

No.CTL/DEB/19-20/Noting Certificate  
21<sup>st</sup> May,2019

To  
Subros Limited (Issuer)  
LGF, World Trade Centre, Barakhamba Lane,  
New Delhi - 110 001


### **CERTIFICATE FOR RECEIPT AND NOTING OF INFORMATION**

[Pursuant to Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Catalyst Trusteeship Limited ("**Debenture Trustee**") hereby confirm that we have received and noted the information, as specified under Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("**Regulations**"), provided to us by **Subros Limited** ("**the Issuer**") for the half year ended 31<sup>st</sup> March,2019.

This Certificate is being issued pursuant to the requirements of Regulation 52(5) of the aforesaid Regulations, for onward submission to Stock Exchange(s) by the Company.

**For Catalyst Trusteeship Limited**

  
**Authorised Signatory**

*Encl: Results submitted by Company*



STATEMENT OF UNAUDITED/AUDITED FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH, 2019

(Rs. in lakhs)								
S. No.	Particulars	STANDALONE Quarter ended			STANDALONE Year ended		CONSOLIDATED Year ended	
		31st March, 2019 (UNAUDITED) (Refer note 13)	31st December, 2018 (UNAUDITED)	31st March, 2018 (UNAUDITED) (Refer note 13)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)
I	Revenue from operations (Refer Note 8)	51,807	51,069	55,215	212,448	196,956	212,448	196,956
II	Other Income	193	(155)	(41)	1025	743	1030	738
III	Total Revenue (I + II)	52,000	50,914	55,174	213,473	197,699	213,478	197,694
IV	Expenses							
a)	Cost of materials consumed	36,269	34,481	37,387	148,503	133,450	148,503	133,450
b)	Changes in inventories of finished goods and work-in progress	(33)	708	768	(98)	45	(98)	45
c)	Excise Duty	-	-	-	-	5,667	-	5,667
d)	Employee benefits expense	4,891	5,136	5,427	20,646	18,812	20,657	18,822
e)	Finance costs	682	801	1,146	4,219	4,121	4,219	4,121
f)	Depreciation and amortization expense	2,064	1,954	2,419	7,885	9,200	7,885	9,200
g)	Other expenses	5,183	5,064	5,264	20,587	17,984	20,569	17,986
	Total expenses (IV)	49,056	48,141	52,411	201,742	189,279	201,735	189,291
V	Share of profits/(losses) of Joint Venture accounted for using equity method	-	-	-	-	-	(1)	11
VI	Profit/(Loss) before exceptional items and tax (III - IV + V)	2,944	2,773	2,763	11,731	8,420	11,742	8,414
VII	Exceptional Items (Refer Note 7)	-	-	-	(334)	(182)	(334)	(182)
VIII	Profit/(Loss) before tax (VI + VII)	2,944	2,773	2,763	11,397	8,238	11,408	8,232
IX	Tax expense							
(a)	Current Tax	571	602	612	2408	1,787	2408	1,788
(b)	Deferred Tax	753	452	292	1376	369	1376	388
X	Profit/(Loss) for the period/year (VIII - IX)	1,620	1,719	1,859	7,613	6,062	7,624	6,056
XI	Other Comprehensive Income							
	Items that will be reclassified to profit or loss							
(a)	Exchange differences on translation of foreign operations	-	-	-	-	-	(3)	(3)
(b)	Income tax relating to above item	-	-	-	-	-	1	1
	Items that will not be reclassified to profit or loss							
(c)	Gain/(Loss) of defined benefit obligations	(306)	(2)	14	(312)	(7)	(312)	(7)
(d)	Share of other comprehensive income of Joint Venture accounted for using equity method	-	-	-	-	-	-	-
(e)	Income tax relating to above	106	1	(4)	109	2	109	1
	Other Comprehensive Income for the period/year (net of tax) (a+b+c+d+e)	(200)	(1)	10	(203)	(5)	(205)	(8)
XII	Total Comprehensive Income for the period/year (X + XI)	1,420	1,718	1,869	7,410	6,057	7,419	6,048
XIII	Paid-up equity share capital	1,305	1,305	1,200	1,305	1,200	1,305	1,200
XIV	Face value of share (Rs.)	2	2	2	2	2	2	2
XV	Earnings per share (of Rs. 2 each) (not annualized)							
Basic		2.44	2.80	3.10	12.35	10.11	12.37	10.09
Diluted		2.44	2.80	3.10	12.35	10.11	12.37	10.09

Notes:

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 21st May, 2019.
- The financial results of the Company have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("IND AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.
- The format for unaudited quarterly/annual results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated 30th November, 2015 has been modified to comply with requirements of SEBI's circular dated 5th July, 2016 on IND AS and Schedule III to the Companies Act, 2013 applicable to companies that are required to comply with IND AS.
- Effective 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective method, which is applied to contracts as of 1st April, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was not material to the financial results for the quarter and year ended 31st March, 2019.
- Pursuant to the approval of Board of Directors in their meeting held on 28th May, 2018 for closure of Company's overseas subsidiary Thai Subros Ltd. and filing of liquidation application in Thailand on 9th January, 2019, the management has assessed the recoverability of their investment in subsidiary and recognised the provision for diminution in the value of its investment in subsidiary amounting to Rs. 7.35 Lakhs and Rs. 21.35 Lakhs during the quarter and year ended 31st March, 2019. Accordingly, the financial statements for the subsidiary for the year ended 31st March, 2019 have been prepared on liquidation basis.
- The Company's operations comprise of only one segment i.e. parts & components for Automotive Airconditioning Systems. Hence, no further information is required to be given in respect of segment.
- The Company has introduced a Voluntary Separation Scheme to provide an opportunity to the workmen of Pune Plant to opt for early separation to optimise on manpower cost and productivity improvement and incurred one time expenditure of Rs. 334 Lakhs during the quarter ended 30th June, 2018. This has been disclosed as Exceptional Item.
  - There was a fire accident in one of the plants of the Company situated at Manesar on 29th May, 2016. The fire had severely impacted the building, stocks, plant & machinery. These assets were adequately insured with reinstatement clause and a claim has been made with the insurance company. An amount of Rs.50.66 crores has been received from the insurance company on 25th April, 2019 against the claim lodged. Special/urgent actions to restart supplies to the customers post fire accident has temporarily resulted into additional costs incurred during the year ended 31st March, 2018 which have been disclosed as Exceptional Item.



8. Revenue from operations for periods upto 30th June, 2017 include excise duty, which is discontinued effective 1st July, 2017 upon implementation of Goods and Services Tax (GST) in India. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the year ended 31st March, 2018 is not strictly relatable to current period numbers. The following additional information is being provided to facilitate such understanding.

(Rs. in lakhs)

Particulars	Standalone Quarter ended			Standalone Year ended		Consolidated Year ended	
	31st March, 2019 (UNAUDITED)	31st December, 2018 (UNAUDITED)	31st March, 2018 (UNAUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)	31st March, 2019 (AUDITED)	31st March, 2018 (AUDITED)
Revenue from operations	51,807	51,069	55,215	212,448	196,956	212,448	196,956
Less : Excise Duty	-	-	-	-	5,667	-	5,667
Revenue from operations excluding Excise Duty	51,807	51,069	55,215	212,448	191,289	212,448	191,289

9. The Company has issued 5,247,150 equity shares at a price of Rs 400 per equity share (face value of Rs 2 each) on preferential basis to Denso Corporation, Japan on 7th December, 2018.

10. The Board of directors have recommended a final dividend of Rs.1.30/equity share (65% on face value of equity shares of Rs.2 each) for the year ended 31st March, 2019. The dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

11. The Company has issued Listed Redeemable 8.50% Non-Convertible Debentures (NCDs) aggregating to Rs. 5,000 Lakhs on 22nd August, 2017.

Additional disclosures as per regulation 52(4) and other regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

- a) Credit rating and change in credit rating (if any): The Non Convertible Debentures issued by the Company are rated "[ICRA] AA-Stable" (31st March, 2018: "[ICRA] A+").
- b) Asset cover available, in case of non convertible debt securities: 1.25 times of the total liability for outstanding NCDs as on 31st March, 2019. The nature of security is first charge on specific movable fixed assets of the company.
- c) Previous due date for the payment of interest/repayment of principal of non convertible debt securities and whether the same has been paid or not: Previous due date for payment of interest was 30th March, 2019 (Rs. 27.95 lakhs) and the same has been paid within the due date. Previous due date for repayment of principal amount was 30th April, 2018 (Rs. 1,000 lakhs) and the same has been paid within the due date.
- d) Next due date for the payment of interest/principal of non-convertible debt securities payable and the redemption amount: The interest on NCDs is due on 30th April, 2019 (Rs. 28.88 lakhs). The next due date for payment of principal of NCDs is 30th April, 2019 (Rs. 2,000 lakhs).

Particulars	31st March, 2019	31st March, 2018
e) Debt-equity ratio	0.36	0.95
f) Debt Service Coverage Ratio	0.95	1.07
g) Interest Service Coverage Ratio	7.58	5.36
h) Debenture Redemption Reserve (Rs. in Lakhs)	1,000	1,250
i) Net worth (Rs. in Lakhs)	68,013	40,477
j) Paid up Debt Capital (Rs. in Lakhs)	4,000	5,000

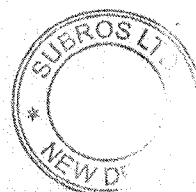
The Formulae for calculation of ratios are as follows:

- A) Debt Equity Ratio = Total Debt/Equity
- B) Debt Service Coverage Ratio = (Profit/loss) from ordinary activities before tax + Interest on Long term Loans)/(Interest on Long term Loans + Repayment of Long term Loans during the period)
- C) Interest Service Coverage Ratio = (Profit/loss) from ordinary activities before tax + Interest on Long term Loans)/Interest on Long term Loans
- D) Networth = Share Capital + Reserves and Surplus (excluding Revaluation Reserve and Amalgamation Reserve)
12. Deferred tax is after adjusting Minimum Alternate Tax credit entitlement.
13. Figures for the quarters ended 31st March, 2019 and 2018 represent the difference between the audited figures in respect of full financial years and the published figures for the nine months ended 31st December, 2018 and 2017, respectively which were subject to limited review.
14. The previous period figures have been regrouped/rearranged/reclassified, wherever necessary.

For and on behalf of the Board of Directors

SUBROS LIMITED

RAMESH SURJ  
CHAIRMAN



Place : New Delhi

Dated : 21st May, 2019

**SUBROS LIMITED**

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**STATEMENT OF ASSETS AND LIABILITIES**

(Rs. In lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	As at 31st March, 2019 (AUDITED)	As at 31st March, 2018 (AUDITED)	As at 31st March, 2019 (AUDITED)	As at 31st March, 2018 (AUDITED)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	53,216	52,892	53,216	52,892
Capital work-in-progress	6,326	4,685	6,326	4,685
Intangible assets	15,786	14,074	15,786	14,075
Intangible assets under development	2,275	4,298	2,275	4,298
Investments in Subsidiary and Joint Venture	229	250	-	-
Investment accounted for using the equity method	-	-	157	158
<b>Financial assets</b>				
i) Loans	962	938	962	938
ii) Other financial assets	56	175	56	175
Deferred tax assets (net)	-	1,141	-	1,141
Non-current tax assets (net)	48	210	48	210
Other non-current assets	3,474	2,618	3,474	2,618
<b>Total non-current assets</b>	<b>82,372</b>	<b>81,281</b>	<b>82,300</b>	<b>81,190</b>
<b>Current assets</b>				
Inventories	24,921	23,963	24,921	23,963
<b>Financial assets</b>				
i) Trade receivables	16,732	16,140	16,732	16,140
ii) Cash and cash equivalents	653	1,498	706	1,514
iii) Bank balance other than (ii) above	8,338	486	8,338	486
iv) Loans	108	38	108	38
v) Other financial assets	2,691	3,280	2,691	3,280
Other current assets	2,244	3,100	2,244	3,100
<b>Total current assets</b>	<b>55,687</b>	<b>48,505</b>	<b>55,740</b>	<b>48,521</b>
<b>TOTAL ASSETS</b>	<b>138,059</b>	<b>129,786</b>	<b>138,040</b>	<b>129,711</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	1,305	1,200	1,305	1,200
Other equity	66,708	39,277	66,690	39,245
<b>Total equity</b>	<b>68,013</b>	<b>40,477</b>	<b>67,995</b>	<b>40,445</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	5,744	15,260	5,744	15,260
Deferred tax liabilities (net)	125	-	124	-
Provisions	636	241	636	241
<b>Total non-current liabilities</b>	<b>6,505</b>	<b>15,501</b>	<b>6,504</b>	<b>15,501</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
i) Borrowings	13,031	16,285	13,031	16,285
ii) Trade payables				
- Total outstanding dues of micro enterprises and small enterprises	346	-	346	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	38,641	40,992	38,641	40,948
iii) Other financial liabilities	8,367	12,629	8,367	12,630
Contract liabilities	603	1,263	603	1,263
Other current liabilities	1,537	1,510	1,537	1,510
Provisions	773	708	773	708
Current tax liabilities (net)	243	421	243	421
<b>Total current liabilities</b>	<b>63,541</b>	<b>73,808</b>	<b>63,541</b>	<b>73,765</b>
<b>TOTAL LIABILITIES</b>	<b>70,046</b>	<b>89,309</b>	<b>70,045</b>	<b>89,266</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>138,059</b>	<b>129,786</b>	<b>138,040</b>	<b>129,711</b>



# Price Waterhouse Chartered Accountants LLP

## Independent auditor's report

### To the Members of Subros Limited

### Report on the audit of the Standalone financial statements

#### Opinion

1. We have audited the accompanying standalone financial statements of Subros Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

#### Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 opinion.

#### Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500C16 (ICAI registration number before conversion was 012754N).



## INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited  
Report on audit of the Financial Statements  
Page 2 of 5

Key audit matter	How our audit addressed the key audit matter
<p><b>Appropriateness of capitalisation of internal development costs</b></p> <p>[Refer note 2 (significant accounting policies) and note 4 (intangible assets under development) to the standalone financial statements]</p> <p>During the year ended March 31, 2019, the Company has capitalized significant costs incurred on internal development of Intangible assets amounting to Rs. 2,885.56 Lakhs under the head 'Intangible assets under development'. These intangible assets were predominantly in relation to the projects awarded by original equipment manufacturers. The costs mainly comprised employees' payroll and other costs.</p> <p>The capitalization of internal development costs was a key audit matter due to the amount of the internal development costs capitalized and judgement involved in assessing whether the criteria set out in the Indian Accounting Standard (Ind AS) 38 "Intangible Assets" had been met.</p> <p>Significant judgement was made by the management in the determination of –</p> <p>i) costs incurred towards development or for research nature,</p> <p>ii) the costs, including payroll costs, were directly attributable to relevant projects, and</p> <p>iii) key assumptions such as future revenue, margins and the discount rate used to assess the future cash flows.</p>	<p>We performed the following procedures, amongst others</p> <ul style="list-style-type: none"><li>- Understood and evaluated the financial controls for the capitalisation of internal development costs and tested such controls.</li><li>- Assessed the appropriateness of capitalization of product development costs with the criteria to capitalize product development costs and challenged the management through discussions and assessing the products' commercial feasibility.</li><li>- Tested the accuracy and allocation of capitalized payroll and other costs and assessed whether these are directly attributable to the development as against research.</li><li>- Assessed underlying cash flow forecasts including the future revenue, expected margins to be achieved with reference to historical data and management approved margins in the AOP (Annual Operating Plan), inputs used by the Management to calculate the discount rate applied by comparing this to the cost of capital for the Company.</li><li>- Performed a sensitivity analysis over the key assumptions which included assessing the impact of change in those assumptions that would be required for future economic benefits falling short of the carrying value of capitalized internal development costs.</li></ul> <p>As a result of the above procedures, the capitalisation of internal development costs by the Company was considered to be appropriate.</p>

## Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited  
Report on audit of the Financial Statements  
Page 3 of 5

### Responsibilities of management and those charged with governance for the financial statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, 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 on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's 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 Company's



## INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited  
Report on audit of the Financial Statements  
Page 4 of 5

ability to continue as a going concern. 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
  11. 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.
  12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
14. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.



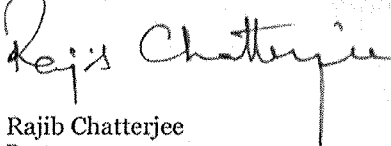


INDEPENDENT AUDITOR'S REPORT

To the Members of Subros Limited  
Report on audit of the Financial Statements  
Page 5 of 5

- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;
  - ii. The Company has long-term contracts including derivative contracts as at March 31, 2019 for which there were no material foreseeable losses.;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Rajib Chatterjee  
Partner  
Membership Number 057134

Place of the Signature: New Delhi  
Date: May 21, 2019