



ZF STEERING GEAR (INDIA) LTD.

CIN: L29130PN1981PLC023734

Registered Office: Gat Nos. 1242/44, Village- Vadu Budruk, Tal- Shirur, Dist. Pune- 412216.

Email Id: enquiry@zfindia.com, **Website :** www.zfindia.com, **Tel.:** 02137-305100, **Fax :** 02137-305302

NOTICE

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

Day : **Wednesday**

Date : **July 17, 2019**

Time : **10 a.m.**

Venue: **Navalmal Firodia Seminar Hall No. 4 – West,
Mahratta Chamber of Commerce Industries and Agriculture
505 A Wing, 5th Floor, MCCIA Trade Tower,
Senapati Bapat Road, Pune - 411016**

to transact the following business:

SPECIAL BUSINESS:

Item no. 1

SALE OF SHARES OF ROBERT BOSCH AUTOMOTIVE STEERING PRIVATE LIMITED HELD BY THE COMPANY TO ROBERT BOSCH AUTOMOTIVE STEERING GMBH.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company (**the Board**) to sell and transfer, the entire investment of the Company, being 129,350,000 equity shares of Rs.10 each fully paid up, held in **ROBERT BOSCH AUTOMOTIVE STEERING PRIVATE LIMITED** (joint venture/ associate of the Company) to 'Robert Bosch Automotive Steering, GmbH', being a "Related Party" within the meaning of Section 2(76) of the Companies Act, 2013 (**the Act**), at a total consideration of Rs. 625 million and on such other terms and conditions as the Board may deem fit and appropriate in the interest of the Company."

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, things, matters and take all such steps as may be deemed necessary, proper or expedient in the interest of the Company to give effect to this resolution, and execute deeds, documents and applications, modify the same as required or necessary, for the purpose of giving effect to this resolution and also to settle any questions, difficulties, doubts that may arise in this regard, in its absolute discretion or as deemed fit, or/and the Board may delegate these powers or any of them from time to time, to any Committee of the Board or any Director of the Company, as may be deemed fit by the Board."

Item no. 2

CHANGE IN DESIGNATION OF MR. DINESH HIRACHAND MUNOT AND MINIMUM REMUNERATION

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT in partial modification of the resolution passed by the Members at the 36th Annual General Meeting held on September 28, 2016 (**the Resolution**) and pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (**the Act**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**) and in accordance with the aforesaid consent given by the Members, for continuation of Mr. Dinesh Hirachand Munot (DIN 00049801) as a Managing Director of the Company, even after attaining age of 70 years, the approval of the Members of the Company be and is hereby accorded for change in designation of Mr. Dinesh Hirachand Munot (DIN 00049801) from the 'Chairman & Managing Director' to the 'Whole-time Director and Chairman' of the Company with effect from August 1, 2019, for his remaining tenure of present appointment made/approved by the Resolution, i.e. till July 27, 2021, and as a director not liable to retire by rotation, on the terms and conditions specified in the Resolution, with liberty to the Board of Directors (**the Board**) or any committee thereof to alter and vary the said terms and conditions of appointment."

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 197 read with Schedule V to the Act and any other applicable provisions of the Act and the rules made thereunder and Regulation 17 of the Listing Regulations, the consent of the Members of the Company be and is hereby specifically accorded, as prescribed under the Listing Regulations, for payment of annual remuneration to Mr. Dinesh Hirachand Munot, as per the Resolution even if such remuneration is, in excess of 5% of the Net Profits of the Company for any financial year, as prescribed under Section 197, 198 or limits specified in Schedule V to the Act or in excess of Rs.5,00,00,000 or 2.5% of the net profits of the Company, whichever is higher.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient, to give effect to this resolution, including to delegate such powers or any of such powers to the Company Secretary of the Company.”

Item no. 3

CHANGE IN DESIGNATION OF MR. UTKARSH MUNOT AND TERMS OF REMUNERATION

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT in partial modification of the resolution passed by the Members at the 36th Annual General Meeting held on September 28, 2016 and pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and any other applicable provisions of the Companies Act, 2013 (**the Act**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 made thereunder and the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**), the approval of the Members of the Company be and is hereby accorded for change in designation of Mr. Utkarsh Munot (DIN 00049903), from “Whole-time Director and Chief Executive Officer” to the “Managing Director”, of the Company with effect from August 1, 2019, for his remaining tenure, expiring on May 18, 2021, as a director liable to retire by rotation and on the terms and conditions as set out in the statement attached to the Notice, with liberty to the Board of Directors or any committee thereof to alter and vary the said terms and conditions of appointment.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 197 read with Schedule V to the Act and any other applicable provisions of the Act and the rules made thereunder and Regulation 17 of the Listing Regulations, as prescribed under the Listing Regulations, the consent of the Members of the Company be and is hereby accorded for increase in remuneration to Mr. Utkarsh Munot, as set out in the explanatory statement attached to the Notice, notwithstanding that the payment of annual remuneration payable to Mr. Utkarsh Munot may exceed 5% of the Net Profit of the Company for any financial year as prescribed under Sections 197, 198 or limits specified in Schedule V to the Act and may exceed Rs.5,00,00,000 or 2.5% of the net profits of the Company for any financial year, whichever is higher.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient, to give effect to this resolution, including to delegate such powers or any of such powers to the Company Secretary of the Company.”

Item no. 4

Re-appointment of Mr. Manish Motwani (DIN 00394860), as an Independent Director of the Company.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (**the Act**) and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. Manish Motwani (DIN 00394860), who was appointed by the Board of Directors as an Additional and Independent Director of the Company, with effect from April 1, 2019, and who holds office up to the date of next Annual General Meeting of the Company in terms of Section 161(1) of the Act and Article 89 of the Articles of Association of the Company, and who is eligible for re-appointment, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director as per the provisions of Section 160 of the Act, as an Independent Director of the Company, for a second term, and as a director not liable to retire by rotation, to hold office of a Director for 5 consecutive years on the Board of the Company w.e.f. April 1, 2019 up to March 31, 2024.”

Item no. 5

Re-appointment of Mr. S. A. Gundecha (DIN 00220352) as an Independent Director of the Company.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (**the Act**) and the Rules framed thereunder and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members of the Company be and is hereby accorded for re-appointment of Mr. S. A. Gundecha (DIN 00220352), who holds office as an Independent Director up to September 14, 2019, and being eligible for re-appointment, and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director as per the provisions of Section 160 of the Act, as an Independent Director of the Company, for a second term, and as a director not liable to retire by rotation, to hold office of a Director for 5 consecutive years on the Board of the Company w.e.f. September 15, 2019 up to September 14, 2024.”

Satish Mehta
Company Secretary
Membership No. F 3219

June 13, 2019

Registered Office:

Gat No. 1242/44, Village Vadu Budruk,

Tal. Shirure, Dist. Pune- 412 216

CIN: L29130PN1981PLC023734

NOTES:

1. 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.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL AT THE MEETING ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER. A PROXY DULY SIGNED AND STAMPED SHOULD BE DELIVERED TO THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING, TO BE EFFECTIVE;**
3. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Corporate members are requested to send to the registered office of the Company, a duly certified copy of the board resolution, pursuant to Section 113 of the Companies Act, 2013 authorizing their representatives to attend and vote at the general meeting;
5. Members/Proxies should bring their attendance slips attached herewith, duly filled-in and signed for attending the Meeting;
6. In compliance with provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering Remote E-voting facility to all the Members of the Company in respect of the items to be transacted at this Meeting. The Company has engaged the services of **Link Intime India Private Limited (LI IPL)** for facilitating remote e-voting for EGM. Procedure and Instructions for Remote e-voting are given hereunder. All members are requested to read those instructions carefully before casting their e-vote.
7. The e-voting period commences on **July 13, 2019 (9.00 a.m.)** and ends on **July 16, 2019 (5.00 p.m.)**. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date of July 10, 2019 may cast their vote electronically. The e-Voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
8. Further, the facility for voting through electronic voting system/ ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by Remote E-voting shall be able to exercise their right at the meeting.

The Company has appointed Mr. Sridhar G Mudaliar, FCS 6156, Practicing Company Secretary and Ms. Sheetal Joshi, ACS: 17436, Practicing Company Secretary to act as Scrutinizers, to scrutinize the remote e-voting process and electronic voting system/ ballot or polling paper voting process at the meeting in a fair and transparent manner.

Instructions for Members to vote electronically:

❖ **Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)**

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

4. Your User ID details are given below:

- a. **Members holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
- b. **Members holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
- c. **Members holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are

holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Members holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none">Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none">Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Members holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case a member is having valid email address, Password will be sent to the Member's registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat members for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LI IPL.

For Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

❖ **General Guidelines for Members:**

- Institutional Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- During the voting period, Members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the Members have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

EXPLANATORY STATEMENT

Statement setting out material facts under Section 102 of the Companies Act, 2013.

ITEM NO. 1:

The Company has a joint venture with Robert Bosch Automotive Steering GmbH, Germany (**Bosch**) viz. Robert Bosch Automotive Steering Private Limited ("**RBASPL**"). The Company holds 26% of the paid up equity share-capital of RBASPL. The investment made by the Company in the equity share-capital of RBASPL as on March 31, 2019 is Rs. 1293.5 million, i.e. 129,350,000 Equity shares of Rs.10/- each fully paid up, out of the total paid-up equity share-capital of Rs.4,975 million of that company.

RBASPL continuously incurred losses from commencement of its activities. The total accumulated losses of RBASPL, as on March 31, 2019, were Rs.3,836.89 million.

During the financial year 2018-19, Bosch filed a winding up petition for winding up of RBASPL, before the Hon'ble National Company Law Tribunal (**NCLT**) Mumbai, which is yet to be heard by NCLT. The Company has also received a Notice from Robert Bosch terminating the Joint Venture Agreement, dated March 31, 2007, on February 14, 2019, as reported earlier.

Considering the accumulated losses and considering uncertainty arising out of above referred winding-up petition and termination of the joint-venture and in order to mitigate further losses, the Company, as a measure of commercial expediency, decided to enter into an agreement to settle the issues with Robert Bosch and agreed to sell all the said shares of RBASPL to Bosch for a total consideration of Rs. 625 million.

BOSCH is a Related Party, as per the provisions of Section 2 (76) of the Companies Act, 2013 (**the Act**). As per the provisions of Section 188(1) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (**the Rules**) and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**), transaction/s entered into between related parties for selling or otherwise disposing of goods or property of any kind, exceeding the threshold limit, mentioned in the 'Rules' and 'Listing Regulations' are required to be approved by the Members of the Company. As per the provisions of Rule 15(3)(a)(ii) of the Rules, since the proposed transaction of sale of equity shares, to a related party, is outside the ordinary course of business and the amount of agreed consideration of Rs. 625 million for the proposed transaction exceeds the limits prescribed therein, the approval of the Members of the Company under the provisions of Section 188 and any other applicable provisions of that Act, if any, is being sought as set out at item no. 1.

The Audit Committee in its meeting held on May 28, 2019 has approved the stake sale to Bosch at the aforesaid consideration and recommended the same to the Board of Directors. The Board of Directors in its meeting held on May 28, 2019 has approved the proposal of stake sale to Bosch at the aforesaid consideration, subject to approval of the Members of the Company.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as under:-

- a) *Name of the related party:* Robert Bosch Automotive Steering GmbH, Germany (Bosch)

- b) *Name of the director or key managerial personnel who is related, if any:* None
- c) *Nature of relationship:* Bosch is one of the promoters of the Company and holds 25.79% equity share holding of the Company.
- d) *Nature, material terms, monetary value and particulars of the contract or arrangement:* Sale and transfer of 129,350,000 equity shares of Robert Bosch Automotive Steering Private Limited of Rs. 10 each fully paid up, held by the Company, to Bosch at a total consideration of Rs. 625 million.
- e) *Any other information relevant or important for the members to take a decision on the proposed resolution:* All important information forms part of this Statement, setting out material facts pursuant to Section 102(1) of the Act which have been mentioned in the foregoing paragraphs.

Pursuant to Regulation 23 of the Listing Requirements, all entities falling under the definition of "Related Party" shall abstain from voting in respect of the resolution proposed at item no. 1 of the notice, irrespective of whether the entity is a party to the particular transaction or not.

The Board recommends the resolution at Item No. 1 of the accompanying notice as a Special Resolution and seeks approval of the Members for the same.

None of the directors, key managerial personnel or their relatives is interested, financially or otherwise in the aforesaid resolution.

ITEM NO. 2:

Mr. Dinesh Hirachand Munot was re-appointed as Chairman & Managing Director of the Company, for a period of five years from July 28, 2016 to July 27, 2021, by the Members of the Company at their 36th Annual General Meeting of the Company held on September 28, 2016.

Mr. Dinesh Hirachand Munot, had requested to the Board that he, in view of his age and as a part of succession-planning, intended to relinquish his position as Managing Director and continue as Whole-time Director and Chairman of the Company, if approved.

On recommendations of Nomination and Remunerations Committee of the Company, the Board of Directors at its Meeting held on June 13, 2019, has re-designated Mr. Dinesh Hirachand Munot (DIN 00049801) as Whole-time Director and Chairman of the Company, with effect from August 1, 2019, for his remaining term i.e. up to July 27, 2021, subject to the approval of Members, on the terms and conditions including remuneration, as approved by the Members at their 36th Annual General Meeting:

The approval of Members is also being sought for payment of annual remuneration, to Mr. Dinesh Munot, as per the terms contained in the Members' Resolution passed on September 28, 2016, except that wherein in any financial year, during the currency of Mr. Dinesh Munot's term as Whole-time Director, the Company has no profits or its profits are inadequate for any financial year, then the Company shall pay the salary, perquisites and other benefits, excluding Performance Bonus/ Commission, as Minimum Remuneration to him, notwithstanding that such remuneration may exceed 5% of the Net Profit as prescribed under Section 197 or limits specified in Schedule V to the Companies Act, 2013 (**the Act**) and in excess of Rs.5,00,00,000 or 2.5% of the net profits of the Company, whichever is higher, as prescribed under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**).

Mr. Dinesh Hirachand Munot (DIN 00049801) has already attained the age of 70 years in August 2017. As per the provisions of Section 196 of the Act, approval of the Members by way of a Special Resolution is required for appointment of Whole-time Director of the Company, who has attained the age of 70 years.

Mr. Dinesh Munot is a well-known industrialist and a renowned personality, having over 45 years' of experience in the Automotive industry. He has been associated with the Company since inception and he is the driving force behind the Company. He has successfully steered the Company's operations since the year 1986. His total involvement, perseverance and commitment to the goals of the Company, has brought the Company to this position. Mr. Dinesh Munot has been Managing Director of the Company since January 1, 1987. He is holding the office of Chairman & Managing Director of the Company, since the year 2010.

He was elected as 'President' of Automotive Components Manufacturers' Association (**ACMA**). He was invited to United Nations at Vienna to present the Auto-Cluster project in his capacity as ACMA President.

He was bestowed with 'Lifetime Achievement Award' by the Nagar Road Industry Chamber of Commerce, Pune. He was also awarded 'Outstanding Young Person of the Year' in the International Youth Year 1985.

Please refer to the Annexure to this Notice for other details on Mr. Dinesh Munot.

Considering his seniority, expertise and vast experience in his field, which has benefited the Company immensely, the Board considers that the appointment of Mr. Dinesh Munot would be of immense benefit to the Company. Accordingly, the Board of Directors recommends these changes in terms and conditions of his appointment.

Except Mr. Dinesh Hirachand Munot and his relatives (which includes Mr. Utkarsh Munot and Mrs. Eitika Utkarsh Munot, Directors of the Company), none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at an Item No 2.

This Explanatory Statement and the Annexure thereto may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

ITEM NO. 3:

Mr. Utkarsh Munot was appointed as Whole-time Director & Chief Executive Officer of the Company, for a period of five years from May 19, 2016 to May 15, 2021, by the Members of the Company at their 36th Annual General Meeting of the Company held on September 28, 2016.

Considering his outstanding performance, capacity to shoulder higher responsibilities and innovation/ changes brought-in by him in the Company, on recommendations of the Nomination and Remunerations Committee of the Company, the Board of Directors at their Meeting held on June 13, 2019 have re-designated Mr. Utkarsh Munot (DIN 00049903) as Managing Director of the Company, with effect from August 1, 2019 for his remaining term i.e. up to May 18, 2021, on the other terms and conditions, including remuneration as set out below and as approved by the Board of Directors at the said meeting, subject to the approval of Members.

The profile of Mr. Utkarsh Munot is provided in the Annexure to this Notice.

The details of remuneration payable to Mr. Utkarsh Munot are as under:

- (i) Salary: Rs. 15,00,000 per month, with annual increment of 15% starting from April 2021.
- (ii) Performance Bonus/ Commission: payable annually for each financial year, as may be determined by the Board on recommendation of the Nomination & Remuneration Committee (NRC)
- (iii) Perquisites: In addition to the aforesaid Salary and Performance Bonus, Mr. Utkarsh Munot shall be entitled to perquisites like house-rent allowance, stock-option, gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, medical reimbursement for self and family, Hospitalization insurance, Company's contribution to Provident fund /special pay in lieu thereof, Company car/s with driver, telecommunication facilities, Encashment of unavailed leave in accordance with the rules of the Company, Retirement benefits as per the laws applicable and such other perquisites and allowances as may be approved by the Board of Directors or NRC, from time to time.

The perquisites and allowances shall be valued as per the Income Tax Rules, 1962 wherever applicable, otherwise at actual cost.

The approval of Member is also being sought for payment of annual remuneration to Mr. Utkarsh Munot, where in any financial year, during the currency of Mr. Utkarsh Munot's term as the Managing Director of the Company, the Company has no profits or its profits are inadequate for any of the financial year, the Company shall pay the salary, perquisites and other benefits, excluding Performance Bonus/ Commission, as Minimum Remuneration to him, notwithstanding that such remuneration may exceed 5% of the Net Profit as prescribed under Section 197 or limits specified in Schedule V to the Companies Act, 2013 and in excess of Rs.5,00,00,000 or 2.5% of the net profits of the Company, whichever is higher, as prescribed under the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**the Listing Regulations**).

The Board considers that the appointment of Mr. Utkarsh Munot would be in the interest of the Company. Accordingly, the Board of Directors recommends his appointment.

Except Mr. Utkarsh Munot and his relatives (which includes Mr. Dinesh Hirachand Munot and Mrs. Eitika Utkarsh Munot, Directors of the Company), none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at an Item No 3.

This Explanatory Statement and the Annexure thereto may also be regarded as a disclosure under Regulation 36 of the Listing Regulations.

Item No. 4:

The Members of the Company, at their 34th Annual General Meeting held on July 30, 2014, had appointed Mr. Manish Motwani (DIN 00394860) as an Independent Director of the Company for a period of 5 (five) consecutive years for a term up to March 31, 2019, pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (**'the Act'**) and Rules framed thereunder.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Manish Motwani, as an Additional Director and also an Independent Director of the Company, for a second term of 5 years i.e. from April 1, 2019 to March 31, 2024, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 89 of the Articles of Association of the Company, Mr. Manish Motwani shall hold office up to the date of 39th Annual General Meeting of the Company and is eligible to be appointed as Director

A brief profile of Mr. Manish Motwani also forms part of this Notice.

Mr. Manish Motwani satisfies the criteria for independence as specified in sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination & Remuneration Committee and the Board evaluated the performance of Mr. Manish Motwani, rated him satisfactory on all parameters and recommended his re-appointment as an Independent Director of the Company, since he possesses the requisite qualifications and attributes for re-appointment.

The Members are, therefore, requested to grant their approval by way of Special Resolution for the re-appointment of Mr. Manish Motwani as an Independent Director of the Company to hold office, for a further term of 5 years i.e. from April 1, 2019 to March 31, 2024 and as a director, not liable to retire by rotation.

None of the Directors/ Key Managerial Personnel of the Company and their relatives, except Mr. Manish Motwani, is in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution.

The Board recommends the Special Resolution set forth at Item No. 4 for approval of the Members.

Item No. 5:

The Members of the Company, at their Extraordinary General Meeting held on March 27, 2015, had appointed Mr. S. A. Gundecha (DIN 00220352) as an Independent Director of the Company, for a period of 5 consecutive years with effect from September 16, 2014, pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and Rules framed thereunder.

The term of Mr. S. A. Gundecha as an Independent Director shall, thus, expire on September 15, 2019.

A brief profile of Mr. S.A. Gundecha also forms part of this Notice.

Mr. S.A. Gundecha satisfies the criteria for independence as specified in sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination & Remuneration Committee and the Board evaluated the performance of Mr. S. A. Gundecha, rated him satisfactory on all parameters and recommended his re-appointment as an Independent Director of the Company, since he possesses the requisite qualifications and attributes for re-appointment.

The Members are, therefore, requested to grant their approval by way of Special Resolution for the re-appointment of Mr. S. A. Gundecha as an Independent Director of the Company to hold office for a further term of 5 years from September 16, 2019 to September 15, 2024, and as a director not liable to retire by rotation.

None of the Directors/ Key Managerial Personnel of the Company and their relatives, except Mr. S.A. Gundecha, is in any way, concerned or interested, financially or otherwise, in the aforementioned Resolution.

The Board recommends the Special Resolution set forth at Item No. 5 for approval of the Members.

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

Satish Mehta
Company Secretary
Membership No. F 3219

June 13, 2019

Registered Office:

Gat No. 1242/44, Village Vadu Budruk,

Tal. Shirure, Dist. Pune- 412 216

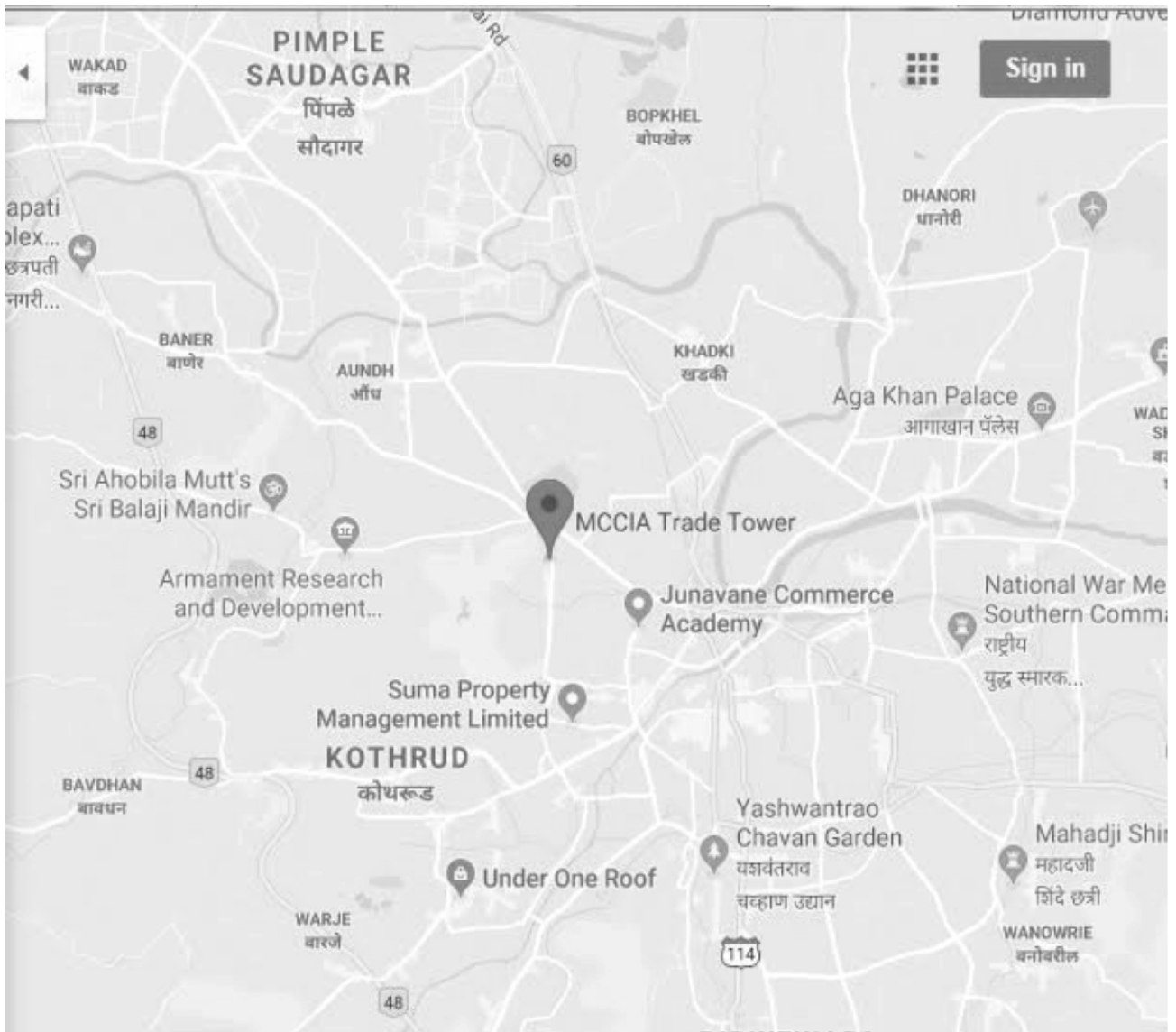
CIN: L29130PN1981PLC023734

Profile of the Directors being appointed/ re-appointed as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India.

Particulars	Mr. Dinesh Munot	Mr. Utkarsh Munot	Mr. Manish Motwani	Mr. S. A. Gundecha
DIN	00049801	00049903	00394860	00220352
Designation	Chairman and Managing Directors	Whole-time Director and Chief Executive Officer	Non-Executive Independent Director	Non-Executive Independent Director
Age	71 years	38 years	51 years	65 years
Date of Appointment	November 8, 1986	October 31, 2006	June 23, 1998	September 15, 2014
Qualification	B.E.(Ele) M.I.E	B.E. (Mech. & Mfg.) and Diploma in Business Admin. from Northeastern University, Boston, U.S.A.	Master's Degree in Computer Engineering from University of Hawaii at Monoa. Bachelor of Electronics and Communication.	B.com. LL.B, Associate Member of the Institute of Company Secretaries of India.
Experience	Worked as Executive Director in Kinetic Engineering Ltd. (before 1984). Worked as Chief Executive of the Company during 1984 - 1986. Managing Director of the Company from January 1, 1987 and Chairman and Managing Director from July 14, 2010.	Mr. Utkarsh Munot was working as 'Manager-Works' in the Company since May 14, 2004. He was appointed as 'Executive Director' of the Company from November 1, 2006. He has taken charge as 'Whole-time Director & Chief Executive Officer' with effect from May 19, 2016.	He has worked with Intergraph Corp. USA & Sun Microsystems, USA. Currently he is holding the position of Managing Director in Kinetic Hyundai Elevator & Movement Technologies Ltd. and Kinetic Taigene Electrical Co. Pvt. Ltd.	Presently, Mr. Gundecha is Practicing Lawyer having Enrolment Number Mah/685/1977
Expertise in Specific Functional areas	Mr. Dinesh Munot is a well known Industrialist and a renowned personality in the Indian Automotive Industry. His expertise is in the fields of Manufacturing, New Product Development, Top Management Functions etc.	Engineering, Business Developments, New Projects etc.	Entrepreneurship, Technical Collaborations etc.	Legal Expert, Drafting, Finance, Taxation, Joint Ventures Collaborations etc.
Directorships held in other companies in India	Sanghvi Movers Ltd. Robert Bosch Automotive Steering Pvt. Ltd. Emtech Solutions Pvt. Ltd. Yelben Engineering Pvt. Ltd.	Emtech Solutions pvt. Ltd. Yelben Engineering Pvt. Ltd.	Chrysalis Casting Pvt. Ltd. Ducati Energia (India) Pvt. Ltd. Sitaram Real Estate Developers Pvt. Ltd. Kinetic Taigene Electrical Co. Pvt. Ltd. Kinetic Electric Motor Company Ltd. Kinetic Fgtecnopolo Engg. Services Pvt. Ltd.	Nil

Membership of Committees(in the Company)	Corporate Social Responsibility Committee (CSR)	Corporate Social Responsibility (CSR) Committee	Audit Committee Nomination and Remuneration Committee.	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman Stakeholders' Relationship Committee
Membership of Committees (Others)	Audit Committee – Member of Sanghvi Movers Ltd.	Executive Committee Member of ACMA and Management Committee Member of Indira Institute of Management, Pune.	Nil	Nil
No. of Equity Shares held in the Company	9,49,290 equity shares of Rs. 10 each	1,191,494 equity shares of Rs. 10 each	Nil	1250 equity shares of Rs. 10 each
Relationship between directors/ Managers/ KMP inter-se	Mr. Dinesh Munot is father of Mr. Utkarsh Munot and father-in- law of Mrs. Eitika Munot. Mr. Utkarsh Munot is husband of Mrs. Eitika Munot		None	None
Number of Board Meetings attended during the financial year 2018-19	5 out of 5	4 out of 5	3 out of 5	5 out of 5

Route-Map to the venue of EGM



Notes

[illegible]

ZF STEERING GEAR (INDIA) LIMITED

Registered Office: Gat No. 1242/44, Village Vadu Budruk, Tal. Shirur, Dist. Pune 412216, CIN: L29130PN1981PLC023734
Email Id: satish.mehta@zfindia.com, Website: www.zfindia.com, Phone: 02137-305100, Fax: 02137-305302



EXTRAORDINARY GENERAL MEETING ON JULY 17, 2019

ATTENDANCE SLIP

Sr.No :

Registered Folio/ DP ID &
Client ID
Name and address of the
shareholder(s)

Joint Holder 1
Joint Holder 2

I/ We hereby record my/ our presence at the Extra Ordinary General Meeting of the Company to be held on Wednesday, July 17, 2019 at 10.00 a.m. at Navalmal Firodia Seminar Hall No. 4 – West, Mahratta Chamber of Commerce Industries and Agriculture, 505 A Wing, 5th Floor, MCCA Trade Tower, Senapati Bapat Road, Pune - 411016.

Member's Folio/ DPID / ClientID

Members'/ Proxy's name in Block Letters

Members'/ Proxy's Signature

Note: Please complete the Folio / DPID - Client ID No. & name, sign this Attendance Slip and hand over this slip.

ELECTRONIC VOTING PARTICULARS

Event Number	*Sequence No./ PAN
190073	

** Only Members who have not updated their PAN with the Company / Depository Participant shall use Sequence No. in the PAN field.

Notes : 1. Please read the instructions relating to e-voting printed under the Notes to the Notice of the Extraordinary General Meeting to be held on **Wednesday, July 17, 2019 at 10.00 a.m.**

2. The remote e-Voting period starts from 9.00 a.m. on Saturday, July 13, 2019 and ends on Thursday, July 16, 2019 at 5.00 p.m. The voting module shall be disabled by Link Intime India Pvt.Ltd for voting thereafter.

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING HALL.

ZF STEERING GEAR (INDIA) LIMITED

Registered Office: Gat No. 1242/44, Village Vadu Budruk, Tal. Shirur, Dist. Pune 412216, CIN: L29130PN1981PLC023734
Email Id: satish.mehta@zfindia.com, Website: www.zfindia.com, Phone: 02137-305100, Fax: 02137-305302



EXTRAORDINARY GENERAL MEETING ON JULY 17, 2019

PROXY FORM

Name of the Member(s)	
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being the member(s) of _____ shares of the above named Company, here by appoint

- Name :
Address :
Email id :
Signature : _____ or failing him/her
- Name :
Address :
Email id :
Signature : _____ or failing him/her
- Name :
Address :
Email id :
Signature : _____

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the ExtraOrdinary General Meeting of the Company, to be held on Wednesday, July 17, 2019 at 10.00 a.m. at Navalmal Firodia Seminar Hall No. 4 – West, Mahratta Chamber of Commerce Industries and Agriculture, 505 A Wing, 5th Floor, MCCA Trade Tower, Senapati Bapat Road, Pune - 411016 and at any adjournment thereof in respect of such resolutions as are indicated below:

- Sale of Shares of Robert Bosch Automotive Steering Private Limited held by the Company to Robert Bosch Automotive Steering GmbH.
- Change in Designation of Mr. Dinesh Hirachand Munot and Minimum Remuneration.
- Change in Designation of Mr. Utkarsh Munot And Terms of Remuneration
- Re-appointment of Mr. Manish Motwani (DIN 00394860), as an Independent Director of the Company.
- Re-appointment of Mr. S. A. Gundecha (DIN 00220352), as an Independent Director of the Company

Signed this _____ day of _____ 2019

Signature of Member: _____ Signature of Proxy holder(s): _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Affix
Revenue
Stamp not
less than
Re. One