



ZF STEERING GEAR (INDIA) LTD.

Regd. Office & Works :

Gat No. 1242/44, Village Vadu BK., Tal. Shirur, Dist. Pune-412 216 (India)

Tel. : 02137-305100, Fax : 02137-305302

Web : www.zfindia.com, Email Id : enquiry@zfindia.com

Corporate Identity Number (CIN) : L29130PN1981PLC023734



August 2, 2017

BSE Limited
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 000

Scrip Code: BSE 505163

Sub: Robert Bosch Automotive Steering Private Limited – the Joint Venture Company

Dear Sirs,

‘Robert Bosch Automotive Steering GmbH’ (**Bosch**) and ‘ZF Steering Gear (India) Limited’ (**the Company**) are the joint venture partners in ‘Robert Bosch Automotive Steering Private Limited’ (**the J.V. Company**). The Company holds 26% of the paid-up share capital of the J.V. Company and has till date invested a sum of Rs. 123.37 Crore.

The J.V. Company is managed by the Board of Directors, consisting of 3 Directors 2 being the representatives of Bosch and 1 being the representative of the Company. Bosch has nominated the Managing Director/ Chief Executive Officer and the Chief Financial Officer.

Bosch, the majority joint venture partner, has raised concerns over the operations of the J.V. Company regarding continuous losses incurred by the J.V. Company and requirement of increase in the paid-up share capital of the J.V. Company, from time to time.

This aspect of the status of the J.V. Company and continuation of the joint venture, between Bosch and the Company, was discussed between the representative of Bosch and the representative of the Company, with the involvement of the higher Management of Bosch. In the meeting of August 2, 2017 between the representative of the Company and the representative of the higher Management of Bosch; it has been agreed between the representative of the joint venture partners to discuss the matter after detailed market analysis, to be made by the executives of the J.V. Company, further, so as to reach an agreement / decisions about future of the J.V. Company, its business and other aspects and relevant decisions, which may be, required to be taken by the partners jointly.





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Considering the latest audited financial position of the J.V. Company as of March 31, 2017, as already reported; the book value of the total assets of the J.V. Company is Rs. 250.90 Crore. The outside liabilities and provisions are Rs. 76.93 Crore.

The paid-up share capital of the J.V. Company as on March 31, 2017 was Rs. 459.50 Crore. The J.V. Company increased its paid-up share capital on June 22, 2017 and the Company invested an additional sum of Rs. 3.90 Crore. Thus, as of date, the Company's investment in the paid-up share capital of the J.V. Company is Rs. 123.37 Crore.

The accumulated losses of the J.V. Company as on March 31, 2017 were Rs. 285.53 Crore (total). The impact of the carried forward loss has been reflected in the Consolidated Annual Financial Statement of the Company as of March 31, 2017.

Bosch is one of the Promoters of the Company and represented by one Director, as of date, on the Board of Directors of the Company. Bosch continues to be the shareholder of the Company as of date.

Please take the above on your record and disseminate the same for the information of investors.

For ZF Steering Gear (India) Limited

Chairman and Managing Director

