

## NOTICE

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

Day : Wednesday  
Date : July 30, 2014  
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 consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2014, the reports of the Board of Directors and Auditors thereon.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. Carl Magnus Backlund (DIN: 03573869), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To re-appoint Messrs MGM & Company, Chartered Accountants (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 next Annual General Meeting of the Company and to authorize the Board of Directors of the Company to fix their remuneration.

### SPECIAL BUSINESS:

5. To appoint Mr. Manish Motwani (DIN: 00394860) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT**, pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder read with Schedule IV to the Companies Act, 2013. Mr. Manish Motwani (DIN: 00394860), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Manish Motwani as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office up to March 31, 2019, not liable to retire by rotation.”
6. To approve the remuneration of the Cost Auditors for the Financial Year ending March 31, 2015 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:  
“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or

re-enactment thereof, for the time being in force), M/s. Joshi Apte & Associates, the Cost Auditors, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out in the Statement annexed to the Notice convening this Meeting.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

**Satish Mehta**

Company Secretary

**May 21, 2014**

**Registered Office:**

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

## 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 102 of the Companies Act, 2013, 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) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting. E-voting is optional and members shall have the option to vote either through e-voting or in person at the general meeting.

6) **The instructions for members for voting electronically are as under:-**

**(A) In case of members receiving e-mail:**

i) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.

ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

iii) Click on "Shareholders" tab to cast your votes.

iv) Now, select the Electronic Voting Sequence Number - "EVSN" along with "COMPANY NAME" from the drop down menu and click on "SUBMIT"

Demat Shareholder –

USER ID- For NSDL: 8 Character DP ID followed by 8 Digits Client ID

or CDSL: 16 digits beneficiary ID

Physical shareholder - Folio Number registered with the Company

v) Now, fill up the following details in the appropriate boxes:

PAN\* Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)

DOB# Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

DIVIDEND BANK DETAILS# Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: ZFS0614 in the PAN field.

# Please enter any one of the details in order to login.

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

vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach „Password Creation" menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & \*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed

password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.

viii) Click on the relevant EVSN on which you choose to vote.

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

x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

**(II) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:**

(B) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote

(C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

(D) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders" of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(E) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

7) The Company has appointed Mr. Sridhar G Mudaliar, Practicing Company Secretary, as the Scrutinizer for conducting the e-voting process in fair and transparent manner.

8) A copy of this notice has been placed on the website of the Company and the website of CDSL.

- 9) The Register of Members and Share Transfer Books of the Company will remain closed from July 23, 2014 to July 30, 2014 (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, 2014. 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, 2014 as per the details furnished by the depositories for this purpose.
- 10) 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.
- 11) 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.
- 12) 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.
- 13) Pursuant to provisions of Section 205A and 205C 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 2006-07 have been transferred to the Investor Education and Protection Fund of the Central Government. Unclaimed dividend for financial years 2007-08 and thereafter is still lying with the Company. Shareholders who have not yet en-cashed the dividend warrants for financial years 2007-08 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](http://www.mca.gov.in).
- 14) The Annual Report 2013-14 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.zfindia.com](http://www.zfindia.com) and also on the website of the BSE Ltd. (Bombay Stock Exchange) at [www.bseindia.com](http://www.bseindia.com)
- 15) 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.

- 16) 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 34th Annual General Meeting.

## Annexure to the Notice

### Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013.

As required by Section 102(1) of the Companies Act, 2013, in respect of the item of Special Business in this Notice.

#### Item No. 5

Mr. Manish Motwani is a Non-Executive (Independent) Director of the Company. He joined the Board of Directors in June 23, 1998. Mr. Manish Motwani retires by rotation at the ensuing Annual General Meeting under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Manish Motwani being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director for a term of five years.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Manish Motwani for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Manish Motwani (i) consent in writing to act as director in Form DIR -2 Pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Manish Motwani as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Manish Motwani, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the draft-letter for the appointment of Mr. Manish Motwani as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to the date of the Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Manish Motwani as an Independent Director.

No director, key managerial personnel or their relatives, except Mr. Manish Motwani, to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the resolution set forth in Item No. 5 for the approval of the members.

#### Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Joshi Apte & Associates, the Cost Auditors, to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2015 on a remuneration of Rs. 2,75,000/- (Two Lac Seventy Five Thousand) plus applicable Government Taxes plus Travelling and out of pocket expenses at actual.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

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

**Satish Mehta**  
Company Secretary

**May 21, 2014**

#### Registered Office:

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

### Profile of the Directors being appointed/ re-appointed as required under Clause 49 of the Listing Agreement entered into with the Stock Exchange.

Particulars	Mr. Manish Motwani	Mr. Carl Magnus Backlund
<b>Date of Birth</b>	02.10.1967	18th March, 1974
<b>Date of Appointment</b>	23rd June, 1998	27th July, 2011
<b>Qualification</b>	Master's Degree in Computer Engineering from University of Hawaii at Monoa. Bachelor of Engineering in Electronics and Communication from Osmania University Stanford Certificate in Engineering Management Science (EMS) from Stanford University.	Diploma in Mechanical Engineering from the Royal Technical University, Stockholm, Sweden. Business Administration from SUNY, Albany, NY.
<b>Expertise in Specific Functional areas</b>	He has worked with Intergraph Corp., USA & Sun Microsystems, USA. Currently, he is holding the position of Managing Director in Kinetic Communications Ltd. and JHS Taigene Electrical Co. Pvt. Ltd. He is associated with the Company since 1998.	He joined ZF Friedrichshafen AG in 1998 in the Commercial Vehicle and Special Driveline Technology Division and worked in different positions and plants in Europe. From 2008 until April 2011 he worked in the Corporate Development department of ZF Group. Since April 2011, he is Vice President Corporate Development and Strategy at ZF Lenksysteme GmbH.
<b>Other Directorships held in India</b>	Kinetic Communications Ltd. JHS Taigene Electrical Co. Pvt. Ltd. Jaya Hind Sciaky Ltd. Kinetic Hyundai Elevator & Movement. Kinetic Auto Parking Systems P Ltd. Chrysalis Castings P Ltd. Ducati Eenergia (I) Pvt. Ltd. Sitaram Real Estate Developers P Ltd. Kinetic FG Tecnopolo Engg. Services P. Ltd. Chrysalis Financial Services P Ltd.	ZF Lenksysteme India Pvt. Ltd.
<b>Membership of Committees</b>	Audit Committee Remuneration Committee	Nil
<b>No. of Equity Shares held in the Company</b>	Nil	Nil