ZF STEERING GEAR (INDIA) LTD.
Regd. Office & Works :
Gat No. 1242/44, Village Vadu BK., Tal. Shirur, Dist. Pune-412 216 (India)
Tel. : 02137-305100, Fax : 02137-305302
Web : www.zfindia.com, Email Id : enquiry@zfindia.com
Corporate Identity Number (CIN) : L29130PN1981PLC023734

August 9, 2022

BSE Limited
25th Floor, P. J. Towers,
Dalal Street, Fort,
Mumbai- 400 001

Sub: Annual Report for the Financial Year 2021-22 including Notice of 42nd Annual General Meeting of the Company

Ref: BSE Scrip Code: 505163

Dear Sir/ Madam,

This is to inform you that pursuant to the Regulation 34(1) read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find enclosed herewith, Annual Report for the Financial Year 2021-22, which includes Notice of 42nd Annual General Meeting of the Company, as circulated to the shareholders through electronic mode.

Aforesaid documents are also available on the website of the Company, i.e, http://www.zfindia.com/annual-reports.php and on website of Central Depository Services (India) Limited at https://www.cdslindia.com/index.html

You are requested to take the aforesaid intimation on record.

Thank You,

Yours faithfully
for **ZF Steering Gear (India) Limited**

SATISH JAYANTILAL MEHTA
Digitally signed by SATISH JAYANTILAL MEHTA
Date: 2022.08.09 16:07:29 +05'30'

Company Secretary

42nd Annual Report 2021-2022

PITHAMPUR PLANT

PUNE PLANT

ZF INDIA
Steering Success with Safety

TÜVRheinland® CERT
ISO 14001
IATF 16949
ISO 45001

Steering Towards Future

ZF STEERING GEAR (INDIA) LIMITED

www.zfindia.com

BOARD OF DIRECTORS

Chairman
Mr. Dinesh Munot

Managing Director
Mr. Utkarsh Munot

Non-Executive Directors
Mr. Manish Motwani
Mr. Shridhar S. Kalmadi
Mr. S. A. Gundecha
Mrs. Eitika Munot (upto 31.03.2022)
Mr. Sandeep Nelamangala
Mr. Adit Rathi
Mrs. Smita A. Lahoti

SENIOR MANAGEMENT

Mr. Anant Kalvit
President (Business Development & Design)

Mr. Ajit Gugale
President (Commercial & Supply Chain)

Dr. Rathina Singaravelan
Vice-President

Mr. Jinendra Jain
Chief Financial Officer

Mr. Sachin Gugale
Chief Information Officer

Mr. Aniket Kadam
General Manager (Finance and Taxation)

COMPANY SECRETARY
Mr. Satish Mehta

BOARD COMMITTEES

Audit Committee
Mr. S. A. Gundecha – Chairman
Mr. Manish Motwani
Mr. Utkarsh Munot
Mrs. Smita A. Lahoti

Stakeholders' Relationship Committee
Mr. S. A. Gundecha – Chairman
Mrs. Eitika Munot (upto 31.03.2022)
Mr. Shridhar S. Kalmadi
Mr. Utkarsh Munot (from 01.04.2022)

Nomination and Remuneration Committee
Mr. S. A. Gundecha – Chairman
Mr. Manish Motwani
Mrs. Eitika Munot (upto 31.03.2022)
Mrs. Smita Lahoti (from 1.04.2022)

Corporate Social Responsibility Committee
Mr. Dinesh Munot – Chairman
Mr. Utkarsh Munot
Mrs. Eitika Munot (upto 31.03.2022)
Mr. Shridhar S. Kalmadi

REGISTERED OFFICE & WORKS
Gat Nos. 1242 / 1244,
Village Vadu Budruk,
Tal. Shirur, Dist. Pune – 412 216
Maharashtra
CIN: L29130PN1981PLC023734
Tel: 02137-305100
Fax: 02137- 305302
E-mail Id: enquiry@zfindia.com
Web: www.zfindia.com

BANKERS
HDFC BANK
Kotak Mahindra Bank

REGISTRARS & SHARE TRANSFER AGENTS
Link Intime India Pvt. Ltd.
Block No. 202, A Wing, 2nd Floor,
Akshay Complex, Off. Dhole Patil Road,
Pune – 411 001
Tel: 020-26160084,
Fax: 020- 26163503
E- mail: pune@linkintime.co.in

AUDITORS
M/s. Joshi Apte & Co.
Chartered Accountants

INTERNAL AUDITORS
M/s. Kirtane & Pandit LLP
Chartered Accountants

SECRETARIAL AUDITOR
M/s. SIUT & Company, LLP
Company Secretaries

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NOTICE

NOTICE

Notice is hereby given that the **Forty-Second Annual General Meeting** of the Members of **ZF STEERING GEAR (INDIA) LIMITED** will be held through two-way Video Conferencing or Other Audio Visual Means **("VC/OAVM"):**

Day: Saturday

Date: September 3, 2022

Time: 10:30 am (IST)

to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sandeep Nelamangala (DIN 08264554), who retires by rotation under Section152(6) of the Companies Act, 2013, and being eligible, offers himself for reappointment.

By Order of the Board of Directors
for **ZF Steering Gear (India) Limited**

Satish Mehta
Company Secretary
ICSI Membership Number: F3219

July 30, 2022

Registered Office :
Gat No. 1242 / 44, Village Vadu Budruk,
Tal. Shirur, Dist. Pune - 412216
CIN : L29130PN1981PLC023734

Notes:

1. **In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has allowed the Company to conduct Annual General Meeting through video conferencing ("VC") or other audio-visual means ("OAVM"). In this regard, MCA issued Circular 02/2022 dated May 5, 2022, Circular No. 14/ 2020 dated April 8, 2020, Circular No.17/ 2020 dated April 13, 2020, Circular No.20/ 2020 dated May 5, 2020 and Circular No.02/ 2021 dated January 13, 2021 ("MCA Circulars"), prescribing the procedure and manner of conducting the Annual General Meeting through VC/ OAVM. Further, the Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") due to the resurgence in COVID-19 cases. In compliance with the applicable provisions of the Companies Act, 2013 ("the Act"), MCA Circulars and SEBI Circular/ Listing Regulations and keeping in view with Government advisories on COVID-19, the Board of Directors has approved conducting of the 42nd Annual General Meeting (AGM) of the Company through VC/ OAVM.**
2. Since there is no special business to be conducted, explanatory statement is not required to be attached.
3. As the AGM shall be conducted through VC/ OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Brief profile of Mr. Sandeep Nelamangala, Director of the Company, seeking reappointment, as stipulated under Regulation 36 of the Listing Regulations and Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India, from time to time, as provided for under Section 118(10) of the Act, are given in the annexure to the Notice of the Annual General Meeting.
5. In terms of provisions of Section 107 of the Act, the resolutions as set out in the notice are being conducted through e-voting and therefore the said resolutions will not be decided on a show of hands at the AGM.
6. Members attending the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. Institutional/ Corporate Members (i.e. other than individuals, Hindu Undivided Family **(HUF)**, Non-Resident Indians **(NRI)**, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or Governing Body Resolution/ Authority Letter etc., authorizing its representative(s) to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting and e-voting at AGM. The

said resolution/ Authority Letter shall be sent through its registered email address to cs@siut.in with a copy marked to www.evotingindia.com

8. In case of any queries regarding the Annual Report or any matter to be placed at the AGM, Members are requested to write to us at least ten (10) days before the AGM through email on enquiry@zfindia.com. The same will be replied by the Company suitably at the AGM. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.

9. Non-resident Indian Members are requested to inform immediately about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be:

   a. The change in the residential status on return to India for permanent settlement

   b. The particulars of the NRE Account with a Bank in India, if not furnished earlier.

10. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in the dematerialized form are, therefore, requested to submit their PAN details to their DPs.

11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

12. Pursuant to the provisions of Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund **(IEPF)** of the Central Government. Accordingly, unclaimed dividends for the financial years 1995-96 to 2013-14 (Interim and Final) have been transferred to the IEPF. Unclaimed dividend for FY. 2014-15, is due for transfer in September 2022. Members who have not yet claimed the dividend warrants for financial years 2014-15, and thereafter are requested to contact the Company at the earliest.

13. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years shall be transferred to an IEPF suspense account (in the name of the Company) within thirty days of such shares becoming due for transfer to the Fund.

14. The Members/ claimants whose shares and unclaimed dividend have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The Members/ claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

15. It is in the Member's interest to claim any unclaimed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the investor's account on time.

16. Members are requested to write to the Company for claiming the dividend for the aforesaid years. The details of unclaimed dividends of the aforesaid years are available on the Ministry of Corporate Affairs website at www.mca.gov.in and on the website of the Company viz. http://www.zfindia.com/unclaimed-dividend.php.

17. Members holding shares in dematerialized form are requested to update/ intimate all changes, if any pertaining to their bank details such as name of the bank and branch address, bank account number, MICR Code, IFSC Code, National Electronic Clearing Service **(NECS)**, Electronic Clearing Service **(ECS)** mandates, Permanent Account Number **(PAN)**, nominations, power of attorney, change of address, change of name, email address, contact numbers, mobile number, etc., to their Depository Participant **(DP)**. Members holding shares in physical form are requested to intimate such changes to the Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd., Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune -411001. The requisite forms for Investor Service Request are available on the Company's Website http://www.zfindia.com/investor-service-request.php.

18. Members can avail the facility of Nomination in respect of securities held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form duly filled – in to Company's RTA. The nomination forms can be obtained from RTA. Members holding shares in dematerialized form may contact their Depository Participant for availing this facility.

19. **As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred/ transmitted only in dematerialized form with effect from January 25, 2022. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to convert their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Pvt. Ltd. Further, the requisite forms for Investors' Service Requisition were sent to the physical shareholders at their registered address and the said forms' are also available on the website of the Company http://www.zfindia.com/investor-service-request.php.**

20. Members may please note that SEBI vide its Circular No. SEBI/ HO/ MIRSD/ MIRSD_RTAMB/ P/ CIR/ 2022/ 8 dated January 25, 2022 has mandated the listed companies to issue securities only in dematerialized form only while processing Investor Service Requests, viz., Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation, transfer, transmission and transposition.

21. The statutory documents (i.e., The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the members during the AGM.

22. The Register of Members of the Company shall remain closed from August 27, 2022 to September 03, 2022 **(both days inclusive).**

23. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Friday, August 26, 2022, only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM. The remote e-voting period commences from Wednesday, August 31, 2022 (9:00 a.m. IST) and ends on Friday, September 02, 2022 (5:00 p.m. IST).

24. M/s. SIUT & Co., LLP, Company Secretaries, has been appointed as the Scrutinizers to scrutinize the e-voting process during the AGM and remote e-voting process in a fair and transparent manner. The Members who have cast their votes by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC/ OAVM but shall not be entitled to cast their votes again. The scrutinizer shall close the e-voting facility after expiry of 15 minutes from the conclusion of voting at the AGM. The scrutinizer shall first count the votes casted electronically at the meeting and there after unblock the votes cast through remote e-voting and shall make, not later than two days of the conclusion of the AGM, a consolidated scrutinizers' report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

25. The results declared along with the report of the scrutinizer shall be placed on the website of the Company http://www.zfindia.com/ and on the website of CDSL immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, where the shares of the Company are listed.

26. In compliance with the aforesaid MCA Circulars and the SEBI Circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2021–22, is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22, will also be available on the Company's website www.zfindia.com, websites of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and on the website of CDSL at www.evotingindia.com.

27. To support the 'Green Initiative', members who have not registered/ updated their email addresses and mobile number are requested to register/ update the same with 'Link Intime India Pvt. Ltd.', if shares are held in physical mode, or with their DPs, if the holding is in electronic mode. The registered e-mail address will be used for sending future communications.

28. Since the AGM will be held through VC/ OAVM, the Route Map is not annexed to this Notice.

Instructions for Remote Electronic Voting (Remote E – Voting) and E – Voting during AGM and joining AGM through VC/ OAVM:

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated May 5, 2022, April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Pursuant to Para 3, Part A, Sub – Para X of the MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/ OAVM and cast their votes through e-voting.

INTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/ OAVM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on August 31, 2022, 9:00 am IST and ends on September 02, 2022 5:00 pm (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 26, 2022, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to the SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of **SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to the aforementioned SEBI Circular, Login method **for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting their vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/ Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and will also be able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If users are already registered for NSDL IDeAS facility, the said users are requested to visit the e-Services website of NSDL, Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, users shall click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. Users will have to enter their User ID and Password. After successful authentication, users will be able to see e-Voting services. Users shall click on "Access to e-Voting" under e-Voting services and they will be able to see e-Voting page. Further Users are instructed to click on company name or e-Voting service provider name and user will be re-directed to e-Voting service provider website for casting his/ her vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Users are requested to Visit the e-Voting website of NSDL and Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. Users will have to enter their User ID (i.e. sixteen digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, they will be redirected to NSDL Depository site wherein users can see e-Voting page. Click on company name or e-Voting service provider name and users shall be redirected to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	Users can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, they will be able to see e-Voting option. Users are requested to click on e-Voting option, they will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein they can see e-Voting feature. Click on company name or e-Voting service provider name and the users shall be redirected to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at aforementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual **shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) Now enter User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) first-time users are requested to follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN •	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/ RTA or contact Company/ RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Please note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Users are requested to click on the EVSN for the relevant <ZF Steering Gear (India) Ltd.> on which they shall choose to vote.

(x) On the voting page, users will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Users shall click on the "RESOLUTIONS FILE LINK" if they wish to view the entire Resolution details.

(xii) After selecting the resolution, users have decided to vote on, they shall click on "SUBMIT". A confirmation box will be displayed. If users wish to confirm their vote, they shall click on "OK", else to change their vote, click on "CANCEL" in order to modify their vote.

(xiii) Once users "CONFIRM" their vote on the resolution, they will not be allowed to modify the same.

(xiv) Users can also take a print-out of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote e-Voting Only

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; enquiry@zfindia.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/ OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/ OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/ folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/ OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/ OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company** at enquiry@zfindia.com or to RTA at pune@linkintime.co.in.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Profile of the Director being appointed/ reappointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings issued by The Institute of Company Secretaries of India, pursuant to Section 118(10) of the Companies Act, 2013.

Name of the Director	**Mr. Sandeep Nelamangala**
DIN	08264554
Designation	Non-Executive, Non-Independent Director
Age	51
Date of Appointment	September 20, 2019
Qualifications	Mechanical Engineering from University of Mysore.
Experience	Mr. Sandeep Nelamangala was Executive Vice President, OE Sales India, Bosch Limited, since May 1, 2018. He joined Bosch Limited in the year 1992 and has held various positions thereat. Currently he is an Executive Director in Bosch Limited.
Expertise	Global Business Leadership, Marketing, Risk-Management, Engineering and others.
Directorships held in other Companies	- Bosch Limited - Robert Bosch Automotive Steering Private Limited - Etas Automotive India Private Limited - MICO Trading Private Limited
Membership of the Committees (in the Company)	Not Applicable
Membership of the Committees (others)	Risk Management Committee – Bosch Limited
No. of equity shares held in the Company	Nil
Number of Board Meetings attended for the Financial Year 2021-22	3
Relationship between Directors/ KMP inter-se	None
Listed entities from which The Director has resigned in the past three years	Nil

By Order of the Board of Directors
for **ZF Steering Gear (India) Limited**

Satish Mehta
Company Secretary
ICSI Membership Number: F3219

July 30, 2022

Registered Office :
Gat No. 1242 / 44, Village Vadu Budruk,
Tal. Shirur, Dist. Pune - 412216
CIN : L29130PN1981PLC023734

BOARD'S REPORT

Board's Report

To the Members,

The Board of Directors is delighted to present the 42nd Annual Report on the business and operations of ZF Steering Gear (India) Limited **(the Company)** along with the summary of financial statements for the financial year **(FY)** ended March 31, 2022.

Financial Results

Key highlights of the financial performance for the year ended March 31, 2022, are summarised as under:

(Rs. in crore)

Particulars	FY 2021-22	FY 2020-21
Revenue from Operations and other Income	333.78	227.84
Profit before Depreciation and Tax	61.60	44.64
Depreciation and Amortization Expenses	31.39	37.59
Profit before Tax (PBT)	29.90	6.76
Tax Expense	11.63	-2.09
Profit for the year	18.27	8.85
Other comprehensive Income	0.20	0.74
Total Comprehensive Income for the year	18.47	9.59
Balance of Profit Brought Forward from previous year	129.90	120.31
Transfer to General Reserve	Nil	Nil
Closing balance as per the Profit and Loss Statement c/f	148.37	129.90
Earnings Per Share Basic and Diluted (Rs,)	20.14	9.75

Dividend

In order to conserve resources of the Company, for the purpose of the Company's ongoing expansion plans, the Board decided not to recommend any dividend for the financial year ended on March 31, 2022.

Impact of Covid-19 Pandemic on the Performance

Overall the Company's performance was marginally impacted by the ongoing Covid-19. In the early part of the year, the 3rd wave caused some disruptions for the Business, but it was able to recover in the later part of the year.

Subsidiaries, Associates and Joint Ventures

The Company did not have any subsidiary or joint-venture/ associate as of March 31, 2022 and therefore, there are no Consolidated Financial Statements of the Company as of March 31, 2022.

In the current Financial Year, the Company has incorporated two Wholly-Owned Subsidiaries, details of which are included later in this Report.

Management discussion and Analysis

Indian Economy

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for everyone.

The growth in India's GDP (Gross Domestic Product) during FY 2021-22 is estimated at 8.7 percent as compared to a contraction of 6.6 percent in FY 2020-21.
(Source: National Statistical Office (NSO) **Ministry of Statistics)**

The Commercial Vehicles (CV) industry is on a recovery path, given the sales being 26% higher than previous year. The CV industry's growth in FY 2021-22 was supported by increased activity in road construction, mining and improved infrastructure spending by the Central and State Governments.

Industry Overview

Number of Commercial Vehicles (CV) Sold

The CV Industry began to recover from the second quarter of the Financial Year 2021-22. As you may be aware, the CV industry numbers had nosedived in FY 2020-21 due to Covid impact. The industry clocked an annual sale of 8.08 lakh units in FY 2021-22, as compared to 6.19 lakh units in FY 2020-21, registering annualised growth of 30.7%.
(Source: SIAM)

Financial Performance and state of the Company's affairs

(Numbers)

Type	FY 2021-22	FY 2020-21	Growth
Power Steering	**1,59,408**	**90,777**	**75.6%**
Mechanical Steering	**64,126**	**78,474**	**-18.3%**

It may be noted that the decline in sale of Mechanical Steering Gear is attributable to introduction of new Hydraulic Power Assisted Steering Gears **(HPAS)** by the Company, for Tractors, in place of traditional Mechanical Steering Gears.

Renewable Energy

Solar Energy

Your Company's 5 MW Solar Power Project at Gujarat Solar Park, Charnka Village, District Patan (Kutch), Gujarat, generated 0.8 crore Units of Electricity with sales-revenue of Rs. 8.71 crore in the FY 2021-2022. The entire electricity is purchased by Gujarat Urja Vikas Nigam Limited (GUVNL), a Government of Gujarat Company, in terms of the multi-year Power Purchase Agreement.

The Company's rooftop solar project, situated at its Vadu Budruk plant, generated around 0.09 crore units of electricity in FY 2021-2022, which was captively consumed in the said plant.

Wind Energy

Wind Turbine Machines, owned and operated by the Company, located in districts of Satara, Ahmednagar & Aurangabad, having aggregate capacity of over 8 MW generated a total of 1.99 crore units in FY 2021-2022. Out of this, 0.47 crore units were used as captive consumption, which accounted for approximately 39.9% of the energy-consumption of the Company's factory at Village Vadu Budruk, and remaining 1.52 crore units were sold to Maharashtra State Electricity Board.

Revenue from Operations

During the year, revenue from sales of auto-components, that is Steering Gear Systems and its components, augmented by 59%, as explained above. Consequently, the Revenue from Operations went up by 55%.

Finance Cost

Finance cost was Rs. 0.31 crore for FY 2021-22 against Rs. 0.29 crore in FY 2020-21.

Other Income

During the year under review, Other Income was Rs. 20.98 crore as against Rs.26.36 crore in the Financial Year 2020-21. Other Income (mainly) is aggregate of the realised gains during the financial year, on sale of financial investments and the unrealised gains, based on market values as of March 31, 2022, from the financial investments held as of that date. For details of Other Income, you may refer to Note No. 16 to the Financial Statements.

Financial Investments

As of March 31, 2022, Financial Investments of the Company stood at Rs. 118.60 crore as against Rs. 120.42 crore in FY 2020-21. Both the amounts reflect the fair/ market value of the financial investments held by the Company, at end of the respective financial years. For list of Investments held by the Company at year-end, please refer to Note No. 5[a] of the Financial Statements.

Credit Rating

In the Month of March, 2022, ICRA – the Credit Rating Agency, retained the Credit Rating A+ for Long Term Fund based and Non-Fund based Credit Facilities and A1+ for Short Term Non-Fund Based Credit Facilities. Further, the outlook on ratings of the Long Term Credit facilities was also retained as **'Stable'**.

Profitability

Owing to significant improvement in revenue from operations and lower depreciation charge, Profit before Tax spiraled up to Rs. 29.90 crore for FY 2021-22 in comparison to Rs. 6.76 crore for FY 2020-21. Profit after tax and other comprehensive income was Rs. 18.47 crore. Earnings per share was Rs. 20.14.

Key Financial Ratios

In accordance with the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(the Listing Regulations)**, the key financial ratios are as under:

	FY 2021-22	FY 2020-21
Debt Equity Ratio	0.09	0.09
Inventory Turnover Ratio (in times)	6.30	6.20
Interest Coverage Ratio(%)	97.45	24.10
Debtors Turnover Ratio (in times)	3.71	3.16
Current Ratio (in times)	2.38	1.63
Operating Profit Margin(%)	13.68	2.60
Net Profit Margin(%)	5.80	4.40

i. **Interest Coverage Ratio:**

Interest Coverage Ratio improved significantly owing to increase in Earnings before Interest and Tax. **(EBIT)**

ii. **Current Ratio:**

Current Ratio advanced due to higher Trade Receivables and lower current liabilities as of March 31, 2022, than the previous financial year.

iii. **Operating Profit Margin:**

The augmentation in Operating Profit Margin was attributable to the higher sales volume in addition to lower depreciation compared to the previous Financial Year.

iv. **Net Profit Margin:**

Net Profit margin spiraled up due to economies of higher sales volume.

Segment wise Profitability

Auto-Components Segment reported Profit before Tax **(PBT)** of Rs. 7.24 crore. Renewable Energy Segment reported PBT of Rs. 7.73 crore and PBT from other (Un-allocable) segment/ Other Income was Rs. 14.93 crore.

Outlook, Opportunities and Threats

The World Bank, recently, cut its FY 2022-23 Gross Domestic Product (GDP) growth forecast for India to 7.5 per cent, from 8 per cent, on the back of inflationary pressures, supply-chain pressures and geopolitical tensions.

International Monetary fund (IMF) too, slashed India's growth forecast for Financial Year 2022-23 to 7.4 per cent citing less favorable external conditions and rapid policy tightening by Central Bank.

Despite many challenges such as soaring crude prices, semiconductor shortages and supply chain disruptions, the automotive industry is showing signs of reaching the pre-pandemic levels of sales volume. A lot of credit goes to the government initiatives and supportive policies such as the Automotive Mission Plan 2026, scrappage policy and production-linked incentive scheme which are influencing the current market growth and is expected to boost the Indian automotive sector in the coming years.

However, the ongoing geopolitical tensions and the Central Banks' counter-measures to contain resulting inflation, have infused high volatility in commodity prices including crude oil prices. Furthermore, a slower recovery in rural sales, interest-rate hikes and further price hikes by original equipment manufacturers could act as possible headwinds for the sector.

There is also a threat of global economy heading towards recession as central banks step up efforts viz. interest-rate hikes in order to curb inflation. These measures might adversely affect Indian Economy including Auto sector.

Strategic Initiatives, Expansion and Capital Expenditure

Investment in Wholly Owned Subsidiaries

As informed, the Company has incorporated, in April 2022, two Wholly-Owned Subsidiaries, as a step towards expansion by way of backward integration for production of some of the key components, required for its end product i.e. Steering Gears.

Names of the Wholly-Owned Subsidiaries **(WOS)** are:

i. DriveSys Systems Private Limited

ii. NexSteer Systems Private Limited

Both the WOS had applied for and have been allotted industrial land at Maharashtra Industrial Development Corporation (MIDC) Supa Parner Industrial Park, District Ahmednagar, Maharashtra, for the purpose of setting up respective production units. Both the WOS are in a process to complete necessary formalities for acquisition of the said industrial land.

The Company has so far invested about Rs. 10 crore in above WOS by way of equity plus loans. Further investment, in these WOS, will be made to the tune of Rs. 90 crore, in next 1-2 years, with the help of internal accruals and borrowings.

Internal Control System and its Adequacy

Your Company has aligned its current systems of internal financial control with the requirement of the Companies Act, 2013 **(the Act)**. The Internal Control framework is intended to increase transparency and accountability in the Company's process of designing and implementing a system of internal control.

The framework requires a company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness.

The Company has an effective Internal Control System commensurate with the size, scale and complexity of its operations. The scope of the Internal Audit is decided by the Audit Committee and the Board. There is an Internal Audit department which checks all the vouchers, financial reports, registers etc. To maintain its objectivity and independence, the Board has also appointed an external Chartered Accountant firm, M/s. Kirtane & Pandit LLP, Chartered Accountants, which reports to the Audit Committee of the Board, in the capacity of Internal Auditors.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies for various functions in the organisation of the Company. The Audit Committee, Statutory Auditors and the process owners are periodically apprised of the internal audit findings. Important internal audit observations are also placed before the Board at its Meetings. Based on the report of Internal Auditor, process owners undertake corrective action, wherever required, in their respective areas and thereby strengthen the controls further. Audit observations and actions taken thereof are presented to the Audit Committee.

The Company's Audit Committee regularly reviews the financial management reports and data and interacts with the External and Internal Auditors for ascertaining the adequacy of internal controls.

Based on its evaluation, the Company's Audit Committee has concluded that, as of March 31, 2022, the Company's internal financial controls were adequate and operating effectively.

Cautionary Statement

The above 'Management Discussion and Analysis Report' is a forward looking Statement based on the Company's projections, estimates and perceptions. These statements reflect the Company's current views with respect to the future events and are subject to risks and uncertainties. Actual results may vary materially from those projected here.

Conservation of Energy, Research and Development, Technology Absorption and Innovation, Foreign Exchange Earnings and Outgo:

The details as required under the Companies (Accounts) Rules, 2014, are given in **Annexure-I** to this Report.

Board of Directors and Key Managerial Personnel

At the year ended on March 31, 2022, the Board of Directors comprised Four Non-Independent Directors (including two executive Directors) and Five Independent Directors. Mrs. Eitika Munot (DIN: 01396661), Non-Executive, Non-Independent Director, ceased to be a Director of the Company, following her resignation, with effect from April 1, 2022. The Board places on record its appreciation for Mrs. Eitika Munot for her valuable contribution provided to the Company during her tenure.

Further, pursuant to the requirements under Section 152 of the Act and the Articles of Association of the Company, Mr. Sandeep Nelamangala (DIN: 08264554) offers himself for reappointment at the ensuing 42nd Annual General Meeting of the Company.

The Resolution for the reappointment of Mr. Sandeep Nelamangala along with his brief profile, forms a part of the Notice of the 42nd Annual General Meeting of the Company.

There is no change in the Key Managerial Personnel during the year.

Board Diversity

The Company recognizes and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perception, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage.

Independent Directors

Pursuant to the provisions of Section 149 of the Act and Regulation 25 of the Listing Regulations, the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed there under and Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, declaration on compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") Notification dated October 22, 2019, regarding the requirement relating to enrolment in the Data Bank created by MCA for Independent Directors, has been received from all Independent Directors of the Company. Further, all the Independent Directors have either qualified or are exempted from the self-assessment conducted by the Independent Directors' Databank.

Familiarisation Programmes for Independent Directors

Independent Directors play a pivotal role in upholding Corporate Governance norms and ensuring fairness in decision-making. Being experts in various fields, they also bring independent judgement on matters of strategy, risk management, controls and business performance.

At the time of appointing a new Independent Director, a formal letter of appointment is given to the Director, inter alia, explaining the role, duties and responsibilities of the Director. The Director is also explained in detail the compliances required from him/ her under the Act, SEBI Regulations and other relevant regulations.

Performance Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and the Listing Regulations.

Your Board has constituted Nomination and Remuneration Committee (hereinafter referred to as "the Committee"), in order to oversee, inter-alia, matters relating to:

1. Identify persons who are qualified to become directors and persons who can be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director;
3. Recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
4. Carry out evaluation of every director's performance including that of Independent Directors and
5. Devise a policy to be followed for identification, appointment, remuneration and evaluation of performance of directors including Company's Board diversity etc., as approved by the Board.

The Board evaluated its performance after seeking inputs from all the Directors based on criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc. The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

In a separate meeting of Independent Directors, the performance of Non-Independent Directors and the Board as a whole and the Chairman of the Company was evaluated taking into account the views of Executive Directors and Non-Executive Directors.

The above evaluations were then discussed at the Board meeting that followed the meeting of the Independent Directors and the NRC, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent director being evaluated.

Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board as a whole, Committees of the Board and other individual Executive/ Non-Executive Directors. The Policy includes criteria for performance evaluation. The criteria are based upon age, experience, quality of participation in Board/ Committee proceedings, attendance at meetings, contribution by strategic inputs and others. The criteria along with additional requirements prescribed by Section 149 of the Act are used for selection of Independent Directors.

The Company carried out the performance evaluation during the year under report. The Board of Directors expressed satisfaction with the evaluation process.

Directors' Responsibility Statement

i. In the preparation of the annual financial statement for the financial year ended on March 31, 2022, the applicable Accounting Standards read with requirements set out under Schedule III to the Companies Act, 2013, have been followed and there are no material departures from the same.

ii. the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the financial year ended on that date.

iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv. the Directors have prepared the annual financial statement on a 'going concern' basis.

v. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls, in their opinion, are adequate and are operating effectively and

vi. the Directors have organised/ devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance is given in Annexure - II along with the Auditors' Certificate on its compliance, which forms part of this report.

Business Responsibility Report

The Business Responsibility Report, for the year ended on March 31, 2022, as stipulated under Regulation 34 of the Listing Regulations, forms part of this Annual Report. The Business Responsibility Report is also available on the Company's website at www.zfindia.com.

Particulars of Loans given, Investments made, Guarantees given and Securities provided

During the year under review, the Company has not given any guarantee in connection with any loan covered by the provisions of Section 186 of the Act.

Details of Loans and Investments are disclosed in the Notes to the Financial Statements forming part of this Annual Report.

Contracts and Arrangements with Related Parties

All contracts/ arrangements/ transactions entered into by the Company during FY 2021-22 with related parties were on an arm's length basis and in the ordinary course of business. There were no material Related Party Transactions **(RPTs)** undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the Listing Regulations or Section 188 of the Act. The approval of the Independent Directors of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Act and the Listing Regulations. The details of RPTs during FY 2021-22, are provided in the Note 36 accompanying the financial statements. Given that the Company does not have any RPTs to report pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2, the same is not provided.

The details of RPTs during FY 2021-22, including transaction with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company are provided in the accompanying financial statements.

During FY 2021-22, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.

The Company formulated a policy on Related Party Transactions (RPTs) in accordance with the Act and the Listing Regulations including any amendments thereto for identifying, reviewing approving and monitoring of RPTs. The said policy has been revised in line with the amendment in the Listing Regulations and the same is available on the Company's website: http://www.zfindia.com/policies-codes.php.

Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Act and as per the Companies (Corporate Social Responsibility) Rules, 2014, read with various amendments and clarifications issued by the Ministry of Corporate Affairs, the Company has re-framed its CSR Policy, which is available on the Company's website www.zfindia.com. The Company has undertaken activities as per the CSR Policy. The Annual Report on CSR activities is annexed herewith marked as Annexure III.

Risk Management

Your Company is not required to constitute a separate Risk-Management Committee.

The Audit Committee has been entrusted with the responsibility to assist the Board in

(a) Overseeing and approving the Company's enterprise wide risk management framework and

(b) Overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, legal, information technology, Regulatory and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The Company manages, monitors and reports on the major risks and uncertainties, those can impact its ability to achieve its strategic objectives. The Company has introduced several improvements in internal control management to drive a common integrated view of risks, optimal risk mitigation, responses and efficient management of internal control and assurance activities.

Auditors and Auditors' Report

Statutory Auditors

The Company in its 39th Annual General Meeting held on September 20, 2019 had appointed M/s Joshi Apte & Company, Chartered Accountants (Firm Registration No. 104370W), as Statutory Auditors of the Company, for a period of five consecutive years from the conclusion of 39th Annual General Meeting until the conclusion of 44th Annual General Meeting.

There are no qualifications, reservations or adverse remarks in the Statutory Auditors' Report for the Financial Year 2021-2022. The Statutory Auditors' Report is enclosed with the financial statements in the Annual Report.

Secretarial Auditor

The Board had appointed Mr. I. U. Thakur (PCS Registration No. 1402), Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2021-2022. The Secretarial Audit Report for the same is annexed herewith as Annexure IV.

As per the request made by Mr. I. U. Thakur, his new firm M/s. SIUT & Co, LLP has been appointed as Secretarial Auditor, by the Board, for the financial year 2022-2023.

Disclosures

Meetings of the Board

Four Meetings of the Board of Directors were held during the financial year. Detailed information is given in the Report on Corporate Governance, forming part of this Annual Report.

Committees of the Board

Audit Committee

The Company has an Audit Committee pursuant to the requirements of the Act read with the rules framed there under and the Listing Regulations. The details relating to the same are given, in the Corporate Governance Report, forming part of this Report. All the recommendations made by the Audit Committee were accepted by the Board.

The Audit Committee performs its functions as set out under Part C of Schedule II to the Listing Regulations.

The detailed terms of reference of the Audit Committee is set out in the Corporate Governance Report.

Nomination and Remuneration Committee

The Company has Nomination and remuneration Committee (the Committee) pursuant to Section 178 of the Act read with rules made there under and Regulation 19 of the Listing regulations. The brief details pertaining to the same are given in Corporate Governance Report, forming part of this Report. All the recommendations made by the Committee were accepted by the Board.

The Nomination and Remuneration Committee performs its functions as set out under Part D Para A of Schedule II to the Listing Regulations.

The detailed terms of reference and functions are set out in Corporate Governance Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee, approved a policy for selection, appointment and remuneration of directors and senior management. The detailed Remuneration Policy is placed on the Company's website www.zfindia.com.

Stakeholders' Relationship Committee

The Board has constituted Stakeholders' Relationship Committee in accordance with the provisions of Section 178 of the Act read with rules made thereunder and Regulation 20 of the Listing Regulations.

The Stakeholders' Relationship Committee performs its functions as set out under Part D Para B of Schedule II to the Listing Regulations.

The detailed terms of reference and functions are set out in Corporate Governance Report.

Corporate Social Responsibility Committee

The Company has constituted Corporate Social Responsibility Committee pursuant to provisions of Section 135 of the Act and Rules made thereunder. The detailed functions and constitution thereof of the Corporate Social Responsibility Committee are set out in Corporate Governance Report.

Vigil Mechanism/ Whistle Blower Policy

The Vigil Mechanism of the Company also incorporates a whistle blower policy, in terms of Regulation 22 of the Listing Regulations. Protected disclosures can be made by a whistle blower through an e-mail/ telephone/ letter to the Chairman of the Audit Committee. The Policy on Vigil Mechanism and Whistle Blower may be accessed on the website of the Company at www.zfindia.com.

Extract of the Annual Return

The extract of the Annual return is placed on the Company's website www.zfindia.com.

Industrial Relations

By and large, Industrial Relations at all locations of the Company were amicable. The Company has been constantly endeavouring to improve quality, reduce cost, ensure safety and improve productivity at all levels. Emphasis was also laid towards raising awareness on health and wellness of employees.

As reported through BSE Corporate Announcements, on account of repeated misconduct by 74 employees working in the Company's factory situated at Vadu Budruk Village, Dist. Pune, enquiry proceedings were initiated by the Company.

The concerned employees were found guilty of misconduct. The Company, after obtaining legal advice in this regard, terminated the employment of these 74 employees with effect from January 14, 2022. All the concerned employees were paid their due amount under the provisions of law.

Particulars of Employees and related disclosures

Considering the provisions of Section 197 of the Act, read with the relevant rules and having referred to the provisions of Section 136(1) of the Act, the Board's Report is being sent to the Members of the Company, excluding details of particulars of employees and related disclosures. The said information/ details is available for inspection at the Registered Office of the Company during working hours, on any working day. Any Member interested in obtaining this information may write to the Company Secretary and this information would be provided on request.

Disclosure – Policy on Prevention of Sexual Harassment at Workplace

The Company has in place, a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013' and the Rules framed there under. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, temporary, trainee etc.) are covered under this Policy. During the year, no complaint with allegation of sexual harassment was received by the Company.

General

1. The Company held no deposits at the beginning of the year, nor accepted any deposits during the year under report.
2. All equity shares issued by the Company rank pari-passu in respect of right to receive dividend, voting rights or otherwise.
3. During the year under review, no shares were issued as sweat equity to any of the employees or others.
4. The Company did not have any subsidiary, in financial year 2021-22, and no remuneration was received by any Whole-time Director of the Company, from a subsidiary.
5. During the year under report, no strictures or material orders were passed by any Regulator or a Court or a Tribunal, which may impact on the going concern status of the Company or its operations in future.
6. There has been no instance of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.
7. The Central Government, under Section 148(1) of the Act, has not prescribed maintenance of cost records in respect of the activities carried out by the Company.
8. During FY 2021-2022, the Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Acknowledgement

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Pune
July 30, 2022

Dinesh Munot
Chairman
(DIN: 00049801)

Annexure - I to the Board's Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo [pursuant to Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. Conservation of Energy

- Automatic power factor controller installed for entire factory to maintain power factor at unit.
- Factory shop floor's 250 W and 150 W overhead lamps replaced by 75W LED lamps, which provides better illumination and saves energy.
- Waste – water is treated and recycled for gardening of factory.
- To reduce wastage of water from G.I. pipeline, the said G.I. pipeline replaced by PVC pipeline.
- Energy Conservation (EC) initiatives Implemented in Pithampur plant:-
  - APFC -Automatic Power Factor Controller is added with low capacity capacitor to improve the power factor.
  - Maximum Demand (MD) controller is implemented
  - Compressor is set to Dynamic mode to earn power savings during low production hours.

Solar Energy

The Company's 5 MW Solar Energy Plant generated 0.8 crore units of electricity in F.Y. 2021-2022. These units were sold to GUVNL (Gujarat Urja Vikas Nigam Limited), as per the Power Purchase Agreement (PPA) signed with Government of Gujarat. During the F.Y. 2021-22, its Rooftop Solar Project at its Vadu Budruk plant has generated 0.09 crore units of electricity in current year and captively consumed in the said plant.

Wind Energy

Windmills of aggregate capacities over 8 MW as on 31st March 2022, generated 1.99 crore units of electricity in F.Y. 2021-22. Out of this 0.47 crore units were captively consumed in the Company's plant at Vadu Budruk. This covered 39.89% of total power consumption of that plant for the year. Balance units were sold to Maharashtra Electricity Board.

B. Technology Absorption, Research and Development

1. Efforts made towards Technology Absorption

a. Process/ equipment developments – New CNC machines installed for mechanical steering gear, Mistake proofing implemented by interlocking of leak test with marking in mechanical steering gear, High pressure leak testing introduced for power steering gear, 08 New Poka-Yoke done (Total Poka-Yoke 370 Nos.)

b. Value engineering and Value Analysis (VEVA) – Variable ratio power steering gear productionised, patent no – 363506 dated 31.03.2021.

c. Up–gradation of existing Power steering gears, Vane pumps & other aggregates to suit BS-VI vehicles.

d. New Products developed – Tilt & telescopic steering column assy. Developed & productionised for JBM electric vehicles, 28CC Pump for defence application, Al vane pump for Light Commercial Vehicles (LCV), 8046 Higher Ratio power steering gear for ICMR requirement earlier supplied by Servo-com to strengthen make in India drive.

e. New Model of Steering developed 8049 for Twin Steer Heavy Vehicles

2. Benefits Derived as a result of aforesaid efforts

a. Product quality and cost reduction to meet customer expectation.

b. Indigenization of various components of vane pump like mounter, pressure plate & front plate.

c. Reduction in foreign exchange outgo.

d. Conveyance for movement of material from assembly and painting to dispatch eliminates non value adding man power.

e. Improvements in Manufacturing methods and quality standards.

f. Aiming towards self-sufficiency in engineering skills for manufacturing range of steering gears and connected products.

g. Development of cost effective, high performance engineering products

- Indigenized Technology benefits Implemented in Pithampur plant:-
  - Manpower saving from Low bake Cathodic Electro Deposition (CED) plant at Pithampur facility leading to Operational cost reduction.
  - Manpower saving from the semi-automatic assembly line for the Heavy duty steering gear box assemblies at Pithampur facility.
  - Manpower saving from the pneumatic cantering machine with operational cost reduction through oil consumption and productivity at Pithampur facility.
  - Manpower saving from the fully automatic Nitrogen bush pressing at Pithampur facility.

3. Imported Technology in last three years

Low Bake CED coating technology from PPG Europe through Asian PPG India.

4. Expenditure on Research & Development (R & D)

The Company has so far incurred Capital expenditure of Rs. 1.23 crore on R & D.

C. Foreign Exchange Earnings and Outgo

(Amount (Rs. In crore)

a.	Earnings in Foreign Exchange	10.37
b.	Expenditure in Foreign Exchange	0.14
c.	Value calculated on CIF basis	
	- Raw Material, Components etc.	6.46
	- Capital Goods	0.73

For and on behalf of the Board of Directors

Pune
July 30, 2022

Dinesh Munot
Chairman
(DIN: 00049801)

ANNEXURE - II to the Board's Report

Corporate Governance Report

[Under Schedule V Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. ENTITY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance is about promoting fairness, transparency, accountability, independence, commitment to values, ethical business conduct and maintaining equity across diverse stakeholder groups while conducting business. The Company is committed to the adoption of best governance practices and their adherence in letter and spirit. The Company believes that Corporate Governance is the cornerstone for fostering sustainable growth.

The sound governance systems and processes in place are empowering co-creation and partnerships while an unwavering focus on sustainability is what makes the Company a truly responsible enterprise.

The Company's policies focus on the augmentation of long-term shareholders' value without compromising on integrity, social obligations and regulatory compliances. Recognized standards of propriety, principles of fair play and justice are the thrust of working at the Company.

The Board of Directors ('the Board') are responsible for and committed to the sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of the members and other stakeholders.

The Company believes that all its operations and actions must serve the underlying goals of achieving business excellence and increasing long term stakeholder value.

ETHICS AND GOVERNANCE POLICIES/ CODES

The Company's employees and the Board adhere to ethical standards which ensure integrity, transparency, independence and accountability in dealing with all the stakeholders. The Company has devised various codes/ policies which ensure that the day to day functions/ duties are carried out in an ethical manner and in conformity with the aforementioned principles. Some of these policies are:

- Code of Conduct
- Code of Conduct for Prohibition of Insider Trading
- Policy and Procedure for inquiry in case of leak/ suspected leak of the Unpublished Price Sensitive Information.
- Policy on Determination of Materiality for Disclosure of Events or information
- Vigil Mechanism and Whistle Blower Policy
- Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions
- Policy on Corporate Social Responsibility
- Policy for Selection of Directors and determining Directors Independence
- Remuneration policy for Directors, Key Managerial Personnel and other Employees

The aforementioned policies are available on the website of the Company www.zfindia.com.

2. BOARD OF DIRECTORS

The Members of the Board of Directors of the Company are eminent personalities from various fields who bring in a wide range of skills and experience to the Board and they are entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership in the committees thereof.

As on March 31, 2022, the Company's Board comprised 9 Directors, all professionals in their own right, who bring in a wide range of skills and experience to the Board. All the Directors of the Company, except the Chairman and the Managing Director, are non-executive Directors. Out of 7 non-executive Directors, 2 were women Directors. Out of 9 Directors, 5 are independent directors, which includes 1-woman Independent Director. Mrs. Eitika Munot – Non-Executive, Non-Independent Director, ceased to be Director of the Company with effect from April 1, 2022.

A detailed profile of Board of Directors is available on our website www.zfindia.com.

The Board evaluates the Company's strategic direction, management policies, performance objectives and effectiveness of the Corporate Governance practices.

DETAILS OF COMPOSITION OF THE BOARD, CATEGORY, ATTENDANCE OF DIRECTORS, NUMBER OF OTHER COMMITTEE MEMBERSHIPS ARE GIVEN BELOW:

Sr. No.	Name of the Director	Category of Directorship	Attendance Particulars		No. of other directorship and committee membership/ chairmanship		
			Board Meetings during the F.Y. 2021-22	Last AGM Held on August 28, 2021	Other Directorship #	Committee Membership	Committee Chairman-ship
1.	Mr. Dinesh Munot (Chairman)	Executive Director	4/4	Yes	4	1	
2.	Mr. Utkarsh Munot (Managing Director)	Executive Director	4/4	Yes	4	-	-
3.	Mr. Manish Motwani	Non-Executive, Independent Director	4/4	Yes	8	-	-
4.	Mr. Shridhar S. Kalmadi	Non-Executive, Independent Director	4/4	-	3	-	-
5.	Mr. S. A. Gundecha	Non-Executive, Independent Director	4/4	Yes	-	-	-
6.	Mrs. Eitika Munot (up to March 31, 2022)	Non- Executive, Non – Independent Director	4/4	Yes	-	-	-
7.	Mr. Sandeep Nelamangala	Non- Executive, Non – Independent Director	3/4	Yes	4	1	-
8.	Mr. Adit Rathi	Non- Executive, Independent	4/4	Yes	8	-	-
9.	Mrs. Smita A. Lahoti	Non- Executive, Independent Director	4/4	Yes	-	-	-

BOARD MEETINGS AND BOARD-COMMITTEE MEETINGS

As on March 31, 2022, the Board has 4 Committees, namely the Audit Committee, the Nomination & Remuneration Committee, the Stakeholders' Relationship Committee and the Corporate Social Responsibility (CSR) Committee. The Board is authorized to constitute additional functional Committees, from time to time, depending on business needs.

NUMBER OF BOARD MEETINGS HELD WITH DATES

The Board Meeting dates are normally pre-determined. During the year under the review, the Board of Directors had 4 Meetings. These were held on May 15, 2021, July 24, 2021, October 23, 2021 and January 22, 2022.

The gap between any two Meetings did not exceed 120 days. Further, the Company adhered to the Secretarial Standards prescribed by the Institute of Company Secretaries of India under the provisions of Section 118(10) of the Act.

The information, including as specified in Schedule II to the Listing Regulations, is regularly made available to the Board, whenever applicable and materially significant, for discussion and consideration. The Company's Board/ Committees are presented with detailed notes, along with agenda, well in advance of the meetings. The Agendas for the Board/ Committee Meetings is set by the Company Secretary in consultation with the Chairman of the Board/ Chairman of the respective Committees.

DISCLOSURE PURSUANT TO SCHEDULE V OF THE LISTING REGULATIONS, LISTED ENTITIES IN WHICH ANY OF THE DIRECTOR(S) OF THE COMPANY HOLDS DIRECTORSHIP INCLUDING THE CATEGORY OF THE SAID DIRECTORSHIP.

Sr. No	Name of the Director	Name of Listed Entity	Category of Directorship
1.	Mr. Dinesh Munot	Sanghvi Movers Ltd.	Non-Executive, Independent Director
2.	Mr. Sandeep Nelamangala	Bosch Limited	Whole-Time Executive Director
3.	Mr. Adit Rathi	Kalyani Forge Limited	Non-Executive, Independent Director

Meetings of the Board Committees held during the year and Directors' attendance

Board Committees	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee (CSR)	Independent Directors March 19, 2022.
Meetings held	4	1	1	1	1
Directors' Attendance					
Mr. Dinesh Munot	N.A.	N.A.	N.A.	1	N.A.
Mr. Utkarsh Munot	4	N.A.	N.A.	1	N.A.
Mr. Manish Motwani	4	1	N.A.	N.A.	1
Mr. Shridhar S. Kalmadi	N.A.	N.A.	1	1	1
Mr. S.A. Gundecha	4	1	1	N.A.	1
Mrs. Eitika Munot	N.A.	1	1	1	N.A.
Mr. Sandeep Nelamangala	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Adit Rathi	N.A.	N.A.	N.A.	N.A.	*LOA
Mrs. Smita A. Lahoti	4	N.A.	N.A.	N.A.	1

*Leave of Absence

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

1. Mr. Dinesh Munot is father of Mr. Utkarsh Munot and father-in-law of Mrs. Eitika Munot.

2. Mrs. Eitika Munot is wife of Mr. Utkarsh Munot.

CORE SKILLS/ EXPERTISE/ COMPETENCIES OF THE BOARD OF DIRECTORS

Disclosure pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015:

Name of the Director	Category	Core Skills/ Expertise/ Competencies
Mr. Dinesh Munot	Chairman & Whole-time Director	Veteran of Automobile Industry, Top Management & Strategy, New Product Development and such other areas
Mr. Utkarsh Munot	Managing Director	Management & Strategy, Operations & Engineering, Business Development, New Projects, Sales & Marketing and such other areas.
Mr. Manish Motwani	Non-Executive, Independent Director	Entrepreneurship, Finance, Technical Collaborations and others
Mr. Shridhar S Kalmadi	Non-Executive, Independent Director	Engineering with Specialization in Automobiles, CSR and others
Mr. S A. Gundecha	Non-Executive, Independent Director	Accounting, Legal, Governance, Regulatory. Joint-Ventures and others
Mrs. Eitika Munot (up to March 31, 2022)	Non-Executive, Non- Independent Director	Human Resource Management, Information Technology and others
Mr. Sandeep Nelamangala	Non-Executive, Non- Independent Director	Global Business Leadership, Marketing, Risk-Management, Engineering and others
Mr. Adit Rathi	Non-Executive, Independent Director	Industrialist, Top Management, Technology & Engineering and others
Mrs. Smita A Lahoti	Non-Executive, Independent Director	Accounts/ IFRS/ Audit/ Taxation/ Company Law and others

3. INDEPENDENT DIRECTORS

The Company has appointed Independent Directors, who are renowned for having expertise/ experience in their respective fields/ professions. None of the Independent Directors is a Promoter or related to Promoters. They do not have any pecuniary relationship with the Company and further do not hold two per cent or more of the total voting power of the Company.

None of the Independent Directors of the Company serves as an Independent Director in more than seven listed companies and where any Independent Director is serving as Whole-time Director in any listed company, such Director is not serving as an Independent Director in more than three listed companies. The maximum tenure of Independent Directors is in compliance with the Act and the Listing Regulations. The Company has issued letter of appointment to all the Independent Directors, as provided in the Schedule IV to the Act, containing the terms and conditions of their appointment.

Further, pursuant to the provisions of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended by Ministry of Corporate Affairs ("MCA") Notification dated October 22, 2019, all the Independent Directors are duly enrolled on the Independent Directors' Data Bank created by MCA and maintained by The Indian Institute of Corporate Affairs. Further, all the independent directors have either cleared the self-assessment or they are exempt owing to their qualifications and experience.

The Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee have a majority of Independent Directors.

CONFIRMATION AS REGARDS TO INDEPENDENCE OF THE INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act and Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 of the Listing Regulations, the Independent Directors of the Company have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

As per the provisions of the Act and in compliance with Regulation 25(10) of the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers, Managers and Employees of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company

FAMILIARIZATION PROGRAMS FOR INDEPENDENT DIRECTORS

The Company familiarises its Independent Directors pursuant to the requirements of the Listing Regulations with their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and business model of the Company etc. All the Board members are provided with necessary documents, reports, updates on statutory changes and internal policies to enable them to familiarize with the Company's procedures and practices. The details of familiarization programs are placed on the Company's website http://www.zfindia.com/miscellaneous.php.

4. AUDIT COMMITTEE

The Audit Committee consists of three Independent Directors viz. Mr. S.A. Gundecha as the Chairman of the Committee, Mrs. Smita A. Lahoti and Mr. Manish Motwani and Mr. Utkarsh Munot, Managing Director. The Members of the Audit Committee have relevant expertise in the field of Accounting and Financial Management.

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

1) oversight of the Company's financial reporting processes as a listed entity and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4) reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board of Directors for approval, with particular reference to:

   - matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act
   - changes, if any, in accounting policies and practices and reasons for the same;
   - major accounting entries involving estimates based on the exercise of judgment by management;

- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;

5) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

6) reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

7) reviewing and monitoring the auditor's independence, performance and effectiveness of the audit process;

8) approval or any subsequent modification of transactions of the Company with related parties only by the Independent Directors of the Committee;

9) scrutiny of inter-corporate loans and investments;

10) valuation of undertakings or assets of the Company, wherever it is necessary;

11) evaluation of internal financial controls and risk management systems;

12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14) discussion with internal auditors of any significant findings and follow up there on;

15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18) to review the functioning of the whistle blower mechanism and ensure that:
    - the mechanism provides for adequate safeguards against victimisation of persons who use such mechanism
    - mechanism makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases

19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background of the candidate;

20) Risk identification, evaluation and mitigation and control process for such risks, oversight of the Risk Management System/ Plan of the Company and review thereof.

21) Authority to investigate into any matter in relation to the items specified above or referred to it by the board and for this purpose the Audit Committee to have power to obtain professional advice from external sources and have full access to information contained in the records of the company.

22) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee mandatorily reviews the following information:

1) management discussion and analysis of financial condition and results of operations;

2) statement of significant related party transactions (as defined by the audit committee), submitted by management;

3) management letters/ letters of internal control weaknesses issued by the statutory auditors;

4) internal audit reports relating to internal control weaknesses; and

5) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the audit committee.

6) statement of deviations (if applicable):
    - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to the stock exchange(s) in terms of Regulation 32(1).
    - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

The meetings of the Audit Committee are also attended by the Chief Financial Officer and Statutory Auditors as the special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board in line with Secretarial Standard 1 issued by The Institute of Company Secretaries of India under the provisions of Section 118(10) of the Act.

The Audit Committee met 4 times during the financial year 2021-22, May 15, 2021, July 24, 2021, October 23, 2021 and January 22, 2022.

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under Regulation 18, read with Schedule II Part C of the Listing Regulations and Section 177 of the Act or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are covered.

5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee **(the Committee)** consists of Mr. S.A. Gundecha, Independent Director, as the Chairman, Mr. Manish Motwani, Independent Director and Mrs. Eitika Munot, Non – Executive Director (up to March 31, 2022). Pursuant to the resignation of Mrs. Eitika Munot, Mrs Smita Lahoti was appointed on the Committee in order to ensure its constitution in line with Regulation 19 of the Listing Regulations. The Company Secretary acts as a Secretary to the Committee.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, on-going succession planning and appointment procedures for both internal and external appointments. The role of Nomination and Remuneration Committee, inter-alia, includes:

1) To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.

2) To carry out evaluation of every Director's performance.

3) To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

4) Review the performance of the Board of Directors, and Key Managerial Personnel based on certain criteria as approved by the Board. In reviewing the overall remuneration of the Board of Directors, Key Managerial Personnel, the Committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talent, the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that the remuneration involves a balance between fixed and incentive pay reflecting short term and long term objectives of the Company;

5) To formulate the criteria for evaluation of Independent Directors and the Board as a whole

6) To devise a policy on Board diversity.

7) To recommend/ review remuneration of the Executive Directors based on their performance and defined assessment criteria.

8) To recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

9) To recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board includes:

a) composition of the Board, which commensurate with the size of the Company, its portfolio, geographical spread and its status as a listed Company;

b) size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law

c) balance of skills and expertise in view of the objectives and activities of the Company;

d) avoidance of any present or potential conflict of interest;

e) professional qualifications, expertise and experience in specific area of relevance to the Company;

f) availability of time and other commitments for proper performance of duties;

The Minutes of the Committee Meeting(s) are noted by the Board at the immediately succeeding Board Meetings in compliance with Secretarial Standard 1 issued by The Institute of Company Secretaries of India as provided for under Section 118(10) of the Act. During the year under review, the Committee met on May 06, 2021.

PERFORMANCE EVALUATION:

The Committee has put in place an evaluation framework and criteria for evaluation of performance of the Chairman, the Board, Board Committees and Executive/ Non-Executive/ Independent Directors through a peer evaluation, excluding the director being evaluated.

The evaluations for the Directors, the Board, the Board Committees and the Chairman of the Board were undertaken through circulation of separate questionnaires, one for the Directors, one for the Board, one for the Board Committees and one for the Chairman of the Board. The performance of the Board was assessed on select parameters related to roles, responsibilities and obligations of the Board and functioning of the Committees including assessing the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The evaluation criterion for the Directors is based on their participation, contribution and offering guidance to and understanding of the areas which were relevant to them in their capacity as members of the Board. The evaluation criteria for the Chairman of the Board besides the general criteria adopted for assessment of all Directors, focused incrementally on leadership abilities, effective management of meetings and preservation of interest of stakeholders. The evaluation of the Committees was based on the assessment of the compliance with the terms of reference of the Committees.

6. POLICY ON BOARD DIVERSITY:

The Committee devises the policy on Board diversity to provide for having a broad experience and diversity on the Board.

Details of remuneration paid to the Whole-time Directors for the year ended March 31, 2022, are as under:

(Rupees in crore)

Particulars	Mr. Dinesh Munot	Mr. Utkarsh Munot
Basic Salary	2.67	1.80
Perquisites	2.39	1.68
Commission	-	-
Total	5.06	3.48
Present Term of Five Years		
From	July 28, 2021	May 19, 2021
To	July 27, 2026	May 18, 2026

7. DETAILS OF REMUNERATION PAID TO THE NON-EXECUTIVE DIRECTORS FOR THE YEAR ENDED MARCH 31, 2022, ARE AS UNDER:

The Company pays sitting fees to all the Non-Executive Directors at the rate of Rs. 50,000 for each Board Meeting and Rs. 30,000 for each Committee meeting attended.

(Rupees)

Name	Sitting Fees
Mr. S.A. Gundecha	4,30,000
Mr. Shridhar S. Kalmadi	3,10,000
Mr. Manish Motwani	4,00,000
Mrs. Eitika Munot	2,90,000
Mr. Adit Rathi	2,00,000
Mrs. Smita A. Lahoti	3,70,000

None of the Non-Executive Directors was paid any incentive or commission during the year. There was no other pecuniary relationship or transaction with any Non-Executive Director of the Company, during the year.

8. DETAILS OF EQUITY SHARES OF THE COMPANY HELD BY THE DIRECTORS AS ON MARCH 31, 2022, ARE GIVEN BELOW:

Sr. No	Name of the Director	Designation	Number of Shares
1	Mr. Dinesh Munot	Chairman & Whole time Director	9,49,290
2	Mr. Utkarsh Munot	Managing Director	11,91,494
3	Mr. Manish Motwani	Independent Director	607
4	Mr. Shridhar S Kalmadi	Independent Director	Nil
5	Mr. S. A. Gundecha	Independent Director	1,250
6	Mrs. Eitika Munot (Up to March 31, 2022)	Non-Independent Director	2,712
7	Mr. Sandeep Nelamangala	Non-Independent Director	Nil
8	Mr. Adit Rathi	Independent Director	Nil
9	Mrs. Smita A. Lahoti	Independent Director	Nil

9. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee **(the Committee)** consists of Independent Directors Mr. S.A. Gundecha - being the Chairman and Mr. Shridhar S. Kalmadi and the Non-Executive Non-Independent Director Mrs. Eitika Munot (up to March 31, 2022). Pursuant to the reconstitution of the Committee, following resignation of Mrs. Eitika Munot, Mr. Utkarsh Munot was appointed on the Committee in order to ensure its constitution in line with Regulation 20 of the Listing Regulations. The Company Secretary acts as a Secretary to the Committee.

The Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' grievances. The Committee looks into redressing of shareholders' complaints like transfer/ transmission of shares, non-receipt of Annual Report, non-receipt of declared dividends etc. and recommends measures for overall improvement in the quality of investor services.

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations and provisions of the Act.

The Minutes of the Committee Meetings are noted by the Board of Directors at the succeeding Board Meeting pursuant to the Secretarial Standard 1 as per the provisions of Section 118(10) of the Act.

During the financial year 2021-22, the Committee met on May 06, 2021. The attendance record of the members of the Committee is given above in tabular form.

The Company has an efficient system of dealing with investors' grievances. The Chairman of the Company takes personal interest in all matters of concern for investors.

Mr. Satish Mehta - Company Secretary, being the Compliance Officer, carefully looks into each issue and reports the same to the Committee.

The total number of complaints received and resolved to the satisfaction of shareholders, during the year under review, was ten. All the complaints were redressed to the satisfaction of the shareholders.

10. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Committee's constitution and terms of reference meet with the requirements of the Act.

During the year under review, the following Directors were the members of the Committee. Members: Mr. Dinesh Munot, Chairman, Mr. Utkarsh Munot, Managing Director, Mr. Shridhar S. Kalmadi, Non-Executive and Independent Director and Mrs. Eitika Munot, Non-Executive Non-Independent Director (up to March 31, 2022). The Company Secretary acted as the Secretary to the Committee.

The Minutes of the Committee Meetings are noted by the Board of Directors at the Board Meetings.

During the financial year, the CSR Committee met on March 19, 2022. The attendance record of the members of the Committee is given above (under Point No. 2) in tabular form.

11. RISK MANAGEMENT COMMITTEE

The Company is not required to separately constitute a Risk Management Committee, as per the provisions of the Listing Regulations. The function of Risk Management is performed by the Audit Committee.

12. DISCLOSURE IN RELATION TO RECOMMENDATIONS MADE BY ANY COMMITTEE WHICH WAS NOT ACCEPTED BY THE BOARD:

During the year under review, there were no such recommendations, made by any Committee of the Board that were mandatorily required and not accepted by the Board.

13. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors met on March 19, 2022, without the presence of the Non-Independent Directors and members of the Management. At this meeting, the Independent Directors inter alia evaluated the performance of the Non-Independent Directors, the Board of Directors as a whole and the Committees of the Board, the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of Information between the Company Management and the Board.

14. CERTIFICATE UNDER REGULATION 34(3) OF THE LISTING REGULATIONS:

The Company has obtained a Certificate pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, from Mr. I U Thakur, Company Secretary in whole-time practice, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company either by Securities and Exchange Board of India (SEBI) or the Ministry of Corporate Affairs or any other Statutory Authority. The said Certificate forms part of this report.

15. CREDIT RATINGS OBTAINED BY THE COMPANY ALONG WITH THE REVISIONS FOR THE FY 2021-22:

On March 25, 2022, ICRA has retained rating A+ (A Plus) for long term, fund based credit facilities and Long-term, Non-Fund based facilities and rating of A1 + (A One Plus) for the Short-term, Non-fund based facilities. The outlook on the aforementioned ratings is 'Stable'.

16. GENERAL BODY MEETINGS

Location and time for last 3 years' General Meetings were as follows:

Year	AGMs	Location	Dates	Time	Special Resolutions Passed
2018-19	39th AGM	Registered. Office: Gat No. 1242/44, Village Vadu-Budruk, Tal. Shirur, Dist. Pune -412216	20.09.2019	3 p.m.	Special Resolutions passed for 1) Re-appointment of Mr. Shridhar S Kalmadi (DIN 00044301) as an Independent Director of the Company. 2) Re-appointment of Mr. Jitendra A. Pandit (DIN 05359478) as an Independent Director of the Company.
Held during FY 2019-20	EGM	Navalmal Firodia Seminar Hall No. 4-West, Mahratta Chamber of Commerce Industries and Agriculture, 505 A Wing, 5th Floor, MCCIA Trade Tower, Senapati Bapat Road, Pune 411016.	17.07.2019	10 a.m.	Special Resolutions passed for 1) Sale of shares of Robert Bosch Automotive Steering Pvt. Ltd. held by the Company to Robert Bosch Automotive Steering GmbH. 2) Change in Designation of Mr. Dinesh Hirachand Munot (DIN 00049801) and Minimum Remuneration 3) Change in Designation of Mr. Utkarsh Munot (DIN 00049903) and change in Terms of Remuneration. 4) Re-appointment of Mr. Manish Motwani (DIN 00394860), as an Independent Director of the Company. 5) Re-appointment of Mr. S. A. Gundecha (DIN 00220352), as an Independent Director of the Company
2019-20	40th AGM	(held through two-way video conferencing) Deemed Venue: Registered. Office: Gat No. 1242/44, Village Vadu-Budruk, Tal. Shirur, Dist. Pune -412216	19.09.2020	10 a.m.	No Special Resolution was passed
2020-21	41st AGM		28.08.2021	10.30 a.m.	Special Resolutions passed for 1) Re-appointment of Mr. Dinesh Munot (DIN 00049801) as Chairman and Whole-Time Director of the Company. 2) Re-appointment of Mr. Utkarsh Munot (DIN 00049903) as the Managing Director of the Company.

No Special Resolution(s) requiring a Postal Ballot was passed last year or is being proposed at the ensuing AGM

17. DISCLOSURES:

a) Transactions with related parties, as per requirements of IND AS-24, are disclosed in the Notes annexed to the Audited Financial Statements.

b) The Company has not entered into any transaction of a material nature, with any of the Related Parties that had or may have a potential conflict with the interests of the Company at large. During the year the Company has revised its Policy on Materiality of and Dealing with Related Party Transactions Policy to bring it in line with the amendments made by SEBI in Listing Regulations. The revised Policy is effective from April 1, 2022. The Policy ensures proper approval and reporting of the concerned transactions between the Company and related parties. The Policy is available on the website of the Company (http://www.zfindia.com/policies-codes.php).

c) There have been no instances of non-compliance with any of the legal provisions of law by the Company or any penalty or strictures imposed by the stock exchange or SEBI or any other statutory authority on any matter related to the capital markets during the last 3 years.

d) Disclosures have also been received from the senior management relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, there were no such transactions during the financial year 2021-22 having potential conflict with the interest of the Company at large.

e) Remuneration paid to the Statutory Auditors: The total fees, for all services, paid by the Company, in the FY 2021-22, to the Statutory Auditors is Rs. 13,37,500 (including GST).

18. RISK MANAGEMENT FRAMEWORK

The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that the management controls risk through means of a properly defined framework.

19. COMMODITY PRICE/ FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

The Company has adequate risk assessment and minimization system in place including for Commodities and Foreign Exchange. The Company does not have material exposure of any commodity or foreign exchange and accordingly, no hedging activities for the same are carried out.

20. CODE OF CONDUCT:

The updated Code of Conduct **(the Code)** includes duties of Independent Directors. The Code is available on the website of the Company http://www.zfindia.com/policies-codes.php. Pursuant to the provisions under the Listing Regulations, a Confirmation from the Managing Director regarding compliance with the Code by all the Directors and Senior Management forms part of this Report.

21. WHISTLE BLOWER POLICY:

The Company has established a Vigil Mechanism/ Whistle Blower Policy to enable Directors and employees to report unethical behaviour, actual or suspected fraud or violation of applicable laws and regulations and the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Directors/ employee(s).

The Company hereby affirms that no Director(s)/ employee(s) were denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website http://www.zfindia.com/policies-codes.php.

22. MEANS OF COMMUNICATION:

Quarterly Financial Results: The Quarterly Financial Results of the Company are published in the following leading newspapers viz. 'Business Standard' (English newspaper) and 'Loksatta' (Marathi newspaper) and are also displayed on the Company's website, www.zfindia.com. The Financial Results are also electronically filed on 'BSE Listing Centre'.

23. DISCLOSURES TO STOCK EXCHANGE

Any price-sensitive information and matters that are material to the shareholders are disclosed to BSE Limited. All submissions to BSE Limited are also available on the Company's website.

Presentations to Institutional Investors/ Analysts: During the financial year, no such presentations have been made.

Website: The Company's website www.zfindia.com contains a separate section 'Investors' where all important public domain information including information mandated to be provided pursuant to the Act and the Listing Regulations can be accessed. The Company's Annual Report (in a downloadable form), Quarterly Financial Results, Quarterly Shareholding Pattern, Quarterly Corporate Governance Report, Corporate Announcements etc. are available on the site.

24. ACCOUNTING STANDARDS/ TREATMENT:

The Company has complied with the applicable Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The financial statements for the year have been prepared in accordance with and in compliance of Schedule III to the Act notified by the Ministry of Corporate Affairs (MCA).

25. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms a part of the Board's Report.

General Shareholder Information:
42nd Annual General Meeting

Day, Date and Time	**Saturday, September 3, 2022, 10:30 am (IST)**
Deemed Venue - Registered. Office: Gat No. 1242/44, Village Vadu Budruk, Tal. Shirur, Dist. Pune -412216.	The Meeting will be conducted through video-conferencing (VC) pursuant to MCA Circulars.

26. FINANCIAL YEAR:

The Company follows the period of April 1 to March 31, as the Financial Year.

27. BOOK CLOSURE

The dates for book closure are from August 27, 2022 to September 3, 2022 (both days inclusive)

28. DIVIDEND AND DIVIDEND PAYMENT DATE:

In order to conserve resources of the Company, for the purpose of ongoing Company's expansion plans, the Board decided not to recommend any dividend for the financial year ended on March 31, 2022.

29. UNCLAIMED DIVIDEND

Unclaimed dividend for the years prior to and including the F.Y. 2013-14 has been transferred to the Investor Education and Protection Fund **(IEPF) (the Fund)**, set up

by the Central Government, as applicable. The shareholders who have not encashed their dividend drafts for the financial year 2014-15 and subsequent years are requested to claim the amount from the Company. As per the relevant provisions, any dividend remaining unclaimed for a period of seven years shall be transferred to IEPF.

30. UNCLAIMED EQUITY SHARES

Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all the shares on which dividend has not been paid or claimed for seven consecutive years, shall be transferred to an IEPF suspense account (in the name of the Company) within thirty days of such shares becoming due for transfer to the Fund. The information relating to outstanding dividend account/(s) and the dates by which they can be claimed by the shareholders are given below:

Financial Year	Date of declaration of dividend	Type of dividend	Total Dividend (Rs.)	Unclaimed dividend as on March 31, 2021 (Rs.)	Due date for transfer to Investor Education and Protection Fund (IEPF)
2014-15	September 23, 2015	Final	90,733,000	9,08,200	October 28, 2022
2015-16	March 10, 2016	Interim	11,34,16,250	12,61,987	April 14, 2023
2016-17	August 02, 2017	Final	7,25,86,400	8,33,288	September 6, 2024
2017-18	August 27, 2018	Final	7,25,86,400	7,31,240	October 1, 2025

PURSUANT TO IEPF RULES, GIVEN BELOW ARE THE EQUITY SHARES TRANSFERRED TO THE IEPF AUTHORITY

Particulars	Number of shares transferred to IEPF
Transferred to IEPF during the Financial Year 2017-18	33,905
Transferred to IEPF during the Financial Year 2018-19	11,688
Transferred to IEPF during Financial Year 2019-20	2,131
Shares Claimed during Financial Year 2019-20	(150)
Transferred to IEPF during Financial Year 2020-21	2,649
Shares Claimed during Financial Year 2020-21	(720)
Transferred to IEPF during Financial Year 2021-22	3,740
Shares Claimed during Financial Year 2021-22	0
Total Number of Shares held by IEPF as on March 31, 2022.	53,243

The Members/ claimants whose shares and unclaimed dividend have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by the Authority from time to time. The Members/ claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

The lists of Members whose shares have been transferred to the Demat Account of the IEPF is available on the website of the Company -www.zfindia.com.

31. LISTING ON STOCK EXCHANGE:

The Company's Equity Shares are listed on BSE Limited, Phiroze Jeejebhoy Towers, Dalal Street, Mumbai 400 001.

The Company has paid the annual Listing fees up to the Financial Year 2022-23.

BSE	505163
International Securities Identification Number (ISIN)	INE116C01012
Corporate identity Number (CIN)- allotted by Ministry of Corporate Affairs	L29130PN1981PLC023734

32. CUSTODIAL FEES TO DEPOSITORIES:

Annual Custody/ Issuer fee has been paid to CDSL and NSDL up to the financial year 2022-23.

33. Stock Market Data

Market Price of Company's Share at BSE			BSE SENSEX	
Month	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr-21	395.00	356.15	50,375.77	47,204.50
May-21	540.00	364.00	52,013.22	48,028.07
Jun-21	546.85	463.00	53,126.73	51,450.58
Jul-21	575.00	475.00	53,290.81	51,802.73
Aug-21	529.80	440.00	57,625.26	52,804.08
Sep-21	479.00	422.10	60,412.32	57,263.90
Oct-21	500.00	431.05	62,245.43	58,551.14
Nov-21	480.00	421.10	61,036.56	56,382.93
Dec-21	472.00	412.00	59,203.37	55,132.68
Jan-22	573.00	452.20	61,475.15	56,409.63
Feb-22	509.50	409.00	59,618.51	54,383.20
Mar-22	459.95	392.05	58,890.92	52,260.82

STOCK PERFORMANCE:

Share Price Performance in comparison to broad based indices- April 2021 to March 2022.

Stock performance compared to broad based indices			
Sr. No.	**Particulars**	**ZF India**	**BSE SENSEX**
1.	**F.Y. 2021-22**	**7.2%**	**18.3%**

Registrar and Transfer Agents:

Link Intime India Pvt. Ltd. (website :www.linkintime.com) (email: rnt.helpdesk@linkintime.co.in)	
Pune Office Block No. 202, Akshay Complex, Near Ganesh Temple, Pune- 411001 Phone No. (020) 2616 1629/26160084 Fax No. (020) 2616 3503	**Mumbai Office** C 101, 247 Park, L.B.S. Marg, Vikhroli (W) Mumbai- 400083 Phone No. (022) 49186270 Fax No. (022) 49186060

34. PHYSICAL SHARES RELATED OPERATIONS:

With effect from April 1, 2020, requests for effecting transfer of shares held in physical mode, cannot be processed as per SEBI directive.

With effect from January 24, 2022, shares issued pursuant to the requests transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Further, pursuant to the SEBI Circular no. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/55 dated November 03, 2021, all the shareholders holding securities in physical form are required to update their requisite KYC details by March 2023, failing which their folios shall be frozen and shall remain as such until requisite KYC details are updated with our RTA. The brief procedure along with requisite forms are available on the Company's website www.zfindia.com – Investors – Investor Service Requests. The Company has also dispatched the requisite forms to the concerned shareholders.

Shareholding Pattern as on March 31, 2022.

Category	No. of Shares of Rs. 10 each	Percentage of shareholding
Indian Promoters (Munot Family)	37,78,263	41.66
Foreign Promoter - (Robert Bosch Automotive Steering, GmbH)	23,40,155	25.79
Banks, Financial Institutions, Insurance Companies, Mutual Funds	950	0.01
IEPF	53,243	0.59
Private Corporate Bodies	1,09,140	1.20
Indian Public	27,36,935	30.15
NRIs/ OCBs	54,614	0.60
Total	**90,73,300**	**100**
No. of Shareholders	**31.03.2022**	**31.03.2021**
	10,060	10,748

35. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

No. of Shares held (Face Value of Rs.(10 each)	No. of Share holders	% to total No. of share holders	No. of Shares held	% to total No. of Shares
1-500	9254	91.99	8,88,246	9.80
501-1000	454	4.51	3,40,622	3.75
1001-5000	296	2.94	5,71,433	6.30
5001-10000	22	0.22	1,52,858	1.68
10001 & above	34	0.34	71,20,141	78.47
Total	**10,060**	**100.00**	**90,73,300**	**100.00**

36. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The details of Equity shares dematerialized and those held in physical form as on March 31, 2022, are given hereunder:

Particulars of Equity Shares	Equity shares of Rs. 10 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	73,94,220	81.49	5,294	52.6
CDSL	15,18,706	16.74	4,035	40.1
Sub-total				
Physical Form	1,60,374	1.77	731	7.3
Total	**90,73,300**	**100**	**10,060**	**100**

Considering the advantages of dealing in securities in electronic/ dematerialized form, shareholders still holding shares in physical form are requested to dematerialise their Shares at the earliest. For further information/ clarification/ assistance in this regard, please contact Link Intime India Pvt. Ltd., Registrar and Share Transfer Agents.

As per the directions of SEBI, Equity Shares of the Company can be traded/ transferred by all the investors only in dematerialized form. The Company's Shares are traded on BSE Limited.

37. DIVIDEND DECLARED FOR THE LAST YEAR 10 YEARS:

FinancialYear	Dividend Per Share* (Rupees)
2011-12 Interim	5.00
2011-12 Final	5.00
2012-13	8.00
2013-14	7.00
2014-15	10.00
2015-16 Interim	12.50
2016-17	8.00
2017-18	8.00
2018-19	Nil
2019-20	Nil
2020-21	Nil
2021-22	Nil

*Share of paid-up value of Rs. 10 per share

38. OUTSTANDING GDR, ADR OR WARRANTS:

The Company has not issued so far any GDR, ADR or any Convertible instrument pending Conversion or any other instrument likely to impact the equity share capital of the Company.

39. DISCLOSURE WITH RESPECT TO THE EQUITY SHARES LYING IN SUSPENSE ACCOUNT:

Particulars	Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	52	4489
Number of shareholders who approached the Company for transfer of shares from suspense account during the year.	0	0
Number of shareholders whose shares were transferred to Investor Education Protection Fund (IEPF) account during the year	3	333
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	49	4156

The voting rights on the shares lying in suspense account are frozen till the rightful owners of above shares claim the shares.

40. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

Please refer to the Board's Report for the aforesaid disclosure.

41. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company is in compliance with all the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and applicable clauses of sub-regulation (2) of Regulation 46 of SEBI (LODR), Regulations, 2015, with regards to Corporate Governance.

42. ADOPTION OF MANDATORY AND DISCRETIONARY REQUIREMENTS OF THE LISTING REGULATIONS:

The Company has complied with all mandatory requirements of the Listing Regulations. The Company has adopted following discretionary requirements of the Listing Regulations:

i. The Company is in the regime of financial statements with unmodified audit opinion.

ii. The Internal Auditor directly reports to the Audit Committee.

43. PLANT LOCATIONS:

Segment	Address
Auto Components	1. Gat No. 1242/ 44, Village Vadu-Budruk, Tal. Shirur, Dist: Pune- 412 216. (Maharashtra) 2. Plot number 3, Industrial Area, Sector V growth centre, Pithampur, Dist. Dhar, M.P. – 454775.
Solar Power Project	Plot No. 45 & 46, Survey No. 152/1, Charanka, Santalpur, Patan (Gujarat)
Wind Power	1. Supa, Dist. Ahmednagar (Maharashtra) 2. Vankusavade & Sadawaghapur, Dist. Satara (Maharashtra) 3. Ajnadi, Dist. Aurangabad (Maharashtra)

44. DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT

The Company has not given any loans or advances to the firm/ companies in which directors are interested.

45. ADDRESS FOR INVESTOR CORRESPONDENCE:

For transfer/ dematerialization of shares Link Intime India Pvt. Ltd. 2202 A-Wing, Second Floor, Akshay Complex, Off Dhole Patil Road, Pune- 411 001 Phone- (020) 26161629/ 26163503/ 26160084 E-mail- pune@linkintime.co.in

For payment of dividend and other correspondence Secretarial Department: ZF Steering Gear (India) Ltd. Corporate Identity Number (CIN)-29130PN1981PLC023734 Gat No. 1242/ 44, Village Vadu-Budruk, Tal. Shirur, Dist. Pune- 412 216. E- Mail: satish.mehta@zfindia.com Phone- 02137-305100.

Pune
July 30, 2022

Dinesh Munot
Chairman
(DIN: 00049801)

Certificate of Compliance with the Corporate Governance

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Members of

ZF Steering Gear (India) Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 30th September, 2019.
2. This report contains details of compliance of conditions of corporate governance by ZF Steering Gear (India) Limited ('the Company') for the year ended 31st March, 2022 as stipulated in regulations 17 to 27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the BSE Limited (referred to as the 'Stock exchange').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof Adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as Stipulated in the Listing Regulations for the year ended 31st March, 2022.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as Stipulated in the above-mentioned Listing Regulations, subject to the following:
9. *There was delayed compliance of Regulation 23(9) of the Listing Regulations for the Half-Year ended March 31, 2021.*

   The Company was imposed fine by BSE vide BSE Communication of August 20, 2021, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 relating to delayed compliance of Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended March 2021. The Compliance of the said BSE Communication of payment of fine was done by the Company.
10. We 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.

Restriction on use

11. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by Any other person or for Any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Joshi Apte & Co.,**
Chartered Accountants
ICAI Firm registration number: 104370W

Per **Prakash Apte**
Partner
Membership No.: 033212
UDIN: 22033212AJJBGT3085
Pune: May 21, 2022

Certificate on Compliance with Code of Conduct:

I hereby confirm that the Company has obtained from all the members of the Board and Management Personnel, affirmation that they have complied with the Code of Conduct for the financial year 2021-22.

For and on behalf of the Board of Directors

Pune
July 30, 2022

Utkarsh Munot
Managing Director

Managing Director/ CFO Certification

The Managing Director and the Chief Financial Officer have furnished a Compliance Certificate to the Board of Directors under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pune	**Utkarsh Munot**	**Jinendra Jain**
July 30, 2022	**Managing Director**	**Chief Financial Officer**

CERTIFICATE OF
OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V para C clause 10(i) of the Securities Exchange Board of India {Listing Obligations and Disclosure Requirement) Regulations, 2015)

To,
The Members of
ZF Steering Gear (India) Limited
Regd. Office: GAT NO 1242/1244 VILLAGE, VADU BUDRUK
TAL SHIRUR PUNE MH 412216 IN

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ZF Steering Gear (India) Limited having CIN L29130PN1981PLC023734 and having registered office at Gat No 1242/1244, Village-Vadu Budruk, Tal Shirur, Pune MH 412216 IN (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or Continuing as Director of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1	SHRIDHAR SHAMRAO KALMADI	00044301	26/05/2009
2	DINESHCHAND HIRACHAND MUNOT	00049801	08/11/1986
3	UTKARSH DINESHCHAND MUNOT	00049903	31/10/2006
4	ADIT MADHUSUDAN RATHI	00084380	20/09/2019
5	SATISH AMOLAKCHAND GUNDECHA	00220352	15/09/2014
6	MANISH MOHAN MOTWANI	00394860	23/06/1998
7	EITIKA UTKARSH MUNOT	01396661	15/09/2014
8	SANDEEP NELAMANGALA	08264554	20/09/2019
9	SMITA AMOL LAHOTI	08764528	27/06/2020

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

I U Thakur
Company Secretary
C. P. Number : 1402
Membership No. 2298
Peer Review No: 1426/2021
UDIN:F002298D000358808

Date: 21/05/2022
Place: Pune

ANNEXURE - III to the Board's Report
Annual Report on Corporate Social Responsibility

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

   The Company's CSR Policy **(the Policy)** outlines the Company's responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking activities for welfare and sustainable development of the community at large.

   The policy was formulated by the CSR Committee in terms of provision of Section 135(4) of the Companies Act, 2013 **(the Act)** read with Rule 6 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, which has also been approved by the Board. As per CSR policy the Company shall undertake any CSR activities/ projects/ programs in the areas as specified in Schedule VII of the Act as amended from time to time.

   The Policy inter-alia covers the Philosophy, Scope, List of the CSR activities, Annual Action Plan, Modalities of Execution of projects / programs and Monitoring, Impact Assessment, set-off and carry forward of excess CSR expenditure thereof.

   The policy is placed on the website of the Company www.zfindia.com.

2. **The Composition of the CSR Committee.**
   - Mr. Dinesh Munot — Chairman
   - Mr. Utkarsh Munot — Member/ Managing Director
   - Mrs. Eitika Munot — Member/ Non-Executive Director **(up to March 31, 2022)**
   - Mr. Shridhar Kalmadi — Member/ Independent Director

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:** www.zfindia.com.

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** Not Applicable.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:** NIL

6. **Average Net Profit/ (Loss) of the Company for last three financial years:** Rs. (2.85) crore

7. **Prescribed CSR Expenditure**

   i. **two per cent of the amount as in item 6 above:** NIL

   ii. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL

   iii. **Amount required to be set off for the financial year, if any:** NIL

   iv. **Total CSR obligation for the financial year (7i+7ii-7iii):** NIL

8. **Details of CSR spent during financial year:**

a. **CSR amount spent or unspent for the Financial Year.**

Total Amount Spent for the Financial Year (Rs. In crore)	Amount Unspent (Rs. In crore)				
	Total Amount transferred to the Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5).		
	Amount	Date of Transfer.	Name of the Fund	Amount	Date of Transfer.
0.45	NIL	N/A	NIL	NIL	N/A

b. Details of CSR amount spent against on-going projects for the financial year:

Sr. No.	Name of the Project	Item from the List of activities in Schedule VII of the Act.	Local Area (Yes/ No)	Location of the Project		Duration of the Project	Amount allocated for the project	Amount spent in the current financial year (Rs. in crore)	Amount transferred to Unspent CSR Account for the Project	Mode of Implementation – Whether Direct (Yes/ No)	Mode of Implementation – Through Implementing Agency	
1	National Apprenticeship Promotion Scheme	(ii)	Yes	Maharashtra	Pune	As per the contract with each apprentice.	No specific amount has been allocated as the same is based on contract with each apprentice.	0.43	NIL	No	Yashaswi Academy for Skills	CSR00000192
	Total							**0.43**				

c. Details of amount spent against other than on-going projects for the Financial Year

Sr. No.	Name of the Project	Item from the List of activities in Schedule VII of the Act.	Local Area (Yes/ No)	Location of the Project		Amount (Rs. in crore)	Mode of Implementation Whether Direct (Yes/ No)	Mode of Implementation Through Implementing Agency	
1	Promoting Healthcare	(ii)	Yes	**State**	**District**			**Name**	**CSR registration number**
				Maharashtra	Pune	0.02	No	Mukul Madhav Foundation	CSR00000343
	Total					**0.02**			

d. Amount spent in Administrative Overheads: Nil

e. Amount Spent on Impact Assessment, if applicable: Not Applicable.

f. Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 0.45 crore

g. Excess Amount set off, if any : -

Sr. No.	Particulars	Amount (Rs. In crore)
i.	Two percent of average net profit/ (loss) of the Company as per section 135(5)	NIL
ii.	Total amount spent for the Financial Year	0.45
iii.	Excess amount spent for the financial year [(ii)-(i)]	0.45
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.45

9. **A. Details of Unspent CSR amount for the preceding three financial year**

Sr. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135(6) (Rs. in crore)	Amount spent in the reporting Financial Year	Amount Transferred to any fund Specified in Schedule VII to the Act			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount (Rs. in crore)	Date of Transfer	
1	-	NIL	-	-	NIL	-	-

B. Details of CSR amount spent in the financial year for on-going projects for preceding financial years: Not Applicable

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:**

    a. **Date of Creation or Acquisition of Capital Asset(s):** None

    b. **Amount of CSR Spent for creation or Acquisition of Capital Asset:** NIL

    c. **Details of Entity or Public Authority or beneficiary under whose name such capital asset is registered, their address etc:** Not Applicable.

    d. **Provide details of capital asset(s) created or acquired (including complete address and location of the Capital Asset):** Not Applicable

11. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide reasons for not spending the amount in its Board's Report:** Not Applicable.

Place
July 30, 2022

Dinesh Munot
Chairman
(DIN:00049801)

ANNEXURE - IV to the Board's Report
Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,

The Members,

ZF STEERING GEAR (INDIA) LIMITED

Pune

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ZF STEERING GEAR (INDIA) LIMITED** (CIN: L29130PN1981PLC023734) (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances by the Company and expressing my opinion thereon.

Based on my verification of the **ZF STEERING GEAR (INDIA) LIMITED's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable** to the Company during the Audit Period;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;– **Not applicable** to the Company during the Audit Period;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;– **Not applicable** to the Company during the Audit Period;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not applicable** to the Company during the Audit Period;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; – **Not applicable** to the Company during the Audit Period;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not applicable** to the Company during the Audit Period;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

On the basis of the information provided by the Company, following are also complied with:

ENVIRONMENTAL LAWS:

1. The Air (Prevention and Control of Pollution) Act, 1981 & The Air (Prevention and Control of Pollution) Rules, 1982

2. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Rules, 1975

3. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Further the following events have taken place during the period under review:

1. The assessment proceeding u/s 153A read with Section 143(3) of the Income Tax Act, 1961 have been completed vide orders passed on September 29, 2021 for the 7 assessment years. As per the notice of demands, the total aggregate tax demand computed by the tax department is Rs. 8.76 crore (including interest) for the 7 assessment years. The Company has already filed necessary rectification applications, stay applications with the tax department. Further, the Company has also filed appeals in all 7 assessment years before the Commissioner Appeal to challenge the assessment orders and alleged additions made by the tax department. The rectification, stay applications and appeals filed are pending before the tax department and/or appeal authority, as the case may be, for the adjudication. The Company has been advised that based on legal position, the additions may not be sustainable, being made without considering the factual aspects and applicable provisions of the law.

2. The Company was imposed fine by BSE vide BSE Communication of August 20, 2021, pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 relating to delayed compliance of Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half year ended March 2021. The Compliance of the said BSE Communication of payment of fine was done by the Company.

I U Thakur
Company Secretary
C. P. Number : 1402
Membership no.: 2298
Peer Review No.: 1426/2021
UDIN: F002298D000358775

Date: 21/05/2022
Place: Pune

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

‘Annexure’

To,

The Members

ZF STEERING GEAR (INDIA) LIMITED

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

I U Thakur
Company Secretary
C. P. Number : 1402
Membership no.: 2298
Peer Review No.: 1426/2021
UDIN: F002298D000358775

Date: 21/05/2022
Place: Pune

Business Responsibility Report

Business Responsibility Report (BR)

Section A:General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L29130PN1981PLC023734
2. Name of the Company	ZF Steering Gear (India) Ltd.
3. Registered address	Gat No. 1242/44, Village Vadu Budruk, Tal. Shirur, Dist. Pune - 412216
4. Website	www.zfindia.com
5. E-mail id	enquiry@zfindia.com
6. Financial Year reported	1.04.2021 to 31.03.2022
7. Sector(s) that the Company is engaged in/ List of three key products/ services that the Company manufactures/ provides (as in the Balance Sheet, industry activity code wise):	29301 – Auto Component – Steering Gear Systems. 35106 – Renewable Energy – Solar Energy and Wind Energy
8. Total number of locations where business activity is undertaken by the Company- a) Number of International Locations (Provide details of major 5) b) Number of National Locations	**Nil** **Seven**
9. Markets served by the Company- Local/ State/ National/ International	All

Section B: Financial Details of the Company

1. Paid up Capital (Rs. in lakh)	907
2. Total Turnover (Rs. in lakh)	31,280
3. Total Profit after Taxes (Rs. in lakh)	1,827
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Although, as per the applicable provisions, the Company did not have any obligation towards Corporate Social Responsibility **(CSR)** for FY 2021-22, the Company spent Rs. 45 lakh towards CSR, being 2.5% of the Profit after Taxes.
5. List of activities in which expenditure in 4 above has been incurred	Please refer to Annexure – III of the Board's Report.

Section C: Other Details

1.	Does the Company have any Subsidiary Company(ies)?	The Company did not have any subsidiary in the financial year 2021-22. The Company has incorporated, in April 2022, two wholly-owned subsidiaries, details of which are provided in the Board's Report
2.	Do the Subsidiary Company(ies) participate in the Business Responsibility initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(ies)	As mentioned above, the subsidiaries have been incorporated recently and they are yet to start activities.
3.	Do any other entity(ies) (e.g suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity(ies)? [Less than 30%, 30-60%, More than 60%]	No

Section D: BR Information

1. Details of Director/ Directors responsible for BR

a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies

1.	DIN Number	00049903
2.	Name	Mr. Utkarsh Munot
3.	Designation	Managing Director

b) Details of BR head

1.	DIN Number	N.A.
2.	Name	Mr. Anant Kalvit
3.	Designation	President
4.	Telephone number	02137-305100
5.	Email Id	anant.kalvit@zfindia.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] Business Responsibility Policy(ies):

a) Details of Compliance [Reply in Yes (Y) / No (N)]:

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency & Accountability	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Influencing Regulatory Policy	Equitable Development	Customer Responsibility
1	Do you have a policy/ policies for …	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant Stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all the stakeholders.								
3	Does the policy conform to any National / International standards? If yes, specify? (50 words)	The Company has an established structure for carrying out various facets of manufacturing functions as per business process defined by ISO 14001 and 45001 and IATF: 16949.								
4	Has the policy been approved by the Board?	Since all the policies are not required to be approved by the Board of Directors, the approval of the Board has been obtained wherever it is mandatory.								
	If yes, has it been signed by MD/ Owner/ CEO/ Appropriate Board Director	Yes, however, not all policies, as this is not a mandatory requirement.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Internal policies are available for employees only. For other policies, please refer to http://www.zfindia.com/policies-codes.php								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The working of all the policies is internally monitored. An Audit/ evaluation is carried out by external agencies wherever mandatory.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

3. Governance related to Business Responsibility (BR):

(a) Frequency with which the Board of Directors, Committee of the Board or the Managing Director assess the BR Performance of the Company:

The BR Principles and related performance of the Company generally form part of the monthly and quarterly business reviews at different levels of the organisation.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes Business Responsibility Report **(the Report)** in line with Regulation 34(2)(f) of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(the Listing Regulations)** read with SEBI Circular **SEBI/HO/CFD/CMD-2/P/CIR/2021/562** dated May 10, 2021. The Report is published every year and forms part of the Annual Report of the Company. The Report is placed on the Company's website http://www.zfindia.com/.

Section E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

The standards of ethics, transparency and accountability are deeply incorporated in the Company's Governance System. The values of business conduct that leads the Company's unique culture are exemplified in its purpose **"Steering Success with Safety."**

Every stakeholder associated with the Company is expected to observe these standards of conduct in all business endeavours. The Company ensures compliance to these standards by its stakeholders through appropriate clauses in their contracts to which they are obligated.

Code of Conduct for Board of Directors and Senior Management are testament to the Company's efforts in ensuring that honesty and ethical conduct are never compromised, while promoting professionalism in all facets of the Company's operations. The said Code is available on the website of the Company www.zfindia.com. Further, the Company's Vigil Mechanism encourages people to report illegal or unethical conduct, among other things.

The Company respects the laws and regulations of each geography that it operates in and takes every measure to make sure that it adheres to all the required standards of disclosures and reporting. This transparency and accountability are more than just a tick–box compliance as it helps in building long – lasting relationships with the stakeholders who have reposed their faith in the Company.

The Company has devised Vigil Mechanism, which is being governed by Whistle Blower Policy. Objective of the Policy is to establish 'no threat window' whereby an individual, who is aware of any Protected Disclosure in the Company, is able to raise it through the appropriate channel as outlined in the policy, to ensure timely institutional response, remedial action and offer protection to such individual from victimization, harassment or disciplinary proceedings. The Policy and Mechanism is directly monitored by the Chairman of the Audit Committee. The said policy is available on the website of the Company www.zfindia.com.

The Company also has a strict Code of Conduct to Regulate, Monitor and Report Trading by the Designated Persons, to prevent insider trading and ensure integrity. These are standard communications before Board meetings that communicates the time when they shall not trade and clear instructions about what to do when they do trade.

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders.

a. Does the policy relating to ethics, bribery and corruption cover only the Company?

The Company has a policy of a zero-tolerance towards bribery. The Company also refrains from engaging in any practices that are abusive, corrupt or anti-competitive and the Company also refrains from engaging in the business with stakeholders who are indulged in aforesaid practices.

b. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

The total number of complaints received and resolved to the satisfaction of stakeholders, during the year under review, was ten. All the complaints were redressed to the satisfaction of the stakeholders. The detailed report is provided in Annexure - III to the Board's Report.

Principle 2

Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

The Company is committed to delivering products that are safe, effective and possess high quality. As one of the recognised organizations, the Company complies with the optimum standards governing its products, thereby contributing to the safety and sustainability.

The Company ensures that the quality, safety, and sustainability is implemented through entire process right from sourcing of raw materials to creating the end products that meet the superlative quality standards. The Company's quality management embeds the guiding principle of continuous improvement in all facets of the Manufacturing process.

The Company incorporates environmental and social considerations in all its business operations and ensures that engagements with stakeholders are conducted while confirming with the norms of good governance, ethics and transparency. The Company has an established structure for carrying out various facets of manufacturing functions as per business process defined by ISO 45001, ISO 14001 and IATF: 16949.

The Company uses the aforementioned globally accepted quality standards as a foundation for each of its business units **(i.e. Pune & Pithampur)**, incorporating effective quality management practices into every aspect of its daily works.

The Company is pioneer in bringing Integral Hydraulic Power Steering Gear Systems to India, in early nineties, with the help of world class technology in that field, through a Joint-Venture. This is the main product of the Company and is known for safety and comfort in driving. The Government has mandated compulsory fitment of Power Steering in some vehicles.

The Company works closely with the Company's suppliers to tackle challenges through strategies and initiatives that drive efficiency and cost optimization in these processes.

The Company believes that alignment of business plans and activities with sustainability goals leads to long-term value addition for itself and its stakeholders. All the models of Power Steering have been adapted for requirements of new BS-VI parameters.

The Company is committed to providing goods that are safe and which imbibe sustainability through its life cycle. This is reflected in the Company's initiatives on resource efficiency and safety.

a. List up to three of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is supplier of two distinct products:

- Steering Gears (Power and Mechanical)
- A) Power steering gears for commercial vehicles and buses
- B) HPAS and mechanical steering gears for Tractors .

Opportunity - Our steering gears provides safety and comfort to the drivers

- Renewable Energy (Wind and Solar)

b. For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product:

i. Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?

The Company actively works on projects to reduce the resource (energy, water, raw material, etc.) consumption. Some examples include:

- Captive Consumption of Renewable energy generated by the Company's Solar projects and Windmills.
- As mentioned earlier the Company adheres to globally accepted standards for sustainability and minimization of Environmental Risk i.e. ISO 14001.
- Waste-water is treated and recycled for gardening of the Factory.
- Product-wise resource consumption is not measured. However, the respective manufacturing facilities of the Company continuously takes measures to reduce raw material consumption.

ii. Reduction during usage by consumers of resources (energy, water) that has been achieved since the previous year?

Measuring product-wise reduction in consumption of energy and water is not feasible. However, the details of conservation of resources are given in the Annexure-I to the Board's Report.

iii. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

It is difficult to ascertain percentage of inputs sourced from suppliers accounting towards total inputs due to different kind of materials procured from various suppliers by the Company. However, the Company has been working on reducing the need for transportation.

iv. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company does procure goods and services from local MSME vendors for supply of voluminous raw material that is used in the production process.

v. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so

The Company recycles materials wherever it is usable within the Company and those which cannot be reused are disposed of, in a manner compliant with applicable statutory provisions.

Principle 3

Business should promote the well-being of all employees

The Company focuses on creating a work environment that provides new learning and growth opportunities to the Company's talent along with ensuring their health and safety at workplace. The Company promotes diversity and inclusion within the organization by building awareness among employees. The Company provides its associates with clean and hygienic workspaces with a well-defined access control system.

Sr. No.	Particulars	Number of Employees
1.	Total Number of Employees	1184
2.	Total Number of Permanent Employees	383
3.	Total number of employees hired on temporary/ Contractual/ Casual basis.	801
4.	Number of permanent women employees	4
5.	Number of permanent employees with disabilities	Nil
6.	Employee association that is recognized by management	No
7.	Percentage of permanent employees that are members of this recognized employee association.	Not Applicable

a. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

There are no complaints relating to child labour, forced labour, involuntary labour, sexual harassment, during the Year.

No.	Category	No. of Complaints filed during the year	No. of Complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	NA
2	Sexual Harassment	Nil	NA
3	Discriminatory employment	Nil	NA

b. What percentage of your under mentioned employees were given safety and skill Upgradation training in the last year?

a) Permanent Employees – 53%

b) Permanent Women Employees – 2%

c) Casual/ Temporary/ Contractual Employees – 30%

d) Employees with Disabilities – Not Applicable.

Employee training and skill development is an integral aspect of the Company's human resource strategy. The Company's training programs extend to all permanent and contractual employees.

Principle 4

Businesses should respect the interests of and be responsive towards all the stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Company is committed to supporting the disadvantaged, marginalized and vulnerable populations and for developing solutions to social challenges facing them that are both sustainable and scalable. The Company's goal is to empower communities for the highest order of ownership and efficacy. The Company also engages with various stakeholders to leverage the best resources available to it.

1. Has the Company mapped its internal and external stakeholders? Yes/ No

Yes, Through a comprehensive Stakeholder Engagement process. The Company also ensures timely response to their needs in an effective manner. The Company has mapped the internal and external stakeholders while engaging with its employees, investors, clients, contractors and suppliers, NGOs, local community, regulators etc. The key stakeholders of the Company include business partners, customers, employees, suppliers, regulatory agencies and local communities in the vicinity of its operations. This approach has assisted in prioritizing topics of material importance to the Company's stakeholders and the business. The Company identifies the interests of the internal stakeholders like permanent employees through engagement surveys and periodic worker settlement reviews. The external shareholders are mapped through defined activities such as customer events, channel partner meet, SMES trainings etc. The Company reaches out to the stakeholders on regular basis through Annual General Meetings and Stock Exchange intimations. This transparent communication helps the Company to understand the stakeholders' expectations and co-create value.

The Company participates in the events organized by trade associations and contributes by providing inputs when requested. These interactions with stakeholders enables us to develop a better perception towards the relevant material matters for the Company. This in turn helps to improve the overall strategy and orientation of businesses.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

   The Company believes in supporting the growth and development of economically weaker sections of society. The key tenet of the Company's initiatives is ensured through the Company's Stakeholders' Engagement Process that aims to bridge the socio-economic gap in the society.

   The Company considers the people victimized by natural calamities/ pandemics etc. and the local community around its manufacturing locations as vulnerable stakeholders.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   The Company undertakes Corporate Social Responsibility (CSR) activities for overall betterment of the community with special emphasis on imparting skill and technical development and training, details pertaining to the same are provided in the Annexure III to the Board's Report i.e. Annual Report on CSR Activities and also furnished under Principle 8 of this Report.

   The Company aims at overall national and community development, at the same time, it gives preference to local areas around which it operates.

Principle 5

Businesses should respect and promote human rights

The Company encourages diversity and constantly ensures that the business culture as well as activities are more inclusive and all-encompassing. The Company believes in conducting itself with professional standards of personal integrity, honesty and ethical conduct and the Company is committed to providing and maintaining a work environment that is free of harassment and any kind of discrimination based on caste, creed, race, religion, national origin, age, gender, sexual orientation, region, appearance or any disability or other protected classifications while in India or abroad.

The Company ensures compliance with all applicable laws, though the Company does not have a separate human rights policy. Further, a Legal Compliance Report is placed before the Directors in their Meetings on Quarterly Basis and the Company also has effective Vigil Mechanism in place to report various concerns including but not limited to those pertaining to violation of Human Rights. The Company had no instance of violation of any of the human rights and has not received any complaint in this regard in the Financial Year 2021-22, which depicts the Company's allegiance for preservation of human rights.

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?**

   The Company conducts its business in a manner that respects the rights and dignity of people, complying with all the legal requirements.

   The Company has instituted and implemented a organisational level policy on human rights which covers all direct employees, consultants (including fixed term appointees), associates, trainees, suppliers, vendors etc.

2. **How many stakeholder complaints have been received in the past financial year and what per cent was satisfactorily resolved by the management?**

   No stakeholder complaints other than mentioned in the Corporate Governance Report were received during the financial year. The Company has devised adequate measures for redressal of stakeholders' grievances.

Principle 6

Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?**

   The Environmental Policy covers ZF Steering Gear (India) Ltd.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/ No. If yes, please give hyperlink for web page etc.**

   Yes, switching to the Renewable Energy sources viz. Wind Energy and Solar Energy has been in vanguard of the Company's strategies to reduce adverse environmental impact. The Company is working across its operations to sustainably manage its water use and address climate change by reducing its environmental footprint. At present, significant amount of the Company's energy consumption comes from renewable sources.

   Further, the employees are trained to operate and maintain the facilities in an environmentally responsible and safe manner which helps to drive year – on – year improvements to Health, Safety and Environment.

   To address environmental issues, the Company has taken initiatives such as:

   a. Renewable energy projects

   b. Measures for Energy Conservation (broad details of measures taken are provided in Annexure – I to the Board's Report, also available on the website of the Company www.zfindia.com)

c. Measures to check and control the pollutants discharged into environment

i. The Company's Pithampur Plant is Zero Water Pollutants discharge plant, meaning there is no pollutants discharged from that plant.

ii. The hazardous wastes generated at the Vadu Budruk plant are being disposed as per the Maharashtra Pollution Control Board **(MPCB)** approved sources. Monitoring and measurements are being done as per the MPCB Consent Order. The Hazardous wastes are measured and stocked at secluded storage area. Those are being recorded in "Form -3" as per MPCB norms.

3. Does the Company identify and assess potential environmental risks? Yes/ No

Yes, environment and climate change related risks are identified through periodic reviews. The senior management team and the Board reviews key risks along with status of mitigation measures on a Half – Yearly Basis through Risk Management Report.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company has a separate business vertical named 'Renewable Energy Segment' under which the Company runs 5 MW Solar Power Project in the state of Gujarat. The Company also runs Wind Power Projects, aggregate capacity of which is over 8 MW, and comprises six Wind Turbine Machines at different locations in Maharashtra.

The Company has an established structure for carrying out various facets of manufacturing functions as per business process defined by ISO 14001 and 45001 and IATF: 16949.

5. Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc.? Yes/ No. If yes, please give hyperlink for web page etc.

Yes, the details of other initiatives are provided in Annexure I to the Board's Report in the section Conservation of Energy and Technology Absorption, Research and Development and on the website of the Company http://www.zfindia.com/annual-reports.php.

6. Are the Emissions/ Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB) and/ or respective State Pollution Control Boards (SPCB) for the financial year being reported?

Yes.

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:

Yes, the Company is a member of The Automotive Component Manufacturers Association of India. (ACMA).

2. Have you advocated/ lobbied through above association for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No

Principle 8

Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, these initiatives of the Company are provided under the CSR policy of the Company and are governed by applicable laws.

2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ Government Structures/ any other organization?

CSR Programs are implemented mainly through implementing agencies which include Non – Government Organizations (NGOs), having an established track record of at least 3 years in carrying on the specific activity.

3. Have you done any impact assessment of your initiative?

Impact assessment is being done internally.

4. What is your Company's direct contribution to community development projects. Amount in INR and the details of the projects undertaken?

The Company has contributed Rs. 45 Lakh during the FY 2021-22 towards Corporate Social Responsibility (CSR). Details of CSR activities, undertaken by the Company, are mentioned in the Annexure – III to the Board's Report under Annual Report on CSR Activities.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes, the Company regularly monitors the projects to ensures that they are adopted and continued within communities. The community development initiative is undertaken on the basis of needs assessment which is based on the feedback of the community itself. The Company initiates those initiatives which help them in becoming sustainable/ self-dependent. Thus, the Company ensures that its initiatives are successfully adopted by the community.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases is pending as on the end of financial year?**

   The Company has no Customer complaint/ case pending as at end of the financial year.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A/ Remarks (additional information)**

   Being industrial products, the Company mentions Product part-number along with its month and year of manufacture. Technical specifications are provided in separate brochures, product drawings and communication with customers.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year? if so provide details thereof, in about 50 words or so.**

   No case has been filed, against the Company, by any stakeholder, in last five years, on any of the matters stated above.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   Yes, the feedback of customers of the Company is regularly taken every year by way of 'Annual Customer Satisfaction Survey'.

INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report

To,

The Members of

ZF STEERING GEAR (INDIA) LIMITED, PUNE

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ZF Steering Gear (India) Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Allowance for Credit Loss** The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions pertaining to auto component industry in which the Company deals with and in the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information of its customers to estimate the probability of default in future and has taken into account the estimate of possible effects from the pandemic relating to COVID-19. Due to COVID-19, We have identified credit losses as a key audit matter; and the Company exercises significant judgment in estimating that no such expected credit loss will arise.	**Principal Audit Procedures** Our audit procedures related to the allowance for credit losses for trade receivables included the following, among others: We tested the effectiveness of controls over the: • development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions • completeness and accuracy of information used in the estimation of probability of default and computation of the allowance for credit losses. For a sample of customers: • We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company and • Cut-off procedures reveal that such outstanding receivables have been realised

Sr. No.	Key Audit Matter	Auditor's Response
2	**Revenue recognition-Rebates and Discounts** The Company measures revenue net of any trade discounts and volume rebates. Material estimation by the Company is involved in recognition and measurement of rebates and discounts. This includes establishing an accrual at the yearend, particularly in arrangements with varying terms which are based on annual contracts or shorter-term arrangements. In addition, the value and timing of promotions for products varies from period to period, and the activity can span beyond the year end. We identified the evaluation of accrual for rebates and discounts as a key audit matter.	**Principal Audit Procedures** • We tested the effectiveness of controls over design, implementation and operating effectiveness of, key manual and application controls. They cover control over computation of discounts and rebates and rebate and discount accruals; • Inspecting on a sample basis, key customer contracts. Based on the terms and conditions relating to rebates and discounts, we evaluated the Company's revenue recognition policies with reference to the requirements of Indian Accounting Standard-115 (Revenue from contracts with customers); • Substantive testing performed by selecting samples of rebate and discount transactions recorded during the year and verifying the computation with the relevant source documents; • Understanding the process followed by the Company to determine the amount of accrual of rebates and discounts. Testing samples of rebate accruals and comparing to underlying documentation; • Critically assessing manual journal entries posted to revenue, on a sample basis, to identify unusual items; • Checking completeness and accuracy of the data used by the Company for accrual of rebates and discounts.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Report of the Directors, Boards Report including Annexure to Boards Reports, Business Responsibility Report, Corporate Governance and Shareholders information, the Overview of Financial Performance, and Report on Risk Management (collectively referred as "other information") 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 during the course of our 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.

Management's Responsibilities for the Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian accounting standards) Rules 2015, as amended from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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.

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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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.

As part of an audit in accordance with SAs, specified under section 143(10) of the Act, 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 financial 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 system 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 the 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information/financial statements of the Company to express an opinion on the financial statements.

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.

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

1. As required by Section 143(3) of the Act, based on our audit we report to the extent applicable 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act,

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended 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 32(a) in Financial Statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not proposed, declared and paid any Interim or Final Dividend during the year. Therefore, clause (v) is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) 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.

For Joshi Apte & Co.,
Chartered Accountants
(ICAI Firm registration number: 104370W)

Per Prakash Apte
Partner
Membership No.: 033212
UDIN: 22033212AJJAJO3495
Pune, May 21, 2022

Annexure 'A' to the Independent Auditor's Report

((Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ZF Steering Gear (India) Limited for the year ended March 31, 2022.

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of The Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ZF Steering Gear (India) Limited (the "Company") as of March 31,2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility and Those Charged with Governance for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under The Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of The Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of the management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Joshi Apte & Co.,
Chartered Accountants
(ICAI Firm registration number: 104370W)

Per Prakash Apte
Partner
Membership No.: 033212
UDIN: 22033212AJJAJO3495
Pune, May 21, 2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ZF Steering Gear (India) Limited for the year ended March 31, 2022.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) In respect of the Company's Property plant and Equipment and Intangible Assets:

(a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property plant and equipment, and right of use assets

B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets under which the assets are physically verified by the management at reasonable intervals during the year as per the verification plan adopted by the Company, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us and the records produced to us for our verification, the discrepancies noticed during such physical verification were not material and the same have been properly dealt with in the books of account.

(c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/conveyance deed provided to us, we report that the title in respect of self-constructed buildings and title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour lessee) disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at balance sheet date except for:

Description of property	Land at Koregaon Bhima, Taluka Shirur, District Pune, Maharashtra	Land at Koregaon Bhima, Taluka Shirur, District Pune, Maharashtra
Gross carrying value (Rs. In Crores)	0.04	0.01
Asset held in name of	Mr. Dinesh Munot	Mr. Dinesh Munot
Whether held in name of promoter, director or their relative or employee	Yes	Yes
Period during which it was not held in name of the Company	From 1995 Till Date	From 1995 Till Date
Reason for not being held in name of company	These land parcels were agricultural lands at the time of acquisition, due to the restrictions contained in Section 63 of the Bombay Tenancy & Agricultural Lands Act, 1948 whereby a company cannot buy agricultural land in Maharashtra. Hence these lands were acquired in the name of Mr. Dinesh Munot on behalf of the Company.	
Where ownership of the Asset is in dispute, details of such dispute	No	No

(d) The Company has not revalued its Property, Plant and Equipment (including right of use assets of assets) and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.

(ii) a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified by the management with reference to the confirmations received from them and/or subsequent receipt of goods. The Company is maintaining proper records of inventory. According to the information and explanations given to us and on the basis of the stock verification records, the discrepancies noticed on verification between the physical stock and the book records were not more than 10% in the aggregate for each class of inventory were noticed.

(b) The Company has sanctioned working capital limit in excess of Rs 5 Crores, in aggregate, from banks and financial institutions on the basis of security of current assets and quarterly stock statements filed by the Company with such banks and financial institutions which are in agreement with books of accounts.

(iii) a) During the year the Company has provided loans to employees, the detailed information is mentioned below:

Particulars	Loans Provided (Rs. In Crores)
Aggregate amount provided during the year	Rs 0.24
Balance Outstanding as at Balance Sheet Date	Rs. 0.26

(b) The investments made and terms and conditions of the grant of all loans and advances in the nature of loans provided are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/receipts of principal and interest are regular.

(d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.

(e) The Company has granted loans or advances in the nature of loans which had fallen due during the year and was/were repaid on or before the due date. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.

(f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

(v) The Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

The Company has generally been regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

Details of dues of Income Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2022 on account of dispute are given below:

Nature of Statute	Nature of Dues	Forum where the Dispute is pending	Financial Year	Amount (Rs. In Crore)
Income Tax Act, 1961	Assessed TDS Dues by CPC	CIT (Appeal), Pune	FY 2012-13	0.03
Maharashtra Value Added Tax,2002	Assessment Dues	Joint Commissioner Appeal	FY 2016-17	0.34
Maharashtra Value Added Tax,2002	Assessment Dues	Joint Commissioner Appeal	FY 2017-18	0.12
Income Tax Act, 1961	Assessment Dues	ITAT, Pune & CIT (Appeal), Delhi	FY 2013-14	0.88
Income Tax Act, 1961	Assessment Dues	CIT (Appeal), Delhi	FY 2014-15	1.80
Income Tax Act, 1961	Assessment Dues	CIT (Appeal), Delhi	FY 2015-16	4.40
Income Tax Act, 1961	Assessment Dues	CIT (Appeal), Delhi	FY 2016-17	1.12
Income Tax Act, 1961	Assessment Dues	CIT (Appeal), Delhi	FY 2017-18	0.35
Income Tax Act, 1961	Assessment Dues	CIT (Appeal), Delhi	FY 2018-19	0.10
Central Excise	Assessment dues	CESTAT, Mumbai	FY 2021-22	0.11

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.

(iii) a) According to the information and explanations given to us and based on our examination, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings or in the payment of interest on thereon to any lender.

b) According to the information and explanations given to us including representation receive from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.

(e) The Company does not have any subsidiaries, associates or joint ventures, accordingly reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order are not applicable to the Company

(x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly reporting under clause 3(x)(a) of the Order is not applicable to Company.

b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

b) No report under section 143(12) of The Companies Act 2013 has been filed in Form ADT – 4 as prescribed under rule 13 of Companies (Audit & Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required under Related Party Disclosures specified in Companies (Indian accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

(xiv)a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company to the Company during the year and till date, in determining the nature, timing and extent of audit procedures.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and accordingly provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly reporting under clause (xvi)(a) of the order is not applicable to the Company.

(b) In our Opinion, there is no investment company within the Group (as defined in the Core Investments Companies (Reserve Bank) Directions 2016) and accordingly reporting under clause (xvi)(b) of the order is not applicable to the Company.

(xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the Statutory Auditor during the year. Accordingly reporting under clause(xviii) of the order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For Joshi Apte & Co.,
Chartered Accountants
(ICAI Firm registration number: 104370W)

Per Prakash Apte
Partner
Membership No.: 033212
UDIN: 22033212AJJAJO3495
Pune, May 21, 2022

FINANCIAL STATEMENTS

Balance Sheet

(Rs. in Crore)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, Plant and Equipment	3[a]	143.93	163.76
Right of use asset	3[b]	14.40	9.96
Intangible assets	4	0.80	1.09
Capital work in progress	3[c]	2.37	2.41
Intangible assets under development	3[d]	0.02	0.02
Financial assets			
(i) Investments	5[a]	118.60	120.42
(ii) Loans	5[e]	7.78	1.78
(iii) Other non-current financial assets	5[g]	0.50	0.47
Other non-current assets	6	6.33	0.50
Income Tax Assets (Net)	7	3.90	5.23
Deferred tax Assets (Net)	8	12.87	24.58
Total non-current assets		**311.50**	**330.22**
Current assets			
Inventories	9	57.52	37.55
Financial assets			
(i) Trade receivables	5[b]	90.26	78.44
(ii) Cash and cash equivalents	5[c]	4.13	9.26
(iii) Bank Balances other than Cash and cash equivalents	5[d]	0.37	0.45
(iv) Loans	5[e]	0.11	0.05
(v) Others	5[f]	0.39	0.40
Other current assets	6	7.89	9.54
Total current assets		**160.67**	**135.69**
TOTAL ASSETS		**472.17**	**465.91**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	10	9.07	9.07
Other equity	11	386.04	367.57
Total Equity		**395.11**	**376.64**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12[a]	-	0.38
(ii) Lease Liability	12[d]	5.14	0.97
Provisions	13	0.92	1.37
Other non current liabilities	14	3.45	3.27
Total non-current liabilities		**9.51**	**5.99**
Current liabilities			
Financial liabilities			
(i) Borrowings	12[b]	27.70	31.07
(ii) Trade payables			
A) Total outstanding dues of Micro and Small Enterprises	12[c]	2.58	4.01
B) Total outstanding dues of creditors other than Micro and Small Enterprises	12[c]	25.17	26.31
(iii) Lease Liability	12[d]	0.79	0.01
(iv) Others	12[e]	3.02	14.75
Other current liabilities	14	5.81	5.16
Provisions	13	2.48	1.97
Total current liabilities		**67.55**	**83.28**
Total liabilities		**77.06**	**89.27**
TOTAL EQUITY AND LIABILITIES		**472.17**	**465.91**

Significant Accounting Policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For **Joshi Apte & Co.**
Firm Registration Number: 104370W
Chartered Accountants

Prakash Apte
Partner

Membership No. : 033212

Place: Pune
May 21, 2022

For and on behalf of the Board of Directors of ZF Steering Gear (India) Ltd.
CIN: L29130PN1981PLC023734

Dinesh Munot	Chairman
DIN : 00049801	
Utkarsh Munot	Managing Director
DIN : 00049903	
S.A. Gundecha	Director and Chairman of the Audit Committee
DIN : 00220352	
Jinendra Jain	Chief Financial Officer
Satish Mehta	Company Secretary

Place: Pune
May 21, 2022

Statement of Profit and Loss

(Rs. in Crore)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
Revenue from operations	15	312.80	201.48
Other income	16	20.98	26.36
Total Income		**333.78**	**227.84**
EXPENSES			
Cost of raw material consumed	17	206.99	131.11
Change in Inventory of finished goods and work in progress	18	(15.77)	(12.08)
Employee benefits expense	19	47.39	39.63
Other expenses	20	33.57	24.54
Total Expenses		**272.18**	**183.20**
Profit before interest, tax, depreciation, amortisation expenses and exceptional items (EBITDA)		**61.60**	**44.64**
Finance costs	21	0.31	0.29
Depreciation and amortisation expense	22	31.39	37.59
Profit before exceptional items and tax		**29.90**	**6.76**
Exceptional items		-	-
Profit before tax		**29.90**	**6.76**
Tax Expense	23		
Current tax		5.76	1.74
Minimum Alternative Tax (MAT) credit entitlement		(5.76)	(1.74)
Deferred tax		11.63	(2.09)
Total tax expense		**11.63**	**(2.09)**
Profit for the year		**18.27**	**8.85**
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of defined benefit obligations		0.28	1.14
- Income tax relating to the above items	23	(0.08)	(0.40)
Other comprehensive income for the year, net of tax		**0.20**	**0.74**
Total comprehensive income for the year		**18.47**	**9.59**
Earnings per equity share of Rs 10 each	24		
Basic and diluted earnings per share		20.14	9.75

Significant Accounting Policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For **Joshi Apte & Co.**
Firm Registration Number: 104370W
Chartered Accountants

Prakash Apte
Partner
Membership No. : 033212

Place: Pune
May 21, 2022

For and on behalf of the Board of Directors of ZF Steering Gear (India) Ltd.
CIN: L29130PN1981PLC023734

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DIN : 00049801	
Utkarsh Munot	Managing Director
DIN : 00049903	
S.A. Gundecha	Director and Chairman of the Audit Committee
DIN : 00220352	
Jinendra Jain	Chief Financial Officer
Satish Mehta	Company Secretary

Place: Pune
May 21, 2022

Statement of Cash Flows

(Rs. in Crore)

	For the year ended March 31, 2022	For the year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit/ (Loss) before exceptional items and tax	29.90	6.76
Adjustments for:		
Depreciation and amortisation expense	31.39	37.59
Interest paid	0.31	0.29
Fair value change in investment	(6.83)	(11.31)
(Profit)/ Loss on sale of PPE	0.10	(0.16)
(Profit)/ Loss on sale of investment	(7.51)	(11.70)
Interest Income	(0.46)	(0.94)
Exchange variation	(0.07)	(0.01)
Provision for reduction in value of inventory	0.38	-
Dividend received	(0.21)	(0.24)
Operating profit before working capital changes	**47.00**	**20.28**
Adjustments for changes in working capital:		
(Increase)/ Decrease in inventory	(20.35)	(14.28)
(Increase)/ Decrease in trade receivables and financial assets	(11.95)	(29.13)
(Increase)/ Decrease in other non-current and current assets	1.64	2.39
Increase/ (Decrease) in provisions and other liabilities	5.94	(1.74)
Increase/ (Decrease) in trade payables and financial liabilities	(2.50)	(3.39)
Cash generated from operations	**19.78**	**(25.87)**
Income tax paid - Net	(4.61)	(0.44)
Net cash generated from operating activities	**15.17**	**(26.31)**
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(33.27)	(10.17)
Sale proceed from property, plant and equipment	0.26	0.29
Interest received	0.48	1.01
Dividend received	0.21	0.24
Purchase of Investment	(8.00)	(47.00)
Sale proceed from Investment	24.16	56.56
Net cash used in investing activities	**(16.16)**	**0.93**
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings	25.39	27.49
Repayment of borrowings	(28.15)	(0.94)
Dividend paid (including dividend distribution tax)	(0.08)	(0.08)
Interest paid	(0.31)	(0.22)
Net cash used in financing activities	**(3.15)**	**26.25**
Net Increase/ (Decrease) in cash and cash equivalents	(4.14)	0.87
Cash and cash equivalents as at the beginning of the year	6.34	5.47
Cash and cash equivalents as at the end of the year	**2.20**	**6.34**
Cash and cash equivalents comprise of the following:		
Cash on hand	0.01	0.01
Balances with banks - Current accounts	4.12	9.25
Overdraft Facilities	(1.93)	(2.92)
	2.20	**6.34**

Significant Accounting Policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For **Joshi Apte & Co.**
Firm Registration Number: 104370W
Chartered Accountants

Prakash Apte
Partner
Membership No. : 033212

Place: Pune
May 21, 2022

For and on behalf of the Board of Directors of ZF Steering Gear (India) Ltd.
CIN: L29130PN1981PLC023734

Dinesh Munot	Chairman
DIN : 00049801	
Utkarsh Munot	Managing Director
DIN : 00049903	
S.A. Gundecha	Director and Chairman of the Audit Committee
DIN : 00220352	
Jinendra Jain	Chief Financial Officer
Satish Mehta	Company Secretary

Place: Pune
May 21, 2022

Statement of Changes in Equity

(Rs. in Crore)

A. Equity Share Capital

	Notes	Amount
As at April 1, 2021		**9.07**
Changes in equity share capital due to prior period errors		**-**
Restated balance as at April 1, 2021		**9.07**
Changes in equity share capital during the current year	**10**	**-**
As at March 31, 2022		**9.07**

	Notes	Amount
As at April 1, 2020		**9.07**
Changes in equity share capital due to prior period errors		**-**
Restated balance as at April 1, 2020		**9.07**
Changes in equity share capital during the previous year	**10**	**-**
As at March 31, 2021		**9.07**

B. Other Equity

Particulars	Attributable to owners Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at April 1, 2021	0.35	2.32	235.00	129.90	367.57
Profit for the year	-	-	-	18.27	18.27
Other comprehensive income for the year net of tax	-	-	-	0.20	0.20
Total comprehensive income for the year	**-**	**-**	**-**	**18.47**	**18.47**
Balance at March 31, 2022	**0.35**	**2.32**	**235.00**	**148.37**	**386.04**

Particulars	Attributable to owners Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	
Balance as at April 1, 2020	**0.35**	**2.32**	**235.00**	**120.31**	**357.98**
Profit for the year	-	-	-	8.85	8.85
Other comprehensive income for the year net of tax	-	-	-	0.74	0.74
Total comprehensive income for the year	**-**	**-**	**-**	**9.59**	**9.59**
Balance at March 31, 2021	**0.35**	**2.32**	**235.00**	**129.90**	**367.57**

Significant Accounting Policies 2

The accompanying notes are an integral part of these financial statements

As per our report of even date

For **Joshi Apte & Co.**
Firm Registration Number: 104370W
Chartered Accountants

Prakash Apte
Partner
Membership No. : 033212

Place: Pune
May 21, 2022

For and on behalf of the Board of Directors of ZF Steering Gear (India) Ltd.
CIN: L29130PN1981PLC023734

Dinesh Munot **DIN : 00049801**	Chairman
Utkarsh Munot **DIN : 00049903**	Managing Director
S.A. Gundecha **DIN : 00220352**	Director and Chairman of the Audit Committee
Jinendra Jain	Chief Financial Officer
Satish Mehta	Company Secretary

Place: Pune
May 21, 2022

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1 Company overview

ZF Steering Gear (India) Limited ("the Company") is listed on Bombay Stock Exchange (BSE) domiciled in India and was incorporated in 1981 under the provision of the Companies Act, 1956. The Company is primarily engaged in the business of production & assembling of steering systems for vehicles, buses and tractors. The Company has plant at Vadu Budruk, Near Pune and at Pithampur (Madhya Pradesh) for production and assembling of steering systems and accessories.

2 Significant accounting policies

2.1 Basis of preparation

(i) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the 'Act').

These financial statements were authorised for issue by the Company's Board of Directors on May 21, 2022.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis except for following items:

- Certain financial assets and liabilities which are measured at fair value; and
- Defined benefit plans - plan assets measured at fair value

(iii) Use of estimates

In preparing these financial statements, the management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and accompanying disclosure of contingent liability. Actual results may differ from these estimates.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

Note 8 - Recognition of deferred tax assets: Availability of future taxable profit against which tax losses carried forward can be used;

Note 29 - Measurement of defined benefit obligations: Key actuarial assumptions;

Note 13 - Provision for warranty."

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which estimates are revised and in future years'.

2.2 Current versus non-current classification

The Company presents assets and liabilities in its Balance Sheet based on current versus non-current classification

An asset is classified as current when it is:

a) Expected to be realized or intended to sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realized within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) it is expected to be settled in normal operating cycle,

b) it is held primarily for the purpose of trading,

c) it is due to be settled within twelve months after the reporting period

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.3 Segment reporting

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Corporate assets and liabilities, income and expenses which relate to the Company as a whole and are not allocable to segments, have been included under unallocated items. Refer Note 28 for segment information presented."

2.4 Foreign currencies

(i) Functional and presentation currency

The financial statements are presented and accounted for in Indian Rupees (INR), which is the Company's functional and presentation currency. The Company determines its own functional currency (the currency of the primary economic environment in which the Company operates) and items included in the financial statements of the Company are measured using that functional currency.

(ii) Transactions and balances

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. Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Nonmonetary 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 arising on the settlement of monetary items or on reporting 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 recognised as income or as expenses in the year in which they arise.

2.5 Revenue

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Use of significant judgements in revenue recognition

- The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products/ services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

2.6 Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expense the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the

Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss in proportion to export sale.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.7 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.8 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

As a lessee:

At the date of commencement of the lease, the Company recognizes a right-of-use asset("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU)to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset

if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor:

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease.

If an arrangement contains lease and non-lease components, the Company applies Ind AS 115 Revenue to allocate the consideration in the contract.

2.9 A Impairment of non financial assets

Property, plant and equipment (PPE) and Intangible assets (IA) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are compared at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non- financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.9 B Impairment of Investment

The carrying value of assets/ cash generating units at each Balance Sheet date are reviewed for impairment. If any such indication exists, the Company estimates their recoverable amount and impairment is recognised, if the carrying amount of these assets/ cash generating units exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. When there is indication that an impairment loss recognised for an asset in earlier accounting period no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit & Loss.

2.10 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.11 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment, if any.

2.12 Inventories

Inventories are valued at the lower of cost (Value of cost is computed on a weighted average basis) and estimated net realisable value. Finished goods and work-in-progress include costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Goods-in-transit are stated at actual cost incurred upto the date of balance sheet. Scrap is valued at net realisable value.

2.13 Financial instruments

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset.

A. Financial Assets

The Company determines the classification of its financial assets at initial recognition. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(I) Classification

The financial assets are classified in the following measurement categories:

a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

b) Those to be measured at amortised cost.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets at fair value through profit or loss include financial assets held for trading, debt securities and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the Balance Sheet at fair value with net changes in fair value presented as fair value gains/ losses on financial assets in statement of profit or loss. Interests, dividends and gain/ loss on foreign exchange on financial assets at fair value through profit or loss are included separately in other income.

(II) Measurement

Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments.

Amortised Cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

a) The asset is held within a business model with the objective of collecting the contractual cash flows, and

b) The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets at amortised cost include trade and other receivables and other financial assets that are held with the objective of collecting contractual cash flows. After initial measurement at fair value, the financial assets are measured at amortised cost, less impairment.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the Statement of Profit and Loss in other income.

(III) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Financial Liabilities

The Company determines the classification of its financial liabilities at initial recognition.

(I) Classification

"The financial liabilities are classified in the following measurement categories:"

a) Those to be measured as financial liabilities at fair value through profit or loss,

b) Those to be measured at amortised cost

(II) Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial liabilities measured at amortised cost

Financial liabilities are initially recognised at fair value, net of transaction cost incurred and are subsequently measured at amortised cost, using the EIR method. Any difference between the proceeds net of transaction costs and the amount due on settlement or redemption of borrowings is recognised over the term of the borrowing.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest charge over the relevant effective interest rate period. The EIR is the rate that exactly discounts estimated future cash outflow (including all fees and premium paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. This category generally applies to borrowings.

(III) Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

(IV) Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Interest and Dividend income

Interest income

For all financial instruments measured at amortised cost and interest bearing financial assets, interest income is recognised using the effective interest rate (EIR), which is the rate that discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

When a loan and receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original EIR of the instrument, and continues unwinding the discount as interest income. Interest income on impaired financial asset is recognised using the original EIR.

Dividend income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

2.15 Property, plant and equipment (PPE)

Property, plant and equipment excluding land are measured at cost/ deemed cost, less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated attributable costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on a written down value method (WDV) method as per Ind AS 6 and its life as per Schedule II to the Companies Act, 2013. Except in respect of :

"a) Plant & machinery depreciated over the useful life of 1 to 15 years, wherein, the life of the said assets has been assessed based on internal technical evaluations, taking in to the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, manufacturer's warranties and maintenance support, etc. Tangible assets residual value is kept at 5% of cost of the assets. "

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount and recorded in statement of profit or loss.

2.16 Investment Property

"Investment property is property (land or a building or part of a building or both) held either to earn rental income or for capital appreciation or for both, but neither for sale in the ordinary course of business nor used in production or supply of goods or services or for administrative purposes. Investment properties are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the Investment Property is recognised in Statement of Profit and Loss."

2.17 Intangible assets

(i) Recognition and measurement

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

(ii) Amortisation methods and periods

The Company amortises intangible assets with a finite useful life using the following method and useful life:

Class of asset	Method	Life of the asset
SAP related Software	Straight Line Method	3 years
Other Computer Software	Written Down Method	6 years
Patent	Straight Line Method	15 years

2.18 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in statement of profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income.

2.19 Borrowing costs

"General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred."

2.20 Provisions, Contingent Liabilities and Capital Commitments

"Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the such obligation

The expenses relating to a provision is presented in the Statement of Profit and Loss net of reimbursements, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient reliability

Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of economic resources is considered remote.

Contingent liabilities and Capital Commitments disclosed are in respect of items which in each case are above the threshold limit."

2.21 Employee Benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

Leave encashment Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Remeasurements, comprising of actuarial gains and losses are recognized in full in the statement of profit and loss. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

(iii) Post-employment obligations

"The Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and

(b) defined contribution plans such as provident fund."

Defined Benefit Plans - Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plan
Done

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits.

2.22 Earnings per share

(i) Basic earnings per share

"Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year."

(ii) Diluted earnings per share

"Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares."

2.23 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Crore as per the requirement of Schedule III, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022(Contd...)

(Rs. in Crore)

3. (a) Property, Plant and Equipment (PPE)

	Gross Block				Accumulated Depreciation				Net Block	
	Carrying amount as at 1 April 2021	Additions	Deletions / Disposals	Balance as at 31 March 2022	Balance as at 1 April 2021	Depreciation for the year	Accumulated depreciation on deletions/ disposals	Balance as at 31 March 2022	as at 31 March 2022	as at 31 March 2021
Property, Plant and Equipment (PPE)										
Land*	1.09	-	-	**1.09**	-	-	-	**-**	**1.09**	1.09
Buildings	55.43	0.20	-	**55.63**	10.94	4.42	-	**15.36**	**40.27**	44.49
Plant & Equipment	191.63	8.83	(2.55)	**197.91**	107.25	18.97	(2.42)	**123.80**	**74.11**	84.38
Plant & Equipment (R & D)	1.17	-	-	**1.17**	0.91	0.07	-	**0.98**	**0.19**	0.26
Furniture & Fixtures	3.30	0.07	(0.53)	**2.84**	1.76	0.40	(0.50)	**1.66**	**1.18**	1.54
Vehicles	7.15	1.24	-	**8.39**	3.96	1.14	-	**5.10**	**3.29**	3.19
Office Equipment	4.87	0.33	(0.16)	**5.04**	3.45	0.68	(0.15)	**3.98**	**1.06**	1.42
Electrical Installation	8.16	0.02	(0.17)	**8.01**	4.17	1.03	(0.15)	**5.04**	**2.97**	3.99
ETP/STP Plant	0.36	-	-	**0.36**	0.20	0.02	-	**0.22**	**0.14**	0.16
Wind Mills	18.62	-	(3.49)	**15.13**	5.60	1.53	(3.32)	**3.81**	**11.32**	13.02
Solar Power Plant	26.92	-	-	**26.92**	16.70	1.90	-	**18.60**	**8.32**	10.22
Total property, plant and equipment	**318.70**	**10.69**	**(6.90)**	**322.49**	**154.94**	**30.16**	**(6.54)**	**178.56**	**143.93**	**163.76**

	Gross Block				Accumulated Depreciation				Net Block	
	Carrying amount as at 1 April 2020	Additions	Deletions / Disposals	Balance as at 31 March 2021	Balance as at 1 April 2020	Depreciation for the year	Accumulated depreciation on deletions/ disposals	Balance as at 31 March 2021	as at 31 March 2021	as at 31 March 2020
Property, Plant and Equipment (PPE)										
Land*	1.09	-	-	1.09	-	-	-	-	1.09	1.09
Buildings	55.40	0.03	-	55.43	5.94	5.00	-	10.94	44.49	49.46
Plant & Equipment	179.96	11.70	(0.03)	191.63	84.08	23.17	-	107.25	84.38	95.88
Plant & Equipment (R & D)	1.17	-	-	1.17	0.81	0.10	-	0.91	0.26	0.36
Furniture & Fixtures	3.28	0.12	(0.10)	3.30	1.33	0.50	(0.07)	1.76	1.54	1.95
Vehicles	6.69	0.63	(0.17)	7.15	2.83	1.25	(0.12)	3.96	3.19	3.86
Office Equipment	4.51	0.39	(0.03)	4.87	2.46	1.00	(0.01)	3.45	1.42	2.05
Electrical Installation	8.11	0.05	-	8.16	2.80	1.37	-	4.17	3.99	5.31
ETP/STP Plant	0.36	-	-	0.36	0.16	0.04	-	0.20	0.16	0.20
Wind Mills	17.97	0.65	-	18.62	3.88	1.72	-	5.60	13.02	14.09
Solar Power Plant	26.92	-	-	26.92	14.37	2.33	-	16.70	10.22	12.55
Total property, plant and equipment	**305.46**	**13.57**	**(0.33)**	**318.70**	**118.66**	**36.48**	**(0.20)**	**154.94**	**163.76**	**186.80**

*Title deeds of Immovable Property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Property, Plant & Equipment	Land at Koregaon Bhima, Taluka Shirur, District Pune, Maharashtra	0.04	Mr. Dinesh Munot	Promoter and Director	4th April 1995	These lands were agricultural lands at the time of acquisition. Due to the restrictions contained in Section 63 of the Bombay Tenancy & Agricultural Lands Act, 1948 a company cannot buy agricultural land in Maharashtra. Hence these lands were acquired in the name of Mr. Dinesh Munot on behalf of the company.
Property, Plant & Equipment	Land at Koregaon Bhima, Taluka Shirur, District Pune, Maharashtra	0.01	Mr. Dinesh Munot	Promoter and Director	25th May 1995	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022(Contd...)

(Rs. in Crore)

3 [b] Right of Use Asset

	Category of Right of Use asset Leasehold land
Balance as at March 31, 2021	**9.96**
Additions	5.15
Amortisation	0.71
Balance as At March 31, 2022	**14.40**
Balance as at March 31, 2020	**10.41**
Additions	-
Amortisation	0.45
Balance as At March 31, 2021	**9.96**

3 [c] Capital-Work-in Progress (CWIP)

CWIP aging schedule as on 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.28	0.09	-	-	2.37
Projects temporarily suspended	-	-	-	-	-

CWIP aging schedule as on 31st March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.41	-	-	-	2.41
Projects temporarily suspended	-	-	-	-	-

3 [d] Intangible assets under development

Intangible assets under development aging schedule as on 31st March 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	0.02	0.02
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development aging schedule as on 31st March 2021

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	0.02	-	0.02
Projects temporarily suspended	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022(Contd...)

(Rs. in Crore)

4 INTANGIBLE ASSETS

	Computer software	Technical know how	Patent	Total
Year ended March 31, 2022				
Gross Carrying Amount				
Carrying amount as at April 1, 2021	5.48	0.01	0.05	5.54
Additions	0.24	-	-	0.24
Disposals / adjustments	(0.01)	-	-	(0.01)
At March 31, 2022	**5.71**	**0.01**	**0.05**	**5.77**
Accumulated depreciation and impairment, if any				
As at April 1, 2021	4.44	-	0.01	4.45
Charge for the year	0.52	-	-	0.52
Disposals / adjustments	-	-	-	-
At March 31, 2022	**4.96**	**-**	**0.01**	**4.97**
Net Block At March 31, 2022	**0.75**	**0.01**	**0.04**	**0.80**

* Amount of depreciation pertaining to patent for period ended March 31, 2022 is Rs. 36,882 (March 31, 2021 - Rs. 21,984).

	Computer software	Technical know how	Patent	Total
Year ended March 31, 2021				
Gross Carrying Amount				
Carrying amount as at April 1, 2020	5.32	0.01	0.04	5.37
Additions	0.16	-	0.01	0.17
Disposals / adjustments	-	-	-	-
At March 31, 2021	**5.48**	**0.01**	**0.05**	**5.54**
Accumulated depreciation and impairment, if any				
As at April 1, 2020	3.78	-	0.01	3.79
Charge for the year	0.66	-	-	0.66
Disposals / adjustments	-	-	-	-
At March 31, 2021	**4.44**	**-**	**0.01**	**4.45**
Net Block at March 31, 2021	**1.04**	**0.01**	**0.04**	**1.09**

(Rs. in Crore)

5 FINANCIAL ASSETS

[a] INVESTMENTS

	Notes	31-Mar-22	31-Mar-21
Non-Current			
Investment in equity shares (quoted, fully paid-up, at FVTPL)	See note (i)	23.40	17.67
Investments in redeemable Non-Convertible Bonds (quoted, fully paid-up, at amortised cost)	See note (ii)	4.40	4.40
Investments in Mutual Funds (quoted, at FVTPL)	See note (iii)	90.80	98.35
		118.60	120.42

	31-Mar-22	31-Mar-21
Aggregate amount of quoted investments and market value thereof	118.60	120.42

(i) Investment in equity shares (Quoted, fully paid-up, at FVTPL)

	31-Mar-22		31-Mar-21	
	Nos	Amount	Nos	Amount
ICICI Bank Limited (Face value of Rs. 2 each)	78,424	5.72	78,424	4.57
Tata Consultancy Services Limited (Face value of Re. 1 each) $	24,432	9.14	24,432	7.76
KPIT Technologies Limited(Face value of Rs. 10 each)	60,000	3.61	60,000	1.06
Birlasoft Limited (Face value of Rs. 2 each)	40,000	1.82	40,000	1.01
Borosil Renewables Limited (Face value of Re. 1 each)	8,000	0.46	8,000	0.20
SBI Card & payment services Limited (Face value of Rs 10 each)	1,530	0.13	1,530	0.14
Infosys Limited (Face value of Rs. 5 each)	5,386	1.03	5,386	0.74
GAIL (India) limited (Face value of Rs. 10 each)	53,933	0.84	88,933	1.20
Mahindra & Mahindra Limited (Face value of Rs. 5 each)	8,000	0.65	8,000	0.64
HDFC Asset-Management Company Limited (Face value of Rs. 5 each)	-	-	140	0.04
Godrej Consumer Products Limited (Face value of Re. 1 each)	-	-	4,250	0.31
		23.40		**17.67**

$ 5000 Equity shares of TCS ltd. having a market value of Rs 1.87 Crores are pledged in favour of Prabhudas Lilladher Pvt. Ltd. (A stock broker) as Margin.

(ii) Investments in redeemable Non-Convertible Bonds (Quoted, fully paid-up, at amortised cost)

	31-Mar-22		31-Mar-21	
	Nos	Amount	Nos	Amount
National Highway Authority of India (NHAI)	24,724	2.44	24,724	2.44
Power Finance Corporation Limited (PFC)	19,935	1.96	19,935	1.96
		4.40		**4.40**

(Rs. in Crore)

(iii) Investments in Mutual Funds (Quoted, at FVTPL)

	31-Mar-22		31-Mar-21	
	Nos	Amount	Nos	Amount
HDFC Credit Risk Debt Fund - Direct - Growth #	49,63,912	10.23	49,63,912	9.52
Reliance Capital Limited Series B/ 437 - NCD	500	-	500	-
HDFC Banking and Financial Services Fund - Direct- Growth	43,73,179	4.46	-	-
Axis Focused 25 Fund - Direct- Growth	7,76,900	3.74	16,37,189	6.78
Nippon India Money Market Fund - Direct - Growth	27,007	9.05	3,107	1.00
Nippon India Liquid Fund -Direct - Growth	-	-	8,951	4.50
Invesco India Growth Opportunities Fund - Direct - Growth	-	-	6,89,085	3.37
Invesco India Focused 20 Equity Fund - Direct - Growth	6,09,997	0.96	10,00,000	1.25
Invesco India Corporate bond Fund - Direct - Growth	24,770	6.77	24,770	6.48
IIFL Special opportunities fund	20,20,047	1.90	20,20,047	2.22
Kotak FMP series 220 - Direct - Growth	**-**	**-**	**50,00,000**	**6.38**
Kotak banking and PSU debt fund - Direct - Growth	**42,00,467**	**22.80**	**42,00,467**	**21.64**
HDFC Banking and PSU Debt Fund - Direct- Growth	1,19,34,999	22.87	1,19,34,999	21.78
Edelweiss Alternative Equity Fund	23,13,091	7.49	23,26,706	6.72
Avendus Absolute Return Fund	-	-	50,00,000	6.17
IRB Invit fund	1,00,000	0.53	1,00,000	0.54
		90.80		**98.35**

Carrying amount of investment, pledged as security with bank (shown in bold)
Fair value measurements related to investments are disclosed in Note 26.

[b] TRADE RECEIVABLES

	31-Mar-22	31-Mar-21
Trade receivables	90.26	78.44
Total receivables	**90.26**	**78.44**
Current portion	90.26	78.44
Non-current portion	**-**	**-**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Break-up of security details

	31-Mar-22	31-Mar-21
Trade receivables		
Unsecured, considered good	90.26	78.44
Sub-total	**90.26**	**78.44**
Less: Impairment allowance	**-**	**-**
Total	**90.26**	**78.44**

(i) There is no trade receivables due from related parties at 31-March-2022 and 31-March-2021.

(ii) The Company's exposure to credit risk, currency risk related to trade receivables are disclosed in Note 25.

(Rs. in Crore)

Transferred receivables

The carrying amount of trade receivables includes receivables which are discounted with banks. The Company has transferred the relevant receivables to the discounting bank in exchange for cash. However, the Company has retained the late payment and credit risk. Accordingly, the Company continues to recognise the transferred assets in entirely in its balance sheet.The amount repayable under the bill discounting arrangement is presented as borrowing.

The relevant carrying amounts are as follows:	31-Mar-22	31-Mar-21
Total transferred receivables	25.39	27.49

Ageing of Trade Receivables as on 31st March 2022

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	77.65	12.27	0.17	0.07	0.10	-	90.26
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired		-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired		-	-	-	-	-	-

Ageing of Trade Receivables as on 31st March 2021

Particulars	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	73.18	4.97	0.09	0.18	0.02	-	78.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired		-	-	-	-	-	-
(iv) Disputed Trade receivables – considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired		-	-	-	-	-	-

[c] CASH AND CASH EQUIVALENTS

	31-Mar-22	31-Mar-21
Cash on hand*	0.01	0.01
Balances with banks - Current accounts	4.12	9.25
	4.13	**9.26**

* Cash balance as at March 31, 2022 is Rs. 65,488; as at March 31, 2021 is Rs. 76,595.

[d] BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

	31-Mar-22	31-Mar-21
Balances with banks in - on account of unpaid dividends	0.37	0.45
	0.37	**0.45**

(Rs. in Crore)

[e] LOANS

	31-Mar-22	31-Mar-21
Non Current (Unsecured, considered good)		
Minimum Alternative Tax (MAT) credit	7.63	1.74
Loan to employees	0.15	0.04
	7.78	**1.78**
Current (Unsecured, considered good)		
Loan to employees	0.11	0.05
	0.11	**0.05**

[f] OTHERS

	31-Mar-22	31-Mar-21
Current		
Incentives under Government schemes/ Grant	0.21	0.20
Interest on Fixed Deposit/ others	0.18	0.20
	0.39	**0.40**

[g] OTHER NON-CURRENT FINANCIAL ASSETS

	31-Mar-22	31-Mar-21
Non Current (Unsecured, considered good)		
Security Deposits	0.50	0.47
	0.50	**0.47**

6 OTHER ASSETS

	31-Mar-22	31-Mar-21
Non Current		
Capital Advances	6.33	0.50
Total	**6.33**	**0.50**
Current		
Balances with Government authorities	5.32	6.50
VAT receivable	0.38	0.37
Prepaid expenses	1.31	1.23
Advances to suppliers	0.88	1.44
Total	**7.89**	**9.54**

7 NON CURRENT TAX ASSETS

	31-Mar-22	31-Mar-21
Non Current		
Opening balance	5.23	6.53
Add: Taxes paid during the year (For Current year Rs. 4.61 Crores & for earlier years Rs. 0.44 Crores)	4.61	0.44
Less: Tax expenses pertaining to current year	(5.76)	(1.74)
Less: Tax expenses pertaining to earlier year	(0.18)	-
Closing balance	**3.90**	**5.23**

(Rs. in Crore)

8 DEFERRED TAX ASSETS (Net)

	31-Mar-22	31-Mar-21
Deferred tax (liabilities)/ assets		
Property, plant and equipment	2.09	1.38
Provision for gratuity and leave encashment	1.11	0.74
Investments	(2.93)	(2.00)
Business Loss	12.60	24.46
Deferred tax (liabilities)/ assets net	**12.87**	24.58

(i) Movement in deferred tax (liabilities)/ assets

	31-Mar-20	Recognised in			31-Mar-21
		Profit or loss	OCI	Equity	
Property, plant and equipment	1.99	(0.61)	-	-	1.38
Provision for gratuity and leave encashment	1.46	(0.32)	(0.40)	-	0.74
Investments	(1.76)	(0.24)	-	-	(2.00)
Business Loss	21.20	3.26	-	-	24.46
	22.89	**2.09**	**(0.40)**	**-**	**24.58**

	31-Mar-21	Recognised in			31-Mar-22
		Profit or loss	OCI	Equity	
Property, plant and equipment	1.38	0.71	-	-	2.09
Provision for gratuity and leave encashment	0.74	0.45	(0.08)	-	1.11
Investments	(2.00)	(0.93)	-	-	(2.93)
Business loss	24.46	(11.86)	-	-	12.60
	24.58	**(11.63)**	**(0.08)**	**-**	**12.87**

9 INVENTORIES

	31-Mar-22	31-Mar-21
(at lower of cost or net realisable value)		
Raw materials	12.71	8.13
Work - in - Progress	25.14	22.89
Finished Goods	20.05	6.53
less: Provision for reduction in value of inventory	(0.38)	-
Total	**57.52**	**37.55**
Included in inventories goods in transit/ at godown as follows:		
Raw materials	0.83	0.15
Finished goods	10.99	5.96
Total	**11.82**	**6.11**

(Rs. in Crore)

10 SHARE CAPITAL

[a] Authorised share capital

	Equity shares of Rs. 10 each (PY Rs. 10 each)	
	No. of shares	**Amount**
As at 31-Mar-2021	1,00,00,000	10
Increase during the year	-	-
As at 31-Mar-2022	**1,00,00,000**	**10**

[b] Issued equity share capitial, fully paid-up

	Equity shares of Rs. 10 each (PY Rs. 10 each)	
	No. of shares	**Amount**
As at 31-Mar-2021	90,73,300	9.07
Change during the year	-	-
As at 31-Mar-2022	**90,73,300**	**9.07**

(i) Terms/ rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupee.

In the event of liquidation of the Company, the holders of each equity share will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

[c] Details of shareholders holding more than 5% of the aggregate shares in the Company:

(i) Equity shares of (face value: Rs.10 each)

	31-Mar-22		31-Mar-21	
	No. of shares	**% of total equity shares**	**No. of shares**	**% of total equity shares**
Robert Bosch Automotive Steering GmbH	23,40,155	25.79	23,40,155	25.79
Mr. Utkarsh Munot	11,91,494	13.13	11,91,494	13.13
Mr. Dinesh Munot	9,49,290	10.46	9,49,290	10.46

(Rs. in Crore)

[d] Disclosure of Shareholding of Promoters

Disclosure of Shareholding of Promoters as on 31st March 2022 is as follows

Shares held by Promoters					% Change during the year
Promoter Name	As on 31st March 2022		As on 31st March 2021		
	No. of shares	% of total shares	No. of shares	% of total shares	
Mr. Utkarsh Munot	11,91,494	13.13	11,91,494	13.13	-
Mr. Dinesh Munot	9,49,290	10.46	9,49,290	10.46	-
Mrs. Nandini Munot	3,21,474	3.54	3,21,474	3.54	-
Munot Harishkumar Amolchand (Huf)	2,69,500	2.97	2,69,500	2.97	-
Mr. Jinendra Hirachand Munot	2,29,259	2.53	2,29,259	2.53	-
Mrs. Amita Jinendra Munot	1,52,457	1.68	1,52,457	1.68	-
Mrs. Pramila Amolchand Munot	1,46,753	1.62	24,000	0.26	1.35
Mrs. Trupti Sushen Gupta	1,23,496	1.36	1,23,496	1.36	-
Mr. Piyush Jinendra Munot	1,21,813	1.34	1,21,813	1.34	-
Mr. Yash Munot	1,20,627	1.33	1,22,553	1.35	(0.02)
Mrs. Pragati Dinesh Bothra	1,17,102	1.29	1,17,102	1.29	-
Munot Jinendrakumar Hirachand (Huf)	30,400	0.34	30,400	0.34	-
Mrs. Eitika Utkarsh Munot	2,712	0.03	2,712	0.03	-
Ms. Prerna Bothra	1,886	0.02	1,886	0.02	-
Mr. Amol Hirachand Munot	-	0.00	1,22,753	1.35	(1.35)
Robert Bosch Automotive Steering GmBH	23,40,155	25.79	23,40,155	25.79	-
	61,18,418	**67.43**	**61,20,344**	**67.45**	**(0.02)**

11 OTHER EQUITY

	31-Mar-22	31-Mar-21
General Reserve	235.00	235.00
Securities Premium	2.32	2.32
Capital Reserve	0.35	0.35
Retained Earnings	148.37	129.90
	386.04	**367.57**

(Rs. in Crore)

(i) General Reserve

	31-Mar-22	31-Mar-21
Balance at the beginning of the year	235.00	235.00
Movement during the year	-	-
Balance at the end of the year	**235.00**	**235.00**

The General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss. As per Companies Act 2013, transfer of profits to General reserve is not mandatory. General reserve is a free reserve available to the Company.

(ii) Securities Premium

	31-Mar-22	31-Mar-21
Balance at the beginning of the year	2.32	2.32
Movement during the year	-	-
Balance at the end of the year	**2.32**	**2.32**

Security premium is used to record the premium on issue of share.

(iii) Capital Reserve

	31-Mar-22	31-Mar-21
Balance at the beginning of the year	0.35	0.35
Movement during the year	-	-
Balance at the end of the year	**0.35**	**0.35**

Capital reserve is created from special capital incentive received from SICOM and MEDA and this amount not required to be repaid. These reserves will be utilised in accordance with the provision of Companies act 2013.

(iv) Retained earnings

	31-Mar-22	31-Mar-21
Balance at the beginning of the year	129.90	120.31
Net profit for the year	18.27	8.85
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	0.20	0.74
Balance at the end of the year	**148.37**	**129.90**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/ (gain) on defined benefit plans, net of taxes that will not be reclassified to Profit and Loss. Retained earnings is a free reserve available to the Company.

(Rs. in Crore)

12 FINANCIAL LIABILITIES

12 [a] NON-CURRENT BORROWINGS

	Maturity Year	Security and terms of repayment	31-Mar-22	31-Mar-21
Unsecured				
Deferred payment liabilities	FY 2022-23	See note (i)	-	0.38
			-	**0.38**

Note (i) - Sales tax deferral under package scheme on incentive

Year	"Additional Incentives under Package Scheme 1988/ EC-1499 "	"Incentive under 1998 Power Generation Policy (0.70 MW)"	"Incentive under 1998 Power Generation Policy (1.00 MW)"	Total Amount (Rs.)
2022-23	0.10	0.11	0.17	0.38
	0.10	**0.11**	**0.17**	**0.38**

(a) Part I of 1988/ Package Scheme of Incentives and Part I of 1993/ Package Scheme of Incentives

Sales Tax incentive scheme of Govt. of Maharashtra, by way of deferment of Sales Tax liability, for expansion carried out by the Company, being eligible unit under the scheme, implemented then through SICOM (The State Industrial and Investment Corporation Of Maharashtra Limited).

b) Additional Incentives under Package Scheme 1988

Additional incentive scheme of Govt. of Maharashtra, by way of deferment of sales tax liability, as per Govt. Circular No.IDL1005/ (C.R.354)/ IND-8 Dated 06.11.2006.

(c) 1998 Power Generation promotion policy

Sales Tax incentive scheme of Govt. of Maharashtra, by way of deferment of Sales Tax liability, for achieving required Power Load Factor (PLF) for the Company's Wind Farm project, implemented through MEDA (Maharashtra Energy Development Agency).

(ii) The Company's exposure to Liquidity risk, market risk related to borrowings are discussed in Note 25.

12[b] CURRENT BORROWINGS

	Security	31-Mar-22	31-Mar-21
Secured			
(I) From banks			
Overdraft Facilities	These facilities are secured against pledge of certain financial asset of the Company (refer note 5a).	1.93	2.92
Bill discounting with banks	Secured against transferred trade receivables.	25.39	27.49
Current maturities of long-term debt		0.38	0.66
		27.70	**31.07**

The Company's exposure to Liquidity risk, market risk related to borrowings are discussed in Note 25.

(Rs. in Crore)

12[c] TRADE PAYABLES

	31-Mar-22	31-Mar-21
Current		
Total outstanding dues of Micro and Small Enterprises (Refer note -31)	2.58	4.01
Total outstanding dues of creditors other than Micro and Small Enterprises	25.17	26.31
	27.75	**30.32**

(i) Details of trade payables to related parties are disclosed as part of note 34 - Related party disclosures.

(ii) The Company's exposure to Liquidity risk, currency risk related to trade Payables are discussed in Note 25.

Ageing of Trade Payables as on 31st March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Payable	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	-	2.22	0.36	-	-	-	2.58
(ii)Others	5.67	10.98	8.48	0.04	-	-	25.17
(iii) Disputed dues – MSME							
(iv) Disputed dues - Others							
TOTAL	**5.67**	**13.20**	**8.84**	**0.04**	**-**	**-**	**27.75**

Ageing of Trade Payables as on 31st March 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Payable	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME		3.44	0.57				4.01
(ii)Others	4.33	10.10	11.88				26.31
(iii) Disputed dues – MSME							
(iv) Disputed dues - Others							
TOTAL	**4.33**	**13.54**	**12.45**	**-**	**-**	**-**	**30.32**

12[d] LEASE LIABILITY

	31-Mar-22	31-Mar-21
Non-current		
lease liability	5.14	0.97
	5.14	0.97
Current		
lease liability	0.79	0.01
	0.79	0.01

(Rs. in Crore)

The following is the movement in lease liability during the year ended March 31, 2022:-

	Amount
Balance as of April 1, 2021	**0.98**
Addition	5.15
Finance cost accrued during the period	0.18
Payment of Lease Liability	(0.38)
Balance as on March 31, 2022	**5.93**
Balance as of April 1, 2020	**1.00**
Addition	-
Finance cost accrued during the period	0.07
Payment of Lease Liability	(0.09)
Balance as on March 31, 2021	**0.98**

The table below provides details regarding the contractual maturities of lease liabilities as of March 31, 2022 on an undiscounted basis:

	31-Mar-22	31-Mar-21
Less than 1 year	1.26	0.09
one to five year	5.28	0.36
More than 5 year	1.62	1.70
Total	**8.16**	**2.15**

12[e] OTHERS

	31-Mar-22	31-Mar-21
Current		
Payable for capital goods	2.65	14.23
Unpaid dividends	0.37	0.45
Others	-	0.07
	3.02	**14.75**

13 PROVISIONS

	31-Mar-22	31-Mar-21
Non-current		
Provision for leave encashment	0.92	1.37
	0.92	**1.37**
Current		
Provision for gratuity (see note 29)	(0.09)	0.03
Provision for leave encashment	1.57	0.80
Warranty provision [See note (i) below]	1.00	1.14
	2.48	**1.97**

Note (i) - Warranty provision

The Company generally offers a warranty for a period of 3 years or 3,00,000 km whichever is earlier for its products. Warranty costs are determined as a percentage of sales based on the past trends of the costs required to be incurred for repairs, replacements, material costs and servicing cost. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past information may differ from future claims. As the time value of money is not considered to be material, warranty provisions are not discounted.

(Rs. in Crore)

Movement in warranty provision

	For the year ended	
	31-Mar-22	31-Mar-21
Carrying amount in the beginning of the year	1.14	1.22
Additional provision made	0.83	0.06
Amount used	(0.97)	(0.14)
unused amount reversed	-	-
Carrying amount at the end of the year	**1.00**	**1.14**

14 OTHER LIABILITIES

	31-Mar-22	31-Mar-21
Non Current		
Deferred Income	0.03	0.03
Export Promotion Capital Goods (EPCG)	3.42	**3.24**
	3.45	**3.27**
Current		
Advance from customers	1.91	1.77
Deferred revenue	0.73	0.58
Statutory liabilities	0.74	0.64
Others	2.43	2.17
	5.81	**5.16**

EPCG Liability refers Government incentives of Rs. 3.42 Crores as at March 31, 2022, originally liability was Rs. 3.27 Crores out of which Rs. 1.62 crores booked during previous year and liablity of Rs.1.77 crores recognized for new EPCG licenses obtained .This grants relating to property, plant and equipment related to duty saved on import of capital goods and spares under the Exports Promotion Capital Goods (EPCG) scheme. Under such scheme, the Company is committed to export six times of duty saved on import of Capital Goods over a period of six years. In case such commitments are not met, the Company would be required to pay the duty saved along with interest to the regulatory authorities.

15 REVENUE FROM OPERATIONS

	For the year ended	
	31-Mar-22	31-Mar-21
Revenue from sale of products		
-Sale of Products	299.58	188.42
	299.58	**188.42**
Revenue from rendering services		
- Domestic services	0.82	0.59
	0.82	**0.59**
Other operating income		
- Solar power income	8.71	8.92
- Windmill income	1.66	2.76
- Sale of scrap	2.03	0.79
	12.40	**12.47**
	312.80	**201.48**

(Rs. in Crore)

16 OTHER INCOME

	For the year ended	
	31-Mar-22	31-Mar-21
Dividend income	0.21	0.24
Interest income	0.46	0.94
Realised gains on Financial assets Investment measured at FVTPL	7.51	11.70
Unrealised gain/ (loss) on Financial assets Investment measured at FVTPL	6.83	11.31
Profit on sale/ discard of assets	-	0.16
Foreign exchange gain	0.07	-
Government grants*	5.09	1.00
Export incentive	0.27	0.22
Other non operating income	0.54	0.79
	20.98	**26.36**

* Government Grants include incentive of Rs 1.62 Crores (P.Y.-0.99 crores) for the year ended March 31, 2022 towards Exports Promotion Capital Goods (EPCG) scheme and Rs. 3.47 Crores subsidy received from Madhya Pradesh State Government..

17 COST OF RAW MATERIAL CONSUMED

	For the year ended	
	31-Mar-22	31-Mar-21
Raw material consumed	203.79	129.30
Packing material consumed	1.63	0.96
Fabrication and processing charges	1.57	0.85
	206.99	**131.11**

18 CHANGE IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

	For the year ended	
	31-Mar-22	31-Mar-21
Opening stock		
Work in progress	22.89	14.61
Finish goods (Includes Goods in transit/ at godown)	6.53	2.73
	29.42	**17.34**
Less: Closing stock		
Work in progress	25.14	22.89
Finish goods (Includes Goods in transit/ at godown)	20.05	6.53
	45.19	**29.42**
	(15.77)	**(12.08)**

19 EMPLOYEE BENEFITS EXPENSE

	For the year ended	
	31-Mar-22	31-Mar-21
Salaries, wages, bonus etc.	28.46	26.36
Contribution to provident and other funds	1.47	1.61
Staff welfare expenses	3.79	2.22
Contract Labour Expenses	13.67	9.44
	47.39	**39.63**

(Rs. in Crore)

20 OTHER EXPENSES

	For the year ended	
	31-Mar-22	31-Mar-21
Power and fuel (Net of credit of windmill and solar income of Rs. 3.88 Crore, PY-Rs. 0.94 Crore)	10.67	8.53
Repairs and maintenance		
-Buildings	1.33	1.22
-Machinery	2.32	1.41
-Others	0.69	0.92
Rent	0.21	0.01
Insurance	0.74	0.60
Rates and taxes	0.81	0.39
Selling and distribution expenses	4.94	2.52
Solar energy generation expenses	1.06	1.08
Windmill energy generation expenses	1.61	1.28
Foreign exchange loss	-	0.18
Loss on sale/ discard of assets	0.11	-
CSR expense	0.46	0.42
Audit fees	0.11	0.10
Other miscellaneous expenses	8.51	5.88
	33.57	**24.54**

A. AUDITORS' REMUNERATION

	31-Mar-22	31-Mar-21
Audit fees	0.09	0.08
Limited review	0.01	0.01
Tax audit fees	0.01	0.01
	0.11	**0.10**

* The amounts presented are net of GST / other applicable taxes

B. Expenditure incurred on corporate social responsibility activities

The Expenditure incurred for complying with provisions for the CSR expenditure required under section 135 of Companies Act, 2013 has been done through contribution to one NGO (Non Government Organisation) and for skill development of apprentices.

	31-Mar-22	31-Mar-21
Gross amount required to be spent by the company during the year	-	0.42
Amount spent during the year on :		
Construction/ Acquisition of any asset	-	-
On purpose other than above	0.46	0.42

(Rs. in Crore)

21 FINANCE COSTS

	For the year ended	
	31-Mar-22	31-Mar-21
Interest expenses	0.22	**1.72**
Other borrowing cost	0.09	**0.11**
Less: borrowing cost capitalised	-	**(1.54)**
	0.31	**0.29**

22 DEPRECIATION AND AMORTIZATION EXPENSE

	For the year ended	
	31-Mar-22	31-Mar-21
Depreciation on property, plant and equipment	30.16	36.48
Amortisation of intangible assets	0.52	0.66
Amortisation of right of use assets	0.71	0.45
	31.39	**37.59**

23 INCOME TAX

[a] Income tax expense is as follows:

	For the year ended	
	31-Mar-22	31-Mar-21
Statement of profit and loss		
Current tax:		
Current tax on profits for the year	5.76	1.74
Taxation of earlier years	-	-
Total current tax expense	**5.76**	**1.74**
Minimum Alternative Tax (MAT) credit entitlement :		
MAT credit entitlement	(5.76)	(1.74)
Total MAT credit entitlement	**(5.76)**	**(1.74)**
Deferred tax:		
Deferred tax expense/ (income)	11.63	(2.09)
Total deferred tax expense/ (benefit)	**11.63**	**(2.09)**
Income tax expense	**11.63**	**(2.09)**
Other comprehensive income		
Deferred tax related to OCI items:		
- On loss/ (gain) on remeasurements of defined benefit plans	(0.08)	(0.40)
	(0.08)	**(0.40)**

(Rs. in Crore)

[b] Reconciliation of tax expense and the accounting profit computed by applying the Income tax rate:

	For the year ended	
	31-Mar-22	31-Mar-21
Profit before exceptional items and tax	29.90	6.76
Tax at the Indian tax rate of 29.12% but consider MAT 17.472% (2020-21: 17.472%)	5.22	1.18
Effect of non deductible expenses	0.54	0.56
Effect of exempt/ other income/ deduction	-	-
Previously unrecognised tax losses now regouped to reduce tax expenses	11.63	(2.09)
Minimum Alternative Tax (MAT) credit entitlement	(5.76)	(1.74)
Taxation of earlier years	-	-
Income tax expense	**11.63**	**(2.09)**

24 EARNINGS PER SHARE

	For the year ended	
	31-Mar-22	31-Mar-21
Basic and diluted earnings per share (face value of Rs. 10 each)		
- Profit attributable to the equity share holders of the Company	18.27	8.85
- Weighted average number of shares	90,73,300	90,73,300
Basic and diluted earnings per share in INR	**20.14**	**9.75**

25 FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks, viz liquidity risk, market risk and credit risk. The Management of the Company has the overall responsibility for establishing and governing the Company's risk policy framework. The risk management policies are formulated after the identification and analysis of the risks and suitable risk limits and controls are set which are monitored & reviewed periodically. The changes in the market conditions and allied areas are accordingly reflected in the changes of the policy. The key risks and mitigating actions are placed before the Audit Committee of the Company who then evaluates and takes the necessary corrective action. The sources of risk, which the Company is exposed to and how the Company manages these risks with their impact on the Financial Statements is given below:

Risk	Exposure from	Measurement	Management
Credit risk	Trade receivables, Cash and cash equivalents	Aging analysis, Credit ratings	Credit limits
Liquidity risk	Borrowings, Trade payables and other liabilities	Cash flow budgeted Vs actuals	Availability of committed credit lines and borrowing facilities
Market risk - Foreign Currency	"Foreign currency receivables and payables; Forecasted foreign currency transactions"	Cash flow forecasting and Sensitivity analysis	Insignificant foreign currency exposure
Market risk - Interest rate	Long-term borrowings at variable interest rates	Sensitivity analysis	The Company has an insignificant finance cost. Moreover the Company keeps looking for low interest rate opinion from time to time.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022(Contd...)

(Rs. in Crore)

[A] Credit risk

Credit risk is the risk of financial loss to the Company if the counterparty fails to meet its contractual obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables). However, the credit risk on account of financing activities, i.e., balances with banks is very low, since the Company holds all the balances with approved bankers only.

Trade receivables

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the customers outstanding balances to which the Company grants credit terms in the normal course of business. Concentration of credit risk with respect to trade receivables are limited, as the Company's customer are reputed and having good credit credentials as well as that they are long standing customers. All trade receivables are reviewed and assessed for default on a fortnightly basis.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	31-Mar-22	31-Mar-21
Not past due	77.65	73.18
Past due but not impaired		
- Past due 0 to 180 days	12.27	4.97
- Past due more than 180 days	0.34	0.29
	90.26	**78.44**

[B] Liquidity risk

Liquidity risk is the risk the Company faces in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, Management considers both normal and stressed conditions.

Maturities of financial liabilities

The below table analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are contractual undiscounted cash flows, balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Carrying amount	Upto 1 year	Between 2 and 5 years	More than 5 years	Total
31-Mar-22					
Non-derivatives					
Borrowings	27.70	28.08	-	-	28.08
Trade payables	27.75	27.71	0.04	-	27.75
Capital creditors	2.65	2.65	-	-	2.65
Other financial liabilities	0.37	0.37	-	-	0.37
Total	**58.47**	**58.81**	**0.04**	**-**	**58.85**

	Carrying amount	Upto 1 year	Between 2 and 5 years	More than 5 years	Total
31-Mar-21					
Non-derivatives					
Borrowings	31.45	31.07	0.38	-	31.45
Trade payables	30.32	30.32	-	-	30.32
Capital creditors	14.23	14.23	-	-	14.23
Other financial liabilities	0.45	0.45	-	-	0.45
Total	**76.45**	**76.07**	**0.38**	**-**	**76.45**

(Rs. in Crore)

(i) Financing arrangements:

Company had access to following undrawn facilities at the end of reporting period:

	31-Mar-22	31-Mar-21
Variable rate		
Cash credit and overdraft facilities	44.71	28.08
Term loan facility	-	-
	44.71	**28.08**

[C] Market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:
• Currency risk; and
• Interest rate risk
The above risks may affect the Company's income and expenses, or the value of its financial instruments.

(i) Foreign currency risk

The Company is subject to the risk that changes in foreign currency values impact the Company's exports revenue and imports of raw material. The risk exposure is with respect to various currencies viz. USD, EURO and YEN. The risk is measured through monitoring the net exposure to various foreign currencies and the same is minimized to the extent possible.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

	USD	EUR	YEN	Total
31-Mar-22				
Financial assets				
Trade receivables	3.24	-	-	3.24
Net exposure to foreign currency risk (assets)	**3.24**	**-**	**-**	**3.24**
Financial liabilities				
Trade payables	0.02	0.49	-	0.51
Net exposure to foreign currency risk (liabilities)	**0.02**	**0.49**	**-**	**0.51**

	USD	EUR	YEN	Total
31-Mar-21				
Financial assets				
Trade receivables	1.19	-	-	1.19
Net exposure to foreign currency risk (assets)	**1.19**	**-**	**-**	**1.19**
Financial liabilities				
Trade payables	0.33	0.26	-	0.59
Net exposure to foreign currency risk (liabilities)	**0.33**	**0.26**	**-**	**0.59**

(Rs. in Crore)

(b) Foreign currency sensitivity analysis

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following tables demonstrate the sensitivity to a reasonably possible change in USD,EUR and YEN exchange rates, with all other variables held constant:

	Impact on profit after tax	
	31-Mar-22	31-Mar-21
USD		
- Increase by 10%	0.23	0.06
- Decrease by 10%	(0.23)	(0.06)
EUR		
- Increase by 10%	(0.03)	(0.02)
- Decrease by 10%	0.03	0.02
YEN		
- Increase by 10%	-	-
- Decrease by 10%	-	-

ii) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/ borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Interest rate risk exposure

the exposure of the company to change in interest rate at end of the reporting periods are as follows:

	31-Mar-22		31-Mar-21	
	Amount	% of total borrowings	Amount	% of total borrowings
Variable rate borrowings, average borrowing rate 6.75% (P.Y. 6.8%)	1.93	83.55%	3.58	77.49%

* Remaining 16.45% (FY2020-21 -22.51%) of total borrowings of the Company represents interest free liabilities of sales tax deferral.

Sensitivity

Profit and loss is sensitive to higher/Lower interest expenses from borrowing as a result of change in interest rate.

	Impact on profit after tax	
	31-Mar-22	31-Mar-21
Interest rate increase by 100 basis points	(0.02)	(0.01)
Interest rate decrease by 100 basis points	0.02	0.01

(Rs. in Crore)

26 FAIR VALUE MEASUREMENTS

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

(A) Financial instruments by category

	Mar-22						Mar-21					
	Carrying amount			Fair value			Carrying amount			Fair value		
	FVTPL	Amortised Cost	FVT OCI	Level 1	Level 2	Level 3	FVTPL	Amortised Cost	FVT OCI	Level 1	Level 2	Level 3
[i] Financial assets												
Non Current												
Investment												
Investment in equity quoted	23.40	-	-	23.40	-	-	17.67	-	-	17.67	-	-
Investment in mutual fund	90.80	-	-	90.80	-	-	98.35	-	-	98.35	-	-
Investment in bond	-	4.40	-	-	-	-	-	4.40	-	-	-	-
Loans												
Security deposit	-	0.50	-	-	-	-	-	0.47	-	-	-	-
MAT Credit	-	7.63	-	-	-	-	-	1.74				
Other financial assets	-	0.15	-	-	-	-	-	0.04	-	-	-	-
Current												
Trade receivables	-	90.26	-	-	-	-	-	78.44	-	-	-	-
Cash and cash equivalents	-	4.13	-	-	-	-	-	9.26	-	-	-	-
Other bank balances	-	0.37	-	-	-	-	-	0.45	-	-	-	-
Other financial assets	-	0.50	-	-	-	-	-	0.45	-	-	-	-
	114.20	**107.94**	**-**	**114.20**	**-**	**-**	**116.02**	**95.25**	**-**	**116.02**	**-**	**-**
[ii] Financial liabilities												
Non Current												
Borrowings	-	-	-	-	-	-	-	0.38	-	-	-	-
Lease Liability	-	5.14	-	-	-	-	-	0.97	-	-	-	-
Current												
Short term borrowings	-	27.70	-	-	-	-	-	31.07	-	-	-	-
Trade payables	-	27.75	-	-	-	-	-	30.32	-	-	-	-
Lease Liability	-	0.79	-	-	-	-	-	0.01				
Capital creditor	-	2.65	-	-	-	-	-	14.23	-	-	-	-
Other financial liabilities	-	0.37	-	-	-	-	-	0.45	-	-	-	-
	-	**64.40**	**-**	**-**	**-**	**-**	**-**	**77.43**	**-**	**-**	**-**	**-**

(Rs. in Crore)

(B) FAIR VALUE HIERARCHY

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable willing parties in an arm's length transaction. The Company has made certain judgements and estimates in determining the fair values of the financial instruments that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company as classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price. The mutual funds are valued using the closing NAV.

Level 2: Level 2 hierarchy includes financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

Level 3: If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3 hierarchy.

(C) VALUATION TECHNIQUES

Specific valuation techniques used to value financial instruments include

- the use of quoted market prices for mutual funds
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis or such other acceptable valuation methodology, wherever applicable

There are no items in the financial instruments, which required level 3 valuation.

27 CAPITAL MANAGEMENT

The Company policy is to have robust financial base so as to maintain outsider's confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity shareholders. The Company monitors capital using a ratio of "adjusted net debt" to "adjusted equity". For this purpose, adjusted net debt is defined as total liability, Comprising interest-bearing loans and borrowing and obligations under financial lease, less cash and cash equivalents. Adjusted equity includes the share capital, reserve and surplus.

The Capital Gearing Ratio for 31 March, 2022 and 31 March, 2021 are as follows:

	31-Mar-22	31-Mar-21
Net Debt	23.57	22.19
Total Equity	395.11	376.64
Net Debt to equity ratio	**0.06**	**0.06**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022(Contd...)

(Rs. in Crore)

28 SEGMENT INFORMATION

[A] Description of segment and principal activities

The Company's Operating Segments are established on the basis of those components of the Company that are evaluated regularly by the CODM (the 'Chief Operating Decision Maker' as defined in Ind AS 108- 'Operating Segments'), in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and internal business reporting systems.

The Company has two reportable segments :

A)Auto component :- This is related to auto component manufacturing.

B)Renewable energy:-This is related to electricity generation through solar and windmill.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with one additional policies for segment reporting. That Segment Assets and segment liability represent assets and liabilities in respective segments. Tax related assets/ liabilities and other assets/ liability that cannot be allocated to a segment on reasonable basis have been disclosed as "unallocable".

[B] Information about reportable segments

	31-Mar-22				31-Mar-21			
	Auto component	**Renewable energy**	**Unallocable**	**Total**	**Auto component**	**Renewable energy**	**Unallocable**	**Total**
Segment revenue:								
External revenue*	308.40	14.24	15.01	**337.65**	192.48	12.62	23.68	**228.78**
Less: inter segment revenue	-	(3.87)	-	**(3.87)**	-	(0.94)	-	**(0.94)**
Total segment revenue	**308.40**	**10.37**	**15.01**	**333.78**	**192.48**	**11.68**	**23.68**	**227.84**
segment profit before tax	**7.24**	**7.73**	**14.93**	**29.90**	**(22.67)**	**5.80**	**23.63**	**6.76**
Segment results	**7.24**	**7.73**	**3.30**	**18.27**	**(22.67)**	**5.80**	**25.72**	**8.85**
Segment results includes :								
Interest expenses	0.31	-	-	**0.31**	0.29	-	-	**0.29**
Interest income	-	-	0.46	**0.46**	0.51	-	0.43	**0.94**
Depreciation	27.58	3.81	-	**31.39**	33.13	4.46	-	**37.59**
Tax expenses	-	-	11.63	**11.63**	-	-	(2.09)	**(2.09)**
Segment assets	**301.36**	**27.81**	**143.00**	**472.17**	**282.02**	**31.92**	**151.97**	**465.91**
Segment assets includes:								
Capital expenditure incurred during the year	10.93	-	-	**10.93**	13.09	0.65	-	**13.74**
Segment liabilities	**76.88**	**0.18**	**-**	**77.06**	**88.78**	**0.49**	**-**	**89.27**

* External Revenue - Auto Components - Rs. 308.40 Crores includes Revenue from sale of products - Rs. 299.58 Crores; Revenue from rendering services - Rs. 0.82 Crores; Revenue from Sale Of Scrap - Rs. 2.03 Crores; Government Grants - Rs. 5.09 Crores; Export Incentive - Rs. 0.27 Crores; Other Non-Operating Income - Rs. 0.54 Crores and Foreign Exchange Gain - Rs. 0.07 Crores

Segment assets and liabilities are measured in the same way as in the financial statements. These assets and liabilities are allocated based on the operations of the segment and the physical location of the related asset.

(Rs. in Crore)

[C] Information about geographical areas

Revenue from external customers

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown in the table.

	31-Mar-22	31-Mar-21
India	321.93	221.18
Overseas	11.85	6.93
Total	**333.78**	**228.11**

Non-current assets other than financial instruments, deferred tax assets

	31-Mar-22	31-Mar-21
India	171.75	182.97
Total	**171.75**	**182.97**

[D] Major customers

Revenue of approximately Rs. 190.11 Crore (PY- Rs. 98.22 Crore) are derived from three major external customers of the Company. This revenue is attributed to auto component manufacturing segment.

29 EMPLOYEE BENEFIT OBLIGATIONS

29(a) Defined Contribution plans

Provident Fund: Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as defined contribution schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. Amount recognised as expenses in the profit and loss statement in respect of defined contribution plan is Rs. 0.98 Crore (Previous year - Rs. 1.08 Crore).

29(b) Defined Benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The fair value of the plan assets of the trust administered by the Company, is deducted from the gross obligation, and Assumptions used in valuation are discount rate, escalation, mortality rate, etc.

(i) Movement of defined benefit obligation and plan assets

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Net Amount
As at 31-Mar-2021	**12.35**	**12.32**	**0.03**
Current service cost	0.41	-	0.41
Interest expenses/ income	0.79	0.79	-
Total amount recognised in profit and loss	**1.20**	**0.79**	**0.41**
Remeasurements			
Gain/ loss from change in demographic assumption	-	-	-
Gain/ loss from change in financial assumption	(0.14)	0.04	(0.18)
Experience Gain/ loss	(0.09)	0.01	(0.10)
Total amount recognised in other comprehensive income	**(0.23)**	**0.05**	**(0.28)**
Employer contributions	-	0.28	(0.28)
Benefit payments	(0.42)	(0.42)	-
Mortality charges and taxes	-	(0.03)	0.03
As at 31-Mar-2022	**12.90**	**12.99**	**(0.09)**

(Rs. in Crore)

	Present value of obligation	Fair value of plan assets	Net Amount
As at 31-Mar-2020	**12.66**	**11.51**	**1.15**
Current service cost	0.47	-	0.47
Interest expenses/ income	0.77	0.72	0.05
Total amount recognised in profit and loss	**1.24**	**0.72**	**0.52**
Remeasurements			
Gain/ loss from change in demographic assumption	(0.02)	-	(0.02)
Gain/ loss from change in financial assumption	(0.54)	(0.16)	(0.38)
Experience gain/ loss	(0.50)	0.24	(0.74)
Total amount recognised in other comprehensive income	**(1.06)**	**0.08**	**(1.14)**
Employer contributions	-	0.52	(0.52)
Benefit payments	(0.49)	(0.49)	-
Mortality charges and taxes	-	(0.02)	0.02
As at 31-Mar-2021	**12.35**	**12.32**	**0.03**

(ii) Net assets/ liabilities

An analysis of net (deficit)/ assets is provided below for the Company's principal defined benefit gratuity scheme.

	31-Mar-22	31-Mar-21
Present value of funded obligations	12.90	12.35
Fair value of plan assets	12.99	12.32
Net deficit for funded schemes	**0.09**	**(0.03)**

(iii) Analysis of plan assets is as follows:

	31-Mar-22	31-Mar-21
Insurer managed funds (%)	100%	100%
Others (%)	0%	0%
Total	**100%**	**100%**

(iv) Actuarial assumptions and sensitivity analysis

	31-Mar-22	31-Mar-21
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Discount rate	7.00%	6.50%
Rate of increase in compensation levels		
For First year	6.00%	Nil
Thereafter	6.00%	7.00%
Expected rate of return on plan assets	6.50%	6.20%
"Expected average remaining working lives of employees (in years)"	10.30	8.42
Withdrawal Rate	7.00%	7.00%

(Rs. in Crore)

Notes:

1. **Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. **Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is

	Impact on present benefit obligation	
	31-Mar-22	31-Mar-21
Discount rate - Increase by 1%	(0.23)	(0.38)
Discount rate - Decrease by 1%	0.25	0.43
Salary increment rate - Increase by 1%	0.22	0.36
Salary increment rate - Decrease by 1%	(0.20)	(0.27)
Withdrawal rate - Increase by 1%	0.01	(0.01)
Withdrawal rate - Decrease by 1%	(0.02)	0.01

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice it is unlikely to occur, and changes in some of the assumptions may be correlated. The methods and types of assumption used in preparing the sensitivity analysis did not change compared to previous period.

(v) Expected future benefits payments

The Company monitors the funding levels on annual basis and accordingly decides upon the contribution to the fund. Expected contributions to post-employment benefit plans for the year ending 31 March 2022 are Rs. Nil . The expected maturity analysis of undiscounted post employment benefit is as follows:

	Less than a year	1 to 2 years	2-5 Years	More than 5 years
As at 31-Mar-2022				
Defined benefit obligation - Gratuity	9.95	0.40	1.25	2.48
As at 31-Mar-2021				
Defined benefit obligation - Gratuity	6.52	0.76	3.25	4.18

30 LEASES

The details of the right-of-use asset held by the Group are as follows:

	As on April 1, 2021	Additions for FY 2021-22	Amortisation charge for FY 2021-22	As at March 31, 2022
Leasehold land	0.94	5.15	0.29	5.80
Total	**0.94**	**5.15**	**0.29**	**5.80**

Interest expense on lease liabilities is Rs. 0.18 Crore for year ended March 31, 2022.

(Rs. in Crore)

31 MICRO, SMALL AND MEDIUM ENTERPRISES

i)

	31-Mar-22	31-Mar-21
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting period -		
- Principal amount outstanding	2.58	4.01
- Interest thereon		
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period -		
- Interest paid in terms of Section 16	-	-
- Interest payable on delayed principal payments	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 -		
- Normal Interest accrued during the year, for all the delayed payments, as per the agreed terms and not as payable under the Act	-	-
- Normal Interest payable during the year, for the period of delay in making payment, as per the agreed terms and not as payable under the Act.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period -		
- Total interest accrued during the period	-	-
- Total Interest remaining unpaid out of the above as at the balance sheet date	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		
- Outstanding interest at the end of previous year	-	-
- Outstanding interest at the end of current year	-	-

ii) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED.

(Rs. in Crore)

32 a) CONTINGENT LIABILITIES

	31-Mar-22	31-Mar-21
Income Tax matters in dispute in respect of penalty matters pending before CIT (Appeal), Pune	3.26	3.26
Income Tax demand for A.Y. 2003-04 adjusted by Assessing Officer against refund order for A.Y. 2015-16. Appeal for the AY 2003-04 is already pending before CIT(Appeal), Pune.	0.11	0.11
Income Tax matters in dispute in respect of Assessment dues (A.Y.2013-14) before ITAT, Pune	-	0.44
Income Tax matters in dispute in respect of Assessment dues (A.Y.2014-15) before ITAT, Pune & CIT (Appeal) Delhi	0.88	0.26
Income Tax matters in dispute in respect of Assessment dues (A.Y.2015-16) before CIT (Appeal), Delhi	1.81	
Income Tax matters in dispute in respect of Assessment dues (A.Y.2016-17) before CIT (Appeal), Delhi	4.40	0.33
Income Tax matters in dispute in respect of Assessment dues (A.Y.2017-18) before CIT (Appeal), Delhi	1.12	0.13
Income Tax matters in dispute in respect of Assessment dues (A.Y.2018-19) before CIT (Appeal), Delhi	0.43	
Income Tax matters in dispute in respect of Assessment dues (A.Y.2019-20) before CIT (Appeal), Delhi	0.12	
Bank Guarantees issued by the Company	1.96	1.83
TDS Matter pertaining to F.Y. 2012-13 pending with CIT(A) Pune	0.03	0.03
Sales tax liability under dispute before Joint Commissioner of Sales Tax for F.Y. 2016-17	0.34	0.34
Sales tax liability under dispute before Joint Commissioner of Sales Tax for F.Y. 2017-18	0.12	0.12
Central Excise Liability under dispute before CESTAT Mumbai	0.11	-

b) Search note

As informed earlier, the assessment proceeding u/s 153A read with Section 143(3) of the Income Tax Act, 1961 have been completed vide orders passed on September 29, 2021 for the 7 assessment years. As per the notice of demands, the total aggregate tax demand computed by the tax department is Rs. 8.76 crore (including interest) for the 7 assessment years. The Company has already filed necessary rectification applications, stay applications with the tax department. Further, the Company has also filed appeals in all 7 assessment years before the Commissioner Appeal to challenge the assessment orders and alleged additions made by the tax department. The rectification, stay applications and appeals filed are pending before the tax department and/or appeal authority, as the case may be, for the adjudication. The Company has been advised that based on legal position, the additions may not be sustainable, being made without considering the factual aspects and applicable provisions of the law.

c) As reported earlier, certain employees, who were employed in supervisory category, remained absent from work during the Financial Year 2018-19 and also submitted the alleged charter of demand. The Company, after taking precautionary steps and in exercise of its rights as the employer, terminated services of 236 such employees and also denied their claim of salary / remuneration for the period of absence, before termination of their services. Out of the legal proceedings initiated against the Company in respect of these matters by these ex-employees; the proceedings related to 100 ex-employees are still pending before the Judicial Forum. The Company has been advised that, these individuals or any other person have no valid claims,

(Rs. in Crore)

in respect of any of their demands including but not limited to the demand related to salary/remuneration for unauthorized absenteeism during the course of their employment with the Company. This disclosure is being made as a matter of caution and without prejudice to the legal position of the Company before any Judicial Forum or Statutory Authority.

d) The last Wage Settlement dated 01.03.2015, with the workmen of the Company, employed at the Vadu Budruk factory, expired on 31.08.2018. Thereafter, based on the Charter of Demands submitted by ZF Steering Gear Kamgar Sangathana, dated 18.03.2018, the conciliation proceedings were initiated before the Assistant Labour Commissioner (Labour Office, Pune), the Conciliation Officer. The said Officer submitted the Failure Report to the Government and the matter is referred to the Hon'ble Member, Industrial Tribunal, Pune, which Reference is pending consideration of the Hon'ble Member, Industrial Tribunal, Pune. Considering the pendency of the said Reference and though strictly not required, the Company, as a matter of caution, submitted the Approval Applications, in respect of dismissal of 74 workmen of the Company, working at the Vadu Budruk factory, to whom punishment for misconduct was awarded, after conducting enquiries. The said Applications of the Company are also pending consideration of the Hon'ble Member, Industrial Tribunal, Pune.

33 COMMITMENTS

a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 12.83 Crore (March 31, 2021 - Rs. 0.08 Crore).

b) The Company has deferred payment of certain Sales tax Liability under various Package Scheme of Incentives of Government of Maharashtra. The Company is required to comply with conditions of above package Schemes of Incentives, the various Eligibility Certificates granted under such Schemes, stipulations or undertaking as per the Agreements entered into in connection with the grant of incentive under the said Schemes or on the Eligibility Certificates.

c) Total export obligation under the EPCG Scheme was Rs. 37.02 crores and obligation payable as on March 31, 2022 is Rs. 20.54 Crores (March 2021 - Rs. 19.45 Crores).

34 There are no transactions and / or disputed balance outstanding with companies struck off under section 248 of the Companies Act, 2013.

35 The company does not have any charges or satisfaction of charges which is yet to be registered with ROC beyond statutory period except for one charge satisfaction of which is under process by ROC.

(Rs. in Crore)

36 RELATED PARTY DISCLOSURES

A Names of related parties and related party relationship where control exists:

No.	Nature of relationship	Name of related party
1	Foreign collaborator	Pump Technology Solutions (subsidiary of Robert Bosch Automotive Steering GmbH)
2	Key managerial personnel	Mr. Dinesh Munot - Chairman
		Mr. Utkarsh Munot - Managing Director
		Mr. Jinendra Jain - Chief Financial Officer
		Mr. Satish Mehta - Company Secretary
3	Non-executive directors	Mr. Manish Motwani
		Mr. Shridhar S. Kalmadi
		Mr. S. A. Gundecha
		Mrs. Eitika Munot (Till 31st March 2022)
		Mrs. Smita Lahoti
		Mr. Sandeep Nelamangala
		Mr. Adit Rathi
4	Supply of Raw Material	Varsha Forging Pvt. Ltd.
5	Lease Rental Payment	Emtech Solutions Pvt Ltd.

B Key managerial personnel compensation

	31-Mar-22	31-Mar-21
a. Short term employee benefits (Salary paid during the year)	8.61	8.25
b. Post-employment benefits (cumulative)	6.31	6.35
c. Long term employee benefits (cumulative)	1.07	0.67
	15.99	**15.27**

C Transaction with related parties

	For the year ended	
	31-Mar-22	31-Mar-21
Purchase of raw material & components		
Foreign collaborator	2.35	5.39
Domestic supplier of raw material & components		
Varsha Forging Pvt Ltd	3.68	
Lease Rental Payment		
Emtech Solutions Pvt Ltd.	0.28	
Sitting fees to Non Executive & Independent directors	0.20	0.20

(Rs. in Crore)

D Outstanding balances

	31-Mar-22	31-Mar-21
Trade payables		
Foreign collaborator	0.40	0.14
Domestic supplier of raw material & components	3.21	
Lease Rental Payment	0.09	
Key managerial personnel	0.68	0.69

37 ADDITIONAL REGULATORY INFORMATION

RATIO ANALYSIS

Ratio	Numerator	Denominator	Current year	Previous year	% Change
Current ratio (in times)	Total current assets	Total current liabilities	2.38	1.63	46%
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.09	0.09	-1%
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments + Short Term Borrowings	1.49	1.13	32%
Return on equity ratio (in %)	Profit for the year less Preference dividend (i f any)	Average total equity	4.73%	2.38%	99%
Inventory turnover ratio (in times)	Sales	Average Inventory	6.30	6.20	2%
Trade receivables turnover ratio (in times)	Revenue from operations	Average Trade Receivables	3.71	3.16	17%
Trade payables turnover ratio (in times)	(Cost of raw material consumed + Other expenses)	Average Trade Payables	7.74	4.48	73%
Net capital turnover ratio (in times)	Revenue from operations	"Average working capital (i.e. Total current assets less Total current liabilities)"	3.36	3.84	-13%
Net profit ratio (in %)	Net profit ratio (in %)	Revenue from operations	5.8%	4.4%	33%
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Total Debt + Deferred tax liabilities - Deferred Tax Assets	7.26%	1.83%	296%
Return on investment (in %)	Income generated from invested funds	"Average invested funds in treasury investments"	12.56%	21.28%	-41%

(Rs. in Crore)

REASONS FOR CHANGE IN RATIO BEING MORE THAN 25%

Current ratio (in times) increased by 46%

Trade receivables as on 31st March 2022 is Rs. 90 crores as compared to that on 31st March 2021 Rs. 78 Crores resulting in increase of Rs. 12 Crores (15% increase). Also there is significant decrease of Rs. 12 Crores in Other Financial Liablilities which mainly consist of Payables for Capital Goods (80% decrease). Net increase in Current Assets is 18% and Net decrease in Current Liabilities is 19%

Debt service coverage ratio increased by 32%

The debt service coverage ratio has increased by 32% due to increase in EBITDA (Earnings before Interest, Tax, Depreciation & Amortization) by 38%

Return on equity ratio (in %) increased by 99%

Increase in Profit after tax by Rs. 9.43 Crores on account of higher sales and economies of high volumes has resulted in significant jump in Return on Equity

Trade payables turnover ratio (in months) increased by 73%

This is due to reduction in payment terms of suppliers as compared to FY 2021-22 due to introduction of discount based earlier payment to suppliers.

Net profit ratio (in %) increased by 33%

This is mainly due to economies of higher sales volumes

Return on capital employed (in %) increased by 296%

This is mainly due to 342% increase in Profit Before Tax

Return on investment (in %) decreased by 41%

Return on investment (in %) was significantly high in FY 2020-21 due to better returns in equity and debt mutual funds in FY 2020-21

38 NOTE ON COVID-19

Spread of COVID -19 has affected the economic activity across the Globe, including India. This event could affect the business of the Company and the impact of the same will depend on future developments that cannot be predicted reliably at this stage. However, based on the preliminary estimates, the company does not anticipate any major challenge in meeting its Financial obligations, on long term basis and does not carry any risk in the recoverability and carrying values of its assets including Property, plant and Equipment, trade receivable, inventory and investments and does not anticipate any additional liability as at the Balance Sheet date. Further, the Company will closely monitor any material changes to future economic conditions impacting its business.

39 RECENT PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specifiy that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

(Rs. in Crore)

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

40 Figures of the previous financial year have been regrouped, wherever necessary, to confirm to the current period's classification and Presented in Rupees Crore.

As per our report of even date

For **Joshi Apte & Co.**
Firm Registration Number: 104370W
Chartered Accountants

Prakash Apte
Partner
Membership No. : 033212

Place: Pune
May 21, 2022

For and on behalf of the Board of Directors of ZF Steering Gear (India) Ltd.
CIN: L29130PN1981PLC023734

Dinesh Munot	Chairman
DIN : 00049801	
Utkarsh Munot	Managing Director
DIN : 00049903	
S.A. Gundecha	Director and Chairman of the Audit Committee
DIN : 00220352	
Jinendra Jain	Chief Financial Officer
Satish Mehta	Company Secretary

Place: Pune
May 21, 2022

Mission

We are firmly set on being market leaders in state-of-art technology for steering gear system.

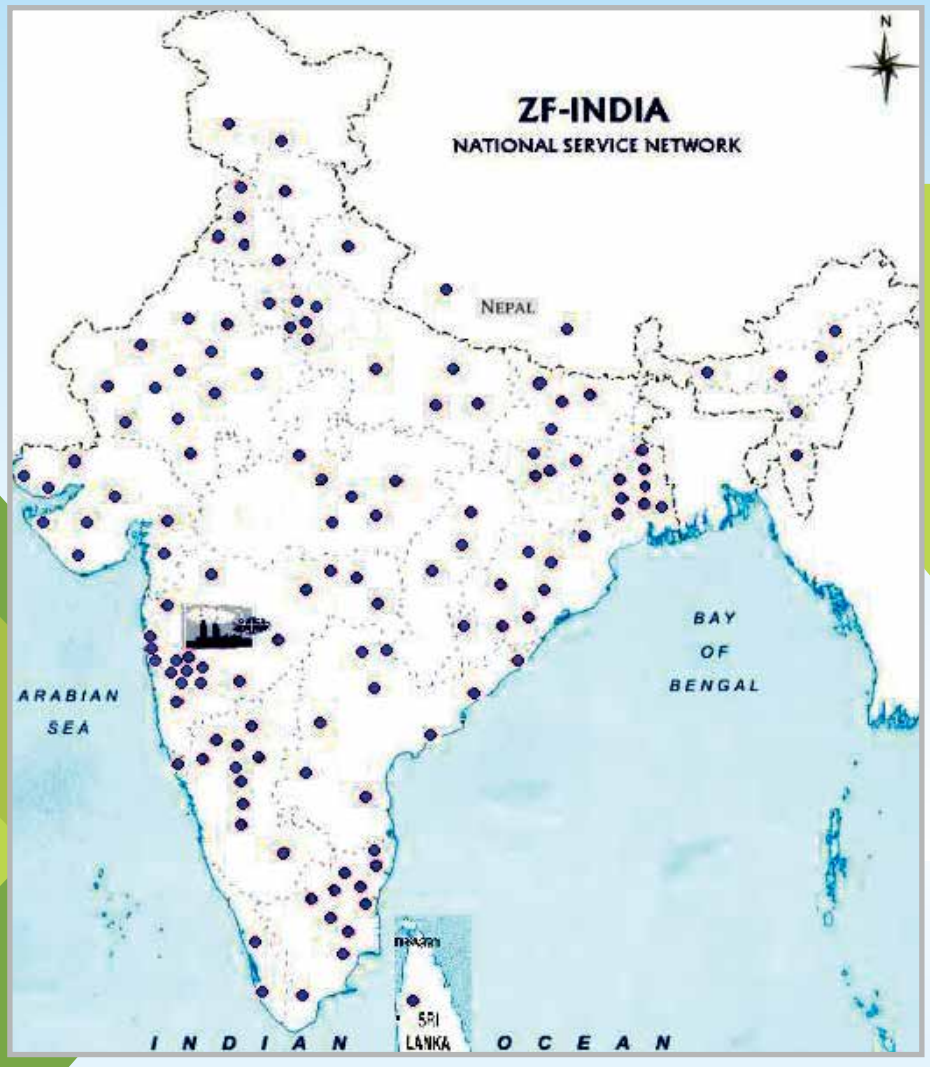
We shall ensure that our products give the necessary comfort and safety in driving.

We shall give top priority to ensure customer satisfaction through best quality products and services.

We shall, in the process of our growth, continuously upgrade our working environment and improve the skill and efficiency of everyone associated by perseverance and motivation.

Dinesh Munot
Chairman

NATIONAL SERVICE NETWORK



ZF INDIA
Steering Success with Safety

ZF STEERING GEAR (INDIA) LIMITED

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