.13</u>	<u>2,104.63</u>

22. EMPLOYEE BENEFITS EXPENSE

(i) Salaries, wages and bonus	7,923.87	5,873.87
(ii) Contribution to provident and other funds (note 25)	561.18	450.85
(iii) Workmen and staff welfare expenses	943.75	794.77
	<u>9,428.80</u>	<u>7,119.49</u>
Contribution to provident and other funds include:		
(i) Gratuity as per scheme framed by Life Insurance Corporation of India	63.89	31.64
(ii) Pension fund	76.92	96.64
(iii) Deposit linked insurance as per scheme framed by Life Insurance Corporation of India	9.83	8.65
	<u>150.64</u>	<u>136.93</u>

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Notes to financial statements for the year ended 31st March 2012

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23. OTHER EXPENSES

	31 st March 2012	31 st March 2011
	₹ lakhs	₹ lakhs
(i) Consumption of stores and spares	5,091.37	3,555.41
(ii) Power and fuel	1,435.17	1,430.63
(iii) Rent	412.58	259.08
(iv) Rates and taxes	140.89	79.67
(v) Repairs and maintenance		
a) Building	356.64	296.65
b) Machinery	457.35	470.05
c) Other assets	88.40	41.99
(vi) Insurance	65.22	55.51
(vii) Commission	67.94	48.61
(viii) Audit fees (Refer details below)	20.21	17.90
(ix) Cash discount	49.72	34.87
(x) Travel and conveyance	840.44	683.07
(xi) Packing and forwarding	4,324.46	3,926.13
(xii) Data processing	185.61	100.86
(xiii) Sitting fees to directors	4.05	4.35
(xiv) Royalty	518.44	-
(xv) Research and development	388.77	577.15
(xvi) Other expenses (includes Rs. 22.50 lakhs - 31 st March 2011: Nil commission payable to non-executive independent directors)	1,461.34	986.23
(xvii) Loss on sale / scrapping of assets	0.41	4.00
	<u>15,909.01</u>	<u>12,572.16</u>
Audit fees comprise of:		
(a) As auditor:		
Audit fee	13.00	13.00
Tax audit fee	4.00	3.00
(b) In other capacity - Certification fees	1.00	1.00
(c) Reimbursement of expenses	2.21	0.90
	<u>20.21</u>	<u>17.90</u>
Repairs and maintenance includes:		
Stores consumed	11.71	11.52
	<u>11.71</u>	<u>11.52</u>
24. FINANCE COSTS		
Interest	11.88	20.47
	<u>11.88</u>	<u>20.47</u>

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25. GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

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

Particulars	(Rupees in lakhs)			
	As at / year ended 31 st March 2012	As at / year ended 31 st March 2011	As at / year ended 31 st March 2012	As at / year ended 31 st March 2011
	Pension		Gratuity	
(a) Expenses recognised in the statement of Profit and Loss				
(i) Current service cost	–	–	58.09	43.02
(ii) Interest cost	67.33	59.28	48.56	45.55
(iii) Expected return on plan assets	–	–	(52.40)	(52.53)
(iv) Net actuarial loss /(gain) recognised in the year	9.59	37.36	9.64	29.02
Total	76.92	96.64	63.89	65.06
(b) Change in defined benefit obligation during the year				
(i) Present value of obligation as at beginning of the year	794.03	697.39	607.05	569.39
(ii) Interest cost	67.33	59.28	48.56	45.55
(iii) Current service cost	–	–	58.09	43.02
(iv) Benefits paid	(3.93)	–	(116.50)	(79.93)
(v) Actuarial gain/ (loss) on obligation	9.59	37.36	9.64	29.02
(vi) Present value of obligation as at the end of the year	867.02	794.03	606.84	607.05
(c) Change in fair value of plan assets during the year				
(i) Fair value of plan assets at the beginning of the year	–	–	607.43	573.62
(ii) Expected return on plan assets	–	–	52.40	52.53
(iii) Contributions made during the year	–	–	65.74	61.21
(iv) Benefits paid	–	–	(116.50)	(79.93)
(v) Actuarial gain on plan assets	–	–	–	–
(vi) Fair value of plan assets as at the end of the year	–	–	609.07	607.43
(d) Balance Sheet movements				
(i) Value of benefit obligations / (net assets) at the beginning of the year	794.03	697.39	607.43	573.62
(ii) Actual return on plan assets	–	–	52.40	52.53
(iii) Contributions made during the year	–	–	65.74	61.21
(iv) Expenses	76.92	96.64	–	–
(v) Benefits paid	(3.93)	–	(116.50)	(79.93)
(vi) Value of benefit	–	–	–	–
(vii) Fair value of plan assets as at the end of the year	867.02	794.03	609.07	607.43
Funded status	–	–	2.23	0.38
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.				
(e) Actuarial assumptions				
(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. 75.58 lakhs to gratuity in the next year (31st March 2011: Rs. 71.99 lakhs).

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

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs	31 st March 2010 ₹ lakhs	31 st March 2009 ₹ lakhs	31 st March 2008 ₹ lakhs
Gratuity					
Defined benefit obligation	606.84	607.05	569.39	590.67	694.97
Plan assets	609.07	607.43	573.62	669.86	694.97
Surplus / (deficit)	2.23	0.38	4.23	79.19	-
Experience adjustments on plan liabilities	9.64	29.02	36.70	(41.83)	80.14
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 st March 2012 ₹ lakhs	Year ended 31 st March 2011 ₹ lakhs
a) Sales (net of excise duty)		
India	85,685.48	75,000.76
Others	14,811.60	11,574.03
Total	100,497.08	86,574.79
b) Total assets		
India	64,089.61	46,325.10
Others	3,693.48	4,531.02
Total	67,783.09	50,856.12
c) Capital expenditure		
India	6,837.11	1,802.02
Others	-	-
Total	6,837.11	1,802.02

27. CONTINGENT LIABILITIES AND COMMITMENTS

	As at 31 st March 2012 ₹ lakhs	As at 31 st March 2011 ₹ lakhs
(A) Liabilities not provided for		
(a) Contingent liabilities		
i) Bills discounted	6,075.20	8,586.58
(b) Counter guarantee given to bankers	126.28	37.92
(c) On letters of credit opened with bankers	-	22.08
(d) Claims against the company not acknowledged as debts primarily towards:		
i) Denial of Cenvat credit under Excise laws	11.27	11.27
ii) Denial of weighted deduction for Research and Development expenses claimed under Income tax Act for the years 2006-07 and 2007-08	183.30	183.30
iii) Reversal of service tax credit on certain inputs under the Service tax laws	150.45	8.67
iv) Denial of input tax credit under Tamil Nadu Value Added Tax laws for the years 2009-10 and 2010-11	86.05	-
v) Increase of trade license fees by the local authorities	3.04	3.04
vi) Levy of infrastructure and amenities charges by the Tamil Nadu Town and Country Planning Department	49.25	49.25
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) Commitments not provided for *		
(a) Capital	10.53	347.14
(b) Others	1,031.70	530.06

* As certified by management

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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 st March 2012	31 st March 2011	31 st March 2012	31 st March 2011
1	Import of goods and services	USD	-	8.20	-	369.18
		JPY	-	0.49	-	0.26
		EUR	4.75	3.70	308.51	235.48
2	Import of capital goods	JPY	-	6.76	-	3.65
3	Export of goods and services	USD	37.07	37.15	1,896.29	1,663.02
		EUR	26.30	45.51	1,797.19	2,868.00

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

	As at 31 st March 2012	As at 31 st March 2011
Total outstanding dues to Micro and Small enterprises	581.47	394.25

The above dues are furnished based on the information available with the company in respect of Micro, Small and Medium Enterprises (as defined in the Micro, Small and Medium Enterprises Development Act 2006). 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 (formerly WABCO-TVS (INDIA) Limited)
- b) **Subsidiary companies** The reporting entity does not have any subsidiary company.
- c) **Associate companies** Nil
- d) **Holding company** Clayton Dewandre Holdings Limited, (CDH) Rotterdam, The Netherlands (became a holding Company of this Company from 3rd June 2009)
- e) **Ultimate holding company** WABCO Holdings Inc., USA
- f) **Fellow Subsidiary companies**
 - 1 WABCO Fahrzeugsysteme, GmbH, Germany
 - 2 WABCO China Co Ltd, China
 - 3 WABCO France SAS, France
 - 4 Meritor WABCO Vehicle Control Systems, USA
 - 5 Shandong Weiming Automotive Products Co. Ltd, China
 - 6 WABCO (Shanghai) Management Co Limited, China
 - 7 WABCO Automotive South Africa
 - 8 WABCO Automotive UK Ltd, United Kingdom
 - 9 WABCO Asia Private Limited, Singapore (Direct subsidiary of CDH)
 - 10 WABCO Compressor Manufacturing Co. USA
 - 11 WABCO Hong Kong Limited, Hong Kong
 - 12 WABCO Japan Inc, Japan

Notes to financial statements for the year ended 31st March 2012

- 13 WABCO Korea Ltd, Korea
- 14 WABCO Polska Sp.z o.o. Poland
- 15 WABCO Development Gmbh, Germany
- 16 WABCO Logistics GmbH, Germany
- 17 WABCO Australia Pty Limited, Australia
(Subsidiary of CDH through WABCO Asia Private Limited)
- 18 WABCO Europe BVBA, Belgium
- 19 WABCO Austria GesmbH, Austria
- 20 WABCO Belgium BVBA/SPRL, Belgium
- 21 WABCO do Brasil Industria e Comercio de Freios Ltda, Brazil
- 22 WABCO Brzdy K Vozidlum spol S.R.O, Czech Republic
- 23 WABCO Gmbh, Germany
- 24 WABCO Radbremsen Gmbh, Germany
- 25 WABCO Automotive Italia SRL, Italy
- 26 WABCO BV, Netherlands
- 27 WABCO Europe Holdings BV, Netherlands
- 28 WABCO Espana SLU, Spain
- 29 WABCO Automotive AB, Sweden
- 30 WABCO (Schweiz) Gmbh, Switzerland
- 31 WABCO Automotive B.V, Netherlands
- 32 WABCO ARAC Kontrols Sistemleri Destek VE Pazarlama Limited Sirketi , Turkey
- 33 WABCO Middle East and Africa FZCO, Dubai
- 34 WABCO Centro de Distribuicao de pecas Automotives Ltda, Brazil
- 35 WABCO Foundation Brakes Private Limited, Chennai
(Subsidiary of CDH through WABCO Asia Private Limited)
- 36 WABCO IP Holdings LLC
- 37 WABCO Automotive Products Ltd., Cayman
- 38 WABCO Air Compressor Holdings Inc.,
- 39 WABCO Automotive Control Systems Inc.,
- 40 WABCO Group Inc.,
- 41 WABCO Group International Inc.,
- 42 WABCO Logistic (Quingdao) Co. Ltd
- 43 WABCO Inc.,
- 44 WABCO North America LLC
- 45 WABCO Automotive Holdings Inc.,
- 46 WABCO Expats Inc.

g) Key management personnel Mr P Kaniappan - Whole Time Director

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Notes to financial statements for the year ended 31st March 2012

(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 st March 2012	31 st March 2011	31 st March 2012	31 st March 2011
1	Purchase of goods	Shandong Weiming Automotive Product Co. Ltd, China	89.68	18.14	-	-
		WABCO Fahrzeugsysteme GmbH, Germany	2,288.98	2,312.69	-	-
		WABCO do Brasil Industria e Comercio de Freios Ltda., Brazil	97.17	124.12	-	-
		Meritor WABCO Vehicle Control Systems, USA	-	3.17	-	-
		WABCO BV, Netherlands	0.09	0.37	-	-
		WABCO Polska sp.z.o.o, Poland	10.85	-	-	-
		WABCO France S.A.S, France	42.45	126.64	-	-
		WABCO China Co Ltd, China	44.71	59.71	-	-
		WABCO Compressor Manufacturing Co, USA	150.45	4.76	-	-
			2,724.38	2,649.60	-	-
2	Receiving of services					
	Royalty for brand name	WABCO IP Holdings LLC, USA	518.44	-	-	-
	Technical services	WABCO Europe BVBA, Belgium	155.38	-	-	-
		673.82	-	-	-	
3	Sale of goods	Meritor WABCO Vehicle Control Systems, USA	482.37	199.73	-	-
		WABCO Logistics GmbH, Germany	677.89	1,090.58	-	-
		WABCO China Co Ltd, China	976.62	1,959.25	-	-
		WABCO Automotive, South Africa	12.94	15.94	-	-
		WABCO Compressor Mfg. Co, USA	4,913.12	2,985.72	-	-
		WABCO Polska sp.z.o.o, Poland	2,560.21	1,315.48	-	-
		WABCO Automotive UK Ltd, United Kingdom	-	190.18	-	-
		WABCO Korea Ltd, Korea	29.66	29.07	-	-
		WABCO France S.A.S, France	1,261.96	884.02	-	-
		WABCO do Brasil Industria e Comercio.de Freios Ltda, Brazil	199.22	123.07	-	-
		Shandong Weiming Automotive Product Co. Ltd, China	0.93	15.35	-	-
		WABCO GmbH, Germany	362.94	243.28	-	-
		WABCO Asia Private Ltd., Singapore	94.37	35.43	-	-
		WABCO Middle-East & Africa FZCO, Dubai	3.63	0.83	-	-
		WABCO Europe BVBA, Belgium	2,884.25	1,589.72	-	-
			14,460.11	10,677.65	-	-
4	Rendering of Services					
	Software Service *	WABCO Development GmbH, Germany	2,620.04	1,573.36	-	-
	R & D Service	WABCO Europe BVBA, Belgium	571.13	213.52	-	-
	R & D Service	WABCO Development GmbH, Germany	-	171.09	-	-
	Shared services	WABCO Europe BVBA, Belgium	156.78	-	-	-
		3,347.95	1,957.97	-	-	

WABCO INDIA LIMITED
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Notes to financial statements for the year ended 31st March 2012

(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 st March 2012	31 st March 2011	31 st March 2012	31 st March 2011
5	Receivables	WABCO Logistics GmbH, Germany	83.47	136.77	-	-
		WABCO China Co Ltd, China	180.34	543.86	-	-
		WABCO Automotive UK Ltd, United Kingdom	-	0.73	-	-
		Meritor WABCO Vehicle Control Systems, USA	153.42	18.09	-	-
		WABCO Development GmbH, Germany	-	175.92	-	-
		WABCO Compressor Mfg. Co, USA	1,502.61	950.34	-	-
		Shandong Weiming Automotive Product Co. Ltd, China	0.77	0.29	-	-
		WABCO Polska sp.z.o.o, Poland	496.66	956.82	-	-
		WABCO do Brasil Industria e Comercio.de Freios Ltda, Brazil	45.28	27.53	-	-
		WABCO Asia Private Ltd., Singapore	12.32	3.19	-	-
		WABCO Europe BVBA, Belgium	199.00	215.29	-	-
		WABCO GmbH, Germany	418.73	562.76	-	-
		WABCO Automotive South Africa	1.35	3.24	-	-
		WABCO France S.A.S, France	234.99	645.65	-	-
		WABCO Middle-East & Africa FZCO, Dubai	2.38	-	-	-
		WABCO Korea Ltd, Korea	6.01	5.82	-	-
		3,337.33	4,246.30	-	-	
6	Payables	Meritor WABCO Vehicle Control Systems, USA	3.17	3.17	-	-
		WABCO China Co Ltd, China	4.31	5.55	-	-
		WABCO Polska sp.z.o.o, Poland	3.26	-	-	-
		WABCO BV, Netherlands	0.46	0.37	-	-
		WABCO Compressor Mfg. Co, USA	2.04	-	-	-
		WABCO France S.A.S, France	-	3.28	-	-
		Shandong Weiming Automotive Product Co. Ltd, China	0.51	0.29	-	-
		WABCO IP Holdings LLC, USA	253.94	-	-	-
		WABCO Europe BVBA, Belgium	155.38	-	-	-
		WABCO Fahrzeugsysteme GmbH, Germany	332.73	27.26	-	-
		755.80	39.92	-	-	
7	Remuneration to Key management personnel					
	Mr P Kaniappan – Whole Time Director	-	-	87.74	81.44	

* include capital expenditure reimbursements Rs. 415.26 lakhs (last year Rs. 196.43 lakhs)

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
(formerly **WABCO-TVS (INDIA) Limited**)

Notes to financial statements for the year ended 31st March 2012

(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 st March 2012		Year ended 31 st March 2011	
	% of total consumption	Value	% of total consumption	Value
I. CONSUMPTION OF RAW MATERIALS AND COMPONENTS				
a) Imported	12.8	7,431.13	9.1	4,633.91
b) Indigeneous	87.2	50,495.31	90.9	46,183.86
	100.0	57,926.44	100.0	50,817.77
II. CONSUMPTION OF MACHINERY SPARES				
a) Imported	6.9	11.59	0.5	0.83
b) Indigeneous	93.1	155.28	99.5	166.84
	100.0	166.87	100.0	167.67
Value of imports calculated on CIF basis				
a) Raw materials and components		8,187.41		7,665.08
b) Stores and tools		388.12		186.70
c) Capital goods		1,802.07		207.46
33. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS)				
a) Commission on export sales		19.57		20.72
b) Travel		58.77		45.77
c) Training		7.60		13.11
d) Consultancy, retainer - Productivity improvement		24.95		58.56
e) Royalty		518.44		–
f) Fees for technical services		155.38		–
g) Others		77.62		63.58
34. PAYMENT TO NON RESIDENT SHAREHOLDERS				
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 31st March 2011 (lakhs)		711.28		–
- relating to 31st March 2010 (lakhs)		–		355.64
35. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS)				
(a) Exports (on FOB basis)		14,317.12		11,236.92
(b) Freight and insurance recovery		494.48		337.11
(c) Software service		2,204.78		1,376.93
(d) Shared services		156.78		–
(e) R & D Service		571.13		384.61
(f) Tool development income		277.36		397.56

WABCO INDIA LIMITED
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Notes to financial statements for the year ended 31st March 2012

(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 st March 2012	Maximum amount due at any one time during the year	Amount outstanding as on 31 st March 2011
(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	On 3rd 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.			

37. RESEARCH AND DEVELOPMENT

	31 st March 2012 ₹ lakhs	31 st March 2011 ₹ lakhs
a) Revenue expenditure eligible for weighted deduction	773.53	815.73
b) Other revenue expenditure	92.82	69.51
c) Capital Expenditure - Land and buildings	22.24	61.01
d) Capital Expenditure - other than land and buildings	258.44	108.44
	<u>1,147.03</u>	<u>1,054.69</u>

38. PREVIOUS YEAR FIGURES

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

M LAKSHMINARAYAN <i>Chairman</i>	P KANIAPPAN <i>Whole-time Director</i>	As per our report of even date For S.R. BATLIBOI & ASSOCIATES <i>Chartered Accountants</i> Firm Registration No. 101049W
Chennai 23 rd May, 2012	R MADHAVAN <i>General Manager (Finance) and Secretary</i>	Per S BALASUBRAHMANYAM <i>Partner</i> Membership No. 053315
	T S RAJAGOPALAN <i>Chief Financial Officer</i>	

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Regd. Office : Plot No. 3 (SP), III Main Road,
Ambattur Industrial Estate,
Chennai 600 058

ATTENDANCE SLIP

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

Name of the attending member _____

DP Id.* _____ Client Id* _____

Folio No.** _____ No. of shares _____

Name of proxy _____
(If proxy attends instead of member)

I hereby register my presence at the annual general meeting.

Venue : "The Music Academy",
New No. 168 (Old No. 306) T.T.K Road,
Chennai 600 014

Date : 25th July 2012

Time : 10.00 a.m.

Signature of member/proxy

* Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

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

----- Tear here -----

WABCO INDIA LIMITED
(formerly **WABCO-TVS (INDIA) Limited**)

Regd. Office : Plot No. 3 (SP), III Main Road,
Ambattur Industrial Estate,
Chennai 600 058

PROXY FORM

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

I/We _____ of _____ in the district of _____ being a Member/Members of WABCO INDIA LIMITED hereby appoint _____ of _____ in the district of _____ or failing him _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the annual general meeting of the company to be held on Wednesday the 25th day of July 2012 and at any adjournment thereof.

Signed this _____ day of _____ 2012.

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

Revenue
Stamp

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

* Applicable for investors holding shares in electronic form.

** Applicable for investors holding shares in physical form.

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

