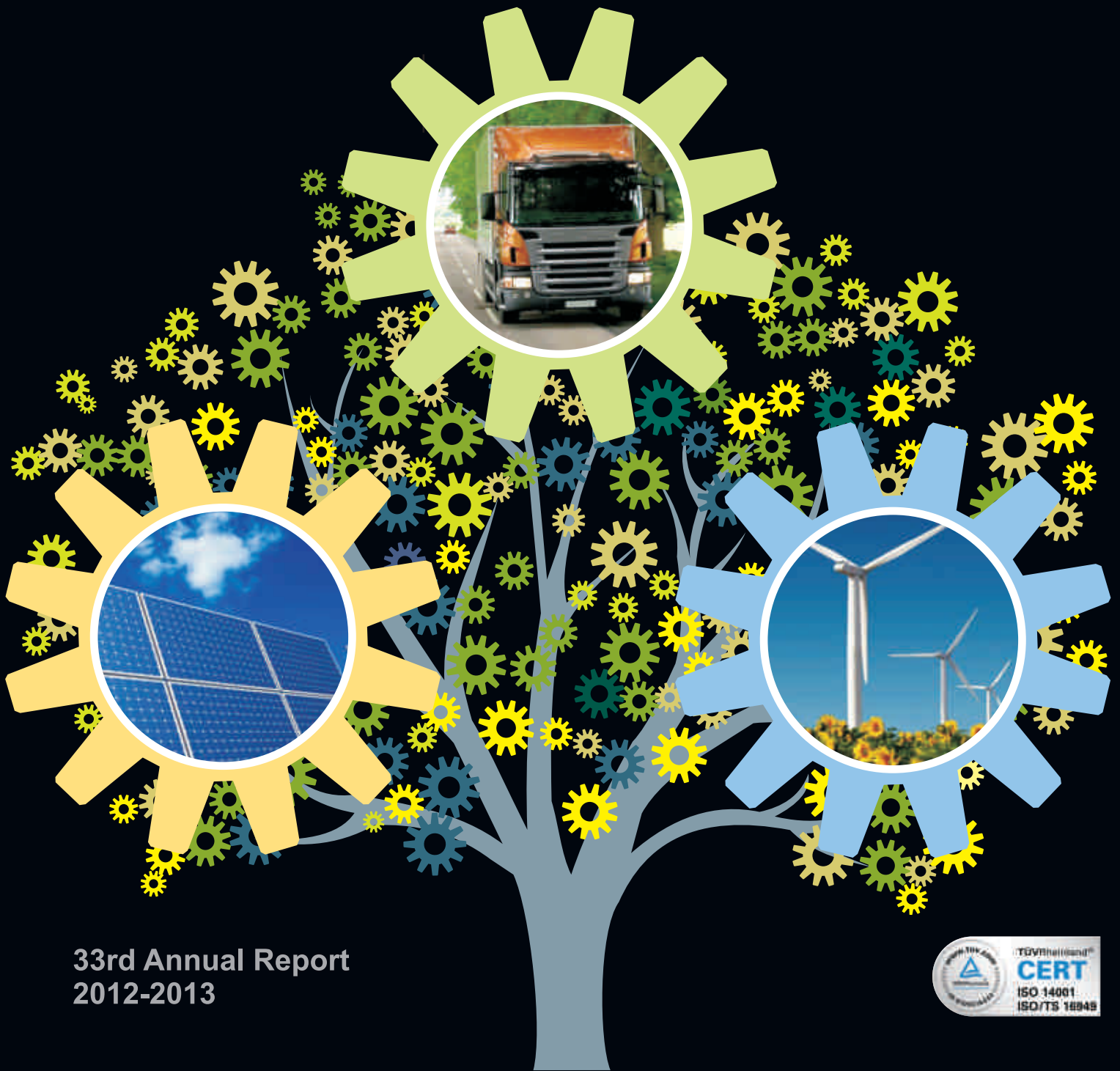




ZF STEERING GEAR (INDIA) LIMITED

www.zfindia.com

Creating a Green World...



33rd Annual Report
2012-2013





Mr. Dinesh Munot - CMD of our Company and ACMA Past President, felicitating **Mr. R. J. Shahaney** - Chairman of Hinduja Group Flagship Company Ashok Leyland with life-time achievement award for his contribution in Indian Automotive Industry at the ceremony held on 21st February, 2013 at Mumbai organized by SIAM & ACMA.

BOARD OF DIRECTORS

Chairman & Managing Director

Mr. Dinesh Munot

Jt. Managing Director

Mr. Jinendra Munot

Executive Director

Mr. Utkarsh Munot

Non-Executive Directors

Mr. Manish Motwani

Dr. Dinesh Bothra

Mr. Ludwig Rapp

Mr. M. L. Rathi

Dr. Hans Friedrich Collenberg

Mr. Shridhar S. Kalmadi

Mr. Ajinkya Arun Firodia

Mr. Carl Magnus Backlund

Mr. Jitendra A. Pandit
(w.e.f. January 29, 2013)

Mr. Klaus Traeder
(Alternate Director for Mr. Carl Magnus Backlund)

Mr. B. S. Iyer
(Alternate Director for Dr. Hans Friedrich Collenberg)

Mr. D. S. Bomrah
(up to August 10, 2012)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Jinendra Jain

COMPANY SECRETARY

Mr. Satish Mehta

AUDIT COMMITTEE

Mr. Manish Motwani (Chairman)

Dr. Dinesh Bothra

Mr. M. L. Rathi

Mr. Jitendra A. Pandit

SHAREHOLDERS' GRIEVANCE COMMITTEE

Dr. Dinesh Bothra

REMUNERATION COMMITTEE

Mr. Manish Motwani (Chairman)

Mr. M. L. Rathi

Mr. Jitendra A. Pandit

AUDITORS

M/s. MGM & Co.

Chartered Accountants

COST AUDITORS

M/s. Joshi Apte & Associates

Cost Accountants

INTERNAL AUDITORS

M/s. Pawan Jain & Associates

Chartered Accountants

BANKERS

Bank of Maharashtra

Canara Bank

HDFC Bank Ltd.

YES Bank Ltd.

REGISTERED OFFICE & WORKS

Gat Nos. 1242 & 1244, Village Vadu Budruk,
Taluka Shirur, Dist. Pune-412 216
Maharashtra.

CORPORATE OFFICE

601-602, MCCIA Trade Tower,
International Convention Centre 'A' Wing
403-A Senapati Bapat Road, Pune-411 016
Tele: 020-3021 1600 Fax No: 020-3021 1699
E-mail : satish.mehta@zfindia.com

STOCK EXCHANGE

(Where the shares of the Company are listed)
BSE Limited

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Link Intime India Pvt. Ltd,
Block No. 202, A Wing, 2nd Floor,
Akshay Complex, off Dhole Patil Road, Pune-411 001.
Tele: 020-26161629 Fax: 020-26163503
E-mail : pune@linkintime.co.in

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NOTICE

Notice is hereby given that the **Thirty Third Annual General Meeting** of the Members of **ZF STEERING GEAR (INDIA) LIMITED** will be held as scheduled below:

Day : Tuesday
Date : July 30, 2013
Time : 4.00 p.m.
Place : Registered Office of the Company,
Gat Nos. 1242/44, Village Vadu Budruk,
Tal. Shirur, Dist. Pune - 412 216.

to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the audited Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. M. L. Rathi, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Shridhar S. Kalmadi, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. Hans Friedrich Collenberg, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To re-appoint Messrs MGM & Company, Chartered Accountant (Firm Registration Number: 117963W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Jitendra A. Pandit who was appointed by the Board of Directors of the Company, as a Director to fill the casual vacancy on the Board, caused by the death of Mr. D. S. Bomrah and, who holds office up to date of this Annual General Meeting by reason of Section 262 of the Companies Act, 1956, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 257 of the

Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310, 311 and other applicable provisions if any of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force), and Schedule XIII to the said Act, (including any amendment or statutory modification thereto for the time being in force) and subject to such sanctions as may be necessary, the Company hereby accords its approval to the re-appointment and payment of remuneration and perquisites and giving of benefits and amenities to Mr. Jinendra Munot as Jt. Managing Director of the Company for a further period of five years w.e.f from April 1, 2013 on the terms and conditions, including those relating to remuneration, as set out under Item No. 8 of the Explanatory Statement annexed to this Notice.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 and subject to necessary approvals, if any, consent be and is hereby accorded to Mrs. Eitika Munot, wife of Mr. Utkarsh Munot, Executive Director and daughter-in-law of Mr. Dinesh Munot, Chairman and Managing Director of the Company, to hold and continue to hold an office or place of profit in the Company, w.e.f. from February 1, 2013 on the terms and conditions, including those relating to remuneration, as set out under Item No. 9 of the Explanatory Statement annexed to this Notice.”

“RESOLVED FURTHER THAT the allowances and perquisites referred under Item No. 9 of the Explanatory Statement annexed to this Notice be and are hereby authorized to be paid and allowed to Mrs. Eitika Munot in accordance with relevant schemes/ rules as applicable to the Grade M-6, as may be in force from time to time.”

By Order of the Board of Directors
For **ZF Steering Gear (India) Ltd.**

May 23, 2013

Registered Office:

Gat No. 1242/44, Village Vadu Budruk,
Tal. Shirur, Dist. Pune - 412 216.

Satish Mehta
Company Secretary

Notes:

1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxy Forms, in order to be effective, must be received by the Company at its Registered Office not less than 48 hours before the date of the Annual General Meeting.

- 2) The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business mentioned in the Notice is annexed hereto.
- 3) Members/ Proxies/ Representatives should bring the enclosed duly filled attendance slip, for attending the Meeting. Copies of the Annual Report or Attendance Slip will not be distributed at the Meeting.
- 4) Profiles of the Directors being appointed/ re-appointed, as required by the Corporate Governance Code (Clause 49 VI A of the Listing Agreements entered into with the Stock Exchange), are annexed to the Notice.
- 5) The Register of Members and Share Transfer Books of the Company will remain closed from July 23, 2013 to July 30, 2013 (both days inclusive) for the purpose of payment of dividend to those Members, whose names stand on the Register of Members as on July 30, 2013. The dividend in respect of Equity Shares held in electronic form will be payable to the beneficial owners of the Equity Shares as at the end of business hours on July 22, 2013 as per the details furnished by the depositories for this purpose.
- 6) Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company, so as to reach it at least ten days before the date of the Meeting, so that information can be made available at the Meeting.
- 7) Members holding shares in physical form are requested to intimate the changes, if any, in their registered addresses, to the Company's Registrar & Share Transfer Agents M/s. Link Intime India Pvt. Ltd., Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune- 411 001.
- 8) Members are advised that respective bank details and address as furnished by them or by NSDL/ CDSL to the Company, for shares held in physical form and in the dematerialized form respectively, will be printed on their dividend warrant so as to protect against fraudulent encashment.
- 9) Pursuant to provisions of Section 205A and 205 C of the Companies Act, 1956, 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 2004-05 have been transferred to the Investor Education and Protection Fund of the Central Government. Unclaimed dividend for financial years 2005-06 and thereafter is still lying with the Company. Shareholders who have not yet encashed the dividend warrants for financial years 2005-06 and thereafter are requested to contact the Company at the earliest since no claim shall lie against the Company or the Investor Education and Protection Fund after transfer as mentioned above. The details of the unclaimed dividends of the aforesaid years are available on the Ministry of Corporate Affairs website at www.mca.gov.in.

- 10) The Annual Report 2012-13 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.zfindia.com and also on the website of the BSE Limited at www.bseindia.com
- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Transfer Agents, M/s. Link Intime India Pvt. Ltd.
- 12) All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days up to the date of the 33rd Annual General Meeting.

Important Communication to Members

The following are the Company's recommendations to shareholders/investors:

Open Demat Account and Dematerialise your shares

Investors should convert their physical holdings of securities into demat holdings. Holding securities in demat form helps investors to get immediate transfer of securities. No stamp duty is payable on transfer of shares held in demat form and risks associated with physical certificates such as forged transfers, fake certificates and bad deliveries are avoided.

Consolidate Multiple Folios

Investors should consolidate their shareholding held in multiple folios. This would facilitate one-stop tracking of all corporate benefits on the shares and would reduce time and efforts required to monitor multiple folios.

Register NECS Mandate and furnish correct bank account particulars with Company/ Depository Participant (DP)

Investors holding the shares in physical form should provide the National Electronic Clearing Services (NECS) mandate to the Company and investors holding the shares in demat form should ensure that correct and updated particulars of their bank account are available with the Depository Participant (DP). This would facilitate in receiving direct credits of dividends, refunds etc., from Companies and avoid postal delays and loss in transit. Investors must update their new bank account numbers allotted after implementation of Core Banking Solution (CBS) to the Company in case of shares held in physical form and to the DP in case of shares held in demat form.

Submit Nomination Form

Investors should register their nominations in case of physical shares with the Company and in case of dematerialized shares with their DP. Nomination would help the nominees to get the shares transmitted in their favour. Investors must ensure that nomination made is in the prescribed Form and must be witnessed by two witnesses in order to be effective. The Form may be downloaded from the Company's website www.zfindia.com under the section 'Investor'.

Green Initiative

Register e-mail address:

To support the 'Green Initiative' in the Corporate Governance taken by the Ministry of Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards greener environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their e-mail addresses with M/s. Link Intime India Pvt. Ltd., if shares are held in physical mode or with their DP, if the holding is in electronic mode.

Annexure to the Notice

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

As required by Section 173 of the Companies Act, 1956, in respect of the Items of Special Business in this Notice.

Item No. 7:

At the Meeting held on January 29, 2013 the Board of Directors had appointed Mr. Jitendra A. Pandit, as a Director to fill the casual vacancy, caused due to the death of Mr. D. S. Bomrah, pursuant to Section 262 of the Companies Act, 1956.

A brief-profile of Mr. Jitendra A. Pandit, has been given separately as part of the Notice. The Board of Directors recommends the Resolution for your approval.

None of the Directors of the Company, except Mr. Jitendra A. Pandit, is interested in this Resolution.

Item No. 8:

The Board of Directors of the Company at their meeting held on January 29, 2013, re-appointed Mr. Jinendra Munot as Jt. Managing Director of the Company for a further period of 5 years with effect from April 1, 2013.

A brief-profile of Mr. Jinendra Munot has been given separately as part of the Notice.

The terms and conditions of his appointment, including those relating to remuneration, are as given hereunder:

Tenure: For a period of five years with effect from April 1, 2013.

Remuneration:

- (a) **Salary:** Rs. 4,75,000/- (Rupees Four Lakh Seventy Five Thousand) per month, with annual increment of 15%, effective April 1, each year.
- (b) **Commission:** Mr. Jinendra Munot shall be entitled to an annual performance Linked incentive as may be determined by the Board/ Remuneration Committee of Directors.
- (c) **Perquisites:** In addition to salary and commission, the following perquisites shall be paid to Mr. Jinendra Munot.
 - i) **Housing:** 60% of the Salary will be paid to Mr. Jinendra Munot as Housing Allowance per month.
 - ii) **Stock option:** Participation to employee stock option scheme, as may be evolved by the Company from time to time.
 - iii) **Medical Reimbursement:** Reimbursement of medical expenses including hospitalization and surgical charges incurred in India and abroad for Mr. Jinendra Munot and his family as may be approved by the Board of Directors or as per the rules of the Company.
 - iv) **Leave Travel Concession:** Leave travel concession for Mr. Jinendra Munot and his family once in a year incurred in accordance with the rules specified by the Company.
 - v) **Club Fees:** Reimbursement of membership fee up to 2 (two) clubs, including admission and life membership fee.
 - vi) **Personal Accident Insurance:** Personal Accident Insurance Policy as per the rules of the Company.

vii) **Medical Insurance:** Medical Insurance for self and family as per actual.

viii) **Provident Fund:** Company's Contribution to Provident Fund/ Special Salary in lieu thereof, in accordance with the rules of the Company.

ix) **Gratuity:** Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.

x) **Leave:** Leave with full pay or encashment as per the rules of the Company.

xi) **Other Perquisites:** Subject to overall ceiling on remuneration mentioned herein below, the Jt. Managing Director may be given other allowances, benefits and perquisites as the Board of Directors may from time to time decide.

(d) Amenities:

Provision of Car: The Company shall provide car/s with chauffeur for official as well as personal purpose.

Communication Facilities: Telephone/ Telefax and other suitable communication facilities at the residence.

Free Gas, Electricity and Water facilities at residence/ reimbursement of expenditure incurred thereon.

(e) Overall Remuneration:

The aggregate of salary and perquisites in any financial year shall not exceed the limits prescribed from time to time under Section 198, 309 and other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the said Act, as may for the time being in force.

(f) Minimum Remuneration:

In case of loss or inadequacy of profits in any financial year during the currency of tenure of his service, the payment of salary and perquisites and other allowance shall be governed by the limits prescribed under Section II and part II of Schedule XIII to the Companies Act, 1956.

Other Terms & Conditions:

- 1) As long as Mr. Jinendra Munot functions as Jt. Managing Director of the Company, no sitting fee shall be paid to him for attending the Meetings of the Board of Directors or Committee thereof.
- 2) Notwithstanding anything to the contrary herein contained, either party shall be entitled to terminate the Agreement at anytime by giving to the other party 180 days notice in writing to that effect or by payment of salary in lieu thereof.

Approval of the Shareholders under Section 269 read with Schedule XIII of the Companies Act, 1956, is required for appointment/ re-appointment of Jt. Managing Director and for payment of remuneration to him. Hence, the Board of Directors recommends Resolution No. 8 for your approval.

Memorandum of Concern or Interest of Directors:

None of the Directors, other than Mr. Jinendra Munot and Mr. Dinesh Munot, being relative of Mr. Jinendra Munot, is interested in the resolution.

Item No. 9:

Mrs. Eitika Munot was appointed as Manager-Co-ordination (S.A.P. & H. R.) with effect from February 1, 2013, by the Board in their meeting held on January 29, 2013.

Mrs. Eitika Munot, is qualified as Master of Business Administration (Human Resource). She has also participated in S.A.P. related course. Mrs. Eitika Munot is responsible for co-ordination of S.A.P. implementation and Human Resources matters of the Company.

Mrs. Eitika Munot, is wife of Mr. Utkarsh Munot, and daughter-in-law of Mr. Dinesh Munot, Directors of the Company. Therefore, approval of the members under Section 314(1)(b) of the Companies Act, 1956 is necessary for her to hold and to continue to hold office or place of profit in the Company on the following terms and conditions of remuneration:

- a) **Designation** : Manager- Co-ordination (S.A.P. & H.R.)
- b) **Grade** : M-6
- c) **Basic Salary** : Rs. 28,000/- Per Month with such annual increments admissible under the Grade.

Perquisites:

- i) Conveyance Allowance : Rs. 12,000/- Per Month
- ii) House Rent Allowance : Rs. 16,000/- Per Month
- iii) Medical Reimbursement : Rs. 3,600/- Per Month
- iv) Education Allowance : Rs. 1,200/- Per Month
- v) Miscellaneous Allowance : Rs. 4,896/- Per Month
- vi) Leave Travel Allowance : Rs. 8,000/- Per Month
- vii) Bonus/ Ex-gratia : Rs. 1,600/- Per Month

viii) Provident Fund/ Special Salary & Gratuity : as per the Company's Rules.

ix) Medical and Accident Insurance Premium : as per the Company's Rules.

Provided that the total remuneration to be paid to Mrs. Eitika Munot shall not in any case exceed Rs. 249,999/- per month.

The Board of Directors recommends the Special Resolution for your approval.

None of the Directors, except Mr. Utkarsh Munot and Mr. Dinesh Munot, is concerned or interested in this Resolution.

By Order of the Board of Directors
For **ZF Steering Gear (India) Ltd.**

Satish Mehta
Company Secretary

May 23, 2013

Registered Office:

Gat No. 1242/44, Village Vadu Budruk,
Tal. Shirur, Dist. Pune - 412 216.

Particulars	Mr. M. L. Rathi	Mr. Shridhar S. Kaimadi	Dr. Hans Friedrich Collenberg	Mr. Jitendra A. Pandit	Mr. Jinendra Munot
Date of Birth	August 13, 1940	November 26, 1947	February 2, 1959	January 20, 1968	August 4, 1952
Date of Appointment	May 27, 2008	May 26, 2009	May 26, 2009	January 29, 2013	November 2, 1988
Qualification	B.Sc from University of Pune Engineering from Cusrow Wadia Institute, Pune. Graduate of 'The Quality College' Florida, U.S.A	D. M. E degree with specialization in Automobiles.	Diploma in mechanical engineering from Technical University Munich Doctorate degree in engineering from Technical University Munich	Chartered Accountant (ICAI) Cost Accountant (ICWAI) Post Graduate Diploma in Business Finance from the Institute of Chartered Financial Analysts of India	B.E.(Mech), M.S.(Mech.) U.S.A, AMIE(India)
Expertise in Specific Functional areas	48 years of experience in the field of manufacturing industry. Technical Knowledge in Couplings & Power Transmission Products. Export Promotion for these products. Overall Commercial Knowledge & Expertise.	Mr. Shridhar Kaimadi is an Engineer with specialization of Automobiles. He is involved in business activities since 1974 and his sound technical involvement throughout has made him of extremely competent technical expert. Mr. Kaimadi has more than 31 years of experience in the industry.	Dr. Collenberg has worked as a research associate at FZG Gear Research Centre, Munich, Germany. He has worked in different management functions of ZF Friedrichshafen AG, Germany. He has been 'President Commercial Vehicle and Special Driveline Technology Division' in North America of ZF Friedrichshafen AG. He has also worked as a Vice-President and Head of Worldwide Product Development of ZF Lemforder GmbH. He is now a Executive Vice-President of ZF Lenksysteme GmbH.	Mr. Jitendra A. Pandit has over 22 years of experience in fields of Corporate Finance, Transaction Management and General Management with top corporate and Investment Banks. He has also worked in various capacities for the following organizations: Manager-DSP Merrill Lynch Founder Director- Symak Engineering (P) Ltd. & Fund tech India, Pune General Manager-Finance-Dynamic Logistics (P) Ltd. Head-Corporate Finance-Bilcare Ltd., Pune Director- Corporate Finance-Deloitte Touche Tohmatsu (I) Pvt. Ltd., Pune Presently, Mr. Pandit is working as Senior Partner (also a founder partner) with K J Capital Advisors, Pune.	Mr. Jinendra Munot is a Professional Engineer over 34 years of experience in the Automotive Industries. He was General Manager and at present Jt. Managing Director of the Company from November 2, 1994. He won the 'India's Champion Corporate Golfer' organized by the DS Group- Economic Times Leaders' Challenge Tour, during the year 2008-09.
Other Directorships held in India	Rathi Transpower Pvt. Ltd. (Chairman & Managing Director) Polybond India Pvt. Ltd. Rathi Turbo Flex Pvt. Ltd. Lovejoy Finance Pvt. Ltd. Rathi Dye Chem Pvt. Ltd. Toshbro Pvt. Ltd. Rathi Polybond Pvt. Ltd.	Sai Service Station Ltd. (Managing Director) Sai Service Spares & Accessories Ltd. Sai Service Agency (Bombay) Ltd. Corona Bus Manufacturers Pvt. Ltd.	Nil	Nil	Varsha Forgings Ltd. Prima Feintechnik Pvt. Ltd. Ozone Cleantech Energy Pvt. Ltd. KCTR Varsha Automotive Pvt. Ltd.
Membership of Committees	ZF Steering Gear (India) Ltd.- - Audit Committee of Directors - Remuneration Committee of Directors	Nil	Nil	ZF Steering Gear (India) Ltd.- - Audit Committee of Directors - Remuneration Committee of Directors	Nil
No. of Equity Shares held in the Company	Nil	Nil	Nil	Nil	259,659

Directors' Report

To the Members,

The Directors are pleased to present the 33rd Annual Report and Audited Accounts for the year ended March 31, 2013.

Financial Results

(Rs. in Million)

	2012-2013	2011-2012
Sales (net) and other Income	3243.7	3597.3
Profit before depreciation and tax	721.4	745.6
Depreciation	231.4	168.8
Exceptional Item	-	104.3
Provision for tax	233.8	216.5
Net Profit	256.2	464.6
Balance Brought Forward from Previous year	12.6	13.5
Amount available for appropriation	<u>268.8</u>	<u>478.1</u>
Appropriations		
General Reserve	161.8	360.0
Proposed Dividend and Tax thereon	84.9	52.7
Interim Dividend and Tax thereon	-	52.7
Balance Carried Forward	22.1	12.6
	<u>268.8</u>	<u>478.1</u>

Dividend

The Board is pleased to recommend a dividend of Rs. 8/- per share for the year ended March 31, 2013.

Management Discussion and Analysis

Global Economic Slowdown affected growth of Indian Economy. In order to contain fiscal-deficit, the Government had to rationalize its Expenditure and took some austerity measures, which further affected aggregate demand in the economy. Investor and business confidence was low throughout the year.

The overall Commercial Vehicles segment registered de-growth of 2.02 percent in April-March 2013 as compared to the same period in 2011-12. While Medium & Heavy Commercial Vehicles (M&HCVs) declined by 23.18 percent, Light Commercial Vehicles grew at 14.04 percent. In March 2013, M&HCVs sales further declined by 26.16 percent over March 2012.

Financial-performance of the Company was affected by the uncertain macro-economic environment, coupled with high interest rates, stalled infrastructure projects etc.

Review of Operations

Operating Results of the Company

Auto Components

Comparative quantitative figures of Sales are as under:

(numbers)

Type	2012-13	2011-12	Growth
Power Steering	178,192	208,420	-14.5 %
Mechanical Steering	152,641	176,614	-13.6 %
Rack & Pinion	16,930	22,439	-24.5 %

Sales, in value terms, was down by 12%.

Renewable Energy –

Solar

The Members would recall that, in furtherance to the Company's commitment towards 'Green-Initiative', your Company had successfully commissioned 5 MW Solar Power Project at Gujarat Solar Park, Charnka Village, District Patan (Kutch) Gujarat, in last quarter of financial year 2011-12. Hence, financial year 2012-13 was the first year in which the Plant was operational for full year. The electricity generated is purchased by Gujarat Urja Vikas Nigam Limited (GUVNL), Government of Gujarat. The Plant generated 8.5 million Units of Electricity with sales-revenue of Rs. 95.30 million in the Financial Year 2012-13. The Board is pleased to report that your Company's Solar Project, ranks among top five Solar-projects in that park, in terms of power generation efficiency.

Wind Mills

Seven Wind Turbine Machines, owned and operated by the Company, located in districts of Satara and Ahmednagar, having aggregate capacity of 6.7 MW are mainly used for captive power consumption. Total 9.9 million units were generated in the financial year 2012-13. The Units used as captive consumption accounted for 80 % of the factory's consumption of power.

Other Income

Income received on financial-investments, held by the Company, was Rs. 103.3 million, higher compared to Rs. 51.5 million for the financial year 2011-12.

Finance

In order to lighten the pressure on the bottom-line, Term Loan availed for the Solar Project was prepaid during the financial year, after liquidating some of the financial investments of the Company.

Profitability

Profitability has been impacted, partly due to reduction in sales and partly due to higher depreciation-charge. The Company was successful in containing cost of raw-material and with the help of tight cost-control, impact on bottom-line has been minimized.

Consequently, Profit before Tax for the year was Rs. 490 million against Rs. 577 million (without considering Exceptional item) for the previous year.

Earnings Per Share is Rs. 28.25 for the year ended March 31, 2013.

Outlook/ Opportunities

Global and domestic recovery is anticipated. As per the World Bank as well as the IMF (International Monetary Fund), and as per the Finance Ministry of Government of India, India's GDP (Gross Domestic Product) is expected to improve to 6% and above in the Financial Year 2013-14. The announcement of investment allowance reintroduction is very positive. Focus on infrastructure is also a welcome move which will help growth of the economy. Automobile industry appreciates the Finance Minister's gesture of allocating double the funds under JNNURM scheme enabling substantial part for purchase of up to 10 thousand buses. This was very much needed for revival of Commercial Vehicles sector. Bottlenecks stalling road projects are being addressed and it is expected that road construction orders will be awarded, which should boost demand for commercial vehicles.

Meanwhile, The Reserve Bank of India (RBI) in its annual monetary policy for 2013-14 has cut the interest-rate by 25 basis points in an effort to push industrial growth and stimulate economy. This is the third rate-cut since January 2013. The Indian Automobile Industry, which is struggling with sluggish market due to high interests, welcomed RBI decision to cut lending rates, as this measure would boost the demand.

Global commodity prices have been showing a declining trend over the past few months. The trend if it were to continue augurs well for manufacturing sector as a whole. Increasing Urbanisation, opening-up of Indian markets for globalization, increase in purchasing power parity, instant availability of automobiles and easier loans are all positive factors for boosting demand in Automobile sector. India is emerging as a country having higher number of vehicles per one thousand persons in view of increasing domestic demand and purchasing power. Hence, outlook for the commercial vehicles remains strong in view of government focus on infrastructure development, new products and entry of more foreign players.

As far as Solar Power generation is concerned, price of solar-panels have come down drastically, which helps in lowering of project-cost, but at the same time purchase-price offered for electricity so generated is also lower.

Joint Venture

ZF Lenksysteme India Private Limited (Joint Venture with ZF Lenksysteme GmbH, Germany) (hereinafter 'JV Company')

The JV Company has set up a new manufacturing plant, situate at Village Phulgaon, Alandi-Markal Road, Dist. Pune, in order to establish its manufacturing operations in steering systems. The said plant was inaugurated on April 26, 2012.

The JV Company is yet to commence substantial business activity. Nevertheless, it has reported a sales turnover of Rs. 60.3 million during the financial year 2012-13.

In January, 2013, additional capital, by way of Rights issue, has been raised by the JV Company. Consequently, the paid-up capital of the JV Company now stands at Rs. 1508 million and your Company holds 26% of the total paid up capital of the JV Company. Total investment of the Company in the JV Company stands at Rs. 392.08 million. The Company, as per the

contractual obligations undertaken by the Company continues to support the JV Company and invested the additional equity capital in the JV Company.

Expansion and Capital Expenditure

Steering Gear Systems

The Company is in a process to gradually enhance its installed capacity of Power Steering Gears and Mechanical Steering Gears and modernize its plant at Vadu Budruk. The Company plans to further invest Rs. 500-600 million in coming years for this purpose.

Renewable Energy - Solar Power Project

The Company is exploring the avenues of further investments in the Solar Power by way of new project/ expanding capacity to the existing project.

Internal Control Systems

The Internal Control Systems of the Company is responsible for the financial reporting, assets, adherence to management policies and to conduct ethical conduct within the organization. The Company has independent Internal Auditors for conducting internal audits of the financial reporting and operations of the Company. The Company's existing system of internal controls is commensurate with its size and nature of business. Company's Internal control ensures reliable financial reporting, better utilization of Company's resources, effectiveness of operations, compliance with the legal obligations and proper implementation of policies and procedures.

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

Human Resource Development

The Company has been continuously training its employees in the newer technical/ management skills. Various steps have been taken for improving the performance of employees. During the year, 64 training programs (19 external and 45 internal) covering over 578 training man-days were covered. It is expected that the customized development programmes, suitable to individual employees, to continue for the next few years. The total number of employees as on March 31, 2013 was 903.

Industrial relations at the Company's Plant continued to be cordial and peaceful.

Cautionary statement

The above Management Discussion and Analysis 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.

Fixed Deposits

Your Company has not accepted any fixed deposit.

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

The details as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure II to this Report.

Transfer to Investor Education and Protection Fund

The Company has transferred a sum of Rs. 411,300/- during the year ended March 31, 2013 to the Investor Education and Protection Fund (IEPF) established by the Central Government, in compliance with the provisions of Section 205C of the Companies Act, 1956. The said amount represents unclaimed dividend lying with the Company for a period of 7 years from its date of payment.

Unclaimed Dividend for the Financial Year 2005-06 is due for transfer to the IEPF on August 25, 2013.

Directors

With profound sorrow and grief, the Board reports the sad demise of our Director – Mr. D. S. Bomrah. The Board places on record its appreciation for Mr. Bomrah's rich contribution to the growth of the Company in his capacity as Director as well as member of the Audit Committee and the Remuneration Committee of Directors.

Mr. Jitendra A. Pandit has been appointed as Director on January 29, 2013, in the casual vacancy caused by the death of Mr. D S Bomrah. Mr. Pandit is an Independent Director. As per the provisions of Section 262 of the Companies Act, Mr. Pandit holds office up to the date of the forthcoming Annual General Meeting (AGM) of the Company and is eligible for appointment as Director. The Company has received notice under Section 257 of the Companies Act, in respect of Mr. Pandit, proposing his appointment as a Director of the Company. Resolutions seeking approval of the members for the appointment of Mr. Pandit as Director of the Company has been incorporated in the Notice of the forthcoming AGM along with brief details about Mr. Jitendra Pandit.

During the period under report, Mr. Jinendra Munot was re-appointed as Jt. Managing Director of the Company for a period of 5 years with effect from April 1, 2013.

At the 33rd Annual General Meeting, Mr. M. L. Rathi, Mr. Shridhar S. Kalmadi and Dr. Hans Friedrich Collenberg, retire by rotation and being eligible, offer themselves for re-appointment.

Profiles of these Directors, as required by Clause 49 of the Listing Agreement with the Stock Exchange, are provided in the Notice convening the Annual General Meeting of the Company.

Directors' Responsibility Statement

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed:

- i) That in the preparation of the accounts for the financial year ended March 31, 2013 the applicable Accounting Standards have been followed along with proper

explanation relating to material departures;

- ii) That the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) That the Directors have prepared the accounts on a 'going concern' basis.

Corporate Governance Report

Pursuant to Clause 49 of the listing agreement, a detailed report on Corporate Governance is given in Annexure - III along with the Auditors' Certificate on its compliance, which forms part of this report.

Auditors

M/s. MGM and Company, Chartered Accountants, retire as Statutory Auditors of the Company at the ensuing Annual General Meeting and offer themselves for re-appointment. A Certificate from them has been received to the effect that their re-appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Cost Auditors

The Board of Directors have appointed Messrs Joshi Apte & Associates, Cost Accountants, for conducting the statutory audit of the cost accounting records of the Company, for the financial year 2013-14, subject to approval of the Central Government. Cost Audit Report for the financial year 2012-13 will be filed within the prescribed time-limit.

Particulars of Employees

Information as required under Section 217(2A) of the Companies Act, 1956 and the Rules framed there under is attached as Annexure I.

Acknowledgement

The Board of Directors takes this opportunity to express their appreciation for the assistance and co-operation received from Banks, Government Authorities, Customers, Suppliers, Members, Collaborators and other Business Associates. The Board also acknowledges the understanding and support extended by all employees.

For and on behalf of the Board of Directors

Pune
May 23, 2013

Dinesh Munot
Chairman & Managing Director

Annexure I to the Directors' Report 2012-13

Particulars of Employees u/s 217 (2A)

Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended and forming part of the Directors' Report for the year ended on March 31, 2013.

- A. Name of the employees employed throughout the financial year and who were in receipt of remuneration for the year which, in the aggregate, was not less than Rs. 6,000,000 in terms of Section 217 (2A) (a) (i):

Name	Age (Years)	Designation	Total Remuneration Received (Rs.)	Qualification	Date of Commencement of Employment	Experience	Last Employment held	
							Name of the Company	Designation
Mr. Dinesh Munot	65	Chairman & Managing Director	28,789,696	B.E.(Ele.) M.I.E.	01.07.1984	39	Kinetic Engg. Ltd.	Executive Director
Mr. Jinendra Munot	61	Jt. Managing Director	18,688,732	B.E.(Mech.) M.S.(Mech.) U.S.A, AMIE (India)	01.02.1986	34	Bajaj Tempo Ltd.	Senior Manager (Projects)
Mr. Utkarsh Munot	32	Executive Director	11,538,591	B.E. (Mechanical & Mfg. Engg.) U.S.A. Diploma in Business Administration, U.S.A.	14.05.2004	10	---	---

- B. Name of the employees employed for the part of the financial year and who were in receipt of remuneration for the year which, in the aggregate, was not less than Rs. 500,000 p.m. in terms of Section 217 (2A) (a) (i): **NIL.**

Notes:

- All appointments are contractual. Other terms and conditions are as per the Rules of the Company.
- Remuneration above includes salary, commission, medical expenses, allowances, perquisites (valued as per Income Tax Rules) and the Company's contribution to Provident Fund, wherever applicable.
- The employees are also entitled to gratuity, in addition to the above remuneration.
- Experience includes number of years of services both, within the Company and elsewhere, wherever applicable.
Mr. Dinesh Munot, Mr. Jinendra Munot and Mr. Utkarsh Munot are related to each other.

Annexure II to the Directors' Report 2012-13

Conservation of Energy, Technology Absorption, Companies' (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

A. Conservation of Energy

- Automatic power factor controller installed for entire factory to maintain power factor at unity.
- Factory shop floor 250W & 150W overhead lamps replaced by 48W LED lamps, which provide better illumination and save energy.
- Waste water treated and recycled for gardening.

Wind Power Project

7 Windmills of aggregate 6.7 MW capacity generated 9,890,604 units of electricity in 2012-13, which was capatively consumed in Company's plant. This covered 80% of the power requirement of the Company for the year 2012-13.

Solar Power Project

It has generated 8,519,658 units till 31.03.2013. These units are sold to GUVNL (Gujarat Urja Vikas Nigam Limited) as per the PPA (Power Purchase Agreement) signed with Government of Gujarat.

B. Technology Absorption, Research And Development

1) Specific areas in which R & D has been carried out by the Company

- Import substitution.
- Process/ equipment developments.
- Value engineering and value analysis (VEVA).
- Up-gradation of existing products to the need of customers.
- Filed patent for Auto Setting Limiters.

2) Benefits derived as a result of above R & D

The benefits to the Company resulting from the above R & D are manifold.

These benefits have been reflected in terms of:

- Product quality and cost reduction
- Improvement in market share
- Indigenization of various components
- Reduction in foreign exchange outgo

3) Future Plan of Action

Effort is being made to make R & D more result oriented, in improving the design and quality of products and towards cost effective indigenization of components.

Specific areas include development of new products (steering systems).

4) Benefits derived as a result of above efforts

- Improvements in Manufacturing methods and quality standards.
- Aiming towards self sufficiency in engineering skills for manufacturing range of steering gears and connected products.**
- Development of cost effective, high performance engineering products.

C. Foreign Exchange Earnings and Outgo

- Earnings in Foreign Exchange Rs. 9.50 million
- Expenditure in Foreign Exchange Rs. 4.73 million
- Value of Imports calculated on CIF basis-
 - Raw Material, Components etc Rs. 423.74 million
 - Capital Goods Rs. 3.67 million

For and on behalf of the Board of Directors

Pune
May 23, 2013

Dinesh Munot
Chairman & Managing Director

Annexure III to the Directors' Report

Corporate Governance

1. Company's Philosophy on Corporate Governance:

The Company is fully committed to attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its shareholders, employees, the government and its customers.

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

2. Board of Directors:

The Board of Directors consists of 12 Directors (excluding Alternate Directors) of whom 3 are Executive and 9 are Non-executive. The Chairman of the Board is an Executive Director. The Non-executive

Directors are eminent professionals with experiences in various fields. The Company has no nominee Director from any bank or financial institution.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

Number of Board Meetings held and the dates on which held

The Board Meetings dates are normally pre-determined. During the year ended on March 31, 2013, the Board of Directors had 4 meetings. These were held on May 16, 2012, July 28, 2012, October 22, 2012 and January 29, 2013.

The information as specified in Annexure IA to Clause 49 of the Listing Agreements entered into with BSE Limited is regularly made available to the Board, whenever applicable and materially significant, for discussion and consideration.

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	Last AGM	Other Directorship #	Committee Membership	Committee Chairmanship
1	Mr. Dinesh Munot (Chairman and Managing Director)	Executive	4	Yes	11	1	-
2	Mr. Jinendra Munot (Jt. Managing Director)	Executive	4	Yes	5	-	-
3	Mr. Utkarsh Munot (Executive Director)	Executive	4	Yes	5	-	-
4	Mr. Manish Motwani	Non-Executive, Independent	3	Yes	12	-	-
5	Dr. Dinesh Bothra	Non-Executive	3	Yes	8	-	-
6	Mr. Ludwig Rapp	Non-Executive	3	No	1	-	-
7	Mr. M. L. Rathi	Non-Executive, Independent	3	No	10	-	-
8	Dr. Hans Friedrich Collenberg	Non-Executive	1	Yes	3	-	-
9	Mr. Shridhar S. Kalmadi	Non-Executive, Independent	3	No	4	-	-
10	Mr. Ajinkya Arun Firodia	Non-Executive, Independent	3	Yes	4	-	-
11	Mr. Carl Magnus Backlund	Non- Executive	4	Yes	2	-	-
12	Mr. Jitendra A. Pandit (appointed w.e.f. 29.01.2013)	Non-Executive, Independent	1	No	-	-	-
13	Mr. Klaus Traeder (Alternate Director for Mr. Carl Magnus Backlund)	Non- Executive	Nil	Yes	1	-	-
14	Mr. B. S. Iyer (Alternate Director for Dr. Hans Friedrich Collenberg)	Non-Executive	3	Yes	3	2	-
15	Mr. D. S. Bomrah – (up to 10.08.2012)	Non Executive, Independent	Nil	No	-	-	-

Includes Directorship in Private Companies.

Relationship between Directors Inter-se

- Mr. Dinesh Munot and Mr. Jinendra Munot are brothers.
- Mr. Dinesh Munot is father of Mr. Utkarsh Munot.
- Mr. Dinesh Munot is father-in-law of Dr. Dinesh Bothra
- Mr. Manish Motwani is brother-in-law of Mr. Ajinkya Firodia.

3. Audit Committee:

During the year under review, the following Directors were the members of the Audit Committee: Members: Mr. Manish Motwani – Chairman, Mr. D. S. Bomrah (upto August 10, 2012), Dr. Dinesh Bothra, Mr. M. L. Rathi and Mr. Jitendra A. Pandit (with effect from January 29, 2013)

All the members of the Committee are Non-Executive Directors. The role, powers and functions of the Audit Committee are as stated in Clause 49 of the Listing Agreement. Mr. Jitendra A. Pandit, who was appointed as a Director of the Company on January 29, 2013, was inducted into the Audit Committee and Remuneration Committee of the Company with effect from January 29, 2013.

In addition to the members of the Audit Committee, these meetings were attended by the Chairman & Managing Director, Chief Financial Officer (CFO), Internal Auditor and the Statutory Auditors of the Company. The Company Secretary acted as the Secretary to the Audit Committee.

The Committee reviews the financial statements before they are placed before the Board.

During the period under review, the Committee met 4 times on May 14, 2012, July 27, 2012, October 18, 2012 and January 29, 2013. The attendance record of the members of the Audit Committee is given below:

Name of the Members	Mr. Manish Motwani	Mr. D. S. Bomrah (upto 10.08.2012)	Mr. M. L. Rathi	Mr. Jitendra A. Pandit (w.e.f. 29.01.2013)
Meetings attended	4	1	3	-

The Committee is authorized by the Board in the manner as envisaged under Clause 49 (II) (C) of the Listing Agreement. The Committee has been assigned tasks as listed under Clause 49(II)(D) of the Listing Agreement. The Committee reviews the information as listed under Clause 49(II)(E) of the Listing Agreement.

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the Board Meetings. The Chairman of the Audit Committee was present at the 32nd Annual General Meeting held on July 28, 2012.

4. Remuneration Committee:

During the year under review, the following Directors were the members of the Remuneration Committee: Members: Mr. D. S. Bomrah (upto August 10, 2012), Mr. Manish Motwani, Mr. M. L. Rathi and Mr. Jitendra A. Pandit (with effect from January 29, 2013).

The Remuneration Committee has been constituted to recommend to the Board the amount of commission payable to each whole-time Director and periodically review and suggest revision of the remuneration package of the Managing/ Whole time Directors, based on performance of the Company, Statutory guidelines etc.

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

During the financial year, the Committee met on May 8, 2012 and January 29, 2013. The attendance record of the members of the Remuneration Committee is given below:

Name of the Members	Mr. Manish Motwani	Mr. D. S. Bomrah (upto 10.08.2012)	Mr. M. L. Rathi	Mr. Jitendra A. Pandit (w.e.f. 29.01.2013)
Meetings attended	2	1	1	-

Remuneration Policy

The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice.

Details of remuneration paid to Whole-time Directors during the year ended March 31, 2013 are as under:

(Amount in Rs.)

	Mr. Dinesh Munot	Mr. Jinendra Munot	Mr. Utkarsh Munot
Salary	10,046,400	5,116,149	3,091,200
Perquisites*	8,243,296	5,572,583	2,947,391
Commission**	3,500,000	2,000,000	2,000,000
Total	21,789,696	12,688,732	8,038,591
Tenure			
From	14.12.2011	01.04.2013	01.11.2011
To	13.12.2016	31.03.2018***	31.10.2016

*Includes Company's Contribution to Provident Fund, wherever applicable.

**Subject to the approval of Annual Accounts for the Financial Year 2012-13 by the Members at the 33rd Annual General Meeting to be held on July 30, 2013.

*** Subject to Shareholders' approval for the re-appointment for the period 01.04.2013 to 31.03.2018 in the ensuing Annual General Meeting.

Details of remuneration paid to Non-Executive Directors for the year ended March 31, 2013 are as under:

The Company pays sitting fees to all the Non-Executive Directors at the rate of Rs. 10,000/- for each Board Meeting and Committee meeting attended.

None of the Non-Executive Directors holds any share in the Share-capital of the Company.

Name	Sitting Fees		Total Fees (Rs.)
	Board Meeting Fees (Rs.)	Committee Meeting Fees (Rs.)	
Mr. Manish Motwani	30,000	60,000	90,000
Dr. Dinesh Bothra	30,000	40,000	70,000
Mr. Ludwig Rapp*	Nil	Nil	Nil
Mr. M. L. Rathi	30,000	40,000	70,000
Dr. Hans Friedrich Collenberg*	Nil	Nil	Nil
Mr. Shridhar S Kalmadi	30,000	Nil	30,000
Mr. Ajinkya Arun Firodia	30,000	Nil	30,000
Mr. Carl Magnus Backlund*	Nil	Nil	Nil
Mr. Jitendra A. Pandit (w.e.f. 29.01.2013)	10,000	Nil	10,000
Mr. Klaus Traeder* (Alternate Director for Mr. Carl Magnus Backlund)	Nil	Nil	Nil
Mr. B. S. Iyer (Alternate Director for Dr. Hans Friedrich Collenberg)	30,000	Nil	30,000
Mr. D. S. Bomrah- (upto 10.08.2012)	Nil	20,000	20,000

* Opted not to accept any sitting fees.

5. Shareholders' Grievance Committee:

The Board of the Company has constituted a Shareholders' Grievance Committee, comprising Dr. Dinesh Bothra. The Committee looks into redressing of shareholders' complaints like transfer 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 total number of complaints received and replied to the satisfaction of shareholders, during the year under review, was 13. All the complaints were replied to the satisfaction of shareholders.

6. General Body Meetings:

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

Year	AGM	Location	Dates	Time	Special Resolutions Passed
2009-10	30th AGM	Regd. Office:	14.07.2010	4.30 p.m.	No
2010-11	31st AGM	Gat No.	27.07.2011	4.00 p.m.	Special
2011-12	32nd AGM	1242/44, Village- Vadu- Budruk, Tal. Shirur, Dist- Pune- 412216	28.07.2012	4.00 p.m.	Resolution was passed.

Postal Ballot:

During the last Financial Year, no resolution under Section 192A of the Companies Act, 1956 was passed through Postal Ballot.

7. Disclosures:

- Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed elsewhere in this Annual Report.
- The Company has not entered into any other transaction of a material nature with the Promoters, Directors or the Management or relatives etc. that may have a potential conflict with the interests of the Company at large.
- With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Agreements entered into with the BSE Limited as well as the regulations and guidelines of SEBI. No penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authority during the last three years in this regard.**
- Disclosures have also been received from the senior managerial personnel relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, none of these transactions have potential conflict with the interests of the Company at large.

8. 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 management controls risk through means of a properly defined framework.

9. Code of Conduct for Prevention of Insider Trading:

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Code of Conduct is posted on the website of the Company.

This Code of Conduct is applicable to all the Directors and the senior management of the Company.

All the Board members and senior management of the Company have confirmed compliance with the Code. A declaration signed by the Chairman & Managing Director is attached and forms part of the Annual Report of the Company.

10. Reconciliation of Share Capital Audit:

As stipulated by SEBI, the Practicing Company Secretary- Mr. Shridhar G. Mudaliar (FCS 6156, CP 2664) carries out the Secretarial Audit to reconcile the total Admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total Issued and Listed Capital. This audit is carried out every quarter and the report is submitted to the Stock Exchange as well as placed before the Board of Directors. The audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of Shares in dematerialized form (held with NSDL and CDSL) and total number of Shares in physical form.

11. Means of Communication:

The Quarterly Results of the Company are published in the following leading national and local language newspapers: 'Economic Times, Financial Express (English newspaper) and Maharashtra Times, Lok Satta (Marathi newspaper)'. The results are also displayed on the corporate website, www.zfindia.com.

Information about the Financial Results, Shareholding Pattern are electronically filed on 'Corp Filing'. Shareholders/ Investors can view the information by visiting the website of www.corpfiling.co.in.

12. Management Discussion & Analysis:

The Management Discussion & Analysis is included under the Directors' Report, forming part of the Annual Report.

13. General Shareholder Information:

13.1 33rd Annual General Meeting:

Day, date and time	Tuesday, July 30, 2013 at 4.00 p.m.
Venue	Registered Office: Gat No. 1242/ 1244, Village – Vadu Budruk, Tal. Shirur, Dist. Pune- 412 216.

13.2 Financial Calendar:

The Company follows the period of April 1 to March 31, as the Financial Year. For the Financial Year 2013-14.

Adoption of Quarterly Results for	
Quarter ending	In the Month of
June 30, 2013	July 2013
September 30, 2013	October 2013
December 31, 2013	January 2014
Annual Accounts	May 2014
34th Annual General Meeting	July 2014

13.3 Book Closure: July 23, 2013 to July 30, 2013 (both days inclusive).

13.4 Dividend Payment Date:

The dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting, will be paid on or after August 1, 2013 to those shareholders whose names appear on the Company's Register of Members as on July 30, 2013.

13.5 Listing on Stock Exchange: The Company's Equity Shares are listed on:

BSE Limited

Phiroze Jeejebhoy Towers, 25th Floor, Dalal Street,
Mumbai 400 001.

The Company has paid the listing fees up to the year 2013-14 to the BSE Limited.

13.6 Stock Code/Symbol:

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

13.7 Custodial Fees to Depositories:

The annual custodial fees for the financial year 2013-14 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

13.8 Stock Market Data:

Market Price of Company's Share at BSE			BSE SENSEX	
Month	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
APRIL 2012	415.00	295.05	17,664.10	17,010.16
MAY 2012	369.95	300.50	17,432.33	15,809.71
JUNE 2012	320.00	298.00	17,448.48	15,748.98
JULY 2012	340.00	295.50	17,631.19	16,598.48
AUG 2012	309.95	291.10	17,972.54	17,026.97
SEPT 2012	320.00	291.60	18,869.94	17,250.80
OCT 2012	319.95	285.10	19,137.29	18,393.42
NOV 2012	292.45	273.15	19,372.70	18,255.69
DEC 2012	294.80	275.10	19,612.18	19,149.03
JAN 2013	296.00	253.00	20,203.66	19,508.93
FEB 2013	269.95	225.20	19,966.69	18,793.97
MAR 2013	248.00	211.00	19,754.66	18,568.43

13.9 Registrar and Transfer Agents:

The Company has appointed a SEBI registered Registrar & Transfer Agent- Link Intime India Pvt. Ltd. Block No. 202, 2nd Floor, Akshay Complex, Near Ganesh Temple, Pune- 411001 and their Mumbai Office- C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W) Mumbai- 400078 as Common Agency for share registry in terms of both physical and electronic w.e.f April 1, 2003.

Pune Phone No. (020) 2616 1629 Fax No. (020) 2616 3503

Mumbai Phone No. (022) 2596 3838 Fax No. (022) 2594 6969

13.10 Share Transfer System:

Transfer of shares in physical form are processed by Link Intime India Pvt. Ltd. and Share Certificates are dispatched within an average period of 15 days from the date of receipt of request, provided the relevant documents are complete in all respects.

13.11 Shareholding Pattern as on March 31, 2013:

Category	No. of Shares of Rs. 10 each	Percentage of shareholding
Indian Promoters (Munot Family)	4,316,378	47.57
Foreign Promoter (ZF Lenksysteme GmbH)	2,340,000	25.79
Banks, Financial Institutions, Insurance Companies	1,650	0.02
Mutual Funds & UTI	2,903	0.03
Private Corporate Bodies	169,927	1.87
Indian Public	2,210,015	24.36
NRIs/ OCBs	32,427	0.36
Total	9,073,300	100.00
No. of Shareholders as on March 31	2013 8,330	2012 8,439

Distribution of Shareholding (as on March 31, 2013)

No. of Shares held (Face Value of Rs, 10 each)	No. of Shareholders	% to total No. of shareholders	No. of Shares held	% to total No. of Shares
1- 500	7,472	89.70	943,278	10.40
501- 1000	473	5.68	357,180	3.94
1001-5000	331	3.97	659,563	7.27
5001-10000	19	0.23	127,382	1.40
10001 & above	35	0.42	6,985,897	76.99
Total	8,330	100.00	9,073,300	100.00

13.12 Dematerialization of Shares & Liquidity:

The details of Equity shares dematerialized and those held in physical form as on March 31, 2013 are given hereunder:

Particulars of Equity Shares	Equity shares of Rs. 10 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	7,618,949	83.97	4,774	57.31
CDSL	1,005,305	11.08	2,065	24.79
Sub-total	8,624,254	95.05	6,839	82.10
Physical Form	449,046	4.95	1,491	17.90
Total	9,073,300	100.00	8,330	100.00

Considering the advantage of dealing in securities in electronic/ dematerialized form, shareholders still holding shares in physical form are requested to dematerialize 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 by all the investors only in dematerialized form. The Company's Shares are traded on BSE.

13.13 Outstanding GDR, ADR or Warrants:

There are no GDR, ADR or any Convertible instruments pending conversion or any other Instrument likely to impact the equity share capital of the Company.

13.14 Disclosure with respect to shares lying in suspense account:

Particulars	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	218	17,904
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	1	150
Number of shareholders to whom shares were transferred from suspense account during the year	1	150
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	217	17,754

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

13.15 Status of compliance with non-mandatory requirements:

- The Company has constituted a Remuneration Committee of Directors comprising of Independent Directors. The details of the Committee have been mentioned earlier in this Report.
- Since the Financial Results are published in leading newspapers as well as promptly displayed on the Company's website and www.corpfilings.co.in website, the results are not sent to each household of the shareholders.

13.16 Plant Locations:

Segment	Address
Auto Components	Gat No. 1242/ 44, Village Vadu-Budruk, Tal. Shirur, Dist-Pune-412 216.(Maharashtra)
Solar Power Project	Plot No. 45 & 46, Survey No. 152/1, Charanka, Santalpur, Patan (Gujarat)
Wind Power Projects	1. Supa Site- At Post- Kavadya Dongar, Supa, Tal. Parner, Dist. Ahmednagar (Maharashtra) 2. Satara Site- At Post- Vankusavade, Tal. Patan, Dist. Satara (Maharashtra) 3. Sadawaghapur Site- At Post- Sadawaghapur. Tal. Sadawaghapur, Dist. Satara (Maharashtra)

13.17 Address for Investor Correspondence:

- For transfer/ dematerialization of shares
Link Intime India Pvt. Ltd.
 (Formerly Intime Spectrum Registry Ltd.)
 202 A-Wing, Second Floor, Akshay Complex,
 Off Dhole Patil Road, Pune- 411 001
 Phone- (020) 26161629 Fax- 26163503
 E-mail- pune@linkintime.co.in
- For payment of dividend and other correspondence
Corporate Office & Secretarial Department:
 601& 602, 'A' Wing, 6th Floor, MCCA Trade Tower,
 International Convention Centre,
 403-A, Senapati Bapat Road, Pune- 411 016
 E- Mail: satish.mehta@zfindia.com
 Phone- (020) 30211600 / 606/650 / 628

For and on behalf of the Board of Directors

Pune
May 23, 2013

Dinesh Munot
Chairman & Managing Director

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company.

Pune
May 23, 2013

Dinesh Munot
Chairman & Managing Director

CEO/ CFO Certification

As required by sub clause V of Clause 49 of the Listing Agreement with the Stock Exchange, we have certified to the Board that for the financial year ended March 31, 2013, the Company has complied with the requirements of the said sub clause.

Jinendra Jain
Chief Financial Officer

Dinesh Munot
Chairman & Managing Director

Pune
May 23, 2013

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
ZF Steering Gear (India) Limited, Pune

We have examined the compliance of the conditions of Corporate Governance by **ZF STEERING GEAR (INDIA) LIMITED** (the Company) for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the 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.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/s. MGM & Co.
Chartered Accountants
Firm Registration No. 117963W

CA. Mangesh Katariya
Partner
Membership No. 104633

Pune
May 23, 2013

INDEPENDENT AUDITORS' REPORT

To,
The Members
ZF Steering Gears (India) Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **ZF STEERING GEAR (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order,

2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

- As required by section 227(3) of the Act, we report that:
 - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
 - On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For **MGM and Company**

Chartered Accountants
Firm Registration No. 117963W

CA. Mangesh Katariya

Partner

Membership No. 104633

Pune

May 23, 2013

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF ZF STEERING GEAR (INDIA) LIMITED, ON THE ACCOUNTS OF THE COMPANY FOR THE YEAR ENDED MARCH 31, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - As informed to us, the management has physically verified most of the fixed assets during the year. No material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of the assets.
 - In our opinion and on the basis of information and explanation provided to us, the company has not disposed off substantial part of fixed assets during the year.
- The inventory has been physically verified by the management during the current year. In our opinion, the frequency of such verification is reasonable.
 - In our opinion, the procedures for the physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- (c) The Company has maintained proper records of inventory. The discrepancies noticed on verification between physical stock and book stock were not material having regard to the size of operations of the Company and have been properly dealt with in the books of account.
- (iii) (a) The Company has neither granted nor has taken any loans, secured or unsecured, to or from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act. Consequently, paragraphs iii (b), iii (c) and iii (d) of the said Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. Further, on the basis of our examination of books and records of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Act and aggregating during the year to Rupees Five Lacs or more in respect of each party, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposit from public within the meaning of Section 58A and Section 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Order of the Central Government under Section 209(1)(d) of the Act in respect of automotive spare parts and accessories, windmill and solar energy, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other material statutory dues with the appropriate authorities. At March 31, 2013, there are no undisputed statutory dues payable for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the company examined by us the particulars of dues of Income Tax, Sales Tax, Service Tax, Excise Duty, Custom Duty, Wealth Tax that have not been deposited with the appropriate authorities on account of any dispute, are as follows:

Sr. No.	Nature of dues	Amount (Rs. in Million)	Financial Year	Forum where the dispute is pending
1	Income Tax	32.63	2000-01 2001-02 2002-03	CIT (Appeals), Pune
2.	Service Tax	3.63	2000-01 2002-03 2003-04 2004-05	CESTAT Mumbai and CCE, Pune

- (x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year covered by our audit and the immediately preceding financial year.
- (xi) The Company did not have any outstanding debentures. The Company has not defaulted in repayment of dues to financial institutions / banks.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of the activities of the Company does not attract any special statute applicable to the chit fund and nidhi / mutual benefit fund / societies.
- (xiv) The Company is not dealing or trading in shares and other investments except investments made under normal course as part of its investment activities. In our opinion and according to the information and explanations given to us, proper records have been maintained. All the investments are held by the Company in its own name.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not raised any term loan during the year. The term loan raise for Solar Project last financial year has been fully repaid during the current financial year.
- (xvii) According to the information and explanations given to us and on an overall examination of the cash flow statement and balance sheet of the Company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long term investment.
- (xviii) During the year or in the recent past, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year or in the recent past. Accordingly, no securities have been created.
- (xx) The Company has not raised any money by way of public issues during the year or in the recent past.
- (xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of any fraud committed on or by the Company, or has been noticed or reported during the year, nor have we been informed of any such case by the management.

For **MGM and Company**
Chartered Accountants
Firm Registration No. 117963W

CA. Mangesh Katariya
Partner
Membership No. 104633

Place: Pune
Date: May 23, 2013

Balance Sheet as at 31st March, 2013

Rupees in Million

	Particulars	Note No.		As at 31st March, 2013	As at 31st March, 2012
(I)	EQUITY AND LIABILITIES				
(1)	Shareholders' Funds				
	(a) Share Capital	1	90.73		90.73
	(b) Reserves and Surplus	2	2,098.79		1,927.52
				2,189.52	2,018.25
(2)	Non-Current Liabilities				
	(a) Long-term borrowings	3	145.84		476.37
	(b) Deferred tax liabilities (Net)	4	98.23		90.42
	(c) Long term provisions	5	14.96		11.23
				259.03	578.02
(3)	Current Liabilities				
	(a) Short-term borrowings	6	24.41		169.71
	(b) Trade payables	7	361.18		250.81
	(c) Other current liabilities	8	122.01		172.16
	(d) Short-term provisions	9	119.68		112.50
				627.28	705.18
	Total			3,075.83	3,301.45
(II)	ASSETS				
(1)	Non-current assets				
	(a) Fixed assets	10			
	(i) Tangible assets		988.25		1,207.75
	(ii) Intangible assets		3.14		1.75
	(iii) Capital work-in-progress		47.86		2.59
	(iv) Intangible Assets under Development		8.26		-
				1047.51	1,212.09
	(b) Non-current investments	11	858.31		1,083.81
	(c) Long term loans and advances	12	119.92		82.37
	(d) Other non-current assets	13	0.20		0.20
				978.43	1,166.38
(2)	Current assets				
	(a) Current Investment	11	49.61		-
	(b) Inventories	14	258.99		268.99
	(c) Trade receivables	15	379.17		361.08
	(d) Cash and Cash Equivalents	16	292.95		213.99
	(e) Short-term loans and advances	17	57.92		73.73
	(f) Other current assets	18	11.25		5.19
				1049.89	922.98
	Total			3,075.83	3,301.45

SEE ACCOMPANYING NOTES TO THE FINANCIALS STATEMENTS

As per our Report of even date attached.

For **MGM and Company**
Chartered Accountants
Firm Registration No. : 117963W

Mangesh Katariya
Partner
Membership No.104633

Pune, May 23, 2013

For and on behalf of the Board of Directors

Dinesh Munot
Jinendra Munot
Utkarsh Munot

Manish Motwani
Dr. Dinesh Bothra
M. L. Rathi
Shridhar S. Kalmadi
Carl Magnus Backlund
Jitendra A. Pandit
B. S. Iyer (Alternate Director for
Dr. Hans Friedrich Collenberg)

Jinendra Jain
Satish Mehta

Pune, May 23, 2013

Chairman & Managing Director
Jt. Managing Director
Executive Director

Directors

Chief Financial Officer
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2013

Rupees in Million

	Particulars	Note No.		For the year ended 31st March, 2013	For the year ended 31st March, 2012
I.	Revenue from operations- Gross		3497.06		3,880.98
	Less: Excise Duty		368.19		358.86
	Revenue from operations- Net	19		3,128.87	3,522.12
II.	Other Income	20		114.80	75.16
III.	Total Revenue (I +II)			3,243.67	3,597.28
IV.	Expenses:				
	Cost of raw materials and components consumed (including purchase of traded goods)	21		1965.35	2,321.66
	Changes in inventories of finished goods and work-in-progress	22		(3.09)	(9.39)
	Employee benefit expense	23		313.06	305.45
	Other expenses	25		210.58	222.22
	Total (IV)			2,485.90	2,839.94
V.	Profit before Interest, tax, depreciation and amortization and exceptional item (EBITDA) (III - IV)			757.77	757.34
VI.	Finance costs	24		36.36	11.84
VII.	Depreciation and amortization expense	10		231.42	168.77
VIII.	Profit before exceptional items and tax (V - VI-VII)			489.99	576.73
IX.	Exceptional Items (Profit on sale of Leasehold Land)			-	104.33
X.	Profit before tax (VIII+IX)			489.99	681.06
XI.	Tax expense:				
	(1) Current tax			110.00	142.10
	(2) Deferred tax			7.80	74.37
	(3) Taxation of earlier year(s)(Refer Note No.48)			116.00	-
				233.80	216.47
XII.	Profit(Loss) for the period (X-XI)			256.19	464.59
XX.	Earning per equity share (Face Value per share Rs. 10):				
	(1) Basic			28.25	51.21
	(2) Diluted			28.25	51.21

SEE ACCOMPANYING NOTE TO THE FINANCIALS STATEMENTS

As per our Report of even date attached.

For **MGM and Company**
Chartered Accountants
Firm Registration No. : 117963W

Mangesh Katariya
Partner
Membership No.104633

Pune, May 23, 2013

For and on behalf of the Board of Directors

Dinesh Munot
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Dr. Hans Friedrich Collenberg)

Jinendra Jain
Satish Mehta

Pune, May 23, 2013

Chairman & Managing Director
Jt. Managing Director
Executive Director

Directors

Chief Financial Officer
Company Secretary

Cash Flow Statement for the year ended 31st March, 2013

Rupees in Million

		Year ended 31st March, 2013		Year ended 31st March, 2012	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Profit/(Loss) before tax:		489.99		681.06
	Adjustment for:				
	Depreciation/Amortisation	231.42		168.77	
	Finance Costs	36.36		11.84	
	(Profit)/ Loss on sale of fixed assets	2.65		(105.22)	
	(Profit)/ Loss on sale of investments	(89.45)		(45.39)	
	Interest income	(8.06)		(0.20)	
	Dividend Income	(5.84)	167.08	(5.87)	23.93
	Operating profit before Working Capital changes		657.07		704.99
	Adjustments for changes in Working capital				
	Long term Loans and advances	4.50		(4.11)	
	Other non-current assets	-		0.40	
	Inventories	10.00		40.89	
Trade Receivables	(18.09)		(48.95)		
Short term Loans and advances	15.81		(15.75)		
Other current assets	(6.06)		(0.57)		
Long term Provisions	3.72		17.89		
Trade Payables	110.37		41.89		
Other current liabilities	(49.55)		4.20		
Short term Provisions	59.91	130.61	2.67	38.56	
Cash generated from operations		787.68		743.55	
Income taxes paid (including wealth tax)		(226.49)		(159.61)	
Net Cash from Operating activities		561.18		583.94	
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Fixed Assets:				
	Purchase	(189.36)		(895.00)	
	Sale	78.32		475.30	
	Investments:				
	Purchase	(415.00)		(690.53)	
	Sale	680.34		387.88	
	Interest received	8.05		0.17	
	Dividend received	5.84		5.87	
	Net Cash from/used in investing activities		168.19		(716.31)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds from Long term borrowings	(312.25)		312.25	
	Sales Tax deferral	(18.28)		(13.75)	
	Proceeds from Short term borrowings	(145.30)		52.43	
	Interest paid	(36.36)		(11.84)	
	Dividend paid	(138.22)		(104.95)	
Net Cash from/used in financing activities		(650.41)		234.14	
D	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		78.96		101.77
	Cash and Cash Equivalents (Opening balance)		213.99		112.22
	Cash and Cash Equivalents (Closing balance)		292.95		213.99
	Notes :				
	1 Figures in brackets represent outflows of cash and cash equivalents.				
	2 Cash and cash equivalents comprise of :				
			As at	As at	As at
			31st Mar, 2013	31st Mar, 2012	31st Mar, 2011
			Rs.	Rs.	Rs.
	Cash on hand		0.57	0.06	0.20
Balances with Banks:					
- In Current Account		7.38	8.93	17.02	
- Others		285.00	205.00	95.00	
		292.95	213.99	112.22	

As per our Report of even date attached.

For MGM and Company
Chartered Accountants
Firm Registration No. : 117963W

Mangesh Katariya
Partner
Membership No.104633

Pune, May 23, 2013

For and on behalf of the Board of Directors

Dinesh Munot Chairman & Managing Director
Jinendra Munot Jt. Managing Director
Utkarsh Munot Executive Director

Manish Motwani
Dr. Dinesh Bothra
M. L. Rathi
Shridhar S. Kalmadi
Carl Magnus Backlund
Jitendra A. Pandit
B. S. Iyer (Alternate Director for
Dr. Hans Friedrich Collenberg)

Directors

Jinendra Jain Chief Financial Officer
Satish Mehta Company Secretary

Pune, May 23, 2013

NOTES FORMING PART OF FINANCIAL STATEMENTS" (Contd...)

NOTE 26. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

A) Basis of Preparation of Financial Statements :

- (i) The financial statements are prepared under the Historical Cost Convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 1956 and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 1956.
- (ii) Estimates and Assumptions used in preparation of the Financial Statements are based upon Management's evaluations of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date.

B) Fixed Assets and Depreciation :

(i) Fixed Assets :

Fixed Assets are stated at cost (net of Cenvat and sales tax credit) of acquisition or construction or at manufacturing cost in case of Company manufactured assets, less accumulated depreciation (except on free hold land). The cost includes freight, duties, taxes, and incidental expenses related to acquisition, installation, erection and commissioning.

(ii) Depreciation :

- a) Depreciation is provided as per the Written Down Value (w.d.v.) method at the rates specified in Schedule XIV to the Companies Act, 1956.
- b) Leasehold land 's value is written off on the basis of the tenure.
- c) Depreciation is provided on pro-rata basis on additions/deductions during the year.

(iii) Liquidated Damage

Liquidated Damage , if any,are accounted for as and when recovery is effected and matter is considered as settled by management and the same is adjusted in the cost of relevant assets.

C) Investments :

Long term Investments are stated at cost. Provision is made to recognise any diminution in the value, other than temporary, in the carrying amount of any long term investments.

Current Investments are carried at lower of cost and fair value determined on an individual investment basis.

D) 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. Excise duty is included in the value of finished goods inventory.

Carbon Credit is valued at Cost or estimated net realisable value whichever is lower

E) Revenue Recognition

Sale of goods is recognised when the significant risks and rewards of ownership of goods have passed on to the customers which is generally on despatch of goods. Gross Sales include excise duty but excludes sales tax and are net of discounts.

F) Employees Retirement Benefits :

Defined Contribution plans: The company makes specified monthly contributions towards employee provident fund. Defined benefit plans: The company's gratuity and leave wages are defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows.

The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the profit and loss account.

Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account in the year in which the related service is rendered.

G) Foreign Currency Transactions :

Transactions in foreign currency are accounted at exchange rates prevailing at the time of the transaction. All exchange gains / losses arising out of such transactions are taken to profit and loss account. Foreign currency monetary assets and liabilities are translated at the exchange rates prevailing on the last working day of the accounting year.

H) Taxation :

Provision is made for income tax liability which may arise on the results for the year at the current rate of tax in accordance with the Income-tax Act, 1961.

The deferred tax for timing differences between the book profit and tax profits for the year is accounted for using the tax rates enacted as of the balance sheet date. Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets can be realised in future.

I) Segment Reporting:

a) Identification of Segments

The Company's operating business are organised and managed separately according to the nature of activity, with each segment representing a strategic business unit that offers different activity.

b) Allocation of common costs

Common allocable costs are allocated to each segment according to the sales of each segment to the total sales of the Company.

c) Unallocated items

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.

J) Impairment of Assets :

At each balance sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognised in the profit and loss account to the extent the carrying amount exceeds recoverable amount. During the year there was no impairment of assets.

K) Provisions and Contingent Liabilities

a) Provisions in respect of present obligation arising out of past events are made in the accounts when reliable estimates can be made about the amount of obligation.

b) Contingent Liabilities are disclosed when there is a possible obligation that may, but probably will not, require an outflow of resources.

L) Earnings per Share

Basic and diluted earning per share is computed by dividing the net profit attributable to equity share holders for the year, by the weighted average number of equity shares outstanding during the year.

M) Warranty

The estimate liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures.

Notes forming part of the Financial Statements

Rupees in Million

		As at 31st March, 2013	As at 31st March, 2012	
NOTE 1 - SHARE CAPITAL				
Authorised:				
10,000,000 (Previous period 10,000,000) equity shares of Rs. 10 each.		100.00	100.00	
		100.00	100.00	
Issued, Subscribed and Paid up:				
9,073,300 (Previous period 9,073,300) equity shares of Rs. 10 each.		90.73	90.73	
		90.73	90.73	
Reconciliation of the No. of shares outstanding at the beginning and at the end of the year:				
	As at 31st March, 2013 No of shares	As at 31st March, 2013 Rs. In Million	As at 31st March, 2012 No of shares	As at 31st March, 2012 Rs. In Million
No of shares outstanding at the beginning of the year				
- Equity shares	9,073,300	90.73	9,073,300	90.73
Add: Additional shares issued during the year				
- Equity shares	-	-	-	-
Less: Shares forfeited / Bought back during the year				
- Equity shares	-	-	-	-
No of shares outstanding at the end of the year	9,073,300	90.73	9,073,300	90.73
- Equity shares				
Notes:				
i) Number of shares held by each shareholder holding more than 5% shares in the company are as follows:				
Particulars	Number of shares as at 31st March, 2013		Number of shares as at 31st March, 2012	
Equity Shares:				
ZF Lenksysteme, GmbH	2,340,000		2,340,000	
Mr. Utkarsh Munot	1,191,494		1,191,494	
Mr. Dinesh Munot	949,290		949,290	
ii) Terms/Rights 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. The dividend proposed by the Board of Directors is subject to approval in the ensuing Annual General Meeting.				
During the Year ended on 31st March, 2013, the amount of per share dividend recognised as distribution to equity shareholders was Rs. 8 (P.Y. Rs.10).				
In the event of Liquidation of the Company, the holder of each equity shares 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 the Shareholders.				
		As at 31st March, 2013	As at 31st March, 2012	
NOTE 2 - RESERVES AND SURPLUS				
Capital Reserve:				
As per last Balance Sheet	3.50		3.50	
Additions during the year	-		-	
		3.50	3.50	
Securities Premium Account:				
As per last Balance Sheet	23.23		23.23	
Additions on shares issued during the year	-		-	
		23.23	23.23	
General Reserve:				
As per last Balance Sheet	1,888.18		1,528.18	
Add: Transfer from Profit & Loss Account	161.82		360.00	
		2,050.00	1,888.18	

Notes forming part of the Financial Statements (Contd....)

Rs. in Million

		As at 31st March, 2013	As at 31st March, 2012
Surplus i.e. Balance in Profit and Loss statement			
As per last Balance Sheet	12.61		13.48
Add: Profit / (Loss) for the period	256.19		464.59
Less: Appropriations			
Proposed Dividend	72.59		45.37
Interim Dividend	-		45.37
Tax on Proposed Dividend	12.33		7.36
Tax on Interim Dividend	-		7.36
Transfer to General Reserve	161.82		360.00
		22.06	12.61
Total		2,098.79	1,927.52

		As at 31st March, 2013	As at 31st March, 2012
NOTE 3 - LONG TERM BORROWINGS			
Loans and Advances from other than related parties:			
Term Loans			
- from Banks	-		312.25
Secured (Note No. 3a)			312.25
Deferred payment liabilities Unsecured (Note No. 3b) (Sales Tax Deferral under Package Schemes of Incentives)	145.84	145.84	164.12
			164.12
Total		145.84	476.37

NOTE3a:

Terms of repayment of Term Loans

Term Loan from Yes Bank Ltd's which was secured against first exclusive charge on present and future all movable, current and immovable assets of solar project at Gujarat., has been fully prepaid during the year

NOTE 3b :

Repayment Schedule

Year	Package Scheme of incentives 1988 (I) EC-2862	Package Scheme of incentives 1993 (I) EC-3305	Package Scheme of incentives 1993 (I) EC-4206	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
2013-14	1.66	9.08	3.31	-	1.16	1.67	16.88
2014-15	0.93	7.59	7.19	-	2.33	3.33	21.37
2015-16	-	5.17	9.81	-	3.49	5.00	23.47
2016-17	-	0.45	9.81	-	4.66	6.67	21.59
2017-18	-	-	8.90	-	5.82	8.33	23.05
2018-19	-	-	6.50	1.07	5.71	8.33	21.61
2019-20	-	-	2.62	1.07	4.54	6.67	14.90
2020-21	-	-	-	1.07	3.38	5.00	9.45
2021-22	-	-	-	1.07	2.21	3.33	6.61
2022-23	-	-	-	1.07	1.05	1.67	3.79
	2.59	22.29	48.14	5.35	34.35	50.00	162.72

Notes forming part of the Financial Statements (Contd....)

Part I of 1988/ 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)
Part I of 1993/ Package Scheme of Incentives -		
Additional Incentives under Package Scheme 1988		Additional Incentives Scheme of Govt. of Maharashtra, by way of deferment of Sales Tax liability, as per Govt. Circular No. IDL-1005/(C.R.354)/IND-8 Dated 06.11.2006.
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)

Rupees in Million		
	As at 31st March, 2013	As at 31st March, 2012
NOTE 4 - DEFERRED TAX LIABILITY		
(i) Break up of deferred tax liability as at year end : Nature of timing difference		
Provision for Depreciation	127.94	111.76
Total	127.94	111.76
(ii) Break up of deferred tax asset as at year end: Provision for Employee Benefits		
	29.71	21.34
Total	29.71	21.34
(iii) Deferred tax (asset)/liability net:	98.23	90.42
NOTE 5 - LONG- TERM PROVISIONS		
Provision for Employee Benefits	14.96	11.23
Total	14.96	11.23
NOTE 6 - SHORT TERM BORROWINGS		
Loans and Advances from other than related parties:		
Loans repayable on demand (Secured)		
- from Banks	24.41	169.71
(Above loans from banks are Secured by Hypothecation of Stocks and Book Debts and Second Charge on Plant and Machinery at Factory)		
Total	24.41	169.71
NOTE 7 - TRADE PAYABLES		
Trade payables (Refer note no. 39)	361.18	250.81
Total	361.18	250.81
NOTE 8 - OTHER CURRENT LIABILITIES		
Current maturities of long-term debt	16.88	12.21
Unpaid dividends	4.25	4.85
Other payables	100.88	155.10
(Including payable for Capital Goods, Advances from Customers, Employee related Statutory Obligations, VAT/ Sales Tax payable, Withholding Tax payable, etc)		
Total	122.01	172.16
NOTE 9 - SHORT-TERM PROVISIONS		
Provision for Employee Benefits	22.91	47.67
Provision-Others:		
Provision for Warranty	3.75	4.00
Proposed Dividend	72.59	45.37
Tax on proposed dividend	12.33	7.36
Other Provisions	8.10	8.10
(Including provision for Taxation net of Advance Tax Payments)		
Total	119.68	112.50

NOTE 10 - FIXED ASSETS

Rupees in million

	GROSS BLOCK AT COST				Depreciation / Amortization/ Impairment				Net Block	
	As at 1st April 2012	Additions during the year	Disposals during the year/ written back	As at 31st March, 2013	Upto 31st March, 2012	For the year	On Disposals/ written back	Upto 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012
(I) TANGIBLE ASSETS										
Land	3.30	-	-	3.30	-	-	-	-	3.30	3.30
Leasehold Land	56.77	21.49	-	78.26	1.83	2.48	-	4.31	73.95	54.94
Buildings	104.46	-	-	104.46	60.58	3.20	-	63.78	40.68	43.88
Plant & Equipment	1,179.57	53.89	87.02	1,146.44	816.07	108.52	84.24	840.35	306.09	363.50
Furniture & Fixtures	20.30	0.05	5.35	15.00	7.21	1.32	5.05	3.48	11.52	13.09
Vehicles	72.69	8.06	3.55	77.20	31.13	11.73	2.57	40.29	36.91	41.56
Office Equipment	21.06	3.09	5.66	18.49	18.43	1.53	5.06	14.90	3.59	2.63
Electrical Installation	8.37	5.15	0.50	13.02	5.24	0.98	0.45	5.77	7.25	3.13
Wind Mills	321.76	-	-	321.76	195.50	35.12	-	230.62	91.14	126.26
Solar	568.23	-	76.25	491.98	12.77	65.39	-	78.16	413.82	555.46
Total	2,356.51	91.73	178.33	2,269.91	1,148.76	230.27	97.37	1,281.66	988.25	1,207.75
(II) INTANGIBLE ASSETS										
Computer software development	2.23	2.54	-	4.77	0.49	1.15	-	1.64	3.13	1.74
Technical know how fees	0.86	-	-	0.86	0.85	-	-	0.85	0.01	0.01
Total	3.09	2.54	-	5.63	1.34	1.15	-	2.49	3.14	1.75
TOTAL (I)+(II)	2,359.60	94.27	178.33	2,275.54	1,150.10	231.42	97.37	1,284.15	991.39	1,209.50
PREVIOUS YEAR	1563.14	1201.41	404.95	2359.60	1026.50	168.77	45.17	1150.10	1209.50	536.64
CAPITAL WORK IN PROGRESS									47.86	2.59
INTANGIBLE ASSETS UNDER DEVELOPMENT									8.26	

Notes forming part of the Financial Statements (Contd....)

Rupees in Million

			As at 31st March, 2013	As at 31st March, 2012
NOTE 11 - INVESTMENTS (Non-Trade, Long Term) At Cost				
In Mutual Fund Units (Units of Rs. 10 each) - Unquoted				
4,538,029	(-)	Reliance Annual Interval Fund - Series I -Growth	50.00	-
3,859,990	(-)	DWS Treasury Fund - Investment Plan - Growth	50.00	-
7,843,066	(-)	Reliance Income Fund - Growth Plan - Bonus	86.25	-
1,000,000	(1,000,000)	Sundaram SMILE Fund - Dividend	10.00	10.00
1,191,838	(1,191,838)	Sundaram Select Midcap Fund - Dividend	20.00	20.00
5,500,000	(5,500,000)	Sundaram Fixed Term Plan CG 18 - Growth	55.00	55.00
466,843	(466,843)	HDFC Top 200 Fund - Dividend	20.00	20.00
896,032	(896,032)	Reliance Regular Savings Fund-Equity - Dividend	20.00	20.00
5,000,000	(5,000,000)	Kotak Fixed Maturity Plan - Series 77 - Growth	50.00	50.00
2,000,000	(2,000,000)	DSP Blackrock Focus 25 Fund - Dividend	20.00	20.00
-	(2,000,000)	Sundaram PSU Opportunities Fund - Dividend	-	20.00
-	(7,535,152)	ICICI Prudential Long Term Plan - Growth	-	75.33
-	(10,693,786)	Templeton India Income Opportunities Fund -Growth	-	110.00
-	(1,975,309)	Reliance Infrastructure Fund - Dividend	-	20.00
-	(8,193,833)	IDFC Dynamic Bond Fund - Plan B - Growth	-	100.00
-	(10,000,010)	Reliance Fixed Horizon Fund - XXI Series 3-Growth	-	100.00
-	(500,000)	Reliance Fixed Horizon Fund - XXI Series 6-Growth	-	50.00
-	(4,417,820)	HDFC Medium Term Opportunities Fund - Growth	-	50.00
-	(4,396,609)	ICICI Prudential Quarterly Interval Fund Plan 1- Growth	-	50.00
Total (A)			381.25	770.33
In Tax-Free Secured Redeemable Non-Convertible Bonds of Face Value Rs. 1,000 each -Quoted, fully paid-up :				
24,724	(24,724)	National Highway Authority of India (NHAI)	24.38	24.38
19,935	(19,935)	Power Finance Corporation Ltd. (PFC)	19.59	19.59
Total (B)			43.97	43.97
In Equity Shares - Quoted, fully paid-up :				
14,259	(14,259)	ICICI Bank Ltd. of Rs. 10/- each	13.40	13.40
135,159	(135,159)	National Thermal Power Corporation of Rs. 10/- each	8.38	8.38
12,216	(12,216)	Tata Consultancy Services Ltd. of Re. 1/- each	2.60	2.60
3,948	(3,948)	Reliance Industries Ltd. of Rs. 10/- each	3.17	3.17
76,105	(76,105)	NHPC Ltd. of Rs. 10/- each	2.74	2.74
-	(18,000)	Idea Cellular Ltd. of Rs. 10/- each	-	1.35
-	(40,000)	ONGC Ltd. of Rs. 5/- each	-	12.52
4,000	(7,999)	Cummins India Ltd. of Rs. 2/- each	1.70	3.39
60,000	(60,000)	KPIT- Cummins India Ltd. of Rs. 2/- each	4.56	4.56
9,000	(9,000)	Oil India Ltd. of Rs. 10/- each	4.46	4.46
Total (C)			41.01	56.57
In Equity Shares - Unquoted, fully paid up (In JV):				
39,208,000	21,294,000	ZF Lenksysteme India Pvt.Ltd. (26% holding) of Rs.10/-each	392.08	212.94
Total (D)			392.08	212.94
Total (A+B+C+D)			858.31	1,083.81
INVESTMENT(Current,At cost or Net Realisable value whichever is lower)				
In Zero-coupon Secured Redeemable Non-Convertible Debentures of Face Value Rs. 1,000,000 each -Unquoted, issued at Discount :				
57	(-)	Manappuram Finance Limited	49.61	-
Total			49.61	-
LONG TERM INVESTMENTS :			As at 31st March, 2013	
AGGREGATE VALUE OF :			Book Value	Market Value
Quoted Govt. Securities			43.97	50.14
Quoted shares			41.01	70.19
Unquoted Investments			773.33	-

Notes forming part of the Financial Statements (Contd....)

Rupees in Million

	As at 31st March, 2013	As at 31st March, 2012
NOTE 12 - LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to other than related parties:		
Capital Advances	54.85	13.29
Security deposits	3.12	7.83
Other Loans and Advances	61.95	61.25
(including loans to employees, Income taxes / FBT payments net of provisions)		
Total	119.92	82.37
NOTE 13 - OTHER NON CURRENT ASSETS		
(Unsecured, considered good unless otherwise stated)		
Others		
- Voluntary Retirement Scheme	0.20	0.20
Total	0.20	0.20
NOTE 14 - INVENTORIES		
(At cost or net realisable value whichever is lower)		
Raw materials (including Goods in Transit Rs.24.56 Million (Previous year Rs. 12.54 million))	212.54	225.67
Work - in - Progress	44.83	41.82
Finished Goods	0.52	0.61
Stores and spares	0.93	0.89
Carbon Credit	0.17	-
Total	258.99	268.99
NOTE 15 - TRADE RECEIVABLES		
(Unsecured, considered good unless otherwise stated)		
1) Trade Receivables Outstanding for a period exceeding six months	1.00	0.26
2) Other Trade Receivables	378.17	360.82
Total	379.17	361.08
NOTE 16 - CASH AND CASH EQUIVALENTS		
Balances with Banks		
- On Current Account	6.73	7.73
- In Fixed Deposits	0.65	1.20
Cash on hand	0.57	0.06
Others:		
- Investments in Debt Mutual funds	285.00	205.00
Total	292.95	213.99
NOTE 17 - SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Balance with Central Excise	10.26	27.29
Others	47.66	46.44
(including advance to suppliers, prepaid expenses etc)		
Total	57.92	73.73
NOTE 18 - OTHER CURRENT ASSETS		
Other Bank Balances:		
- Balances with banks in		
- On Unpaid Dividend Accounts	4.25	4.85
- Other		
Other current assets	1.53	0.07
Interest on Fixed Deposit / others	5.27	0.07
Voluntary Retirement Scheme	0.20	0.20
Total	11.25	5.19
NOTE 19 - REVENUE FROM OPERATIONS- NET		
Sale of products	3,383.13	3,857.65
Income from Jobwork	0.22	0.13
Sale of Solar Power	95.30	6.40
Sale of Wind Power	0.46	-
Royalty	0.22	0.22
Scrap Sales	17.73	16.58
Gross Revenue from Operations	3,497.06	3,880.98
Less: Excise Duty	368.19	358.86
Total	3,128.87	3,522.12

Notes forming part of the Financial Statements (Contd....)

Rupees in Million

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
NOTE 20 - OTHER INCOME		
Interest Income	8.05	0.20
Dividend Income from long term investments	5.84	5.87
Net gain on sale of investments-long term	89.45	45.39
Net gain on foreign currency transaction and translation	(0.76)	4.57
Sundry provisions and credit balances no longer required, written back	1.17	6.88
Other non-operating income (net of expenses directly attributable to such income)	11.05	12.25
Total	114.80	75.16
NOTE 21 - COST OF MATERIAL CONSUMED		
Raw Material Consumed (including purchase of traded goods)	1,897.46	2,238.22
Fabrication and Processing charges	39.05	54.41
Packing Material Consumed	28.84	29.03
Total	1,965.35	2,321.66
NOTE 22 - CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK - IN - PROGRESS		
Opening stock(A)		
Work - in - progress	41.82	33.04
Finished goods	0.61	-
	42.43	33.04
Closing stock(B)		
Work - in - progress	44.83	41.82
Finished goods	0.69	0.61
	45.52	42.43
A-B	(3.09)	(9.39)
NOTE 23 - EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	282.48	273.08
Contribution to provident and other funds	11.07	8.66
Staff welfare expenses	19.51	23.71
Total	313.06	305.45
NOTE 24 - FINANCE COSTS		
Interest Expense	31.36	6.15
Other Borrowing Costs	5.00	5.69
Total	36.36	11.84
NOTE 25 - OTHER EXPENSES		
Power and Fuel (Net of Credit for Windmill Income of Rs. 56.99 Million (P.Y. Rs. 66.94 Million) captively consumed)	25.95	18.32
Repairs and Maintenance -		
Buildings	12.58	10.24
Machinery	29.88	30.96
Others	9.49	8.74
	51.95	49.94
Insurance	2.64	3.06
Rates & Taxes (excluding taxes on income)	1.52	5.24
Excise Duty -		
Relating to changes in inventories of finished goods	0.06	0.07
Loss on sale/write off of fixed assets (net)	2.65	-
Selling and Distribution Expenses	42.62	60.88
Windmill Expenses	17.48	7.73
Solar Expenses	3.11	-
Payment to Auditors (Net of Service Tax) -		
Audit Fees	0.25	0.20
Tax Audit Fees	0.08	0.06
VAT Audit Fees	0.04	0.04
For Certification and other related work	0.01	0.04
Limited Review	0.06	0.05
	0.44	0.39
Miscellaneous expenses	62.16	76.59
Total	210.58	222.22

Notes forming part of the Financial Statements (Contd....)

NOTE 27 - THE NET EXCHANGE DIFFERENCES ARISING DURING THE YEAR:

Recognised appropriately in the profit and loss account - net gain - Rs. in Million (0.75) (31st March, 2012 - net gain - Rs. in Million 4.57)

NOTE 28 - DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY THE ACCOUNTING STANDARD 15 (REVISED) EMPLOYEES BENEFITS ARE AS UNDER:

(A) Defined Contribution Plan

Amount recognized as an expense in the Profit and Loss Account in respect of Defined Contribution Plans is Rs. Million 10.11.

(B) Defined Benefit Plan

- i) Actuarial gains and losses in respect of defined benefit plans are recognised in the Profit & Loss Account.
- ii) The Defined Benefit Plans comprise of Gratuity and Leave Encashment. Gratuity is funded.
Gratuity is a benefit to an employee based on 15 days (depending on the grade/ category of employee and the completed years of services) last drawn salary of each year.

Rupees in Million

Particulars	Gratuity		Leave Encashment	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
(C) Changes in the present value of defined obligation representing reconciliation of opening and closing balances thereof are as follows :				
1 Present Value of Defined Benefit Obligation at the beginning of the year	60.12	46.09	14.53	7.93
2 Current Service cost	5.66	4.63	3.02	2.15
3 Interest Cost	5.05	3.77	1.19	0.48
4 Losses (gains) on Curtailment	-	-	-	-
5 Liabilities extinguished on settlements	-	-	-	-
6 Plan amendments	-	-	-	-
7 Actuarial (gains) / losses	3.68	6.77	2.96	8.43
8 Benefits paid	(1.37)	(1.14)	(1.12)	(4.46)
9 Present value of Defined Benefit Obligation as on 31.03.13	73.14	60.12	20.58	14.53
(D) Changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows :				
1 Fair value of Plan assets at the beginning of the year	15.75	14.17	-	-
2 Expected return on plan assets	1.47	1.35	-	-
3 Actuarial gains and losses	0.43	(1.51)	-	-
4 Actual contributions by employer	38.19	2.88	-	-
5 Benefits paid	-	(1.14)	-	-
6 Plan assets as on 31st March,2013	55.84	15.75	-	-
(E) Analysis of Defined Benefit Obligation :				
1 Defined Benefit Obligation as at 31st March,2013	73.14	60.12	20.58	14.53
2 Fair Value of Plan assets at the end of the year	55.84	15.75	-	-
3 Net (Asset)/Liability recognized in the Balance Sheet .	17.30	44.37	20.58	14.53
(F) Reconciliation of Present Value of Defined Benefit Obligation and fair value of plan assets showing amount recognized in the Balance Sheet :				
1 Present value of Defined Benefit Obligation	73.14	60.12	20.58	14.53
2 Fair value of plan assets	55.84	15.75	-	-
3 Funded status [Surplus/(Deficit)]	(17.30)	(44.37)	(20.58)	(14.53)
4 Unrecognized Past Service Costs	-	-	-	-
5 Net asset/(Liability) recognized in Balance Sheet	(17.30)	(44.37)	(20.58)	(14.53)

Notes forming part of the Financial Statements (Contd....)

Rupees in Million

Particulars	Gratuity		Leave Encashment		
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	
(G) Components of employer expenses recognized .					
1 Current Service cost	5.66	4.63	3.02	2.15	
2 Interest cost	5.05	3.79	1.19	0.48	
3 Expected return on plan assets	(1.47)	(1.35)	-	-	
4 Curtailment cost/(credit)	-	-	-	-	
5 Settlement cost/(credit)	-	-	-	-	
6 Past Service cost	-	-	-	-	
7 Actuarial Losses/(Gains)	3.24	8.28	2.96	8.43	
8 Total expense recognised in the Statement of P & L	12.48	15.33	7.17	11.06	
(H) In respect of Funded Benefits with respect to gratuity and superannuation, the fair value of Plan assets represents the amounts invested through "Insurer Managed Funds"					
(I) Principal Actuarial Assumptions :					
1 Discount Rate (%)	8.10%	8.50%	8.10%	8.50%	
2 Expected Return on plan assets (%)	9.00%	9.00%	0.00%	0.00%	
3 Salary Escalation (%)	12.00%	12.00%	12.00%	12.00%	
4 Expected Average remaining working lives of employees (years)	11.28	11.30	11.28	11.11	
a) The Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated terms of the obligations.					
b) Expected Rate of Return of Plan Assets : This is based on the expectation of the average long term rate of return expected on investments of the Fund during the estimated term of obligations					
c) Salary Escalation Rate : The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors					
	31.03.2009	31.03.2010	31.03.2011	31.03.2012	31.03.2013
(J) Experience History					
1 Present Value of Obligation	38.98	40.55	46.09	60.12	73.14
2 Plan Assets	9.10	10.61	14.17	15.75	55.84
3 Surplus (Deficit)	(29.88)	(29.94)	(31.92)	(44.37)	(17.30)
4 Experience adjustments on plan liabilities (loss)/gain	(2.68)	(1.30)	0.16	(7.65)	1.01
5 Experience adjustments on plan assets (loss)/gain	(0.14)	0.01	1.50	(1.51)	0.43
* The same needs to be disclosed for 5 years					
Particulars	Gratuity		Leave Encashment		
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	
(K) Actual return on plan assets:					
1 Expected Return on plan assets	1.47	1.35	-	-	
2 Actuarial gains and (losses)	0.43	(1.51)	-	-	
3 Actual return on plan assets	1.90	(0.16)	-	-	
(L) Contributions expected to be paid to the plan during the next financial year Rs 5 Million.					
NOTE 29 -					
Amount of borrowing costs capitalised during the year Rs. In Million -NIL ---- (31st March, 2012- Rs. In Million 0.46)					

Notes forming part of the Financial Statements (Contd....)

NOTE 30 - RELATED PARTY DISCLOSURES:

A) Name of the related party and nature of relationship where control exists:

Name of Related Party	Nature of Relationship
ZF Lenksysteme, GmbH ZF Shanghai Steering Co.Ltd., China ZF Sistemas De Direcao Ltd, Brazil ZF Steering Jincheng (Nanjing),China Varsha Forgings Ltd. ZF Lenksysteme India Pvt Ltd. (Company has 26% stake in the company)	Foreign Collaborator : Associated Companies of ZF Lenksysteme, GmbH Director's interested company Joint venture company
Mr. Dinesh Munot - Chaiman & Managing Director Mr. Jinendra Munot - Jt. Managing Director Mr. Utkarsh Munot - Executive Director	Key Managerial Personnel
Mrs.Etika U Munot - Manager Co-Ordination (S.A.P. & H.R.)	Relative of Key Managerial Personnel

B) Related Party Transactions:

Rs. in million

Name of Related Party	Description of Relationship	Nature of Transactions	Amount of Transactions 2012-13	Amount Outstanding at the end of year 31-03-2013		Amount of Transactions 2011-12	Amount Outstanding at the end of year 31-03-2012	
				Credit	Debit		Credit	Debit
ZF Lenksysteme, GmbH	Foreign Collaborator	Sale of Goods	0.96	0.92	-	-	-	-
		Purchase of Raw materials & components	210.77	14.60	227.19	26.38	-	-
		Dividend paid during the year	11.70	-	23.40	-	-	-
Other related parties: ZF Shanghai Steering Co. Ltd., China ZF Sistemas De Direcao Ltd., Brazil ZF Steering Jincheng (Nanjing), China Varsha Forgings Ltd.	Associate Companies	Sale of Goods	1.72	0.45	-	0.60	0.01	-
		Purchase of Raw materials & components	252.97	37.60	230.74	40.18	(0)	-
Zf Lenksysteme India Pvt. Ltd.	Joint Venture Company	Rent and other services	-	-	-	1.10	-	(0.24)
Mr. Dinesh Munot	Key Managerial Personnel	Remuneration	21.78	4.79	-	25.45	10.50	-
Mr. Jinendra Munot	Key Managerial Personnel	Remuneration	12.68	2.65	-	17.69	8.00	-
Mr. Utkarsh Munot	Key Managerial Personnel	Remuneration	8.04	2.40	-	9.79	5.50	-
Mrs.Etika U Munot	Relative of Key Managerial Personnel	Remuneration	0.15	0.08	-	-	-	-

Notes forming part of the Financial Statements (Contd....)

NOTE 31 - EARNINGS PER SHARE

- (a) The amount used as the numerator in calculating basic and diluted earnings per share is the net profit after tax for the year disclosed in the Profit and Loss Statement.
- (b) The weighted average number of equity shares used as the denominator in calculating both basic and diluted earnings per share is 9,073,300

NOTE 32- Details of provisions and movements in each class of provisions as required by the Accounting Standard on Provisions, Contingent Liabilities and Contingent Assets (Accounting Standard-29)

Particulars	Rs. In Million	
	As at 31st March, 2013	As at 31st March, 2012
	Warranty	Warranty
Carrying Amount at the beginning of the year	4.00	2.50
Additional Provision made during the year	2.90	13.19
Amounts Used during the year	3.15	11.69
Unused amounts reversed during the year	-	-
Carrying Amounts at the end of the year	3.75	4.00

Brief description of the nature of the obligation and the expected timing of any resulting outflows of economic benefits :

Warranty Provision:

Warranty cost are accrued at the time of products are sold, based on past experience. The provision is discharged over the warranty period of 18 months from the date of sale.

NOTE 33 - Value of imported and indigenous raw materials, components and packing material consumed:

Particulars	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
	Value (Rs. In Million)	Percentage (%)	Value (Rs. In Million)	Percentage (%)
Imported	459.28	23.41	449.94	19.46
Indigenously obtained	1,502.97	76.59	1,862.33	80.54
Total	1,962.25	100.00	2,312.27	100.00

NOTE 34 - CIF Value of Imports

Particulars	For the year ended 31st March, 2013 Rs. In Million	For the year ended 31st March, 2012 Rs. In Million
Raw materials, Components and consumables	423.74	423.57
Capital Goods	3.67	149.63
Total	427.41	573.20

NOTE 35 - Contingent Liability:

Particulars	As at 31st March, 2013 Rs. In Million	As at 31st March, 2012 Rs. In Million
Income Tax matters in dispute in respect of penalty matters pending before ITAT, Pune	32.63	32.63
Service Tax matters under Appeal	3.63	3.63
Co-acceptance of Import bills by the bankers	31.52	41.63
Bill discounted	229.38	274.22
Bank Guarantees by the Company	4.30	33.67
Claims against the company not acknowledged as debts	0.16	0.16
Total	301.62	385.94

Notes forming part of the Financial Statements (Contd....)

NOTE 36 - Commitments:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. In Million -42.97 (31st March 2012 - Rs. In Million - 19.18).
- 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.

NOTE 37 - Details of foreign currency exposures that are not hedged by a derivative instrument or otherwise :

Particulars	Amount in foreign currency		Equivalent amount Rs. in Million	
	Current Year	Previous Year	Current Year	Previous Year
Sundry creditors USD	0.32	0.73	16.37	37.67
Sundry creditors EURO	0.24	0.44	17.22	30.32

NOTE 38 - Dividend amount proposed to be distributed to Shareholders Rs.8 (Rs. 10 per share).

NOTE 39 - Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosure are required to be made for enterprises which are covered under the Act. Since the company is in a process of compiling relevant information from its suppliers about their coverage under the said Act, no disclosures have been made. However, in view of the management ,the impact of interest, if any, that may be payable in accordance with the provisions of this Act is not expected to be material.

NOTE 40 - EARNINGS IN FOREIGN EXCHANGE

Particulars	For the year ended 31st March, 2013 Rs. in Million	For the year ended 31st March, 2012 Rs. in Million
FOB Value of exports	9.50	18.25
Total	9.50	18.25

NOTE 41 - REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

Particulars	Paid in Current year		Paid in Previous Year	
	Final	Interim	Final	Interim
(a) Year to which dividend relates	2012	2013	2011	2012
(b) Number of non-resident shareholders to whom remittance was made	1	1	1	1
(c) Number of shares on which remittance was made	2,340,000	-	2,340,000	2,340,000
(d) Amount remitted (Rs. In Million)	11.70	-	11.70	11.70

NOTE 42 - EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31st March, 2013 Rs. In Million	For the year ended 31st March, 2012 Rs. In Million
Travelling and other expenses	4.73	4.23
Total	4.73	4.23

Notes forming part of the Financial Statements (Contd....)

NOTE 43 - In current year provision for current taxes includes provision for wealth tax of Rs. In Million - 0.4 (31st March, 2012 - Rs. In Million - 0.5)

NOTE 44 - The Company has 26% joint venture interest in ZF Lenksysteme India Private Limited, a company incorporated in India. As on 31st March, 2013 the Company has further invested Rs.179.14 Million (previous year Rs. 179.14 Million) in the share capital of this Joint Venture.

The Company's share of each of the assets, liabilities, income and expenses (each without elimination of the effect of transaction between the Company and the Joint Venture), related to its interest in the joint venture as per AS 27 on 'Financial Reporting of interest in Joint Ventures' (based on the audited accounts of the Joint Venture for the year ended 31st March, 2013) are as under

Particulars	As at March 31st, 2013 Rs. In Million	As at March 31st, 2012 Rs. In Million
Assets	346.93	230.05
Liabilities	346.93	230.05
Particulars	For the year 2012-2013	For the year 2011-2012
Income	15.62	9.34
Expenditure	82.18	23.75

NOTE 45- Actual production, opening stock, closing stock and sales:

Class of Goods	Opening Stock		Closing Stock		Sales	
	Qty. No.	Value Rs. in Million	Qty. No.	Value in Million	Qty. No.	Value in Million
Hydraulic Power Steering Gears including components/ spares	(20.00)	(0.20)	74	0.46	195,122 (230,859)	2795.21 (3,166.16)
Mechanical Steering Gears including components/ spares	(140.00)	(0.41)	-	-	152,641 (176,614)	582.33 (651.18)
			74	0.46	347,763	3377.54
	(160)	(0.61)	-	0.00	(407,473)	(3,817.34)

None of the Company's Raw Material and Components are greater than 10 percent of total sales and consumption of raw material and hence the disclosure under Broad Heads of Materials has not given.

The above figures are inclusive of Excise duty and Education Cess.

NOTE 46 - Segment reporting

		Rs. in Million	
	Particulars	31.03.2013	31.03.2012
1	Segment Revenue		
	a Auto Component	3,147.91	3,590.84
	b Renewable Energy	152.75	73.38
	Less: inter segment sale	56.99	66.94
	Total Income	3,243.67	3,597.28
2	Segment results		
	Profit(+) / Loss (-) before tax and interest from each segment		
	a Auto Component	494.66	686.35
	b Renewable Energy	0.33	0.58
	Total	494.99	686.93
	Less :		
	Interest	5.00	5.87
	Total profit before Tax	489.99	681.06
	Less : Tax Expenses	233.80	216.47
	Net Profit	256.19	464.59

Notes forming part of the Financial Statements (Contd....)

NOTE 46 - Segment reporting (Contd.)

	Particulars	31.03.2013	31.03.2012
3	Total carrying amount of segment assets		
	a Auto Component	2397.12	2486.62
	b Renewable Energy	616.79	754.24
	Unallocable segment	62.05	60.58
	Total segment assets	3,075.96	3,301.44
4	Total amount of segment liabilities		
	a Auto Component	864.98	838.20
	b Renewable Energy	12.86	436.46
	c. unallocable segment	8.60	8.53
	Total segment liabilities	886.44	1,283.19
5	Capital Employed (Segment assets - Segment liabilities)		
	a Auto Component	1532.14	1,648.42
	b Renewable Energy	603.93	317.78
	c. Unallocable segment	53.45	52.05
	Total capital employed in the company	2,189.52	2,018.25
6	Capital Expenditure incurred during the year		
	a. Auto component	72.78	218.10
	b. Renewable Energy	21.49	625.44
7	Depreciation		
	a. Auto component	127.59	99.48
	b. Renewable Energy	103.83	69.29

NOTE 47 - The Company has settled the matter for delay in Project Execution with Solar Project EPC (Engineering, Procurement and Commissioning) Company. i.e. Moser Baer Solar Ltd and Moser Baer Solar System Pvt. Ltd. Both Companies have paid total compensation of Rs.76.25 Million. The amount is reduced from Solar Fixed Asset. Correspondingly excess depreciation of Rs.1.41 Million pertaining to previous year has been adjusted against Current Year's Depreciation.

NOTE 48 - During the year 2011-12, the Company was subject to proceedings under Section 132 of the Income Tax Act, 1961 ('the Act'). Subsequently, pending the assessment proceedings under Section 153A of the Act, on 17 September, 2012, the Company has filed an application with Income Tax Settlement Commission ('ITSC') for settlement of cases under Section 245C of the Act. The ITSC has accepted the Company's application. The Company has paid Rs.116 Million while filing the said application. The final liability of the Company, if any, is dependent on the outcome of the proceedings and will be quantified only on the completion.

NOTE 49 - Corresponding Figures of the previous year have been regrouped/ recast, wherever necessary, so as to confirm with the current year's presentation.

As per our Report of even date attached.

For **MGM and Company**
Chartered Accountants
Firm Registration No. : 117963W

Mangesh Katariya
Partner
Membership No.104633

Pune, May 23, 2013

For and on behalf of the Board of Directors

Dinesh Munot
Jinendra Munot
Utkarsh Munot

Manish Motwani
Dr. Dinesh Bothra
M. L. Rathi
Shridhar S. Kalmadi
Carl Magnus Backlund
Jitendra A. Pandit
B. S. Iyer (Alternate Director for
Dr. Hans Friedrich Collenberg)

Jinendra Jain
Satish Mehta

Pune, May 23, 2013

Chairman & Managing Director
Jt. Managing Director
Executive Director

Directors

Chief Financial Officer
Company Secretary



Proxy Form

ZF STEERING GEAR (INDIA) LTD.

REGD. OFFICE: 1242/44, VILLAGE VADU BUDRUK, TAL. SHIRUR, DIST. PUNE- 412 216.

I/ We _____ being a Member/ Members of ZF STEERING GEAR (INDIA) LTD., hereby appoint _____ of _____ or failing him/ her _____ as my/ our proxy to vote for me/ us and on my/ our behalf at the **33rd ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, July 30, 2013 and at any adjournment thereof.

Signed this _____ day of _____ 2013.

**Affix
15 paisa
Revenue
Stamp**

Folio No./ DP ID/ Client ID

(Signature of the Member)

No. of Shares held:

Note: The Proxy Form duly completed and stamped must be lodged with the Company not less than 48 hours before the time for holding the aforesaid meeting.



Attendance Slip

ZF STEERING GEAR (INDIA) LTD.

REGD. OFFICE: 1242/44, VILLAGE VADU BUDRUK, TAL. SHIRUR, DIST. PUNE- 412 216.

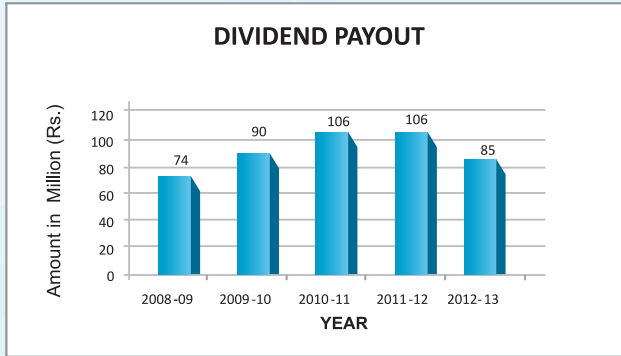
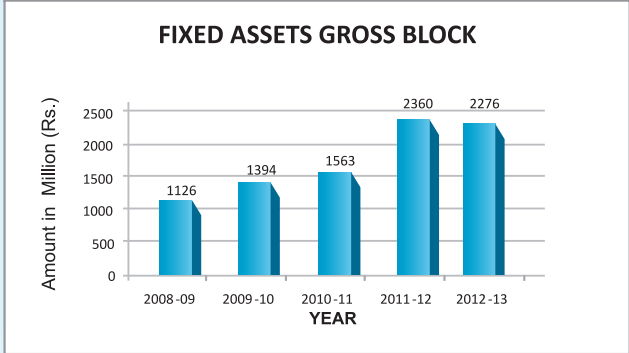
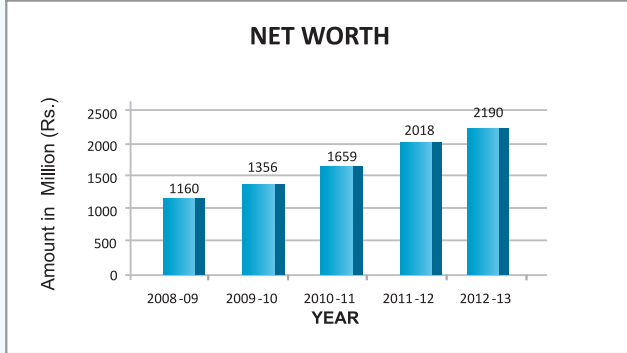
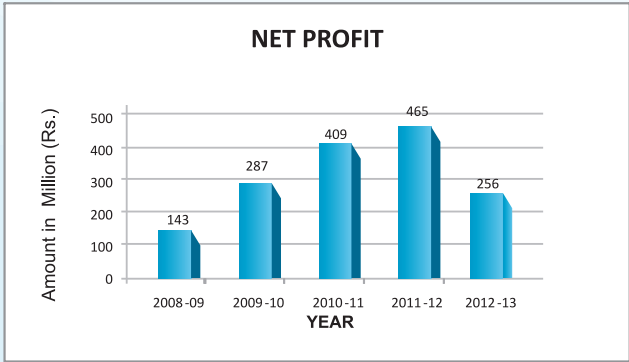
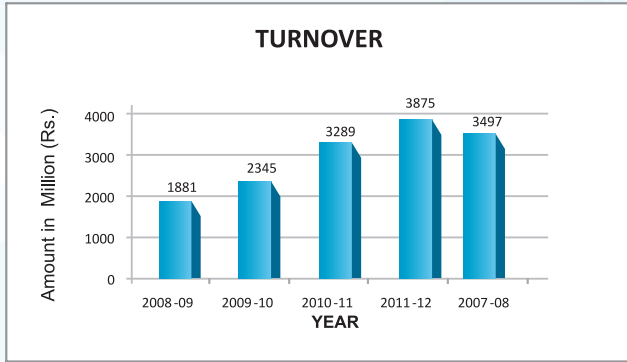
To be handed over at the entrance of the Meeting Hall

Name of the attending Member (in Block Letters)	Membership Folio No. / DP ID / Client ID
Name of the Proxy (in Block Letters) To be filled in if the Proxy attends instead of the Member)	Number of Equity shares held

I/ We hereby record my/ our presence at the **33rd ANNUAL GENERAL MEETING** of the Company to be held on Tuesday, July 30, 2013 at the Registered Office of the Company at Gat No. 1242/ 44, Village Vadu Budruk, Tal. Shirur, Dist. Pune- 412 216.

Member's / Proxy's Signature
(To be signed at the time of
handing over this slip)

5 Years Highlights



Certificate

Standard: **ISO 14001:2004 + Cor. 1:2009**

Certificate Regist. No. 01 104 043211

TÜV Rheinland Cert GmbH certifies:

Certificate Holder: **ZF Steering Gear (India) Ltd.**
1242/44, Village: Vedu Budsruk, Taluka: Shirur,
Pune - 412 216, Maharashtra, India

Scope: Design, Development and Production of Mechanical Steering Gear Systems and Power Steering Gear Systems for Automotive Vehicles

An audit was performed, Report No. 043211. Proof has been furnished that the requirements according to ISO 14001:2004 + Cor. 1:2009 are fulfilled.
The due date for all future audits is 09-02 (dd/mm).

Validity: The certificate is valid from 2011-05-07 until 2014-05-06.
First certification 2006

2011-04-18

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Precision Right.

Certificate

Standard: **ISO / TS 16949:2009**

Certificate Regist. No. 01 111 028955
IATF Certificate No. 0153789

TÜV Rheinland Cert GmbH certifies:

Certificate Holder: **ZF Steering Gear (India) Ltd.**
1242/1204, Village: Vastubudruk, Taluka: Shirur,
Pune - 412216, Maharashtra, India

with remote location responsible for Sales

ZF Steering Gear (India) Ltd.
801, 802 A Wing, 8th Floor, MCCA Trade Tower,
International Convention Centre, 403 - A,
Senapati Bapat Road, Pune - 411018, India

Scope: Manufacture of Mechanical Steering Gear Systems & Power Steering Gear Systems for Automotive Application - with product design and development -

An audit was performed, Report No. 028955. Proof has been furnished that the requirements according to ISO/TS 16949:2009 are fulfilled.
The due date for future audits is 06-03 (dd/mm).

Validity: The certificate is valid from 2012-12-22 until 2015-12-21.

2012-12-22

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ZF STEERING GEAR (INDIA) LIMITED

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.

NATIONAL SERVICE NETWORK



CORPORATE OFFICE

601-602, MCCIA, International Convention Center,
'A' wing, 403-A, Senapati Bapat Road, Pune 411 016. (M.S.) India.
Tel. : 020 - 30211600 Fax : 020 - 30211699
email - satish.mehta@zfindia.com

REGD. OFFICE & PLANT

Gat No. 1242 / 44, Vadu Budruk, Tal. Shirur, Dist. Pune 412 216, India.
Tel. : 02137 - 252 223, 252 433, 252 459. Fax : 02137 - 252 302
email - sales@zfindia.com

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