



Commercial Vehicle Control Systems

ZF Group · WABCO INDIA Limited, Chennai 600058

Department Finance
From M C Gokul
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Email gokul.mc@zf.com
Date June 6, 2021

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Scrip code: 533023
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Kind Attn. Mr. Harshad Naik Legal Compliance

Dear Sir,

Sub: Standalone Financial Results for the financial year ended 31.03.2021 – Signed Audit Report & Statement on Impact of Audit Qualifications

With reference to your e-mail request dated 27th May 2021 we are furnishing herewith the following signed documents:

1. Audit Report for the quarter / year ended 31st March 2021
2. Statement on Impact of Audit Qualifications.

Kindly note that there is no change in the either the audit report or the statement of Impact of audit qualifications from that submitted on 17th May 2021 except that due to a technical error the signatures were missing in the filings made on 17th May 2021.

Kindly take the above on record and acknowledge receipt.

Yours sincerely,

ZF Group

M C Gokul
Company Secretary
WABCO INDIA Limited
Encl:

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No.1, Harrington Road, Chetpet,
Chennai – 600 031, India

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF WABCO INDIA LIMITED

Report on the audit of the Annual Financial Results

Qualified Opinion

We have audited the accompanying annual financial results of **WABCO India Limited** (hereinafter referred to as the “Company”) for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects, if any, of the matter described in the “Basis for Qualified Opinion” section of our report, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended March 31, 2021.

Basis for Qualified Opinion

We draw attention to note 7 to the annual financial results of the Company for the year ended March 31, 2021 with respect to certain instances of alleged irregularities identified by management in disbursement/settlement of provident fund dues paid out of the Employees' Provident Fund Trust ('the Trust') and salary payments to fixed-tenure employees in the current and earlier years. In this regard, the Company has initiated investigation of such alleged irregularities relating to payments from the Trust and other payments from the Company to employees by engaging an external independent expert through a law firm and is also evaluating necessary actions. The management has made a preliminary assessment and has recorded a provision of INR 500 lakhs in these annual financial results. Pending completion of the aforesaid investigation, we are unable to evaluate the likely outcome of the above matter and its consequential additional impact on these annual financial results.

The matter stated above was also subject matter of qualification in our review report on the unaudited financial results for the quarter and nine months ended December 31, 2020.

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our qualified opinion on the annual financial results.

Principal Office:

Independent Auditors' Report on Annual Financial Results of WABCO India Limited pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

B S R & Co. LLP

Independent Auditors' Report on Annual Financial Results of WABCO India Limited pursuant to Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The annual financial results include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

for **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022

SUDHAKAR

KUMAR

K Sudhakar

Partner

Membership No: 214150

ICAI UDIN: 21214150AAAAAR3131

Place: Chennai

Date: May 17, 2021

Digitally signed by SUDHAKAR
KUMAR
Date: 2021.05.17 17:13:21
+05'30'

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021 (See Regulation 53 / 52 of the SEBI (LODR) (Amendment) Regulations, 2014)				
I.	Sl. No.	Particulars	Audited Figures	Adjusted* Figures
			(as reported before adjusting for qualifications) Rs. Lakhs (except EPS)	(audited figures after adjusting for qualifications) Rs. Lakhs (except EPS)
	1.	Turnover / Total Income	190,238.87	190,238.87
	2.	Total Expenditure	179,858.38	179,858.38
	3.	Net Profit(Loss)	10,380.49	10,380.49
	4.	Earnings Per Share (in Rs.)	54.73	54.73
	5.	Total Assets	249,630.84	249,630.84
	6.	Total Liabilities	49,990.50	49,990.50
	7.	Net Worth	199,640.34	199,640.34
	8.	Any other financial item(s) (as felt appropriate by the management)	Not applicable	Not applicable
* Refer Note II a (i) below				
II. Audit Qualification (each audit qualification separately)				
	a.	Details of Audit Qualification:	Refer Basis for Qualified Opinion section in Report on the audit of the Annual Financial Results.	
	b.	Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	
	c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	First time	
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not applicable	
	e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		
	i.	Management's estimation on the impact of audit qualification:	For the subject matter of the qualification, based on the ongoing investigation through external expert (designated law firm) engaged by the Company, the quantum of irregularity assessed on preliminary basis is Rs. 500 lakhs which has been accrued for, in the accompanying results.	
	ii.	If management is unable to estimate the impact, reasons for the same:	Not applicable	
	iii.	Auditors' Comments on (i) or (ii) above:	We draw attention to note 7 to the annual financial results of the Company for the year ended March 31, 2021 with respect to certain instances of alleged irregularities	

identified by management as substantial settlement of provision fund dues paid out of the Employees Provident Fund Trust (the Trust) and salary payments to fixed-term employees in the current and earlier years. In this regard, the Company is conducting investigations of such alleged irregularities relating to payments from the Trust and other payments from the Company to employees by engaging an external independent expert through a law firm and is also evaluating necessary actions. The management has made a preliminary assessment and has recorded a provision of INR 500 lakhs in these financial results (Refer point 4 above). Pending completion of the above said investigation, we are unable to evaluate the likely outcome of the above matter and its consequential additional impact on these financial results.

III.	<u>Signatories:</u>	
	CEO/Managing Director	
	CFO	
	Audit Committee Chairman	
	Statutory Auditor	<p>Dr BSR & Co LLP Chartered Accountants Firm Registration No. 101343W/W-100021</p>  B. Sudhakar Partner Membership No. 214136
	Place: Chennai Date: 17 May 2021	