



ZF STEERING GEAR (INDIA) LIMITED

Registered Office: 1242/44, Village Vadu Budruk, Tal. Shirur, Dist. Pune- 412 216. Phone : 02137-252223, CIN : L29130PN1981PLC023734, Email Id-enquiry@zfindia.com, Website:- www.zfindia.com

PART I STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FOR THE YEAR ENDED MARCH 31, 2014 (Rs. in million)

Sr. No.	PARTICULARS	Quarter ended			Year Ended	
		31-Mar-14 (Reviewed)	31-Dec-13 (Reviewed)	31-Mar-13 (Reviewed)	31-Mar-14 (Audited)	31-Mar-13 (Audited)
1	(a) Net Sales/ Income from Operations	812.59	612.72	777.28	2,910.98	3,128.87
	(b) Other Operating Income	5.01	4.38	4.15	13.68	11.48
	Total Income from Operations (net)	817.60	617.10	781.43	2,924.66	3,140.35
2	Expenses					
	a) Cost of material consumed	515.29	381.23	494.92	1,931.67	1,958.07
	b) Purchases of stock-in-trade	2.01	2.02	2.26	8.15	7.28
	c) Changes in inventories of finished goods & Work-in-Progress	34.14	(2.22)	(10.25)	(98.70)	(3.09)
	d) Employees benefits expense	59.59	82.35	68.39	312.29	322.21
	e) Depreciation and amortisation expense	55.77	54.42	49.65	210.39	231.42
	f) Other Expenses	33.26	51.38	67.45	164.88	201.43
	Total expenses	700.06	569.18	672.42	2,528.68	2,717.32
3	Profit from Operations before other income, finance costs and exceptional items (1-2)	117.54	47.92	109.01	395.98	423.03
4	Other Income	13.24	8.27	66.31	59.61	103.32
5	Profit from ordinary activities before finance costs & exceptional items (3+4)	130.78	56.19	175.32	455.59	526.35
6	Finance costs	5.44	0.53	7.98	6.90	36.36
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	125.34	55.66	167.34	448.69	489.99
8	Exceptional Items	-	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	125.34	55.66	167.34	448.69	489.99
	a) Current Tax	34.66	17.61	30.50	145.00	110.00
	b) Deferred	(4.76)	3.11	(3.35)	(19.24)	7.80
	c) For earlier years	0.06	181.83	116.00	181.89	116.00
10	Tax Expense	29.96	202.55	143.15	307.65	233.80
11	Net Profit from ordinary activities after tax (9-10)	95.38	(146.89)	24.19	141.04	256.19
12	Extraordinary item (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11+12)	95.38	(146.89)	24.19	141.04	256.19
14	Paid-up Equity Share Capital (Face Value Rs. 10 Per Share)	90.73	90.73	90.73	90.73	90.73
15	Reserves excluding Revaluation Reserves as per Balancesheet of previous accounting year				2,165.53	2,098.79
16	Earnings Per Share - Basic/ Diluted & before/ after Extraordinary items	10.51	(16.19)	2.67	15.55	28.24

PART II SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED MARCH 31, 2014

A PARTICULARS OF SHAREHOLDING

1	Public shareholding					
	- Number of Shares	2,389,711	2,389,711	2,416,922	2,389,711	2,416,922
	- Percentage of Shareholding	26.34	26.34	26.64	26.34	26.64
2	Promoters and promoter group Shareholding					
	a) Pledged/ encumbered					
	- Number of shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoters & Promoters group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	- Number of shares	6,683,589	6,683,589	6,656,378	6,683,589	6,656,378
	- Percentage of shares (as a % of the total shareholding of promoters & Promoters group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	73.66	73.66	73.36	73.66	73.36

B INVESTORS COMPLAINTS FOR THE 3 MONTHS ENDED 31-MAR-2014

Pending at the beginning of the quarter- 0 ; Received during the quarter-3 ; Disposed off during the quarter- 3 ; Remaining unresolved at the end of the quarter- 0

Notes:-

- The above audited results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on May 21, 2014.
- The Board has recommended a dividend of Rs. 7 Per Equity Share (70%) for the year ended March 31, 2014.
- The Operations of the Company relate to two segments ie. Automotive Components and Renewable Energy.
- The figures for the last quarter of the current year and of the previous year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to third quarter .
- Corresponding figures of the previous year have been regrouped/ recast, wherever necessary, so as to confirm with the current year's presentation.

for ZF Steering Gear (India) Limited

Dinesh Munot
Chairman & Managing Director

Pune

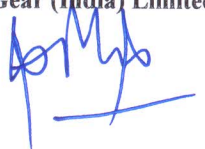
May 21, 2014

AN ISO/ TS 16949 COMPANY

Audited Segmentwise Revenue, Result & Capital Employed for the year ended March 31, 2014 (Rs. in million)

Sr. No.	Particulars	QUARTER ENDED			Year Ended	
		31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Mar-13
		(Reviewed)	(Reviewed)	(Reviewed)	(Audited)	(Audited)
1	Segment Revenue					
	a. Auto Components	805.62	601.09	821.21	2886.54	3147.91
	b. Renewable Energy	30.16	30.28	30.83	148.50	152.75
	TOTAL	835.78	631.37	852.04	3035.04	3300.66
	Less- Inter-segment revenue	4.94	6.00	4.30	50.77	56.99
	Total Income	830.84	625.37	847.74	2984.27	3243.67
2	Segment Results					
	Profit/(Loss) before tax and finance costs from each segment					
	a. Auto Components	136.20	54.44	160.53	427.93	494.66
	b. Renewable Energy	(5.42)	1.75	10.37	27.66	0.33
	TOTAL	130.78	56.19	170.90	455.59	494.99
	Less- Finance Costs	5.44	0.53	3.56	6.90	5.00
	Total Profit Before Tax	125.34	55.66	167.34	448.69	489.99
3	Capital Employed					
	a. Auto Components	1696.90	1798.30	1532.14	1696.90	1532.14
	b. Renewable Energy	525.20	563.56	603.93	525.20	603.93
	c. Unallocable assets less liabilities	34.16	(126.68)	53.45	34.16	53.45
	Total Capital employed in the Company	2256.26	2235.18	2189.52	2256.26	2189.52

for ZF Steering Gear (India) Limited

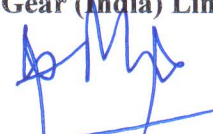


Dinesh Munot
Chairman & Managing Director

Pune
May 21, 2014

Standalone Statement of Assets and Liabilities as on March 31, 2014		(Rs. in million)	
Sr. No.	Particulars	Year Ended	
		31-Mar-14 (Audited)	31-Mar-13 (Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	a. Share Capital	90.73	90.73
	b. Reserves and surplus	2,165.53	2,098.79
	Sub-total - Shareholders' funds	2,256.26	2,189.52
2	Non-current liabilities		
	a. Long-term borrowings	124.47	145.84
	b. Deferred tax liabilities (net)	78.99	98.23
	c. Long-term provisions	16.71	14.96
	Sub-total - Non Current Liabilities	220.17	259.03
3	Current Liabilities		
	a. Short-term borrowings	2.06	24.41
	b. Trade payables	398.93	361.18
	c. Other current liabilities	104.83	122.01
	d. Short-term provisions	99.35	119.68
	Sub-total - Current Liabilities	605.17	627.28
	TOTAL - EQUITY AND LIABILITIES	3,081.60	3,075.83
B	ASSETS		
1	Non-current assets		
	a. Fixed assets	1,004.86	1,047.51
	b. Non-current investments	994.50	858.31
	c. Long-term loans and advances	167.55	119.92
	d. Other non-current assets	0.20	0.20
	Sub-total - Non-current assets	2,167.11	2,025.94
2	Current assets		
	a. Current Investment	-	49.61
	b. Inventories	260.14	258.99
	c. Trade receivables	473.81	379.17
	d. Cash and cash equivalents	137.46	292.95
	e. Short-term loans and advances	34.78	57.92
	f. Other current assets	8.30	11.25
	Sub-total - Current assets	914.49	1,049.89
	TOTAL-ASSETS	3,081.60	3,075.83

for ZF Steering Gear (India) Limited



Dinesh Munot

Chairman & Managing Director

Pune
May 21, 2014

INDEPENDENT AUDITORS' REPORT

To,
The Members of
ZF STEERING GEAR (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, 2014, 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 notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) 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

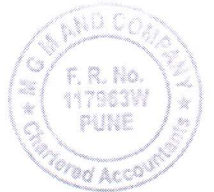
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) 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;
 - b) 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
 - c) 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.
 - d) 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 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M G M & Company
Chartered Accountants
FRN: 117963W

Mangesh

CA Mangesh Katariya
Partner
Membership No.: 104633

Place: Pune
Date: 21st May, 2014



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 31ST MARCH, 2014.

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
(b) 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.
(c) 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.
- (ii) (a) The inventory has been physically verified by the management during the current year. In our opinion, the frequency of such verification is reasonable.
(b) 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) 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 to the Company during the year covered by the report.
- (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 Companies (Acceptance of Deposits) Rules, 1975 during the year. Accordingly, the provisions of clause 4(vi) of the Order are not applicable.
- (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 applicable to it. No undisputed amounts payable in respect of aforesaid statutory dues were outstanding as at 31st March, 2014 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 Millions)	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	0.66	2005-06	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) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding debentures and 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) According to the information and explanations given to us, the Company has not raised any term loan during the year.
- (xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion and according to the information and explanations given to us, no funds raised on short term basis have been used for long term investment during the year.
- (xviii) During the year, 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) According to the information and explanations given to us, the Company has not issued debentures during the year covered by this report or in the recent past.
- (xx) The Company has not raised any money by way of public issues during the year.
- (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 M G M & Company
Chartered Accountants
FRN: 117963W

M. Katariya



Place: Pune
Date: 21st May, 2014

CA. Mangesh A. Katariya
Partner
Membership No.:104633