

Dt.: 27th September, 2017

1. Listing Department (Fax: 022-22723719 /22722037/
BSE Limited 22722041 /22722061/
Phiroze Jeejeebhoy Towers 22722039 /22658121)
Dalal Street, Mumbai 400001
2. Listing Department (Fax: 022-26598237/26598238)
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400051

Subject: Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015- 62nd Annual Report of the Company for the financial year ended 31st March, 2017

Dear Sir/Ma'am,

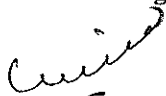
Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the 62nd Annual Report of the Company for the financial year ended 31st March, 2017, approved & adopted in the 62nd Annual General Meeting of the Company held on Monday, 25th September, 2017 at 11:00 A.M. at Hotel Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi- 110038.

This is for your kind information and record.

Regards.

Yours truly,

For Federal-Mogul Goetze (India) Limited



(Dr. Khalid Iqbal Khan)

Whole-time Director- Legal & Company Secretary

Encl: As above

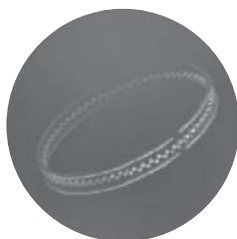
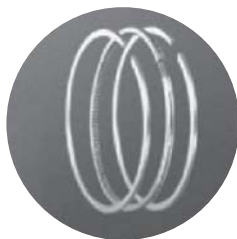
- CC: 1. National Securities Depository Limited
Trade Word, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai 400 013
2. Central Depository Services [India] Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street
Mumbai 400 023

FEDERAL-MOGUL GOETZE (INDIA) LIMITED



62ND Annual Report - 2016-17

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BOARD OF DIRECTORS

Chairman & Director

Mr. K. N. Subramanian

Whole Time Managing Director

Mr. Vinod Kumar Hans

Whole Time Director - Legal & Company Secretary

Dr. Khalid Iqbal Khan

Chief Finance Officer & Finance Director

Mr. Manish Chadha

Directors

Mr. Sunit Kapur

Mr. Rajesh Sihna

Ms. Janice Ruskey Maiden

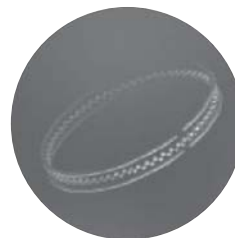
Mr. Mahendra Kumar Goyal

Mr. Mukul Gupta

Mr. K C Sundareshan Pillai

Auditors

M/s. Walker, Chandio & Co. LLP



REGISTRAR AND SHARE TRANSFER AGENTS

Alankit Assignments Limited
Corporate Office, 'Alankit Heights'
1E/13, Jhandewalan Extn.
New Delhi 110 055
Ph. No. 011-23541234, 42541956
Fax No. 011-42541201
Email: rta@alankit.com

REGISTERED OFFICE

DLF Prime Towers,
10 Ground Floor,
F-79 & 80, Okhla Phase - I,
New Delhi - 110020

WORKS

1. Bahadurgarh, Patiala (Punjab)
2. Yelahanka, Bengaluru (Karnataka)
3. SPL 1240-44, RIICO Industrial Area,
Phase-I Extn, Bhiwadi (Rajasthan)
4. Plot No. 46, Sector-11,
IIE-Pantnagar,
Udham Singh Nagar,
(Uttarakhand)

KEY BANKERS

Deutsche Bank AG
HDFC Bank Ltd.
Kotak Mahindra Bank Ltd.
State Bank of India
Yes Bank Limited

TEN YEAR'S FINANCIAL REVIEW

(Rs. in lacs)

	March 2017	March 2016	March 2015 (15 months)	December 2013	December 2012	December 2011	December 2010	December 2009	December 2008	December 2007
Total Income (gross)	145,926.28	150,128.05	170,452.08	126,832.80	131,370.48	126,312.25	102,405.62	84,041.87	79,762.07	72,028.57
Depreciation	7,639.04	7,517.68	8,937.31	6,613.55	6,193.52	5,365.89	4,822.46	4,949.23	4,634.14	4,292.16
Profit before Tax	10,981.82	7,180.15	4,745.73	3,035.85	(1,383.93)	4,864.01	4,569.31	5,067.48	(517.00)	(1,782.69)
Taxation (adjmt for excess provision for prev.yr. written back if any)	3,783.26	2,779.51	1,610.19	977.29	251.82	1,117.84	1,130.39	457.87	172.23	79.74
Profit after Tax	7,198.56	4,400.64	3,135.54	2,058.56	(1,635.74)	3,746.17	3,438.92	4,609.61	(689.23)	(1,862.43)
Dividend	-	-	-	-	-	-	-	-	-	-
Dividend Tax	-	-	-	-	-	-	-	-	-	-
Retained Profit/(Loss)	7,198.56	4,400.64	3,135.54	2,058.56	(1,635.74)	3,746.17	3,438.92	4,609.61	(689.23)	(1,862.43)

Assets Liabilities & Net Worth

	March 2017	March 2016	March 2015	December 2013	December 2012	December 2011	December 2010	December 2009	December 2008	December 2007
Fixed Assets	54,092.66	55,247.43	52,409.45	50,710.79	49,557.25	46,346.75	39,043.60	38,348.16	40,062.06	38,038.79
Investments	513.25	510.00	510.00	510.00	510.00	2,092.34	2,092.34	2,092.34	2,092.34	2,093.90
Indebtedness	11,531.94	19,132.59	21,975.54	20,244.13	19,021.30	15,384.40	8,648.74	10,113.80	16,213.62	29,236.92
Share Capital	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	3,262.09
Reserves	50,675.95	43,477.39	39,514.26	36,378.72	34,320.16	35,955.90	32,209.74	28,770.82	24,150.79	14,362.21
Net Worth	56,239.16	49,040.60	45,077.47	41,941.93	39,883.37	41,519.11	37,772.95	34,334.03	29,714.00	17,624.30

Significant Ratios

	March 2017	March 2016	March 2015	December 2013	December 2012	December 2011	December 2010	December 2009	December 2008	December 2007
A. Measurement of Investment										
Percentage of Return on Investment (annualised)	16.04	10.62	7.34	5.01	(2.40)	9.41	10.06	11.21	(1.11)	(3.86)
Percentage of Return on Equity(annualised)	20.86	15.26	10.91	7.42	(3.40)	12.27	12.67	15.82	(2.18)	(13.38)
Dividend Cover (Ratio)	-	-	-	-	-	-	-	-	-	-
B. Measurement of Performance										
Percentage of Profit before Tax to sales	7.66	4.91	2.85	2.44	(1.06)	4.05	4.72	6.32	(0.68)	(2.61)
Percentage of Profit after Tax to sales	5.02	3.01	1.88	1.65	(1.26)	3.12	3.55	5.75	(0.91)	(2.72)
C. Measurement of Financial Status										
Percentage of term Loans to Tangible Net Worth	0.08	0.23	0.20	0.18	0.10	1.93	3.18	7.28	13.00	55.52
Current Ratio	1.33	1.08	0.93	0.90	0.83	1.04	1.12	0.99	0.73	0.83
D. Genera										
Dividend per Equity Share (Rs.)	-	-	-	-	-	-	-	-	-	-
Earnings per Equity Share (Rs.) (annualised)	12.94	7.91	5.64	3.70	(2.94)	6.73	6.18	8.29	(2.05)	(7.22)
Book Value per Equity Share (Rs.)	101.09	88.15	81.03	75.39	71.69	74.63	67.90	61.72	88.36	68.34

Corporate Social Responsibility Activities

Federal-Mogul is committed to serve society through its CSR initiatives with the main focus on women empowerment, health, hygiene and education of under-privileged children.

Our CSR strategy focuses on people, society and planet, and prioritizes issues most important to our business and stakeholders, and areas where we can make the greatest impact.

As you read through this report, we hope you'll see that our social and environmental programmes address fundamental issues that are important to people all over the world. Through this CSR Report we wish to communicate our approach, objectives, progress and challenges around these high-level priorities:

Federal-Mogul truly believes that we are at our best when we combine our business strength with our desire to do good in the world.

Gurugram

Support to Ghar Angna School –

Federal-Mogul has been supporting this school for the last two years. Our hearty congratulations to Ghar Angna School, upon the school achieving 100% result. We acknowledge the sincere efforts made by the teachers of this school. The school was started with 80 children and has now a strength of 150 children.



Preventive Healthcare –

The Company has been working with 'The Earth Saviours Foundation', which is an internationally recognized NGO, situated in Gurugram. The Foundation is dedicated to serve less privileged people and is also making every possible effort to protect the environment.

Presently around 300 abandoned senior citizens and disabled people are living at the Gurukul located at Bandhwari Village, Gurugram, where all the basic facilities including dormitory accommodation, hygienically prepared meals, medical facilities and day to day needs are given to them completely free of charge.

Federal-Mogul has constructed 2 big halls at the Gurukul for the inmates to provide them safety and protection against extreme weather conditions.



PATIALA PLANT

The Company feels proud in being associated with Society for Welfare of The Handicapped, which is a pioneer in North India in the field of education of children with special needs. It was established in 1967 and manages the following schools:

1. Patiala School for the Blind
2. Patiala School for the Deaf
3. Patiala School for the Deaf-Blind (for children with multiple disabilities)

The school at present has total of 185 deaf and 60 blind students, who are provided free/subsidised education and hostel facility. Under the banner of Corporate Social Responsibility programmes, this year too, the Company distributed school uniforms to all students at the beginning of the session and supported them with furniture for the new academic block.

Most of the young people turning 18 are unaware of the range of options available to them. The simple reality is that in a rapidly changing world, they're also not fully equipped with the resources to do so successfully.

Girl students of SOS children village, Rajpura were taken to Patiala Girls ITI to give them good starting point to better understand the range of job options available and what skills employers are looking for. They were informed about various courses available at ITI which can help them in planning their career.

The Company has been associated with SNS Foundation for the technical skill development of women



Graduation Ceremony of students of the 2-Wheeler Engine Maintenance Training Course was held in Gurugram on 18th Nov, 2016. It is heartening to see the initiatives, started in 2015 along with SNS foundation, growing in stature. More than 100 students trained in the past one year have been successfully placed in various automotive dealership workshops. This advanced 12 weeks, two-wheeler engine course prepares these deprived & needy students to become skilled and confident contributors of the society.



(Projects run by Federal-Mogul TPR (India) Limited, subsidiary Company of Federal-Mogul Goetze (India) Limited)

Adult Literacy Programme and Open school at IIT Delhi

The Company has expanded existing programmes at IIT Delhi by new initiatives and skill development programmes for underprivileged children, youth and women. VIDYA (the NGO we have tied up with) inaugurated its new ventures with IIT Delhi and NSS (National Social Services) on Monday, October 3, 2016.

The Adult literacy Program was launched on 1st March, 2017 at IIT Delhi campus. This program targets employed youth between the age group of 22 to 35 years and covers the following:

- Computer Literacy
- NIIT Basics of computer programming
- Spoken English and life skills training

The VIDYA Deep program aims to augment the knowledge and skills of employed youth. The training programmes have been designed in accordance with the demands of evolving business needs of the modern world. These programmes shall enable the participants to progress in their careers and empower young people and adults to develop skills for work and life.



BENGALURU

Inauguration function of Free Tailoring Course for Rural Women "WOMEN EMPOWERMENT"

This Course was inaugurated in Kurbarahalli Village, Doddaballapur, and Bengaluru district, with 25 Student enrolled for this programme for Sewing & Garments Designing.

On 23rd Dec, 2016 the School Building at Govt. Primary School, Kurubarahalli, Doddaballapur was inaugurated. Last year toilets were constructed in this school for boys and girls under the 'Swachh Bharat Abhiyan' and this year, efforts were made to improve the infrastructure of school by building:-

- 2 Full fledged Class Rooms besides providing Children Desk, Class Teacher's Table & Chairs, Fans, Library Racks etc. and pasting Educational Aids on wall for 1st to 5th Standard.

- Drinking Water Facility - One RO Unit of 50 Ltrs. capacity installed.

It is planned to make this a MODEL SCHOOL by further improving the quality of education by providing remedial coaching:-

- English Classes – Twice a week
- Providing Computers
- Providing School Uniforms & Shoes to Children
- Providing Books & Stationeries required for School Children

In order to ensure sanitation facilities in rural areas with the broader goal to eradicate the practice of open defecation, Federal-Mogul is committed to take up construction of toilets and has initiated the Toilet Project under 'Swachh Bharat Abhiyan'.

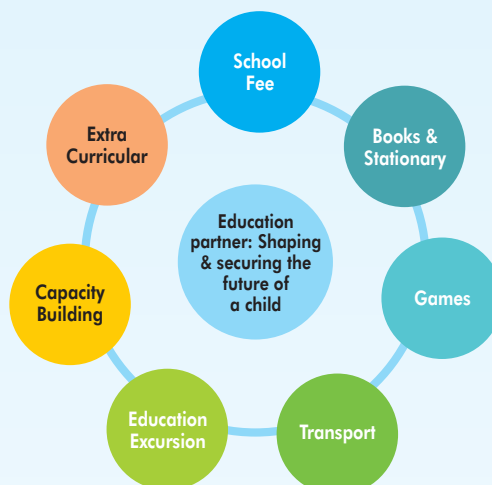


Support to SOS Children's Village -

Ensuring Sustainability, Empowerment since 2011

Federal Mogul has been supporting SOS Children's Villages of India since 2011 in providing quality education to Parentless children living in SOS Children's Villages at Rajpura, Bengaluru and Faridabad.

The child has access to pre-primary, primary, secondary and vocational education etc. as detailed in the chart:-



NOTICE

Notice is hereby given that the 62nd Annual General Meeting of the Company will be held on Monday, 25th September, 2017 at 11:00 AM at Hotel Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi-110038 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31st March, 2017 and Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Ms. Janice Ruskey Maiden (DIN: 06847230) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Dr. Khalid Iqbal Khan (DIN: 05253556) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Walker, Chandio & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), as the Statutory Auditors of the Company and to fix their remuneration.

"RESOLVED THAT M/s. Walker Chandio & Co., LLP Chartered Accountants (Firm Registration No. 001076N/N500013), New Delhi, be and is hereby appointed as the Statutory Auditors of the Company for a period of five years i.e. from the conclusion of this 62nd Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2022, subject to the ratification by members at every Annual General Meeting at such a remuneration as may be fixed and determined by the Board of Directors of the Company in consultation with the Statutory Auditors."

SPECIAL BUSINESS:

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTIONS AS ORDINARY RESOLUTION:

5. Appointment of Mr. K.C. Sundareshan Pillai (DIN: 06846949) as an Independent Director

"RESOLVED THAT pursuant to the provisions of section 149, 152 and 160, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to appoint Mr. K.C. Sundareshan Pillai (DIN: 06846949) as an Independent Director of the Company to hold office for a period of 3 years, with effect from 16th December, 2016."

6. Ratification of Remuneration to Cost Auditor for the financial year 2017-18.

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s Sanjay Gupta & Associates, Cost Accountants having Firm Registration No. 00212 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2017-18, amounting to Rs. 450000/- (Rupees four lakhs fifty thousand only) as audit fee plus applicable tax(es) plus out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified, confirmed and approved."

**By Order of the Board,
For Federal-Mogul Goetze (India) Limited,**

Sd/-

Dr. Khalid Iqbal Khan

**Whole-time Director-Legal & Company Secretary
Membership No. F5993**

**Address: 2136, Mir Bukhari Street,
Turkman Gate, Delhi-110006**

Date : 19th May 2017
Place : Gurugram

Notes:

- i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE MUST REACH AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.**
- ii) **A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than ten percent of the total paid up share capital of the Company carrying voting rights. A member holding more than 10 percent of the total share capital carrying voting rights may appoint a single person a proxy and such person shall not act as proxy for any other person or shareholder.**
- iii) **The relative explanatory statements, pursuant to section 102 of the Companies Act 2013, in respect of Item No. 5&6 of the accompanying Notice are annexed hereto.**
- iv) **A statement giving the relevant details of the directors seeking re-appointment under Item No. 2, 3 & 5 of the accompanying Notice, as required by Secretarial Standards-2 and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.**
- v) The Directors' Report, Auditors' Report and Audited Financial Statements for the financial year ended 31st March 2017 are enclosed.
- vi) The Register of Members and Share Transfer Books of the Company shall remain closed from 19th September 2017 to 25th September 2017 (both days inclusive) for the purpose of Annual General Meeting.
- vii) The Notice of the Annual General Meeting along with the Attendance slip, Proxy Form and E-voting Instructions is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participant(s) unless a member has requested for a hard copy of the same. For the members who have not registered their email address, physical copy of the notice is being sent by the permitted mode.
- viii) The Company is pleased to provide e-voting facility to the shareholders of the Company through National Securities Depository Services India Limited (NSDL), to transact the business through e-voting.
- ix) Members holding shares in physical mode are requested to notify change in their address, transfer/transmission requests/ queries, if any to the Registrar & Transfer Agent (RTA) of the Company, "Alankit Assignments Limited", quoting Folio number and those holding shares in Demat mode must inform the change of address to their respective Depository Participants.
- x) Members holding shares in physical mode and who have multiple accounts in identical names or joint accounts in same order are requested to send all their relevant share certificate(s) to the RTA for consolidation of all such shareholdings into one account to facilitate better service.
- xi) Members / Proxies are requested to bring their copy of the Annual Report and Admission Slip sent herewith duly filled in for attending the meeting to avoid inconvenience and delay at the time of registration. Copies of Annual Report and admission slip will NOT be available for distribution at the venue of the meeting.
- xii) In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote at the meeting.
- xiii) Corporate members intending to send their authorised representative(s) to attend the meeting pursuant to section 113 of the Companies Act 2013 are requested to send to the Company a certified copy of the Board Resolution together with their specimen signatures authorising their representative(s) to attend and vote on their behalf at the meeting.
- xiv) In terms of notification issued by SEBI, the Equity Shares of the Company are under compulsory demat trading for all Investors from 24th July 2000. Shareholders are advised to hold their shares in Demat mode and to send their Share Certificates along with Dematerialisation request to the RTA through their Depository Participants.

Under Section 72 of the Companies Act, 2013 the shareholder(s) can nominate a person to whom his shares in the Company shall vest in the event of his/their death. Where the shares are held in joint names, such nomination has to be made jointly. The nominee shall, on the death of the shareholder or all joint holders, as the case may be, become entitled to all rights in the shares to the exclusion of all other persons unless the nomination is varied or cancelled by the shareholder(s) in the prescribed manner. Shareholder(s) desirous of nominating a person may write to the Company for obtaining the prescribed Nomination form.
- xv) All the Shareholders can communicate with the RTA for requests/ queries relating to transfer, transmission, demat, remat, endorsement as fully paid up, split, consolidation, change of address, issue of duplicate share certificates at the registered address "Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi - 110055". For all other queries, please contact the Company either at the Registered Office of the Company, DLF Prime Towers, 10 Ground Floor, F-79 & 80, Okhla Phase - I, New Delhi - 110020 or by email to investor.grievance@federalmogul.com

- xvi) The facility for voting through polling paper shall be 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.
- xvii) The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and documents referred to in the notice and explanatory statement, are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) upto the date of Annual General Meeting and will also be available for inspection at the meeting.
- xviii) To support the 'Green Initiative' in the 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 are requested to register their email addresses with Alankit Assignments Limited if shares are held in physical mode or with their DP, if the holding is in electronic mode. In case a member holding shares in Dematerialized mode wants to obtain the copy of Annual Report in physical mode, he is requested to request the Company or RTA in writing, for the same.

**By Order of the Board,
For Federal-Mogul Goetze (India) Limited,**

Sd/-

**Dr. Khalid Iqbal Khan
Whole-time Director-Legal &
Company Secretary
Membership No. F5993
Address: 2136, Mir Bukhari Street,
Turkman Gate, Delhi-110006**

Date : 19th May 2017

Place : Gurugram

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 5

In the meeting of the Board of Directors held on 16th December, 2016, Mr. K. C. Sundareshan Pillai (DIN:06846949) was appointed as an Additional Director on the Board of the Company w.e.f. 16th December, 2016. Accordingly, Mr. Pillai holds the office as Director upto the date of this 62nd Annual General Meeting. The Company has received a notice from a member under Section 160 of the Companies Act, 2013 proposing his candidature as Director along with the prescribed deposit of Rs. 1,00,000/-.

In the same Board meeting, Mr. Pillai was also appointed as an Independent Director, of the Company effective from 16th December, 2016 for a period of 3 years, subject to the approval of the shareholders in the Annual General Meeting.

Mr. Pillai, aged about 60 years, has done graduation in Mechanical Engineering from National Institute of Technology, Raipur. Mr. Pillai has also attended various training programmes, including Technical trainings in Europe and U.S.A. Mr. Pillai has 30 years of rich experience in steering sales and marketing functions and technical areas with said companies.

Presently, Mr. Pillai is holding the position of Managing Director in Triangle Tyre Corporation Ltd. and is responsible for overall operations of the Company.

OTHER DETAILS

Directorships held in other companies (excluding foreign companies)	Triangle Tyre Corporation Limited
Committee position held in other companies	Nil
No. of Board meetings attended during the year	02
No. of shares held	Nil

Mr. Pillai is not disqualified from being appointed as an Independent Director, in terms of the provision of Companies Act and SEBI (LODR) Regulations 2015 and has given his consent to be appointed as an Independent Director of the Company. The Board had considered him the most suitable person for the position of Director of the Company.

Save and except Mr. Pillai as mentioned above, none of the other directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in Item no. 5. Accordingly, the Board recommends appointment of Mr. Pillai, as an Independent Director, not liable to retire by rotation, and propose to pass the resolution as set out in Item no. 5 of the notice as an Ordinary Resolution.

Item No. 6

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified and approved by the Members of the Company. The Board of Directors of the Company on the recommendation of the Audit Committee has approved the appointment and remuneration of M/s. Sanjay Gupta & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2017-18 at a remuneration of Rs. 4,50,000/- as audit fee plus applicable tax (es) plus out of pocket expenses. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year 2017-18 as set out in Item No. 6 for the aforesaid services to be rendered by them.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested in the said Resolution. The Board of Directors recommend to pass the resolution as set out in Item No.6 as an Ordinary Resolution.

**By Order of the Board,
For Federal-Mogul Goetze (India) Limited,**

**Sd/-
Dr. Khalid Iqbal Khan
Whole-time Director-Legal &
Company Secretary
Membership No. F5993
Address: 2136, Mir Bukhari Street,
Turkman Gate, Delhi-110006**

Date : 19th May 2017

Place : Gurugram

DETAILS OF THE DIRECTORS (IN PURSUANCE OF SECRETARIAL STANDARD-2 AND REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

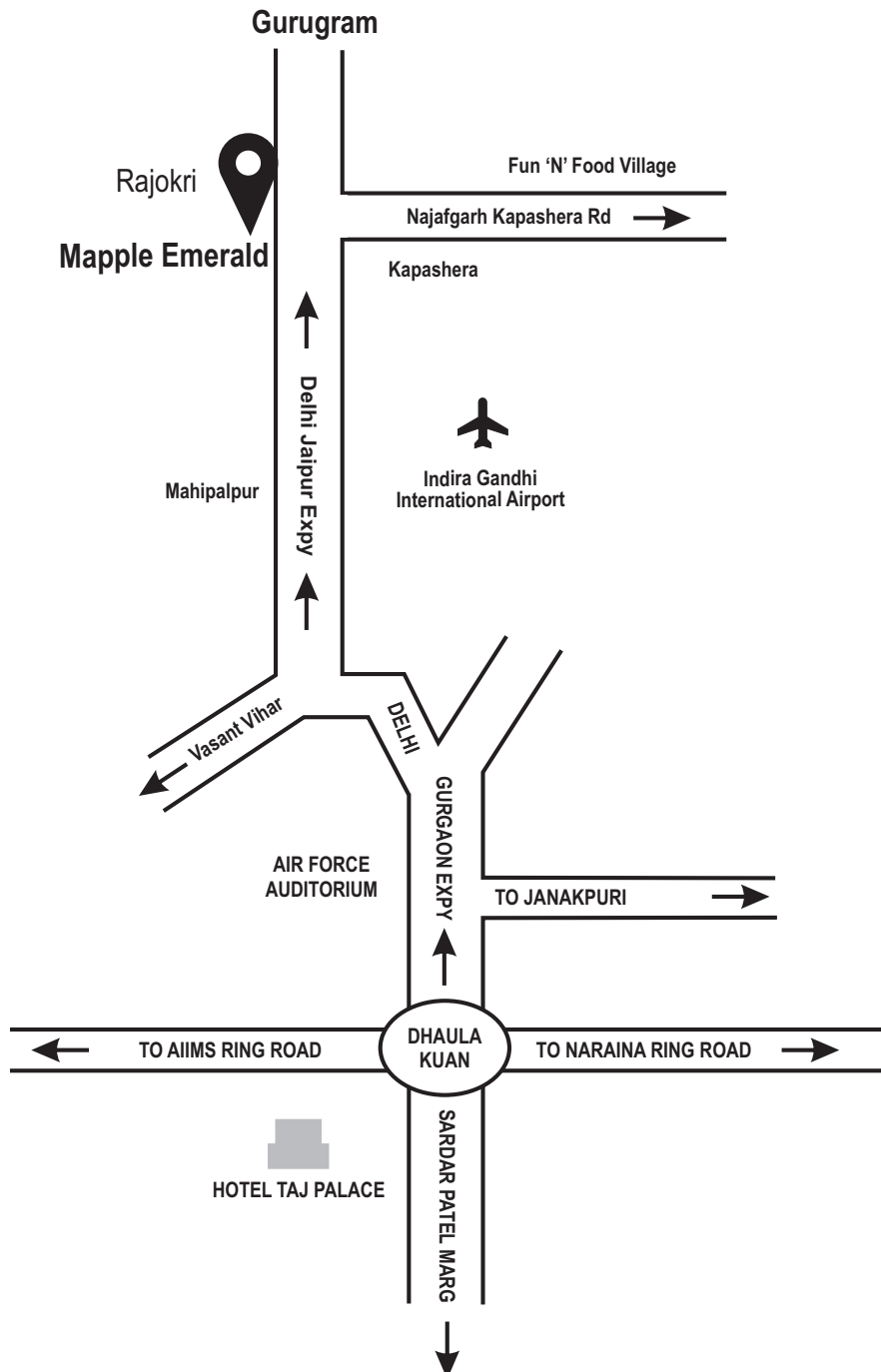
Name of Director	Ms. Janice Ruskey Maiden
Original Date of Appointment	13 th August 2014
Age	59 Years
Expertise in specific Philadelphia functional areas	Ms. Janice Ruskey Maiden, is a Graduate in Textile Engineering from University, Philadelphia, PA, MSE/Executive Masters in Technology Management (EMTM) from University of Pennsylvania, Philadelphia, PA. Ms. Maiden has undergone International Business Development Program under INSEAD - General Management Program (CEDEP), Fontaine Bleu, France. Ms. Maiden has approximately 35 years of rich experience in technology exploration, product and business development.
Qualifications	Graduate in Textile Engineering, MSE/Executive Masters in Technology Management (EMTM), International Business Development Program under INSEAD - General Management Program (CEDEP), Fontaine Bleu, France.
Directorships held in other companies (excluding foreign companies)	Nil
Committee position held in other companies	Nil
No. of Board meetings attended during the year	01
No. of shares held	Nil

Name of Director	Dr. Khalid Iqbal Khan
Original Date of Appointment	22 nd May 2015
Age	49 Years (Approx.)
Expertise in specific functional areas	<p>Dr. Khalid Iqbal Khan, is a Company Secretary from the Institute of Company Secretaries of India, Chartered Secretary from the Institute of Chartered Secretaries and Administrators, UK and a Law graduate from Delhi University. He has also done PhD in Corporate Governance. Dr. Khan has approximately 25 years of rich experience at senior level positions in the legal field. He has also completed Mahler Leadership Course.</p> <p>Dr. Khan has been associated with the Company since November, 2009 and presently holding the position of Whole-time Director- Legal & Company Secretary. Prior to joining the Company, he was Company Secretary of Goodyear India Limited.</p>
Qualifications	Company Secretary from Institute of Company Secretaries of India, Chartered Secretary from UK, Bachelor of Law and PhD in Corporate Governance
Directorships held in other companies (excluding foreign companies)	<ol style="list-style-type: none"> 1. Federal-Mogul Ignition Products India Limited 2. Federal-Mogul Motorparts (India) Limited 3. Federal-Mogul Anand Bearings India Limited 4. Federal-Mogul Powertrain Solutions India Private Limited 5. Federal-Mogul TPR (India) Limited
Committee position held in other companies	<ol style="list-style-type: none"> 1. Federal-Mogul Ignition Products India Limited <ul style="list-style-type: none"> - Audit Committee, Member - Nomination & Remuneration Committee, Chairman - Corporate Social Responsibility Committee, Member 2. Federal-Mogul Motorparts (India) Limited <ul style="list-style-type: none"> - Audit Committee, Member - Nomination & Remuneration Committee, Chairman 3. Federal-Mogul Anand Bearings India Limited <ul style="list-style-type: none"> - Audit Committee, Member - Stakeholders' Relationship Committee, Member - Corporate Social Responsibility Committee, Member 4. Federal-Mogul Powertrain Solutions India Private Limited <ul style="list-style-type: none"> - Corporate Social Responsibility Committee, Chairman 5. Federal-Mogul TPR (India) Limited <ul style="list-style-type: none"> - Audit Committee, Chairman - Nomination & Remuneration Committee, Chairman - Corporate Social Responsibility Committee, Member
No. of Board meetings attended during the year	05
No. of shares held	05 equity shares

**By Order of the Board,
For Federal-Mogul Goetze (India) Limited,**

Sd/-
Dr. Khalid Iqbal Khan
Whole-time Director-Legal &
Company Secretary
Membership No. F5993
Address: 2136, Mir Bukhari Street,
Turkman Gate, Delhi-110006

Route Map to the venue of the 62nd AGM of Federal-Mogul Goetze (India) Limited



Venue: Hotel Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi-110038
Landmark: Bharat Petroleum, Petrol Pump

DIRECTORS' REPORT

Your Directors are pleased to present the 62nd Annual Report and Audited Financial Statement of Accounts for the financial year ending 31st March, 2017.

FINANCIAL RESULTS

[Rs. in lacs]

Particulars	1 st April 2016 to 31 st March 2017	1 st April 2015 to 31 st March 2016
Gross Sales (Including other operating income)	143,298.02	146,584.88
Less: Excise duty	(13,080.56)	(13,525.04)
Income from operations	130,217.46	133,059.84
Other income	2,628.26	3,543.17
Total Income	132,845.72	136,603.01
Operating profit before finance charges, depreciation and exceptional item	20,596.12	17,429.92
Finance Charges	1,975.26	2,732.09
Depreciation	7,639.04	7,517.68
Exceptional items	-	-
Net Profit before tax	10,981.82	7,180.15
Provision for the Taxation :		
Current Tax	3,750.00	1,876.79
Tax earlier year	-	198.49
Less: Deferred Tax	33.26	704.23
Profit after tax	7,198.56	4,400.64
Profit brought forward from last year	15,668.98	11,705.85
Depreciation charged on transition to Schedule II of the Companies Act, 2013 (Net of deferred tax of Rs.225.29 lacs).	-	(437.51)
Surplus / (loss) carried forward to Balance sheet	22,867.54	15,668.98

OPERATIONS

During the financial year, the Gross sale of the Company was Rs. 143,298.02 lacs as against Rs. 146,584.88 lacs for the financial year ended 31st March 2016. The Total income of the Company was Rs. 132,845.72 lacs as against Rs.136,603.01 lacs for the financial year ended 31st March 2016.

During the year under review, the Company made a net profit after tax of Rs. 7,198.56 lacs as against the net profit after tax of Rs. 4,400.64 lacs for the financial year ended 31st March 2016.

No amount is proposed to be transferred to general reserves. An amount of Rs.7,198.56 lacs is proposed to be retained in the Statement of Profit and Loss.

In view of requirement of funds for the operations of the Company, no dividend is recommended for the financial year ended 31st March, 2017.

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

The details of the number of Board and Audit Committee meetings held and attended by directors/members and composition of Audit Committee of the Company are set out in the Corporate Governance Report which forms part of this Report as **Annexure-1**.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made

judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2017 and of the profit and loss of the Company for the financial year ended 31st March 2017;

- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis;
- the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION OF INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors confirming the independence as per the criteria prescribed under section 149(6) of Companies Act, 2013 read with the Schedules and Rules made thereunder as well as regulation 16(1)(b) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

NOMINATION & REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee, adopted a policy for selection and appointment (including the criteria for determining qualifications, positive attributes, independence of directors) and remuneration of Directors including Independent Directors, Key Managerial Personnel, Senior Management Personnel and other employees. The Nomination & Remuneration Policy is attached as **Annexure - 2**.

EXPLANATIONS OR COMMENTS ON AUDITOR'S QUALIFICATION/ RESERVATION/ ADVERSE REMARKS/ DISCLAIMER

There is no reservation or observation or qualification or adverse remark or disclaimer of Auditors' including Secretarial Auditors' of the Company in their report.

LOANS AND INVESTMENTS

During the Financial Year ended 31st March, 2017, no Loan, Investment and Guarantee u/s 186 of the Companies Act, 2013 was made by the Company.

RELATED PARTY TRANSACTIONS

During the financial year 2016-17, the Company has entered into the related party transactions in terms of the Companies Act, 2013 read with rules made thereunder and regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which were in the ordinary course of business

and on arms' length basis.

During the financial year 2016-17, there were no transactions with related parties which qualified as material transactions in accordance with the Company's Policy under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with rules made thereunder, is set out herewith as **Annexure-3** to this Report.

RISK MANAGEMENT POLICY

The Company operates in an environment which is affected by various risks, some of which are controllable while some are outside the control of the Company. Therefore, pursuant to the requirements of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy covering the process of identifying, assessing, mitigating, reporting and review of critical risks impacting the achievement of Company's objectives or threaten its existence.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Risk Management Policy of the Company.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 the Company in its Board Meeting held on 29th July 2016 has approved the Dividend Distribution Policy. The Dividend Distribution Policy of the Company is attached herewith as **Annexure-4** to this Report.

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors at its meeting held

on 9th May 2014 approved the Corporate Social Responsibility (CSR) Policy for the Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder, on the recommendations of the CSR Committee. The Company has constituted Corporate Social Responsibility (CSR) Committee. Presently, the committee comprises the following members :-

- 1) Mr. Vinod Kumar Hans : Chairman
- 2) Dr. Khalid Iqbal Khan : Member
- 3) Mr. KN Subramaniam : Member
- 4) Mr. K C Sundareshan Pillai: Member

The Corporate Social Responsibility Committee is required to institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by Company. Pursuant to the provisions of Companies Act, 2013, the Company is required to spend 2% of the average profits of the company during the previous 3 financial years. Therefore, the Company has incurred the total allocated budget of Rs. 106.65 lacs on the CSR activities approved by CSR Committee and the Board of Directors.

The activities and initiatives undertaken by the Company during the financial year 2016-17 on CSR activities have been detailed in the Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy on Corporate Social Responsibility and Annual Report on CSR activities are attached herewith as **Annexure- 5&6** to this Report.

In accordance with the provisions of section 135 of the Companies Act 2013, the Board has approved an amount of Rs. 155.11 lacs for spending on CSR activities during the financial year 2017-18.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Presently, the Board consists of ten (10) directors comprising of Mr. K.N. Subramaniam, Chairman and Non-executive Independent Director; Mr. Vinod Kumar Hans, Whole-time Managing Director; Dr. Khalid Iqbal Khan, Whole Time Director-Legal & Company Secretary; Mr. Manish Chadha, CFO & Finance Director, Mr. Rajesh

Sinha, Whole-time Director, Mr. Mukul Gupta, Non-executive Independent Director; Mr. Sunit Kapur, Non-Executive Director; Mr. Mahendra Kumar Goyal, Non-executive Independent Director; Ms. Janice Ruskey Maiden, Non-Executive Director; and Mr. K C Sundareshan Pillai, Non-executive Independent Director.

In the Board Meeting held on 16th December 2016, the Board had appointed Mr. K C Sundareshan Pillai, as a Non-executive Independent Director.

In accordance with Article 109 of the Articles of Association of the Company, Dr. Khalid Iqbal Khan and Ms. Janice Maiden Ruskey are retiring by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies excluding foreign companies of the Directors proposed to be appointed / re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is appended as an Annexure to the Notice of the ensuing AGM.

SUBSIDIARY AND ASSOCIATE COMPANY

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts of Companies) Rules, 2014, a statement containing salient features of financial statement of subsidiary i.e. Federal-Mogul TPR (India) Limited forms part of the consolidated financial statements attached as **Annexure-7**. The financial statements of the subsidiary company and related information are available for inspection at the Registered Office of the subsidiary company during business hours on all days except Saturdays, Sundays and public holidays upto the date of the Annual General Meeting (AGM) as required under Section 136 of the Companies Act, 2013. Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the Registered Office of the Company. The financial statements including the consolidated financial statements, financial statements

of subsidiary and all other documents required to be attached to this report have been uploaded on the website of your Company (www.federalmogulgoetzeindia.net).

The performance and financial position of the subsidiary company i.e. Federal-Mogul TPR (India) Limited has been explained in its Board Report, which forms part of annual report.

PUBLIC DEPOSITS

As at 31st March, 2017 your company had no unclaimed fixed deposits. No fresh/renewed deposits were invited or accepted during the financial year.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

FORMAL ANNUAL EVALUATION BY BOARD

In terms of provisions of the Companies Act, 2013 read with Rules made thereunder and regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of the Board, each Director and the Committees was carried out for the financial year ended 31st March, 2017. The evaluation of the Directors was based on various aspects which, inter alia, included the level of participation in the Meetings, Knowledge and skills, understanding of their roles and responsibilities, business of the Company along with the ethics and integrity. The evaluation of the Board and committees was inter alia based on the aspects like Structure of the Board or Committee, processes being followed to achieve the objectives, effectiveness, fulfillment of roles and responsibilities, efficiency and direction etc.

DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has an audit committee headed by a Non-executive Independent

Director, inter-alia, to oversee the Company's financial reporting process, disclosure of financial information, performance of statutory and internal auditors, functions, internal control systems, related party transactions, investigation relating to suspected fraud or failure of internal audit control, to name a few, as well as other areas requiring mandatory review as per regulation 18(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The powers of the Audit Committee, inter-alia, include seeking information from any employee, directing the Company's internal Audit function, obtaining outside legal or other professional advice and investigating any activity of the Company within the Committee's terms of reference.

The Company has a well-defined internal control system, which aims at protection of Company's resources, efficiency of operations, compliances with the legal obligations and Company's policies and procedures.

MANAGEMENT DISCUSSION AND ANALYSIS:

(a) Industry structures and developments

Automotive Industry, globally, as well as in India, is one of the key sectors of the economy. Demographically and economically, India's automotive industry is well-positioned for growth, servicing both domestic demand and, increasingly, export opportunities. Due to its deep forward and backward linkages with several key segments of the economy, automotive industry has a strong multiplier effect and acts as one of the drivers of economic growth.

The auto industry is highly competitive, consisting of organized as well as unorganized sectors and is highly fragmented with a significant number of small and medium-sized companies because of which the business rules are changing to meet the tough competition prevailing in the industry. Innovation, technological upgradation and cost saving hold the key to success to meet the expectations of the exigent competitive circumstances. The Indian auto component industry has been navigating

through a period of challenges.

During the financial year 2016-17, the combination of factors like low inflation levels and low interest rates coupled with the new launches of passenger vehicles pushed the automobile industry on the path of growth. Further, the Government had also launched several other initiatives such as "Ease of doing Business," "Start up India," "Smart Cities," "Skill India," "Digital India," etc., that would support India's economic development. A predicted increase in India's working-age population is likely to help stimulate the burgeoning market for private vehicles. Rising prosperity, easier access to finance and increasing affordability are expected to see four-wheelers gaining volumes, although two wheelers will remain the primary choice for the majority of purchasers, buoyed by greater appetite from rural areas, the youth market and women.

(b) Opportunities and Threats

The parent company continues to support the Company with its technical expertise. With widely recognized brands, superior technology, strong distribution network and a committed team of employees, the Company is well positioned to take advantage of the opportunities and withstand the market challenges. The Company strives to create sustainable profitable growth by using superior technology and maintaining product quality and offering wide range of products at competitive prices, which will give it a competitive edge in the market.

In order to fight the increasing pollution, the government has announced the implementation of Bharat Standard (BS)-VI by April 1, 2020. BS-VI is an equivalent of Euro-VI norms being followed globally. Your Company perceives this as a significant opportunity and has already started development work with some OEMs in India on new engine projects. Federal-Mogul is currently producing many of the Euro-VI engine parts in Europe and for comparable engine standards in North America. In India your Company expects to be prepared to supply the products meeting, BS-VI before the deadline fixed by the government.

The Company competes with many independent manufacturers and uses raw materials and other inputs.

distributors of component parts. Management continues to develop and execute initiatives to meet the challenges of the industry and to achieve its strategy for sustainable global profitable growth.

There are limited sets of customers in our business, that is, the automobile manufacturers. Competition is intense, as we compete with suppliers both in the organized and unorganized segments. Technical edge, specialization, innovation and networking will determine the success of the Company in this competitive environment. Further, the policies of the Government play key role in the development of the automobile sector. Your Company has been employing the practices to proactively map the impact of its activities on its performance and profitability from economic environment and social perspectives.

(c) Segment wise or product wise performance

The Company deals principally in only one segment i.e. automotive components. Therefore, segment-wise performance is not applicable. The Company manufactures as well as trades in the automotive components. The Company is inter alia engaged in the manufacturing and sale of Pistons, Piston rings, Pins, valve seats and guides. The product wise performance is as under:

Rs. In lacs		
Details of finished goods sold	31 st March 2017	31 st March 2016
Pistons,	125,518.80	127,590.17
Piston rings and pistons pins*		
Valve train and Structural components	9,790.42	9,052.89
Details of traded goods sold		
Gasket	1,588.75	1,391.93
Engine bearings	613.52	745.32
Spark plugs	512.07	1,751.84
Liners	1,062.19	426.72
Brakelining	263.36	722.85
Others	709.03	1,282.91

(d) Outlook

The Management expects a moderate growth in the automobile industry during the year 2017-18. The Indian Meteorological Department has forecasted normal monsoon, which is a critical factor for the overall economic growth, including the automobile sector. Focus of the Government on the investment in infrastructure sector and its development and low interest rates are expected to give boost to the automobile sector. However, the increased cost of technology and increased raw material prices are likely to impact the growth of the automobile sector. Therefore, it's going to be a mixed year for the auto component industry ahead.

The Company will endeavor to revitalize in near future as consumers regain confidence and vehicle demand increases. To remain competitive in the challenging and demanding environment, the benchmark has to be high in anticipation of the stated and unstated need of the customers and markets.

(e) Risks and concern

The Company operates in an environment, which is affected by various risks, some of which are controllable while some are outside the control of the Company. However, the Company has been taking appropriate measures to mitigate these risks on a continuous basis. Some of the risks that are potentially significant in nature and need careful monitoring are listed hereunder:

Raw material prices: Our profitability and cost effectiveness may be affected due to change in the price of raw materials and other inputs.

Foreign Currency Risks: Exchange rate fluctuations may have an adverse impact on the Company

Technical Intensive Industry: The automobile industry is a technical intensive industry and thus faced with a constant demand for new designs, knowledge of nascent technology to meet market requirements.

Cyclical nature of the Industry: The Company's growth is linked to those of the automobile Industry, which is cyclical in nature. The demand for automobiles has a significant impact on the demand and prices of the products manufactured by the Company. A fall in the demand and / or prices would adversely impact the financial performance of the Company.

Increasing competition: Increasing competition in the auto equipment sector, may put some pressure on the market share.

Excess/ short capacity: Estimation of optimal manufacturing capacities for our products is critical to our operations. Should we for any reason, not invest in capacity expansion in near future could result in stagnation in our sales. Conversely, in the event we over-estimate the future demand or due to general lowering of the customer demand due to recession, we may have excessive capacity, resulting in under utilization of assets and/or sale of surplus products at lower margin, which could have material adverse effect on the financial results of the company.

(f) Adequacy of Internal Control Systems

The Company has an Audit committee headed by a non-executive independent director, inter-alia, to oversee the Company's financial reporting process, disclosure of financial information, performance of statutory and internal auditors, functions, internal control systems, related party transactions, investigation relating to suspected fraud or failure of internal audit control, to name a few, as well as other areas requiring mandatory review as per provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 with the stock exchanges. The powers of the Audit Committee, inter-alia, include seeking information from any employee, directing the Company's internal Audit function, obtaining outside legal or other professional advice and investigating any activity of the Company within the Committee's terms of reference.

The Company has a well-defined internal control system, which aims at protection of Company's resources, efficiency of

operations, compliances with the legal obligations and Company's policies and procedures.

(g) Discussion on financial performance with respect to operational performance.

The required information forms part of in the Board's Report and the members may refer the same.

(h) Material developments in Human Resources / Industrial Relations front, including number of people employed

During the year under review, the training and development of employees remained priority of the Management and in this direction, several assessment and development programmes were conducted for high potentials and young talents. Additionally, focus for the year also remained on building leadership and functional capabilities of the employees. The Management Introduced psychometric assessments for evaluating right fitment for the job for the new recruits. The Company also conducted business simulation workshops and leadership programs for Plant Managers and 'High Potential' employees. In addition to this, your Company Introduced 'Learning Advisory Councils' for aligning training needs of the employees with business challenges and priorities.

The total number of salaried and hourly employees as at March 31, 2017 stood at 3947.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company for the financial year 2016-17, are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statements have been prepared on the basis of Audited Financial Statements of the Company and its subsidiary company, as approved by their respective Board of Directors.

ABRIDGED FINANCIAL STATEMENTS

In terms of the provisions of regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and

section 136 of the Companies Act, 2013, the Board of directors has decided to circulate the abridged annual report containing the salient features of the balance sheet and statement of profit and loss account to the shareholders for the financial year ending on March 31, 2017. Full version of the annual report will be available on Company's website www.federalmogulgoetzeindia.net and will also be made available to investors upon request.

In support of the green initiative of the Ministry of Corporate Affairs, the Company has also decided to send all future communications, including the annual report through email to those shareholders, who have registered their e-mail id with their depository participant/Company's registrar and share transfer agent. In case any shareholder wishes to receive a printed copy of such communications, he/she may send a request to the Company, which will send a printed copy of the communication to the shareholder.

AUDITORS AND AUDITORS' REPORT

At the 60th AGM of the Company, M/s. Walker Chandiok & Co., LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013), New Delhi were appointed as the Statutory Auditors' to hold office till the conclusion of the 62nd AGM of the Company subject to the ratification by members at every AGM.

As per section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, your directors propose before the shareholders the appointment of M/s Walker, Chandiok & Co., LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013), as the statutory auditors' of the Company from the conclusion of the forthcoming AGM till the conclusion of the AGM to be held in the calendar year 2022, subject to ratification of such appointment by the shareholders in every AGM held during the period. The written consent to such appointment and a certificate from M/s Walker, Chandiok & Co., LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013), have been received to the effect that the appointment is in accordance with the conditions prescribed under Rule 4 of the Companies

(Audit and Auditors) Rules, 2014 and they satisfy the criteria specified under Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules 2014.

The Board has duly examined the Statutory Auditors' Report to the accounts, which is self-explanatory.

COST AUDITORS

The Board, on the recommendation of the Audit Committee has approved the appointment of M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditor, for the financial year ending March 31, 2018. The Cost Auditors will submit their report for the financial year ending 31st March 2017 on or before the due date.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rules made thereunder, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the forthcoming AGM.

SECRETARIAL AUDITORS

The Company had appointed M/s. Deepika Gera, Company Secretaries, New Delhi, to conduct its Secretarial Audit for the financial year ended March 31, 2017. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is annexed as **Annexure-8** to this report. The Board has reappointed M/s. Deepika Gera, Company Secretaries, New Delhi, as Secretarial Auditor of the Company for FY 2017-18.

CORPORATE GOVERNANCE REPORT

The Company is committed to good corporate governance practices. The Board endeavors to adhere to the standards set out by the Securities and Exchange Board of India (SEBI), corporate governance practices and, accordingly, has implemented all the major stipulations prescribed.

A detailed corporate governance report in line with the requirements of Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 regarding the corporate governance practices followed by the Company and a certificate of compliance from Mr. Surinder Vashishtha, Proprietor of Surinder Vashishtha & Associates, Company Secretary, forms part of this Report as **Annexure-9**.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in form MGT-9 as per section 134(3)(a) of the Companies Act, 2013 read with rule 12 of the Companies (Management & Administration) Rules, 2014 is attached as **Annexure-10**, to this report.

BUSINESS RESPONSIBILITY REPORT

A Business Responsibility Report as per regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, detailing the various initiatives of the Company is attached as **Annexure - 11**.

COMMITTEES OF DIRECTORS

The Company has following committees of Directors:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee;
5. Share Transfer Committee

The composition of Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee has been disclosed in corporate governance report forming the part of this report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR'S UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3)(ca), no incident of fraud has been reported by the Auditors of the Company under section 143(12) of the Companies Act, 2013.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company is committed to highest standards of ethical, moral and legal

business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti sexual harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

No. of complaints received : Nil

No. of complaints disposed off : Nil

During the year, the Company carried out awareness programmes on prevention of sexual harassment at work place.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Directors place on record their deep appreciation for the contribution made by the employees of the Company at all levels. Our industrial relations continue to be cordial.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in **Annexure – 12 & 13** to this Report.

SHIFTING OF REGISTERED OFFICE

The registered office of the Company was shifted from G-4, J.R Complex, Gate No.- 4, Mandoli, Delhi – 110093 to DLF Prime Towers, 10 Ground Floor, F-79 & 80, Okhla Phase I, New Delhi-110020 with effect from 1st September, 2016.

HUMAN RESOURCES

The employee relations have remained cordial throughout the year and industrial harmony was maintained. Measures for the safety, training and development of the employees, continued to receive top priority. The total number of salaried and

hourly paid employees, as at March 31, 2017, stood at 3947.

SAFETY, HEALTH AND ENVIRONMENT PROTECTION

The Company sustained its initiatives to maintain a pollution free environment by reduction/ elimination of waste, optimum utilization of power and preventive maintenance of equipment's and machineries to keep them in good condition. Safety and health of the people working in and around the manufacturing facilities is the top priority of the Company and we are committed to improve this performance year after year.

ACKNOWLEDGEMENT

Your Directors acknowledge with sincere gratitude the co-operation and assistance extended by the Bank(s), Customers, Dealers, Vendors, promoters, shareholders, Government Authorities and all the other business associates during the year under review. The Directors also wish to place on record their deep sense of gratitude for the committed services of the Executives, staff and workers of the Company.

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Date: 19th May 2017
Place: Gurugram

Vinod Kumar Hans
Whole Time Managing Director
DIN : 03328309

Khalid Iqbal Khan
Whole Time Director- Legal & Company Secretary
DIN : 05253556

CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2017

1. PHILOSOPHY

Federal-Mogul Goetze (India) Limited defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimize its performance and maximize the long term shareholder value in legal and ethical manner, ensuring justice, courtesy and dignity in all transactions of the Company. Your Company is committed to good Corporate Governance in all its activities and processes.

The Company maintains the optimum combination of Executive, Non-executive and Independent Directors having rich experience in related sectors for providing premeditated direction to the Company. The Board of Directors always endeavors to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long term shareholder value, while, at the same time, respecting the rights of all the stakeholders.

2. BOARD OF DIRECTORS

a) Composition: The Board of Directors of the Company has an optimum combination of Executive, Non-executive and Independent Directors having rich knowledge and experience in the industry and related sectors for providing strategic guidance and direction to the Company. Presently, the Company has 10 Directors on its Board, out of which 06 are Non-Executive Directors including 01 woman director and 04 are executive directors. Moreover, 04 of the Non-Executive Directors are Independent Directors. The Chairman of the Board is a Non-Executive Independent Director. The Non-executive Independent Directors bring a wide range of expertise and experience to the Board.

During the year, there was no pecuniary relationship or business transaction by the Company with any non-executive Director, other than the sitting fee for attending the Board/ Committee meetings.

The Directors have no inter-se relationship with any director of the Company.

b) Details of Board Meetings held during the year 1st April, 2016 to 31st March, 2017: During the year, five Board meetings were held as follows: -

Date of Meeting	Board Strength	No. of Directors Present in Person
13 th May 2016	09	07
29 th July 2016	09	07
04 th November 2016	09	07
16 th December 2016	10	07
04 th February 2017	10	09

Information placed before the Board:

Apart from the items that are required to be placed before the Board for its approval under the statutes, the following are also tabled for Board's Periodic Review/ Information, to the extent applicable:

- Annual operating plans and budgets and any updates;
- Capital budgets and any updates;
- Quarterly/Half Yearly/Yearly results for the company and its operating divisions or business segments;
- Minutes of meetings of audit committee and other committees of the board of directors;
- The information on recruitment and remuneration of senior officers just below the board level, including appointment or removal of Chief Financial Officer and the Company Secretary;
- Show cause, demand, prosecution notices and penalty notices which are materially important;
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems;
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company;
- Details of any joint venture or collaboration agreement;
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property;
- Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc;
- Sale of material nature, of investments, subsidiaries, assets, which is not in normal course of business;
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material;
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

c) Information in respect of Directors being appointed/re-appointed is as under:

- i) Ms. Janice Ruskey Maiden, Director and Dr. Khalid Iqbal Khan, Whole-time Director are liable to retire by rotation in the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. Items regarding their re-appointment has been included in the notice of the ensuing Annual General Meeting.

Ms. Janice Ruskey Maiden, aged about 58 years is a Graduate in Textile Engineering from Philadelphia University, Philadelphia, PA, MSE/Executive Masters in Technology Management (EMTM) from University of Pennsylvania, Philadelphia, PA. She has undergone International Business Development Program under INSEAD - General Management Program (CEDEP), Fontaine Bleu, France. Ms. Maiden has about 35 years of rich experience in technology exploration, product and business development.

- ii) Dr. Khalid Iqbal Khan, aged about 49 years, is a Company Secretary from the Institute of Company Secretaries of India, Chartered Secretary from the Institute of Chartered Secretaries and Administrators, UK and a Law graduate. He has also done Ph.D in Corporate Governance. Dr. Khan has about 25 years of rich experience at senior level positions in the legal field. He has also completed Mahler Leadership Course.

Dr. Khan has been associated with the Company since November 2009 and presently holding the position of Whole-time Director- Legal & Company Secretary. Prior to joining the Company, he was Company Secretary of Goodyear India Limited.

- iii) Mr. K.C. Sundareshan Pillai, aged about 60 years, has done graduation in Mechanical Engineering from National Institute of Technology, Raipur. Mr. Pillai has also attended various training programmes, including Technical trainings in Europe and U.S.A. Mr. Pillai has about 30 years of rich experience in steering sales and marketing functions and technical areas with reputed companies.

Presently, Mr. Pillai is holding the position of Managing Director in Triangle Tyre Corporation Ltd. and is responsible for overall operations of the Company.

d) Attendance at Board Meetings and last Annual General Meeting and details of memberships of Directors in other Boards and Board Committees:

Name of the Director	Category	For the year from 1 st April, 2016 to 31 st March, 2017 Attendance at		As on 31 st March, 2017		
				Number of Directorships of other Indian Companies (Note-1)	Committee Memberships of other Indian Companies (Note-2)	
		Board Meeting (Total Meetings Held-05)	Last AGM 26th Aug. 2016		Member	Chairman
Mr. Krishnamurthy Naga Subramaniam	CNEID	05	Yes	02	02	00
Mr. Vinod Kumar Hans	WTMD	05	Yes	06	03	03
Dr. Khalid Iqbal Khan	WTDL & CS	05	Yes	05	04	01
Mr. Manish Chadha	CFO & FD	05	Yes	03	00	00
Mr. Rajesh Sinha	WTD	04	Yes	01	00	00
Mr. Sunit Kapur	NED	01	No	01	00	00
Mr. K.C. Sundareshan Pillai (Appointed w.e.f. 16 th December, 2016)	NEID	02	NA	00	00	00
Ms. Janice Ruskey Maiden	NED	01	No	00	00	00
Mr. Mukul Gupta	NEID	04	No	01	00	00
Mr. Mahendra Kumar Goyal	NEID	05	No	08	03	03

CNEID: Chairman and Non-Executive Independent Director

NEID: Non-Executive Independent Director

WTMD: Whole-time Managing Director

CFO & FD: Chief Financial Officer & Finance Director

NED: Non-Executive Director

WTDL & CS: Whole-time Director-Legal & Company Secretary

WTFD: Whole-time Finance Director

Note-1: The above excludes Foreign Companies.

Note-2: The committee membership and chairmanship include Audit and Stakeholders' Relationship Committee in all Public Limited Companies.

3. AUDIT COMMITTEE

a) Terms of Reference

The current terms of reference of the Audit Committee fully conform to the requirements of regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013. These include review of internal audit programme, review of financial reporting systems, internal control systems, ensuring compliance with statutory and regulatory provisions, discussions on quarterly, half yearly and annual financial results, interaction with senior management, statutory and internal auditors, recommendation for re-appointment of statutory auditors etc.

b) Composition, name of members and Chairperson

Presently, the Audit Committee comprises three Non-Executive Independent Directors and one Non-Executive Director viz. Mr. Mukul Gupta, Chairman (Non-Executive Independent Director), Mr. Krishnamurthy Naga Subramaniam, Member (Non-Executive Independent Director), Mr. K.C. Sundareshan Pillai, Member (Non-Executive Independent Director) and Mr. Sunit Kapur, Member (Non-Executive Director).

Representatives of the Management, Finance Department, Company Secretary, Statutory Auditors and Internal Auditors are invitees to the meetings of the Audit Committee.

c) Meetings and Attendance

Details of Audit Committee Meetings held during the financial year 1st April, 2016 to 31st March, 2017

Date of Meeting	Strength of Committee	No. of Members Present in person
13 th May, 2016	3	2
29 th July, 2016	3	2
04 th November, 2016	3	2
04 th February, 2017	4	3

Audit Committee Members Attendance during the financial year 1st April, 2016 to 31st March, 2017

Name	Total Meetings held	No. of meetings Attended in person
Mr. Mukul Gupta (Chairman)	04	03
Mr. Krishnamurthy Naga Subramaniam	04	04
Mr. K.C. Sundareshan Pillai (appointed w.e.f. 16 th December, 2016)*	01	01
Mr. Sunit Kapur	04	01

* Inducted as member of the Committee effective 16th December, 2016.

4. NOMINATION AND REMUNERATION COMMITTEE

At present, the Nomination and Remuneration Committee of the Company comprises Mr. K.C. Sundareshan Pillai as the Chairman (Non-executive Independent Director), Mr. Krishnamurthy Naga Subramaniam (Non-executive Independent Director) and Mr. Sunit Kapur (Non-executive Director) as Members.

The Nomination and Remuneration Committee has been constituted for identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, carry out evaluation of every director's performance, laying down the criteria for performance evaluation of Independent Directors, determining qualifications, positive attributes and independence of a director and reviewing the remuneration of the Directors, Key Managerial Personnel and other senior management personnel. The Nomination and Remuneration policy is in consonance with the existing industry practice.

a) Terms of reference

The current terms of reference of the Nomination and Remuneration Committee fully conform to the requirements of regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 178 of the Companies Act, 2013. These broadly include:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive) and persons who may be appointed in Senior Management and key managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the auto ancillary industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel & Functional Heads
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

b) Meetings and Attendance

Details of Nomination and Remuneration Committee Meetings held during the financial year 1st April, 2016 to 31st March, 2017

Date of Meeting	Strength of Committee	No. of Members Present in person	No. of Members Present through conference call
13 th May, 2016	03	02	00
04 th November, 2016	03	02	00
16 th December, 2016	03	02	00

Name	Total Meetings held	No. of meetings Attended in person
Mr. Mukul Gupta (ceased to be member w.e.f. conclusion of the Board meeting held on 16 th December, 2016)	03	03
Mr. K.C. Sundareshan Pillai*	Nil	Nil
Mr. Krishnamurthy Naga Subramaniam	03	03
Mr. Sunit Kapur	03	00

* Inducted as Chairman of the committee w.e.f. 16th December, 2016.

Performance Evaluation criteria for Independent Directors

The Company has formulated the Nomination & Remuneration Policy. The criteria for evaluation of Independent Directors is as follows:

- Preparation for Board and Committee Meetings;
- Devotion of time and efforts to understand the business of the Company;
- Chairman's performance and behavior in the Board and Committee meetings;
- Relationship with Board members and senior management;
- Understanding of requirements of governance, regulatory, financial, fiduciary and ethical requirements of the Board/Committee;
- Updation of knowledge and skills with latest developments in the areas such as corporate governance framework, financial reporting and the industry and market condition;
- Standard of ethics and integrity;

The Board of Directors evaluated the performance of the Independent Directors, in its meeting held on 19th May 2017.

5. DETAILS OF REMUNERATION TO DIRECTORS FOR THE YEAR ENDED 31ST MARCH, 2017

Name of Executive Directors	Particulars	Amount
Mr. Vinod Kumar Hans	- Salaries and Allowances	95.31
	- Company's Contribution to PF & Superannuation	3.97
	- Perquisites	7.50
	- Management Incentive Plan	25.74
	Total	132.52
Mr. Rajesh Kumar Sinha	- Salaries and Allowances	73.27
	- Company's Contribution to PF & Superannuation	2.59
	- Perquisites	
	- Management Incentive Plan	14.59
	Total	90.45
Mr. Manish Chadha	- Salaries and Allowances	50.95
	- Company's Contribution to PF & Superannuation	2.12
	- Perquisites	
	- Management Incentive Plan*	11.49
	Total	64.56
Dr. Khalid Iqbal Khan	- Salaries and Allowances	60.68
	- Company's Contribution to PF & Superannuation	2.43
	- Perquisites	
	- Management Incentive Plan	12.57
	Total	75.68

Name of Executive Directors	Particulars	Amount
Mr. Mahendra Kumar Goyal	- Sitting Fee	1.00
Mr. Krishnamurthy Naga Subramaniam	- Sitting Fee	11.00
Mr. Mukul Gupta	- Sitting Fee	9.80
Mr. K.C. Sundareshan Pillai	-Sitting Fee	0.60
(From 16 th December, 2016 to 31 st March, 2017)		

Notes:

1. The Company did not pay remuneration to Non-Executive Directors, except sitting fees to Non-executive Independent Directors, during the year. There are no other pecuniary relationships or transactions with the Company.
2. The Company does not have any stock option scheme.
3. The Non-executive directors do not have any pecuniary relationship or transactions among themselves.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

- The Stakeholders' Relationship Committee has been constituted to look into the redressal of stakeholders' and investors' complaints like transfer/ transmission/ demat/ remat/ consolidation of shares, issue of duplicate share certificates; loss of share certificates; change of address; non-receipt of Annual Report; Dividend Warrants etc.
- Currently, the composition of the Committee is as under:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. Krishnamurthy Naga Subramaniam	Chairman	Non-Executive Independent Director
Mr. Vinod Kumar Hans	Member	Whole-time Managing Director
Mr. Sunit Kapur	Member	Non- Executive Director
Dr. Khalid Iqbal Khan	Member	Whole Time Director- Legal & Company Secretary*
Mr. K.C. Sundareshan Pillai	Member	Non- Executive Independent Director

*Dr. Khalid Iqbal Khan, Company Secretary of the Company, has been nominated as the Compliance officer for this purpose.

Shareholders' Complaints:

Number of shareholders' complaints received	Number of shareholders' complaints not solved to the satisfaction of shareholders	Number of pending complaints
01	01	Nil

Note: The letters received from shareholders for routine matters such as requests for revalidation of dividend warrants; non-receipt of Annual Report, Dividend warrants etc. were redressed/resolved/replied promptly in usual and proper manner to the entire satisfaction of the shareholders.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors of the Company was held on 11th March 2017, to interalia:

- a. review the performance of non-independent directors and Board as a whole;
- b. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- c. assess the quality, quantity and timeliness of flow of information between the Company management and Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present in the meeting.

7. ANNUAL GENERAL MEETINGS

Year	Location	Date & Time	Whether any special resolution passed
59 th Annual General Meeting	Sri Sathya Sai International Centre, Institutional Area, Pragati Vihar, Lodhi Road, New Delhi-11003	23 rd May, 2014 03:00 P.M.	<ul style="list-style-type: none"> - To consider and approve the appointment & terms of appointment of Mr. Sachin Selot as Whole-time Finance Director and CFO of the Company; - To consider and approve the appointment & terms of appointment of Mr. Andreas Kolf as Whole-time Managing Director of the Company
60 th Annual General Meeting	Hotel Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi-110038	11 th August 2015 11:00 AM	<ul style="list-style-type: none"> - Borrowing powers of the Board and creation of charge /mortgage on the moveable and/or immoveable properties of the company, both present and future in favour of lenders - To consider and approve the appointment & terms of appointment of Dr. Khalid Iqbal Khan as Whole-time Director-Legal & Company Secretary, of the Company
61 st Annual General Meeting	Hotel Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi-110038	26 th August 2016 11:00 AM	<ul style="list-style-type: none"> - Appointment of Mr. Vinod Kumar Hans (DIN: 03328309) as Whole-Time Managing Director of the Company - Appointment of Mr. Rajesh Sinha (DIN: 07358567) as Whole-Time Director of the Company - Appointment of Mr. Manish Chadha (DIN: 07195652) as CFO & Finance Director of the Company

Postal Ballot: No resolution has been passed as special resolution through postal ballot during the financial year ended 31st March, 2017. At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal ballot.

8. MEANS OF COMMUNICATION

Results Quarterly/Half-Yearly/Yearly Financial Results of the Company were considered and approved by the Directors and the same were communicated to Stock Exchanges. During the year under review, these results were generally published in one English Daily i.e. Financial Express (all edition) and one Hindi Daily i.e. Jansatta, Delhi. The news releases, if any, were communicated to the stock exchange in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The results are available on the Company's website at www.federalmogulgoetzeindia.net. All the official news releases are made available at the website.

Whether presentations were made to Institutional Investors or to the analysts ? No.

9. GENERAL SHAREHOLDER INFORMATION

a. 61 st Annual General Meeting - Date and Time - Venue	26 th August, 2016 at 11.00 A.M. Mapple Emerald, Crystal Hall, National Highway-8, Rajokri, New Delhi-110038
b. Financial Year	1 st April to 31 st March
c. Financial Calendar (Tentative) - Results for the quarter ending June 30, 2017 - Results for the quarter/half year ending September 30, 2017 - Results for the quarter/period ending December 31, 2017 - Results for the quarter/year ending March 31, 2018 - Annual General Meeting for the financial year ending March 31, 2017	Second week of September 2017 Second week of December 2017 Second week of February, 2018 Last week of May 2018 25 th September, 2017
d. Book Closure date	18 th September 2017 to 25 th September 2017 (both days inclusive)
e. Listing on Stock Exchanges	- BSE Limited Phiroze JeeJee Bhoy Towers, Dalal Street, Mumbai-400001 - The National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (East), Mumbai 400051 (See Note)
f. Stock Code ISIN No.-NSDL - CDSL	Bombay Stock Exchange – 505744 National Stock Exchange - FMGOETZE INE 529A01010 INE 529A01010

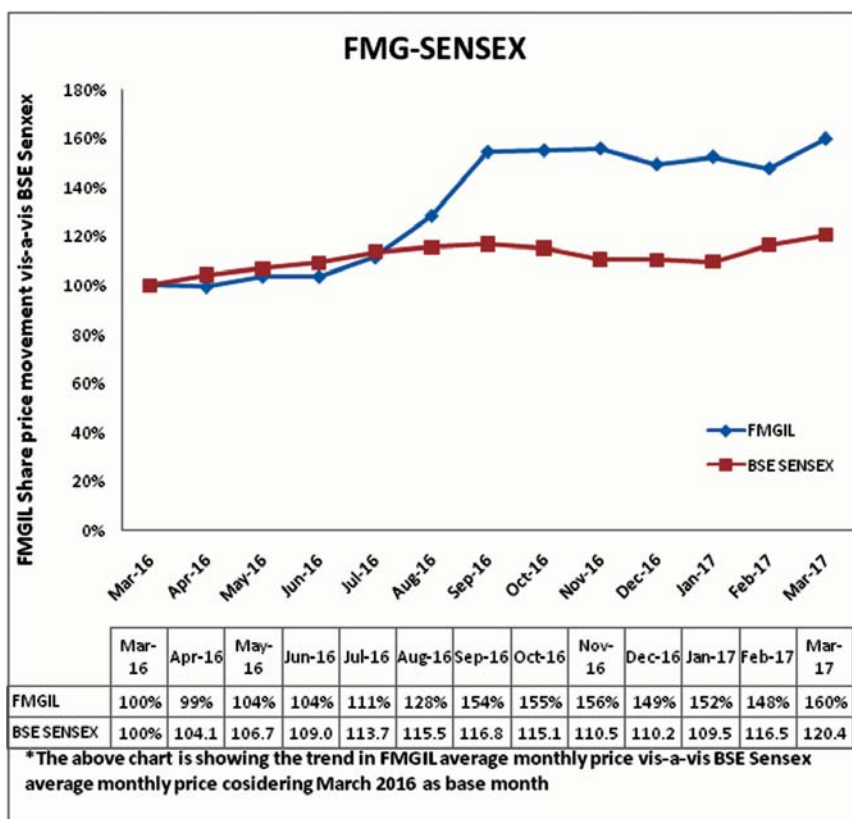
Note: Listing Fees for the year 2016-2017 and 2017-18 has been paid to both, BSE Limited and National Stock Exchange of India Limited. Annual custodian charges of Depository have also been paid to both NSDL and CDSL.

g. Stock Market Data*

Month	Bombay Stock Exchange, Mumbai				National Stock Exchange, Mumbai			
	Federal-Mogul Goetze (India) Limited's Share Price		Sensex		Federal-Mogul Goetze (India) Limited's Share Price		CNX Nifty	
	(Rs.)				(Rs.)			
	High	Low	High	Low	High	Low	High	Low
Apr-16	341.10	310.10	26,100.54	24,523.20	339.95	311.00	7992.00	7516.85
May-16	373.15	305.95	26,837.20	25,057.93	377.00	305.20	8213.60	7678.35
Jun-16	367.60	311.00	27,105.41	25,911.33	368.00	310.50	8308.15	7927.05
Jul-16	392.90	337.30	28,240.20	27,034.14	393.90	337.15	8674.70	8287.55
Aug-16	474.00	366.70	28,532.25	27,627.97	479.00	366.20	8819.20	8518.15
Sep-16	591.40	420.00	29,077.28	27,716.78	594.00	420.00	8968.70	8555.20
Oct-16	560.30	454.90	28,477.65	27,488.30	545.40	460.00	8806.95	8506.15
Nov-16	579.40	441.00	28,029.80	25,717.93	588.95	447.00	8669.60	7916.40
Dec-16	518.00	460.05	26,803.76	25,753.74	517.80	462.00	8274.95	7893.80
Jan-17	517.40	481.00	27,980.39	26,447.06	525.00	481.20	8672.70	8133.80
Feb-17	502.30	465.10	29,065.31	27,590.10	506.00	460.10	8982.15	8537.50
Mar-17	566.00	480.55	29,824.62	28,716.21	567.00	483.25	9218.40	8860.10

* Source : www.bseindia.com; www.nseindia.com

h. Comparison of Federal-Mogul Goetze (India) Limited Scrip movement with BSE Sensex (Month High)
Comparison of of Federal- Mogul Goetze (India) Limited scrip movement with BSE Sensex



i. Share Transfer System

Alankit Assignments Limited, RTA Division, 'Alankit Heights' 1E/13, Jhandewalan Extension, New Delhi 110055 is acting as the Registrar and Transfer Agent for the Equity Shares of the Company, w.e.f. 1st May 2005 to provide services in both Physical and Electronic Mode.

- The authority relating to share transfers, transmission, subdivision, consolidation, renewal, exchanges, issuance of duplicates has been delegated to the Share Transfer Committee. Presently, the Share Transfer Committee comprises Dr. Khalid Iqbal Khan, Chairman, Mr. Mukul Gupta and Mr. Krishnamurthy Naga Subramaniam as Members.
- Valid share transfers in physical form and complete in all respects are normally approved and registered generally within a period of a fortnight by the Share Transfer Committee. Valid demat requests are cleared twice in a week. The committee met 38 times during the financial year 2016-17 for approving transfers, transmission etc.
- Pursuant to Regulation 40(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate for the half year ended 30th September, 2016 and 31st March, 2017, has been issued by the Company Secretary in practice for due compliance of share transfer formalities by the Company has been submitted with the Stock Exchanges. Further, a compliance certificate duly signed by the compliance officer of the Company and the authorized representative of the share transfer agent for the half year ended 30th September, 2016 and 31st March, 2017, pursuant to regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has also been submitted to the Stock exchanges certifying that all the activities in relation to both physical and electronic share transfer facility are maintained by share transfer agent registered with the Board.

j. Distribution Schedule as on 31/03/2017

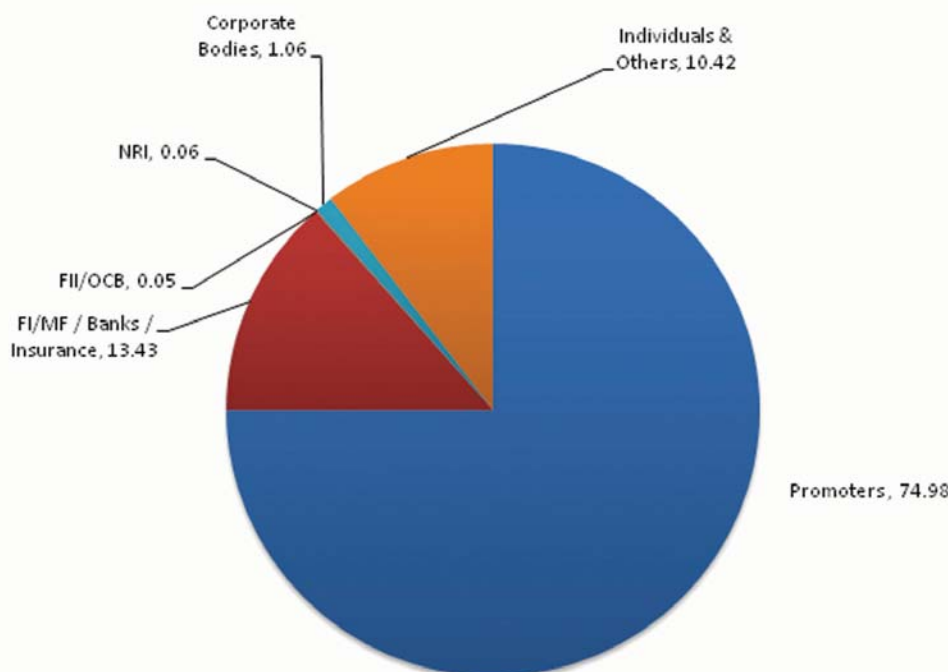
A] On the basis of shares held

No. of shares	No. of share holders	Percentage to total Shareholders	No. of shares held	Percentage to total shares held
UPTO 5000	17434	99.61	2343772	4.21
5001 – 10000	24	0.14	181196	0.33
10001 – 20000	14	0.08	195409	0.35
20001 – 30000	8	0.05	218557	0.39
30001 – 40000	3	0.02	98770	0.18
40001 – 50000	0	0	0	0
50001 -100000	4	0.02	314311	0.56
Above 100000	14	0.08	52280115	93.98
TOTAL	17501	100.00	55632130	100.00

B] On the basis of Category

Category	No. of Share holders	Percentage to total shareholders	No. of shares held	Percentage to total shares held
Individuals	16934	96.76	5655623	10.17
Corporate Bodies	384	2.19	587139	1.06
Financial Institutions / Mutual Funds/ Banks/ Insurance Companies	23	0.13	7472746	13.43
Non-resident Indians	138	0.79	31229	0.06
Foreign Institutional Investors/ Overseas Corporate Bodies	4	0.02	28050	0.05
Promoters (Non-resident Company)	2	0.01	41715454	74.98
Others	16	0.10	141889	0.25
TOTAL	17501	100.00	55632130	100.00

Distribution of Shares of Federal- Mogul Goetze (India) Limited
(As on 31/03/2017)



k. Dematerialization of shares and Liquidity

As on 31st March 2017, 99.13% of the Equity Capital of the Company have been dematerialized. The shares of the company are traded on BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai and have good liquidity.

l. Outstanding GDR's / ADR's / Warrants Or any convertible instruments, conversion date and likely impact on equity

None

m. Disclosure on Commodity price risks or Foreign Exchange risk and hedging activities

Not Applicable

n. Plant Locations:

1. Bahadurgarh Patiala (PUNJAB)	2. Yelahanka Bangalore (KARNATAKA)	3. SPL 1240-44 RIICO Industrial Area Phase I Extn., Bhiwadi (RAJASTHAN)	4. Plot No. 46, Sector-11, IIE-Pantnagar, Udham Singh Nagar, (UTTARAKHAND)
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o. Corporate office:

10th Floor, Tower B, Paras Twin Towers,
Sector-54, Golf Course Road,
Gurugram, Haryana – 122002, India.
Fax No. : +91 124 4292840
Tel No: +91 124 478 4530

Registered office:

DLF Prime Towers, 10 Ground Floor,
F-79 & 80, Okhla Phase - I, New Delhi - 110020
Tel No: +91 11 4905 7597
e-mail: investor.grievance@federalmogul.com
Website: www.federalmogulgoetzeindia.net

p. Registrar and Share Transfer Agent

Alankit Assignments Limited
 'Alankit Heights'
 1E/13, Jhandewalan Extension,
 New Delhi-110055
 Tel No: 011-23541234, 42541234,
 Fax No.: 011-23552001/42541201

q. Compliance Officer: Dr. Khalid Iqbal Khan, Whole-time Director-Legal & Company Secretary

r. Contact information of Designated Official for assisting and handling Investor Grievances:

Dr. Khalid Iqbal Khan
 Tel : +91 124 4784530
 E-mail ID -: khalid.khan@federalmogul.com
 Address : 10th floor, Paras Twin Towers, Tower-B,
 Golf Course Road, Sector-54, Gurugram-122002

s. Grievance Redressal: Mr. Anand Kumar Sahoo

Email ID - anand.sahoo@federalmogul.com
 Address : 10th floor, Paras Twin Towers, Tower-B,
 Golf Course Road, Sector-54, Gurugram-122002

10. DISCLOSURES

- | | |
|--|---|
| <ul style="list-style-type: none"> Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large | <p>No materially significant related party transaction i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large was entered during the financial year ended 31st March 2017.</p> |
| <ul style="list-style-type: none"> Details of number of Shares & Convertible Instruments held by Non-Executive Directors | <p>As on date, no Non-Executive Director holds any share in the Company.</p> |
| <ul style="list-style-type: none"> Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the past three years. | <p>None.</p> |
| <ul style="list-style-type: none"> Details of establishment of Vigil mechanism/ Whistle blower policy, and affirmation that no personnel have been denied access to the audit committee. | <p>The Company has established the Vigil mechanism/ Whistle blower policy. The policy is also available on the website (www.federalmogulgoetzeindia.net) of the Company. Further, no person was denied access to the Audit committee.</p> |
| <ul style="list-style-type: none"> Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements | <p>As on date, the Company is in full compliance with the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Further, following Non-mandatory requirements are also adopted by the Company:</p> <ol style="list-style-type: none"> At present, the Chairman of the Board is a Non-executive Independent Director, who is entitled to receive sitting fee only for the Board and Committee Meetings held during the year. Separate posts of Chairman and CEO: The Company has appointed non-executive Independent Directors as Chairman. Reporting of Internal Auditors: The internal auditors report to the Audit committee directly. |

- Details of Familiarization programme for Independent Directors <http://federalmogulgoetzeindia.net/web/index.html>
- Policy on Related Party Transaction <http://federalmogulgoetzeindia.net/web/index.html>
- Policy for determining 'material' subsidiaries <http://federalmogulgoetzeindia.net/web/index.html>
- Disclosure on Commodity price risks or Foreign Exchange risk and hedging activities Not Applicable

11. The Company has complied with all the applicable corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Corporate Governance Report of the Company for the financial year ended on 31st March, 2017 is in compliance with the requirements of Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

Code of Conduct

We at Federal-Mogul Goetze (India) Limited have laid down a code of conduct for all Board members and senior management of the Company. The code of conduct is available on the website of the Company i.e. www.federalmogulgoetzeindia.net. The code has been circulated to all the members of the Board and senior management and they have affirmed compliance with the code of conduct. A declaration signed by the Whole-time Managing Director to this effect is attached to the Annual Report.

For and on behalf of the Board of Directors

Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans

Whole-time Managing Director
DIN: 03328309

Place: Gurugram
Date: 19th May, 2017

Khalid Iqbal Khan

Whole-time Director-Legal & Company Secretary
DIN : 05253556

DECLARATION OF WHOLE-TIME MANAGING DIRECTOR

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copy of same is posted on the website of the Company viz. www.federalmogulgoetzeindia.net. Further certified that the Members of the Board and Senior Management Personnel have affirmed their compliance with the Code for the year ended 31st March, 2017.

For and on behalf of the Board of Directors

Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans

Whole-time Managing Director
DIN: 03328309

Place: Gurugram
Date: 19th May, 2017

“Nomination And Remuneration Policy”

ANNEXURE-2

Legal Framework

In an endeavor to make the hiring of directors, Key Managerial Personnel (KMP) & other senior official more transparent, the Companies Act, 2013 ('Act') and the Listing Agreement require the Company to have the Nomination & Remuneration policy to inter-alia, set up the criteria of nomination and remuneration of directors, KMP, senior management & functional heads.

Definitions

For the purpose of this Policy:

- **'Act'** shall mean the Companies Act, 2013;
- **'Board'** shall mean the Board of Directors of Federal Mogul Goetze (India) Limited;
- **'Committee'** shall mean the Nomination and Remuneration Committee of the Company;
- **'Company'** shall mean Federal Mogul Goetze (India) Limited;
- **'Directors'** shall mean the directors of the Company;
- **'Independent Director'** shall mean a director referred to in Section 149 (6) of the Companies Act, 2013;
- **'Key Managerial Personnel (KMP)'** shall mean the following:
 - (i) Executive Chairman and / or Managing Director (MD) and/or Manager
 - (ii) Whole-time Director (WTD);
 - (iii) Chief Financial Officer (CFO);
 - (iv) Company Secretary (CS);
 - (v) Such other officer as may be prescribed.
- **'Senior Management'** shall mean personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

OBJECTIVE & PURPOSE

The objective and purpose of this Policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the auto ancillary industry.

- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel & Functional Heads

- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

SCOPE OF THE POLICY

The policy shall be applicable to the following:

1. Directors
2. Key Managerial Personnel (KMP)
3. Senior Management (One Level Below the Board)
4. Functional Heads

CONSTITUTION

- a) The Board shall determine the membership of the Committee.
- b) The Committee will comprise of at least three non- executive directors, majority of whom shall be independent directors.
- c) One of the independent non-executive directors shall be designated by the Board to serve as the Committee's Chairman.

NOMINATION, EVALUATION & REMOVAL CRITERIA

1. Broad Evaluation Mechanism

1.1 The Committee shall carry out evaluation of performance of every Director, KMP, Senior Management Personnel, and Functional Heads at regular intervals.

1.2 The Committee shall consider the following factors while reviewing a potential candidate for the position of the Board of Directors/ KMP/ Senior Management/ Functional Head:

- a. The skills, relevant experience, expertise and personal qualities that will best complement the position;
- b. Potential conflicts of interest, and independence;
- c. Detailed background information and performance track record;
- d. the ability to exercise sound business judgment;
- e. availability to attend Board and

Committee meetings; and
f. appropriate experience and/or professional qualifications.

1.3 Letter of appointment shall be issued based on the recommendations of the Committee on the basis of the guidelines laid down under the Companies Act, 2013.

2. Diversity of the Board, appointment criteria and qualification:

2.1 The Company aims to enhance the effectiveness of the Board by diversifying it and to obtain the benefit out of it by better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, industry experience, background, race and gender.

2.2 The Policy shall conform to the following two principles for achieving diversity on its Board:

Decisions pertaining to recruitment, promotion and remuneration of directors will be based on their performance and competence; and
For embracing diversity and being inclusive, best practices to ensure fairness and equality shall be adopted and there shall be zero tolerance for unlawful discrimination and harassment of any sort, whatsoever.

2.3 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of a potential candidate.

2.4 In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination based on the following factors:
Gender- The Company shall not discriminate on the basis of gender in the matter of appointment of directors on the Board.

- Age- Subject to the applicable provisions of Companies Act, 2013, age shall be no bar for appointment of an individual as director on the Board of the Company.

2.5 A potential candidate should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee shall review and decide whether the qualification, expertise and experience possessed by such person are adequate for the position. The Directors of the Company shall have a mix of finance, legal, technical and management background, that taken together, provide the Company with considerable experience in a range of activities including varied industries, education, government, banking, and investment.

2.6 The Company shall not appoint or continue the employment of any person as whole time director who has attained the age of seventy years. Provided, however, that the term of the person holding this position may be extended beyond the age of seventy years subject to compliance of the applicable provisions of the Companies Act/ rules as existing or as may be amended from time to time.

2.7 The Committee shall ensure that there is an appropriate induction & training programme in place for new directors, KMP, members of senior management, and functional heads;

3. Term / Tenure:

3.1 Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term of the Director appointed.

3.2 Independent Director

An Independent Director shall hold office for a term up to five years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for re- appointment in the Company as Independent Director after the expiry of three years from the date of cessation as such in the Company. The Committee shall take into consideration all the applicable provisions of the Companies Act, 2013 and the relevant

rules, as existing or as may be amended from time to time.

4. Removal

Due to reasons of disqualification mentioned in the Companies Act, 2013 and the rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing, removal of a director, KMP or senior management personnel or functional heads, subject to the provisions and compliance of the Act, rules and regulations.

5. Retirement

The director, KMP, senior management & functional heads shall retire as per the applicable provisions of the Companies Act, 2013 read with the rules made thereunder and the prevailing policy of the Company.

6. Remuneration

6.1 In discharging its responsibilities, the Committee shall have regard to the following Policy objectives:

- To ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- To attract and retain competent executives;
- To plan short and long-term incentives to retain talent;
- To ensure that any severance benefits are justified.

6.2 The remuneration / compensation/ commission etc. to the whole-time director, KMP and senior management & functional heads will be determined by the Committee and recommended to the Board for approval.

6.3 The remuneration and commission to be paid to the MD and/or whole-time director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 and the rules made thereunder.

6.4 Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which shall be within the slabs approved by the shareholders in the case of whole-time

Director/ Managing Director.

The MD and/or whole-time director / KMP and senior management and functional heads shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution towards provident fund, pension scheme, medical expenses, club fees and other perquisites etc. shall be decided and approved by the Board on the recommendation of the Committee.

If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD and/or Whole-time Director (s) in accordance with the provisions of Schedule V to the Companies Act, 2013. In case the Company is not able to comply with the requirement of Schedule V to the Companies Act, 2013, the Company shall pay the remuneration after compliance with the applicable requirements of law.

6.5 Remuneration to Non- Executive / Independent Director:

6.5.1 The Non- Executive / Independent Directors shall be paid such remuneration as may be approved by the Board on the recommendation of the Committee and as permissible under the provisions of the Companies Act 2013/ rules framed there under.

6.5.2 The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the limits prescribed under Companies Act 2013.

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded as minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

REVIEW

The Committee shall, at least once in each year, assess the adequacy of this Policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

ANNEXURE – 3 TO THE DIRECTORS' REPORT

Pursuant to clause (m) of sub-section (3) of section 134 of the Act and Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

a) The following energy conservation measures were taken:

- Auto pump off system provided on 100 ton, 70 ton & 300 ton presses by modification in CNC program.
- Dehydration & filtration system maintained to re-use used hydraulic oil.
- Installation of air to air boosters at the user end to avoid generation at increased power at the source.
- Relocation of the air pressure vessels near to the source thereby increasing the storage capacity and reducing the air pressure drop during non - productive periods.
- Installation of additional refrigerant air driers to meet the generating capacity thereby further improvement of compressed air quality resulting in better productivity.
- Low cost automation for shutting off / on of the air supply post storage pressure vessels during power failures thereby reducing the line losses and time for regeneration.
- Switching off the compressors during lunch time and shift changeover time.
- Modification of compressed air distribution network for control on operating pressure & volume in line with the requirement.
- Training & awareness programs for effective utilization of lights / fans / AC.
- Conversion of pneumatic system to hydraulic system wherever possible.
- Installation of variable frequency drives on Compressors, cooling towers & Air coolant units.
- Replacement of old MS compressed air pipes in compressor room & distribution header with energy efficient aluminum pipes for reduction in pressure drop and leakages.
- Installation of automatic capacitor panel on compressors for power factor improvement thus reduction in power losses.
- Replacement of old distribution transformers with energy efficient transformers.
- Installation of LED lights in place of fluorescent lights, CFL lights and MV lamps in shop floors.
- Initiative for replacement of old inefficient pumps with energy efficient pumps and close loop system on cooling tower thus saving in energy.
- Installation of Thyristor drives on furnaces in piston foundry.
- Replacement of old circuit breakers with vacuum circuit breakers thus reduction in losses.
- Regular audit of compressed air leakages points, implementation and monitoring.
- Conducting in-house thermography test of hotspots for reduction in losses.
- Replacement of old high rating motors with energy efficient motors.
- Removing of extra valves, pipes and bends in compressed air line for saving in reduction of pressure.
- Electrical power system improvement which results reduction in breakdown and less working of DG thus saving in HSD cost.
- Installation of VFD and automation on dedusting units big size motors.

b) The steps taken by the company for utilizing alternative source of energy:

- Alternative source of fuel PNG on RR melting furnace, sealed quench furnace in canteen in replacement of LPG.
- Installation of solar water heater for canteen.
- Green building concept by installing day sky lights in shop floor.
- Agreement for solar power energy with M/S AAY Solar Aquasan Private Limited.
- Agreement for wind power energy with Vyshali Energy Private Limited.

c) Capital investment on energy conservation equipments: Rs. 165 lacs (approx.)

d) Impact of the above measures:

The above measures resulted in reduction in energy consumption, saving in power cost, productivity improvement and reduction in environmental load.

B. TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption:

- Product development for engines with alternate fuels such as CNG & LPG
- Product development to meet the Emission regulations (i.e. BSIV & BSVI)
- Product development for friction reduction, reduction in lube oil consumption and improving specific fuel consumption.
- Introduction of different alloy and skirt coating materials
- Implementing horizontal Die casting technology for Light Vehicle Diesel pistons
- Implementation of High Strength alloy for light vehicle diesel and Gasoline pistons
- Implementation of new coatings for friction & wear protection for pistons.
- Introduction of the Casting Simulation Software for casting optimisation
- Introduction of Knock off Runner, Riser design & Alfin thickness optimisation in Piston casting
- Work on VA-VE proposals for cost reduction & improve productivity.
- Development under progress for Elastoval II, D-Lite Architecture and GDI Bowl pistons.

- Development of Low Friction Piston assembly with light weight pistons with AV19 Coating.
- Magma Casting Simulation to reduce foundry scrap
- Pisdyn successfully introduced in Pistons Engineering
- Rings for Passenger Segment Engines Supplied with Gap tolerance of 0.050mm.

(ii) **The benefits derived like product improvement, cost reduction, product development or import substitution:**

- Introduction of new product to the market.
- Better performance in terms of emission outputs, fuel consumption and lube oil consumption.
- Higher Product reliability
- Higher Productivity
- New engines introduced with improved and optimized fuel economy and reduced oil consumption
- Products developed validated and Ready to meet BS VI norms
- Gained New business opportunities with new customers and latest engines.

(iii) **In case of imported technology, (imported during the last three years reckoned from the beginning of the financial year)-**

Details of Technology imported	Year of Import	Technology absorption status
Auto gauging for inspection (indigenously developed)	2014	Implemented
Circlip & pin mounting	2014	Implemented
Chip melting plant	2015	Implemented
RR Furnace	2015	Implemented
Stereo microscope	2015	Implemented
Practical analyser	2015	Implemented
Oil jet testing machine	2015	Implemented
Rapid ink-vision measuring machine (indigenously developed)	2015	Implemented
Auto gauging for inspection- PMS Domestic (indigenously developed)	2015	Implemented
GDC	2015	Implemented
LKR	2016	Implemented
Robotic Screen printing cell- PMS Domestic	2016	Implemented
Up gradation of Forge plant	2016	Implemented
Up gradation of piston Crown marking tech.-	2016	Implemented
2D matrix for traceability of parts		

4. **Expenditure incurred on Research & Development (R & D):**

Capital	:	Nil
Recurring	:	531.58 lacs
Total	:	531.58 lacs

Total R & D Expenditure as a percentage of total turnover: 0.41 %

C. **FOREIGN EXCHANGE EARNINGS & OUTGO**

1. Foreign exchange earned: Rs. 15,926.80 lacs
2. Foreign exchange utilized: Rs. 16,957.17 lacs

ANNEXURE-4 DIVIDEND DISTRIBUTION POLICY

1. DEFINITIONS

- 'Act'** means Companies Act, 2013, including any re-enactments thereof and amendments thereto;
- 'AGM'** means Annual General Meeting of the Company, including adjourned annual general meeting;
- 'AoA'** means the Articles of Association of Federal-Mogul Goetze (India) Limited;
- 'Board'** means the Board of Directors of Federal-Mogul Goetze (India) Limited;
- 'Company'** means Federal-Mogul Goetze (India) Limited;
- 'Distributable Profit'** means the profits of the Company for the year, for which dividend is being declared, arrived at after providing for depreciation and/or the profits of the Company for any previous financial years arrived at after providing for depreciation;

- vii. **‘Dividend’** means a part of the Company’s net profit distributed among shareholders in proportion to the amount of paid up share capital held by them and refers to interim dividend or final dividend;
- viii. **‘Investor Education and Protection Fund’** means the fund established by the Central Government in terms of the provisions of the Companies Act, 1956, including and re-enactments thereof;
- ix. **‘Policy’** means this Dividend Policy of Federal-Mogul Goetze (India) Limited;
- x. **‘Record Date’** means the date to be fixed by the Company for closure of books of accounts for a particular financial year;
- xi. **‘Unpaid Dividend Account’** means a special bank account opened by Federal-Mogul Goetze (India) Limited with a scheduled bank for depositing unpaid and unclaimed dividend.

2. INTRODUCTION

The Company’s primary requirement is to maintain sufficient resources and flexibility to meet its financial and operational requirements. At the same time, the Company consistently seeks methods to create and enhance the value of its shareholders through both its commercial and financial strategies.

This policy aims at addressing the issues relating to the determination and payment of Dividend by the Company to its shareholders.

3. OBJECTIVE OF THE POLICY

The objective of this policy is to clearly define the Company’s strategy on the distribution and utilization of its net profit for the purpose of distribution to the shareholders. The Policy intends to:

- 3.1 create a transparent method of payment of Dividend with adherence to the terms contained herein;
- 3.2 define the procedures to be followed by the Company in relation to the calculation, declaration and settlement of Dividend and for determining the manner and time period within which Dividend is to be paid;

4. DETERMINING FACTORS

In determining the Company’s Dividend payout, the Board shall take into consideration a variety of financial and other parameters, which inter-alia shall include the following:

- i. macroeconomic factors and level of competitiveness in market;
- ii. cash flow from operations;
- iii. the outlook for Company’s growth;
- iv. capital expenditure requirements;
- v. potential opportunities and expansion plans of the Company;
- vi. Company’s overall debt obligations

5. TERMS OF DECLARING DIVIDEND

Decision to declare Dividends is not an obligation on the part of the Company and the payment of Dividend, if to be made, shall be made in conformity with the following terms:

- a) The AoA authorizes the Company to pay Dividend to its shareholders in proportion to the amount paid-up on the shares held by the shareholders.
- b) Dividend for a particular financial year may be declared or paid by the Company out of the Distributable Profits and shall be allocated among shareholders on a pro rata basis according to the number of shares held.
- c) The Dividend shall be recommended by the Board and paid to the shareholders who are registered on the Record Date.
- d) The Dividend shall be paid only in cash by cheque or warrant or any other prescribed mode.
- e) In conformity with the provisions of the Act and rules made thereunder, the decision on Dividends shall be proposed by the Board and is to be confirmed thereafter by the shareholders of the Company at an AGM.
- f) The Board may propose/ recommend payment of dividend by passing a resolution in a board meeting, which shall be subject to the confirmation / approval by the shareholders in an AGM.

The Board Report or Directors’ report to be laid before the shareholders of the company in the general meeting shall include the amount which has been recommended by the Board to be paid by way of Dividend.

- g) The Shareholders shall be entitled to pass a resolution for payment of Dividend recommended by the Board, in case the Company’s condition as on the date of AGM is such that the Dividend the payouts will not harm its business and affect implementation of its development programs or strategies. However, the amount of Dividend to be approved for payment by the shareholders shall not exceed the amount recommended by the Board.

- h) The Shareholders shall be entitled to disagree with any recommendation of the Board on the Dividend amount and may pass a resolution for payout with a lesser amount than that recommended by the Board.
- i) Notwithstanding anything contained in this Dividend Policy, the Board or the Company may not declare any Dividend and the shareholders may not expect dividend in the following cases:
 - i. There are reasonable grounds for believing that the Company is or would be, after a Dividend payment, unable to pay its liabilities or discharge its debt obligations as and when they become due;
 - ii. Profits are required to be retained for capital expenditure; technology upgradation; repayment of debts, including interest; and operations of the Company etc.
 - iii. There is any other situation set forth by the Act or any other law for the time being in force.
- j) No interest shall accrue on unclaimed Dividends.
- k) If the shares are jointly held/ owned, the Dividend shall be distributed and paid to the first named shareholder.
- l) The bonus shares shall not be issued in lieu of Dividend.

6. PROCEDURE FOR DIVIDEND PAYMENT

- a. The amount of the Dividend, including interim Dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such Dividend.
- b. Dividend shall be paid within 30 (Thirty) days of declaration of dividend in the AGM.
- c. Dividends shall be paid to shareholders after deduction of applicable tax at the applicable tax rate prevailing as on the date of payment.
- d. The shareholders of the Company shall be solely responsible for making due submission with the Company of any information and changes thereto so as to enable the Company to make necessary changes in the shareholders' register, contact information, bank account details, communication address etc as may be required by the Company for the purpose of payment of Dividend.
- e. If the Dividend, after being declared, is not paid or remains claimed within 30 (Thirty) days of declaration in the AGM, then such amount of Dividend shall be transferred to the Unclaimed Dividend Account within 7 (Seven) days from the date of expiry of the said period of 30 (Thirty) days.
- f. An amount which remains unclaimed and unpaid for a period of 7 (Seven) years from the date they became due for payment will be transferred by the Company to the Investor Education and Protection Fund.

7. INTERNAL AND EXTERNAL FACTORS TO BE CONSIDERED FOR DECLARATION OF DIVIDEND

Internal Factors :

- 1) Profits of the Company
- 2) Future Investment plans
- 3) Technical Upgradation
- 4) Capital Expenditure
- 5) Working Capital requirements

External Factors :

- 1) Cost of debt
- 2) Technological requirements due to change in Government policy
- 3) Changes in law
- 4) Market scenario like Recession, boom or depression etc.

8. UTILISATION OF RETAINED EARNINGS

The retained earnings shall, inter-alia, be utilized for the following purposes:

- 1) Operations of the Company;
- 2) Meeting the capital expenditure requirements;
- 3) Technology upgradation;
- 4) Repayment of debt, including interest; and
- 5) Such other purposes as may be determined by the Board, from time to time.

9. MISCELLANEOUS

Where there is an inconsistency between the clauses of this Policy and the Company's AoA with respect to the payment of Dividends, the provisions set forth in the Company's AoA must be adhered to. Further, if there is any change in the law, the provisions of law shall always prevail over the provisions of the policy.

ANNEXURE-5 THE COMPANY CSR POLICY

Effective: April 1, 2014

1. SHORT TITLE & APPLICABILITY:

- 1.1 The Corporate Social Responsibility policy of the Company encompasses its philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Corporate Social Responsibility policy of the Company is titled as the 'THE COMPANY CSR Policy'.
- 1.2 This policy shall apply to all CSR initiatives and activities taken up by THE COMPANY for the benefit of different segments of the society, specifically the deprived, and underprivileged section of the society.

2. THE COMPANY'S APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY

The approach of the Company towards Corporate Social Responsibility would be oriented to identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. The Company will provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the society, specifically the deprived, and underprivileged section of the society.

2.1 AIMS AND OBJECTIVES

As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on the following social welfare activities:-

1. Promotion of rural enterprise and livelihood including skill development and training.
2. Making sustained efforts for environmental preservation.
3. Undertaking relevant community development programmes.
4. Supporting initiatives of vocational, technical and higher education to the most disadvantaged and marginalized section of the society.
5. Eradicating extreme hunger and poverty;
6. Promoting gender equality and empowering women
7. To be a part of national/local initiatives to provide relief / rehabilitation in times of natural disaster/ calamities

3. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY

The Company would endeavor to adopt an integrated approach to address the community, societal & environmental concerns by taking up a range of the following activities, which shall be taken up strategically,, in a focused manner to the extent possible and allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations as may be prescribed in this regard, including any modification (s) thereof.

3.1 CSR ACTIVITIES: CSR activities will be undertaken within India.

CSR activities will include the following activities relating to:—

- (i) Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- (ii) Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the different abled and livelihood enhancement projects.
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) Measures for the benefit of armed forces veterans, war widows and their dependants
- (v) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports
- (vi) Ensuring environmental sustainability, ecological balance protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- (vii) Protection of national heritage, art and culture including restoration of buildings and sites of historically importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.
- (viii) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government

- (ix) Rural development projects
- (x) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- (xi) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors/ CSR Committee, as the case may be.

4. PROHIBITED ACTIVITIES UNDER CSR

The Corporation will abstain from carrying out the following activities under CSR that may create dissatisfaction in any section of the Society:-

- I. Activities concerned with religion like construction of temple/mosque etc.
- II. Activities disturbing social harmony in any manner.
- III. Activities exclusively for the benefit of employees of the company or their family members
- IV. Such other activities as may be prohibited by Central Government

5. IMPLEMENTATION MECHANISM

The Company would consider the following broad parameters while identifying/selecting the schemes/projects:

- 5.1 The assistance under CSR activities may be in the form of donation, so as to create social impact and visibility.
- 5.2 While implementing the identified activities, time frames and milestones may be predefined.
- 5.3 The CSR projects may be based on fundamentals of sustainable development
- 5.4 In line with the Companies Act, 2013, donation based assistance/ grants, should not be less than limits as may be prescribed by the Central Government/ Ministry of Corporate Affairs from time to time.
- 5.5 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals.

6. PLANNING AND COORDINATION

- 6.1 Subject to the above, the Company will prepare an annual plan for CSR activities for each year within the budgetary provisions and will place the same before the CSR Committee / the Board of Directors for approval, as the case may be.
- 6.2 The focus of benefits will be in line with the activities mentioned in this document and as per programs, projects and schemes approved.

7. MONITORING AND EVALUATION

Regular update on the CSR initiatives undertaken and/ or to be undertaken shall be given to the CSR Committee. The Company may also depute one or more employees who shall monitor the CSR initiatives of the Company and report the same to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the Project.

8. ALLOCATION OF FUNDS

A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board will be earmarked every year for implementation of CSR programmes.

9. REPORTING

An annual report of the activities undertaken under the CSR initiatives will be prepared, mentioning the activities identified, benefits accrued as a result thereof and the number of people benefited there from. The said report shall be submitted to the Board of Directors.

10. GENERAL

- 10.1. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company;
- 10.2 In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee. In all such matters, the decision of the CSR Committee shall be final.
- 10.3. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.
- 10.4. The Company reserves the right to modify, cancel, add, or amend any of these Rules.

ANNEXURE – 6 TO THE DIRECTORS' REPORT

1. A brief outline of the Company's CSR policy, including overview of the projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

The Corporate Social Responsibility Policy of the Company encompasses its philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The policy applies to all CSR initiatives and activities taken up by the Company for the benefit of different segments of the society, specifically the deprived and underprivileged section of the society.

The Company shall endeavour to create footprints in the nation building efforts of the Govt. by significantly contributing on national mission.

Our social investment programmes focus on five areas where we believe we can add the most value and make a significant and lasting impact.

- **Promotion of Education** – Promoting quality education amongst less privileged children, especially girl child, to bring about a social change.
- **Preventive Health care** – To directly and indirectly improve the health of fellow citizens, especially the socially and economically marginalized groups by working actively in the areas of preventive health and sanitation and making available safe drinking water.
- **Rural Development Project** – To contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large by supporting local schools & hospitals i.e. community development
- **Employment Enhancing Vocational Skills** – In order to enhance the skill Development of unemployed youth, we plan to associate ourselves with ITI's and launch a series of programmes to provide technical and vocational training with an ultimate aim of creating world class skilled work force and making the potential employees 'Job Ready' before they embark upon their professional career.
- **Women Empowerment** – To equip women, with skills and resources to build a better future for themselves.

The CSR policy and details of the programs are available on the website of the Company,
<http://federalmogulgoetzeindia.com/web/index.html>

2. Composition of the CSR Committee:

Presently, the CSR committee comprises the following members :-

- 1) Mr. Vinod Kumar Hans (Chairman)
- 2) Mr. K.N. Subramaniam
- 3) Dr. Khalid Iqbal Khan
- 4) Mr. KC Sundareshan Pillai

3. Average net profit of the Company for the last three financial years: INR53.31 crores

4. Prescribed CSR Expenditure (two percent, of the amount as in item 3 above): INR 106.62 lacs

5. Details of CSR spent during the financial year:

- a) Total amount to be spent for the financial year :INR 106.62 lacs
- b) Amount Unspent, if any : Nil

The manner in which the amount has been spent during the financial year is detailed below:

Rs. in lacs

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local Area (2) Specify the State and district where projects were undertaken	Amount Outlay (budget) or programs wise	Amount spent on project (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent : Direct or through implementing agency
1	Education to Under-privileged children	Promotion of Education	Gurgaon		16.22	16.22	Agency - GharAngna (EkPyaraSapna)
2	Providing school uniform & furniture for Deaf and Blind School	Promotion of Education	Patiala		15.38	31.60	Agency - Society for Welfare of the Handicapped
3	Bridge Course for school dropouts	Promotion of Education	Gurgaon/Delhi		18.54	50.14	Agency – Vidya Integrated Development for Youth and Adults
4	Sponsoring education and all	Promotion of Education	Rajpura		15.64	65.78	Agency- SOS Children Village

Rs. in lacs

	expense for one unit (having 9 children and 1 mother)						
5	Training Mechanic programme & vocational courses	Promotion of Education (Employment Enhancing Skills)	Gurgaon		4.19	69.97	Agency - SNS Foundation
6	Sponsoring Car Rally for awareness of Road Safety, women empowerment and Go Green	Promotion of Education	Gurgaon		0.2	70.17	Agency - WESS (Women Empowerment Safety and Security Foundation)
7	Providing of safe drinking water to communities	Promotion of Healthcare (Preventive Health Care)	Bangalore		14.4	84.57	Direct
8	Providing shelter for abandoned senior citizens and mentally disabled people	Preventive Health Care	Gurgaon		17.23	101.80	Agency - The Earth Saviours Foundation
9	Administrative expenses		Gurgaon		4.85	106.65	Direct
	TOTAL				106.65	106.65	

6. Details of implementing Agencies are as under :-

- GharAngna (EkPyaraSapna) Welfare Society-** It's an NGO in the field of education for under-privileged children from Nursery to Class -2. It has been in existence since the year 2009.
- Society for the Welfare of the Handicapped** – This NGO is a pioneer in North India in the field of education for Children with special needs. Society was established on 16 April 1967. In 2014, they were adjudged as best NGO in Punjab State.
- Vidya-Integrated Development for Youth and Adults** –The Company has been working with VIDYA, an NGO. The NGO specializes in the field of education and empowerment of less privileged children, youth and women through working with them at an individual level.
- SNS Foundation** - The SNS Foundation is the CSR wing of Anand Group established in 70's and operates around the various manufacturing bases of Anand spread across the country. The Vision of the Foundation is a development process that creates a socially just and equitable, economically progressive, and environmentally sustainable society.
- SOS Children's Village** - SOS Children's Villages of India is an independent, non-governmental, social development organisation that provides family-based care for parentless or abandoned children in India. The organization is over 50 years old in India and it advocates the concerns, rights and needs of children in need of care and protection. In India, they are present in 22 states, have 32 SOS Children's Villages and over 25, 000 beneficiaries.
- The Earth Saviours Foundation** -Founded in 2008, it's an Internationally recognized NGO, situated in Gurgaon, Haryana, India. The Foundation is dedicated to serve less privileged people and is making every possible effort to protect the environment. They are Recipient of Sardar Vallabhbhai Patel International Prestigious Award for Excellence in Humanitarian Services.
- WESS** is a NGO registered under the Haryana Registration and Regulation of Societies Act, 2012, formed by 14 independent entrepreneurial and professional women with the aim of creating awareness among women for their safety and security, keeping in view the present scenario.

During the financial year, the implementation and monitoring of CSR policy, was in compliance with CSR objectives and policy of the Company

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans

Whole-time Managing Director & Chairman of CSR Committee

DIN: 03328309

Place: Gurgaon

Date : 19th May 2017

ANNEXURE – 7 TO THE DIRECTORS' REPORT

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. in lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Federal-Mogul TPR (India) Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2016 to 31st March 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4.	Share capital	Authorised Sh. Cap. - 2000.00 Issued Sh. Cap. - 1000.00
5.	Reserves & surplus	10018.91
6.	Total assets	11867.63
7.	Total Liabilities	11867.63
8.	Investments	Nil
9.	Turnover (Net)	9614.71
10.	Profit before taxation	1994.61
11.	Provision for taxation	680.52
12.	Profit after taxation	1314.09
13.	Proposed Dividend	490.00
14.	% of shareholding	51%

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

: There is no associate and joint venture company as on 31st March 2017.

ANNEXURE – 8 TO THE DIRECTORS' REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Federal Mogul Goetze (India) Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Federal Mogul Goetze (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Federal Mogul Goetze (India) Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering (1st April, 2016-31st March, 2017) the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

Few suggestions were advised to the Company during the audit which were diligently carried out by the Company under the review period itself.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no instances of :

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

For DEEPIKA GERA, Company Secretaries

DEEPIKA GERA

FCS No. 3531

C P No : 7487

Place : NEW DELHI

Date: 19-05-2017

DISCLAIMER NOTE : We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

ANNEXURE-9 TO DIRECTORS' REPORT
CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Federal-Mogul Goetze (India) Limited

We have examined the compliance of conditions of Corporate Governance of Federal-Mogul Goetze (India) Limited for the year ended 31st March, 2017 as stipulated in regulations Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. The examination was limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance with 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 the information provided and according to the explanations given, it is certified that the Company has complied with the conditions of Corporate Governance as stipulated in the abovementioned Listing Regulations.

We state that in respect of Investors grievances received during the year ended 31st March, 2017, no investor grievances were pending against the Company for a period exceeding fifteen days as per the records maintained by the Company which were presented to the shareholders/Investor Grievance Committee. All the investor grievances against the Company were resolved amicably.

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

For **Surinder Vashishtha & Associates**
Company Secretaries

Surinder Vashishtha
C.P. No. : 12313

Place: Gurugram
Date: 19th May 2017

ANNEXURE-10 TO DIRECTORS' REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L74899DL1954PLC002452
Registration Date	26 th November, 1954
Name of the Company	Federal-Mogul Goetze (India) Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	<p>Registered Office : DLF Prime Towers, 10 Ground Floor, F- 79 & 80, Okhla Phase-I, New Delhi- 110020 Contact details: Ph. No.:+91 11 4905 7597</p> <p>Corporate Office :Paras Twin Towers, 10th Floor, Tower B, Sector-54, Golf Course Road, Gurgaon-122002 Contact details: Ph. No.: +91 124 4784530; Fax : +91 124 4292840 Email: investor.grievance@federalmogul.com Website: www.federalmogulgoetzeindia.net</p>
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	<p>Alankit Assignments Limited AlankitHouse, 1E/13, Jhandewalan Extension, New Delhi- 110055 Ph. No.: +91 11 42541234; +91 11 23541234 Fax : +91-11- 42541201 Email: rta@alankit.com</p>

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Pistons, Piston Pins & Piston rings	2811	100 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl.	Name and Address of The company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1	Federal-Mogul Holdings Limited	Not Applicable	Holding	60.053 %	2(46)
2	Federal-Mogul TPR (India) Limited	U34300DL1997PLC087410	Subsidiary	51%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub – total (A)(1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	41715454	-	41715454	74.984	41715454	-	41715454	74.984	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	41715454	-	41715454	74.984	41715454	-	41715454	74.984	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	41715454	-	41715454	74.984	41715454	-	41715454	74.984	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5682385	1850	5684235	10.218	5595598	1850	5597448	10.062	(0.156)
b) Banks / FI	1052	1772	2824	0.005	3710	1722	5432	0.010	0.005
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	1869766	50	1869816	3.361	1869766	100	1869866	3.361	-
g) FIs	8475	1050	9525	0.017	27000	1050	28050	0.050	0.033
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) -FPI's	135273	-	135273	0.243	137144	-	137144	0.247	0.003
Sub-total (B)(1):-	7696951	4722	7701673	13.844	7633218	4722	7637940	13.730	(0.115)
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	439382	6143	445525	0.801	581996	6143	588139	1.057	0.256
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
l) Individual share-holders holding nominal share capital up to Rs. 1 lakh	1645694	490806	2136500	3.840	1755730	471980	2227710	4.004	0.164
ii) Individual share-holders holding nominal share capital in excess of Rs. 1 lakh	3601081	-	3601081	6.473	3427913	-	3427913	6.162	(0.311)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)- Trust NRI	4827 25843	- 1587	4827 27070	0.009 0.049	3745 29642	- 1587	3745 31229	0.007 0.056	(0.002) 0.007
Sub-total (B)(2): Total Public Shareholding (B) = (B)(1) + (B)(2)	57164647	498536	6215003	11.172	5799026	479710	6278736	11.286	0.115
C. Shares held by Custodian for GDRs & ADRs	13413418	503258	13916676	25.016	13413418	503258	3916676	25.016	-
Grand Total (A+B+C)	55128872	503258	55632130	100.000	55128872	5032585	5632130	100.00	-

ii. Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1	Federal-Mogul Holdings Limited	33408581	60.053	-	33408581	60.053	-	-
2	Federal-Mogul Vermögensverwaltungs-GMBH	8306873	14.932	-	8306873	14.932	-	-
Total		41715454	74.984	-	41715454	74.984	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares shares of	% of total the company	No. of shares	% of total shares of the company
1.	Federal-Mogul Holdings Limited At the beginning of the year Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	33408581 Nil	60.053 Nil	33408581 Nil	60.053 Nil
		33408581	60.053	33408581	60.053
2.	Federal-Mogul Vermögensverwaltungs-GMBH At the beginning of the year	8306873	14.932	8306873	14.932

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares shares of	% of total the company	No. of shares	% of total shares of the company
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
	At the End of the year	8306873	14.932	8306873	14.932

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of change in Share holding	Increase/Decrease in Share holding	Reason for Increase/Decrease	Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company				No. of shares	% of total shares of the company
1	Reliance Capital Trustee Company Limited A/C	5482145	9.85	1/4/2016	-	-	5482145	9.85
	Reliance Capital Trustee Company Limited A/C			8/4/2016	5717	Transfer	5487862	9.86
	Reliance Capital Trustee Company Limited A/C			15/04/2016	-29596	Transfer	5458266	9.81
	Reliance Capital Trustee Company Limited A/C			29/04/2016	-29941	Transfer	5428325	9.76
	Reliance Capital Trustee Company Limited A/C			6/5/2016	-68812	Transfer	5359513	9.63
	Reliance Capital Trustee Company Limited A/C			13/05/2016	-2075	Transfer	5357438	9.63
	Reliance Capital Trustee Company Limited A/C			20/05/2016	-658	Transfer	5356780	9.63
	Reliance Capital Trustee Company Limited A/C			1/6/2016	-661	Transfer	5356119	9.63
	Reliance Capital Trustee Company Limited A/C			1/7/2016	-150000	Transfer	5206119	9.36
	Reliance Capital Trustee Company Limited A/C			8/7/2016	35000	Transfer	5241119	9.42
	Reliance Capital Trustee Company Limited A/C			22/07/2016	24251	Transfer	5265370	9.46
	Reliance Capital Trustee Company Limited A/C			29/07/2016	14217	Transfer	5279587	9.49
	Reliance Capital Trustee Company Limited A/C			5/8/2016	28811	Transfer	5308398	9.54
	Reliance Capital Trustee Company Limited A/C			12/8/2016	14513	Transfer	5322911	9.57
	Reliance Capital Trustee Company Limited A/C			26/08/2016	-25000	Transfer	5297911	9.52
	Reliance Capital Trustee Company Limited A/C			9/9/2016	-13150	Transfer	5284761	9.50
	Reliance Capital Trustee Company Limited A/C			16/09/2016	21713	Transfer	5306474	9.54
	Reliance Capital Trustee Company Limited A/C			23/09/2016	3487	Transfer	5309961	9.54
	Reliance Capital Trustee Company Limited A/C			30/09/2016	3600	Transfer	5313561	9.55
	Reliance Capital Trustee Company Limited A/C			7/10/2016	15205	Transfer	5328766	9.58
	Reliance Capital Trustee Company Limited A/C			11/11/2016	5000	Transfer	5333766	9.59
	Reliance Capital Trustee Company Limited A/C			18/11/2016	44693	Transfer	5378459	9.67
	Reliance Capital Trustee Company Limited A/C			25/11/2016	19463	Transfer	5397922	9.70
	Reliance Capital Trustee Company Limited A/C			2/12/2016	4019	Transfer	5401941	9.71
	Reliance Capital Trustee Company Limited A/C			9/12/2016	982	Transfer	5402923	9.71
	Reliance Capital Trustee Company Limited A/C			23/12/2016	2019	Transfer	5404942	9.72
	Reliance Capital Trustee Company Limited A/C			30/12/2016	900	Transfer	5405842	9.72
	Reliance Capital Trustee Company Limited A/C			3/2/2017	-24969	Transfer	5380873	9.67
	Reliance Capital Trustee Company Limited A/C			17/02/2017	727	Transfer	5381600	9.67
	Reliance Capital Trustee Company Limited A/C			24/02/2017	2809	Transfer	5384409	9.68
	Reliance Capital Trustee Company Limited A/C			3/3/2017	152	Transfer	5384561	9.68
	Reliance Capital Trustee Company Limited A/C			24/03/2017	3000	Transfer	5387561	9.68
	Reliance Capital Trustee Company Limited A/C			31/03/2017	8000	Transfer	5395561	9.70

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of change in Share holding	Increase/Decrease in Share holding	Reason for Increase/Decrease	Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company				No. of shares	% of total shares of the company
2	Life Insurance Corporation of India	1129741	2.03	31/03/2017	-	-	1129741	2.03
3	Bhavook Tripathi	2085129	3.75	1/4/2016	-	-	2085129	3.75
	Bhavook Tripathi			8/4/2016	-3420	Transfer	2081709	3.74
	Bhavook Tripathi			15/04/2016	-5129	Transfer	2076580	3.73
	Bhavook Tripathi			22/04/2016	-1390	Transfer	2075190	3.73
	Bhavook Tripathi			29/04/2016	-4318	Transfer	2070872	3.72
	Bhavook Tripathi			6/5/2016	-3718	Transfer	2067154	3.72
	Bhavook Tripathi			13/05/2016	-3029	Transfer	2064125	3.71
	Bhavook Tripathi			20/05/2016	-9704	Transfer	2054421	3.69
	Bhavook Tripathi			27/05/2016	-5173	Transfer	2049248	3.68
	Bhavook Tripathi			1/6/2016	-5860	Transfer	2043388	3.67
	Bhavook Tripathi			10/6/2016	-8608	Transfer	2034780	3.66
	Bhavook Tripathi			17/06/2016	-7293	Transfer	2027487	3.64
	Bhavook Tripathi			24/06/2016	-5204	Transfer	2022283	3.64
	Bhavook Tripathi			30/06/2016	-8722	Transfer	2013561	3.62
	Bhavook Tripathi			1/7/2016	-6516	Transfer	2007045	3.61
	Bhavook Tripathi			8/7/2016	-30024	Transfer	1977021	3.55
	Bhavook Tripathi			15/07/2016	-48912	Transfer	1928109	3.47
	Bhavook Tripathi			22/07/2016	-21694	Transfer	1906415	3.43
	Bhavook Tripathi			29/07/2016	-14519	Transfer	1891896	3.40
	Bhavook Tripathi			5/8/2016	-15758	Transfer	1876138	3.37
	Bhavook Tripathi			12/8/2016	-22063	Transfer	1854075	3.33
	Bhavook Tripathi			19/08/2016	-20035	Transfer	1834040	3.30
	Bhavook Tripathi			26/08/2016	-16521	Transfer	1817519	3.27
	Bhavook Tripathi			2/9/2016	-4696	Transfer	1812823	3.26
	Bhavook Tripathi			9/9/2016	-50000	Transfer	1762823	3.17
	Bhavook Tripathi			16/09/2016	-48595	Transfer	1714228	3.08
	Bhavook Tripathi			23/09/2016	-32464	Transfer	1681764	3.02
	Bhavook Tripathi			30/09/2016	-14790	Transfer	1666974	3.00
	Bhavook Tripathi			7/10/2016	-22183	Transfer	1644791	2.96
	Bhavook Tripathi			14/10/2016	-6794	Transfer	1637997	2.94
	Bhavook Tripathi			28/10/2016	-2168	Transfer	1635829	2.94
	Bhavook Tripathi			11/11/2016	-54552	Transfer	1090277	1.96
	Bhavook Tripathi			18/11/2016	-10821	Transfer	1079456	1.94
	Bhavook Tripathi			25/11/2016	11802	Transfer	1091258	1.96
	Bhavook Tripathi			2/12/2016	34247	Transfer	1125505	2.02
	Bhavook Tripathi			9/12/2016	-87	Transfer	1125418	2.02
	Bhavook Tripathi			23/12/2016	1000	Transfer	1126418	2.02
	Bhavook Tripathi			13/01/2017	-6050	Transfer	1120368	2.01
	Bhavook Tripathi			20/01/2017	-1022	Transfer	1119346	2.01
	Bhavook Tripathi			27/01/2017	-1012	Transfer	1118334	2.01
	Bhavook Tripathi			31/03/2017	-15406	Transfer	1102928	1.98
4	K Mohan	754000	1.36	01/04/2016	-	-	754000	1.36
				31/03/2017	-2500	Transfer	751500	1.35

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date of change in Share holding	Increase/Decrease in Share holding	Reason for Increase/Decrease	Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the company				No. of shares	% of total shares of the company
5	VanajaSundarlyer	137518	0.25	1/4/2016	-	-	137518	0.25
				6/5/2016	30204	Transfer	167722	0.30
				8/7/2016	103472	Transfer	271194	0.49
				16/09/2016	14948	Transfer	286142	0.51
				23/09/2016	24371	Transfer	310513	0.56
				11/11/2016	188051	Transfer	498564	0.90
				18/11/2016	34169	Transfer	532733	0.96
				25/11/2016	649	Transfer	533382	0.96
				20/01/2017	3003	Transfer	536385	0.96
				10/2/2017	25854	Transfer	562239	1.01
				31/03/2017	10000	Transfer	572239	1.03
6	The New India Assurance Company Limited	539775	0.97	-	-	-	539775	0.97
7	MadhuriKela	-	-	1/4/2016	-	-	25000	0.04
				17/03/2017	187863	Transfer	212863	0.38
				31/03/2017	2137	Transfer	215000	0.39
8	General Insurance Corporation of India	200250	0.36	31/03/2017	-	-	200250	0.36
9	Birla Sun Life Trustee Company Private Limited A/C Birla Sun Life MNC Fund	200000	0.36	31/03/2017	-	-	200000	0.36
10	India Infoline Limited	150000	0.27	1/4/2016	-	-	150000	0.27
	India Infoline Limited			7/10/2016	-3604	Transfer	146396	0.26
	India Infoline Limited			21/10/2016	-146396	Transfer	0	0.00
	India Infoline Limited			28/10/2016	146395	Transfer	146395	0.26
	India Infoline Limited			4/11/2016	-132	Transfer	146263	0.26
	India Infoline Limited			18/11/2016	-146263	Transfer	0	0.00
	India Infoline Limited			25/11/2016	145767	Transfer	145767	0.26
	India Infoline Limited			9/12/2016	-1888	Transfer	143879	0.26
	India Infoline Limited			6/1/2017	-53	Transfer	143826	0.26
	India Infoline Limited			3/2/2017	485	Transfer	144311	0.26
	India Infoline Limited			17/02/2017	-90	Transfer	144221	0.26
	India Infoline Limited			24/02/2017	844	Transfer	145065	0.26
	India Infoline Limited			3/3/2017	931	Transfer	145996	0.26
	India Infoline Limited			24/03/2017	-145996	Transfer	0	0.00
	India Infoline Limited			31/03/2017	172563	Transfer	172563	0.31

v. Shareholding of Directors and Key Managerial Personnel:

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Dr. Khalid Iqbal Khan				
At the beginning of the year	5	0.00	5	0.00
Transactions (Purchase/Sale) during the year:	-	-	-	-
At the end of the year	5	0.00	5	0.00

Note: Mr. Vinod Kumar Hans, Mr. Krishnamurthy Naga Subramaniam, Mr. Manish Chadha, Mr. Rajesh Sinha, Mr. Sunit Kapur, Ms. Janice Maiden Ruskey, Mr. KC Sundareshan Pillai, Mr. Mukul Gupta and Mr. Mahendra Kumar Goyal did not hold any shares during the year 2016-17.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in lacs)

	Secured Long Term Loans excluding deposits	Secured short Term Loans excluding deposits	Unsecured Loans	Inter-corporate Deposit	Depo-sits	Total Indebte-dness
Indebtedness at the beginning of the financial year						
i) Principal Amount	4,722.22	7,185.46	4,009.92	4,214.99	Nil	20,132.59
ii) Interest due but not paid	Nil	Nil	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	43.04	66.60	9.65	27.01		146.30
Total (i+ii+iii)	4,765.26	7,252.06	4,019.57	4,242.00	Nil	20,278.89
Change in Indebtedness during the financial year						
• Addition	Nil	9,824.82	4,000.00	3,809.58	Nil	17,634.40
• Reduction	(1,008.76)	(15,926.42)	(6,039.56)	(3,300.00)	Nil	(26,274.74)
Net Change	(1,008.76)	(6,101.60)	(2,039.56)	509.58	Nil	(8,640.34)
Indebtedness at the end of the financial year						
i) Principal Amount	3,722.22	1,114.98	1,979.74	4,715.00	Nil	11,531.94
ii) Interest due but not paid	Nil	Nil	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	34.28	35.48	0.27	36.58	Nil	106.61
Total (i+ii+iii)	3,756.50	1,150.46	1,980.01	4,751.58	Nil	11,638.55

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:)

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total
		Vinod Kumar Hans	Manish Chadha	Khalid Iqbal Khan	Rajesh Sinha	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	121.05	62.44	73.25	87.86	344.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7.50	-	-	-	7.50
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit					
	- others, (Commission)					
5	Others, (Company's contribution to PF & Superannuation, wherever applicable)	3.97	2.12	2.43	2.59	11.11
Total (A)		132.52	64.56	75.68	90.45	363.21
Ceiling as per the Act Being 10% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013						1139.50

B. Remuneration to other directors:
(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors			
		K. N. Subramaniam	Mukul Gupta	Mahendra Goyal	S.K.C. Pillai
	For Independent Directors				
	Fee for attending Board / Committee meetings	11.00	9.80	1.00	0.60
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	11.00	9.80	1.00	0.60
	Other Non-Executive Directors	Sunit Kapur	Janice Ruskey Maiden		
	Fee for attending Board / Committee meetings	-	-		
	Commission	-	-		
	Others, please specify	-	-		
	Total (2)	-	-		
	Total (1+2)	11.00	9.80	1.00	0.60
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act Being 11% of the net Profits of the Company calculated as per Section 198 of the Companies Act, 2013				1253.45

Notes:

- Mr. KC Sundareshan Pillai was appointed as an Independent Director w.e.f. 16th December, 2016.
- Total remuneration to Chairman & Managing Director, Whole Time Directors and other Directors (being the total of A and B)

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD – The remuneration details of Dr. Khalid Iqbal Khan, Whole-time Director-Legal & Company Secretary and Mr. Manish Chadha, CFO & Finance Director have been provided in column B.

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

**For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited**

Vinod Kumar Hans
Whole Time Managing Director
DIN : 03328309

Manish Chadha
Chief Finance Officer & Finance Director
DIN : 07195652

Place: Gurugram
Date: 19 May 2017

ANNEXURE-11 TO DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT [Regulation 34 (2) (f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Company:	L74899DL1954PLC002452
2.	Name of the Company:	Federal-Mogul Goetze (India) Limited
3.	Registered address:	DLF Prime Towers, 10 ground Floor, F- 79 & 80, Okhla Phase-I, New Delhi - 110020
4.	Website:	www.federalmogulgoetzeindia.net
5.	E-mailid:	khalid.khan@federalmogul.com
6.	Financial Year reported:	1st April, 2016 to 31st March, 2017
7.	Sector(s) that the Company is engaged in (industrial activity code-wise):	Automobile sector
8.	List three key products/services that the Company manufactures/provides (as in balance sheet):	Product NIC Code (i) Piston rings 2811 (ii) Pistons 2811 (iii) Pins 2811
9.	Total number of locations where business activity is undertaken by the Company (a) Number of International Locations (Provide details of major 5): (b) Number of National Locations:	Nil 4 manufacturing locations, Registered office, Head Office, 4 sales offices and 24 depots
10.	Markets served by the Company-Local/State/National/International	All India

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

S. No.	Particulars	Details
1.	Paid up Capital (INR) Rs. 556,321,300/-	
2.	Total Turnover (INR) (Gross)	Rs. 143298.02 lacs
3.	Total profit after taxes (INR)	Rs. 7198.56 lacs
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	Total spending on CSR activities was Rs. 106.65 lacs, which is 2% of the average profits of last 3 years.
5.	List of activities in which expenditure in (4) above has been incurred	List of CSR activities is detailed in the Annual Report of CSR activities, Annexure to the Board's Report.

SECTION C: OTHER DETAILS

S. No.	Particulars	Details
1.	Does the Company have any Subsidiary Company/ Companies ?	Yes, the Company has one subsidiary company, viz. Federal-Mogul TPR (India) Limited
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company ? If yes, then indicate the number of such subsidiary company(s)	The subsidiary company is managed by an independent Board of Directors, which takes its own decisions.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company ? If yes, then indicate the percentage of such entity/entities ? [Less than 30%, 30-60%, More than 60%]	No

SECTION D : BR INFORMATION

S. No.	Particulars	Details
1.	Details of Director/Directors responsible for BR	
	(a) Details of the Director/ Director responsible for implementation of the BR policy/ policies:	1. DIN Number : 03328309 2. Name : Mr. Vinod Kumar Hans 3. Designation : Whole-Time Managing Director
	(b) Details of the BR head:	1. DIN Number : 03328309 2. Name : Mr. Vinod Kumar Hans 3. Designation : Whole-Time Managing Director 4. Telephone number: +91 124-4784530 5. e-mail id: vinod.hans @federalmogul.com

2. Principal-wise(as per NVGs) BR Policy / policies (Reply in Y / N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business(NVGs), releases by the Ministry of Corporate Affairs, has adopted nine areas of Business responsibility.

Principal 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principal 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principal 3

Businesses should promote the wellbeing of all employees.

Principal 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Principal 5

Businesses should respect and promote human rights.

Principal 6

Businesses should respect, protect, and make efforts to restore the environment.

Principal 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principal 8

Businesses should support inclusive growth and equitable development.

Principal 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y*	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders ? @	N	N	N	N	N	N	N	N	N
3.	Does the policy conform to any national / international standards ? If yes, specify ?	Y	Y	Y	Y	Y	Y	N	Y	Y
4.	Has the policy being approved by the Board ? Is yes, has it been signed by MD/ owner/ by CEO/ appropriate Board Director ?	N	N	N	Y	N	N	N	Y	N
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy ?	Y**	Y	Y	Y	Y	Y	N	Y	Y
6.	Indicate the link for the policy to be viewed online ?	N#	Y#	N#	Y##	Y#	N#	N#	Y##	Y#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders ?	Y	Y	Y	Y	Y	Y	N	Y	Y
8.	Does the company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	N	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies ?	Y	Y	Y	Y	Y	Y	N	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency ?	N	N	N	Y	N	N	N	Y	N
(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options): Not applicable										

* It forms part of code of conduct of the Company.

** The respective HODs are responsible for implementation of the particular policy.

@ The Policies have been derived and adopted from the Federal-Mogul's Global policies and are aligned as per local requirements to safeguard the interests of all its stakeholders.

<http://www.federalmogul.com/en-US/Company/Pages/Policy-Documents.aspx>

<http://federalmogulgoetzeindia.com/web/documents/CSR%20Policy.pdf>

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year	Annually
(b) Does the Company publish a BR or Sustainability Report ? What is the hyperlink for viewing this report ? How frequently it is published ?	Not Applicable

SECTION E: PRINCIPLE-WISE PERFORMANCE

S. No.	Particulars	Details
Principle 1		
1	Does the policy relating to ethics, bribery and corruption cover only the company ? Yes/ No. Does it extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs /Others ?	The Company's Code of conduct & Integrity policy include as policy on ethics, bribery and corruption covering the Company and all its vendors, contractors and consultants. Other significant documents of Federal-Mogul that define the standard of behavior of the Company, include affirmation from the vendors/ consultants not to violate any applicable bribery laws and declaration of the code of conduct.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management ? If so, provide details thereof, in about 50 words or so.	During 2015-16, 4 complaints received from the shareholders which were timely resolved by the Company. No complaints were received from other stakeholders.

Principle 2

- List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.
Piston, Piston Rings and Piston Pins.
 - Piston assemblies developed / are being developed to meet BS IV emission norms. Further, reduction in engine oil consumption is being achieved by improvements in product design. The reduction in oil consumption helps the consumer in reduced operating expenses.
 - Friction reduction technologies adopted in the product (Piston, piston pin and rings) improve the fuel efficiency of the engine, thereby, reducing CO2 and operating expenses
 - Wear resistant coating technology for piston rings helps to improve the durability of the engine, thereby, ensuring the consistent performance over the engine life.
- Does the company have procedures in place for sustainable sourcing (including transportation) ?
 - If yes, what percentage of your inputs was sourced sustainably ? Also, provide details thereof, in about 50 words or so.
The Company selects the suppliers through a set of procedures, which are followed globally. Suppliers / vendors have to sign and follow the Federal-Mogul's Code of Conduct and Basic Working Conditions Policy for Suppliers posted at <http://www.federalmogul.com/en-US/Company/Pages/Policy-Documents.aspx>. Supplier Manual is also posted at <http://www.federalmogul.com/en-US/Company/Pages/Policy-Documents.aspx> which applies to all suppliers. In the opinion of the Management, the Company's sourcing is sustainable.
- Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work ?
 - If yes, what steps have been taken to improve their capacity and capability of local and small vendors ?
The Company engages local manufacturing suppliers located nearby its plants as needed. We have supplier development team that ensures monitoring of their performance based on the Company's standards and supporting them to improve performance by training, site visits, audits, etc.
- Does the company have a mechanism to recycle products and waste ? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, > 10%). Also, provide details thereof, in about 50 words or so.
Yes, the Company does have a mechanism to re-cycle the pistons and C. I. rings waste generated in the process.
With regard to pistons, approximately 97% of the waste generated in the process is being recycled and with regard to C. I. rings approximately 70% of the waste generated in the process is being recycled.
We do not get used products back from customers for recycling.
For waste, it is 5-10%. The company recycles waste as under:
 - Water used in Chrome Scrubber is being reused back in the process for water make up.
 - The Company has installed a grinding muck filtration unit where the coolant / neat cut oil is being filtered and reused back in the process
 - The grinding muck is being pressed to reduce volume of waste generation

Principle 3

1. Please indicate the Total number of employees -5880
2. Please indicate the Total number of employees hire don temporary/contractual/casual basis -1950
3. Please indicate the Number of permanent women employees - 28
4. Please indicate the Number of permanent employees with disabilities - 2
5. Do you have an employee as sociation that is recognized by management - Yes
6. What percentage of your permanent employees is members of this recognized employee association? - - 86%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up- gradation training in the last year?

Sl. No.	Particulars	Bhiwadi Plant	Bangalore Plant	Patiala Plant
1.	Permanent Employees	100	60.15	79
2.	Permanent Women Employees	100	Nil	100
3.	Casual/Temporary/Contractual Employees	100	39.85	85
4.	Employees with Disabilities	NA	Nil	NA

Principle 4

1. Has the company mapped its internal and external stakeholders ? Yes/No
Yes, the Company has mapped its internal and external stakeholders. Under the CSR programmes / projects the Company has been working for the upliftment of the less privileged/under privileged society. The Company considers stakeholders, both internal and external as an integral part of its business. Members are also requested to refer the CSR report forming part of Directors Report.
2. Out of the above, the company has identified the disadvantaged, vulnerable & marginalized stakeholders. Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.
The Company has taken various initiatives for the upliftment of under privileged section of society in various fields, such as, education, women empowerment, vocational trainings etc. Please also refer the CSR Report forming part of the Directors' Report.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others ?
The Company's manual on "Code of Conduct and Basic Working Conditions for suppliers" supports the protection of human rights within the realm of its influence and is committed to the highest ethical standards. This Code of Conduct and Basic Working Conditions policy (the "Code of Conduct") represents the principles guiding the business practices of the Company. The Code of conduct is applicable on the Company, including its subsidiary company and Suppliers.
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by a management ?
The Company received 4 complaints from shareholders only and all the complaints were satisfactorily resolved by the Management. There were no complaints received from other stakeholders.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/ others.
Yes, the Company extends the principle to group Companies.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc ? Y/N. If yes, please give hyperlink for webpage etc.
Yes. The company has been taking initiatives to use alternate sources of energy, such as, wind energy, solar power & installation of LED lights
3. Does the Company identify and assess potential environmental risks ? Y/N

Yes. The Company has a team of experts to prevent any Environmental Hazard and look after the environmental issues, if any. The Company regularly conducts meetings with the experts to know the potential environmental risks, if any. Currently, there are no potential concerns.

4. Does the company have any project related to Clean Development Mechanism ? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed ?

The Company supports the cleaning the environmental, however, the Company is not engaged in the projects for which clean development mechanism is adopted. The Company is supporting the Environment by way of using Wind and Solar energy.

5. Has the company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

The company has not taken any other initiatives other than explained above.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported ?

Yes.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.) - Nil

Principle 7

1. Is your company a member of any trade and chamber or association ? If Yes, Name only those major ones that your business deals with: The Company is member of American Chamber of Commerce only.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good ? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

No, the Company has not advocated/lobbied through the above association for the advancement or improvement of public good. The CSR activities of the Company are specified in the CSR Report forming the part of the Directors' Report.

Principle 8

1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8 ? If yes details thereof.

The Company is engaged in various corporate social responsibility activities viz. Promotion of Education, Preventive Health care, Rural Development Project, Employment Enhancing Vocational Skills, Women Empowerment directly or through various NGO's.

2. Are the programmes/ projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization ?

The programmes/ projects are undertaken through In house team and NGOs, both.

3. Have you done any impact assessment of your initiative ?

Yes, there has been positive impact of the initiatives being taken by the Company.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

The Company's direct contribution to community development projects was Rs. 57.35 lacs during the last financial year. A report on CSR activities forms part of the attached Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community ? Please explain in 50 words, or so.

The Company during the year 2015-16, worked on Promotion of Education, Preventive Health care, Rural Development Project, Employment Enhancing Vocational Skills, Women Empowerment directly and/or through NGO's having specialization in the respective fields. The Board of Directors of the Company has constituted a CSR Committee, which reviews and approves the CSR projects in line with the CSR policy of the Company and the applicable provisions of Companies Act, 2013 and/or the rules frames thereunder from time to time. Each of the Projects as approved by the CSR Committee is regularly monitored so as to ensure that the community is benefitted from each of the said projects.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year. - Nil

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

The required information as per applicable laws is displayed on the product label.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Nil

4. Did your company carry out any consumer survey/ consumer satisfaction trends ? Yes.

ANNEXURE - 12 TO DIRECTORS' REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF COMPANIES ACT, 2013 AND RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year :

Name of Director	Designation	Ratio to median remuneration of the employees
1 Mr. Vinod Kumar Hans	Whole-time Managing Director	39.46
2 Dr. Khalid Iqbal Khan	Whole-time Director - Legal & Company Secretary	18.50
3 Mr. Manish Chadha	CFO & Finance Director	19.09
4 Mr. Rajesh Sinha	Whole-time Director	22.50

(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Designation	Name of Employee	% increase in remuneration
1. Mr. Vinod Kumar Hans	Whole-time Managing Director	31%
2. Dr. Khalid Iqbal Khan	Whole-time Director - Legal & Company Secretary	8%
3. Mr. Manish Chadha	CFO & Finance Director	17%
4. Mr. Rajesh Sinha	Whole-time Director	10%

(iii) the percentage increase in the median remuneration of employees in the financial year – (1.78%)

(iv) the number of permanent employees on the rolls of Company – 3947

(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - The average percentile increase was (1.78%) in the salaries of employees other than the Managerial Personnel. The percentile increase in the managerial remuneration is 17.25%. Remuneration of Managerial Personnel is also based on individual's contribution in meeting targets of the Company as well as various other factors such as competitive market practices, inflation etc.

(v) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

ANNEXURE-13 TO DIRECTORS' REPORT
Statement containing the particulars of employees in accordance with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name of Employee	Designation	Remuneration received	Nature of Employment (Contractual or otherwise)	Qualifications	Experience	Date of commencement Employment	Age (Years)	Last employment held before joining the Company	the percentage of equity shares held in the Company	whether a relative of any director or manager of the Company
A. Employed throughout the year and in receipt of remuneration not less than Rs. 1,02,00,000 per annum											
	Mr. Vinod Kumar Hans	Whole-time Managing Director	13404953	Contractual	B.E(Mech), PGDBM	30	1-Jul-08	51	GKN Driveline (India) Ltd.	Nil	No
	Mr. Sreenivasan N V	Director - Information Services	10242557	Contractual	DEE, B.Tech, Fast Track Business Management Program	26	11-Jul-11	46	Areva T & D India Ltd.	Nil	No
B. Employed for a part of the year and in receipt of remuneration not less than Rs. 8,50,000 per month											
					NIL						

Notes:

1. Remuneration includes Basic salary, HRA, Special Allowance, Car Allowance, Leave Travel Allowance, Medical reimbursement, Leave Pay, actual expenditure on rent free accommodation and benefits and amenities, contribution to provident fund, gratuity fund and contribution to superannuation fund (if applicable).
2. All the above Appointments are contractual.

Name of TOP 10 employees of the Company in terms of remuneration drawn as on 31st March 2017	
Sl. No.	Name of Employee
1	Vinod Kumar Hans
2	Sreenivasan N V
3	Rajesh Sinha
4	Alok Manaktala
5	Ashok Sinha
6	Manish Chadha
7	Mritunjay Nath Sahu
8	Khalid Iqbal Khan
9	S G P Naidu
10	Naveen Sahni
Total Gross remuneration as on 31st March 2017	
	16320988
	10771032
	9305372
	8762412
	8094051
	7897000
	7863368
	7652043
	7286972
	6114940

INDEPENDENT AUDITOR'S REPORT

To the Members of Federal-Mogul Goetze (India) Limited

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **Federal-Mogul Goetze (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and the summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

- we have sought and 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 it appears from our examination of those books;
- the standalone financial statements dealt with by this report are in agreement with the books of account;
- in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under

Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e. on the basis of the written representations received from the directors as on 31 March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;

f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 19 May 2017 as per annexure II expressed an unqualified opinion; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note 33 to the standalone financial statements, has disclosed the impact of pending litigations on its standalone financial position;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. the Company, as detailed in Note 48 to the standalone financial statements, has made requisite disclosures in these standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Walker Chandiok & Co LLP Chartered Accountants

Firm's Registration No.:

001076N/N500013

per **Anamitra Das**

Partner

Membership No.:062191

Place: Gurugram

Date: 19th May, 2017

Annexure I to the Independent Auditor's Report of even date to the members of Federal Mogul Goetze (India) Limited, on the standalone financial statements for the year ended 31 March 2017

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phase manner over a period of three years which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'fixed assets') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) In our opinion the, Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central

Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products 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 cost records with a view to determine whether they are accurate or complete.

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹in lacs)	Amount paid under protest (₹in lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	76.42	-	2000 - 2003	Central Excise and Service Tax Appellate Tribunal, Chennai
The Central Excise Act, 1944	Excise Duty	189.48	-	2001 - 2006	Central Excise and Service Tax Appellate Tribunal.
The Central Excise Act, 1944	Excise Duty	5.03	-	2006-2007	Central Excise and Service Tax Appellate Tribunal.
The Central Excise Act, 1944	Excise Duty	3.19	-	2010-11	Assistant Commissioner (Central Excise), Bhiwadi, Rajasthan
The Central Excise Act, 1944	Excise Duty	1.18	-	1995-96	Joint Commissioner of Central Excise
The Central Excise Act, 1944	Excise Duty	6.96	-	1998-1999	Joint Commissioner of Central Excise
The Central Excise Act, 1944	Excise Duty	3.32	-	2001-2002	Additional Commissioner of Central Excise
The Central Excise Act, 1944	Excise Duty	2.54	-	1995-96 and 2003-2004	Joint Commissioner of Central Excise, Patiala, Punjab
The Central Excise Act, 1944	Excise Duty	9.34	-	1987-1990	Honorable High Court of Punjab and Haryana

Name of the statute	Nature of dues	Amount (₹in lacs)	Amount paid under protest (₹in lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	15.13	-	2000-2001	Honorable Supreme Court and 2001-2002
The Central Excise Act, 1944	Excise Duty	1.76	-	1997-1999	Assistant Commissioner of Central Excise, Patiala, Punjab
The Central Excise Act, 1944	Excise Duty	1.86	-	1997-98	Joint Commissioner of Central Excise, Patiala, Punjab
The Central Excise Act, 1944	Excise Duty	121.00	-	2010-14	Commissioner, Gurgaon
The Central Excise Act, 1944	Excise Duty	29.45	-	2010-14	Commissioner, Gurgaon
Finance Act, 1994 (Service Tax)	Service Tax	16.61	-	2009-10	Joint Commissioner, Jaipur, Rajasthan
Finance Act, 1994 (Service Tax)	Service Tax	62.41	-	2008-11	Assistant Commissioner, Bhiwadi, Rajasthan
Finance Act, 1994 (Service Tax)	Service tax	695.23	-	2008-2011	Central Excise and Service Tax Appellate Tribunal, Bengaluru
Finance Act, 1994 (Service Tax)	Service tax	5.81	-	2012-2013	Commissioner of Central Excise
Finance Act, 1994 (Service Tax)	Service tax	96.11	-	2005-2011	Joint Commissioner of Central Excise, Patiala, Punjab
Finance Act, 1994 (Service Tax)	Service tax	194.00	-	Oct 2008 to March 2013	CESTAT
Finance Act, 1994 (Service Tax)	Service tax	294.00	-	2010-2013	Commissioner of Central Excise
Finance Act, 1994 (Service Tax)	Service tax	8.34	-	2013-14	Commissioner of Central Excise
Finance Act, 1994 (Service Tax)	Service tax	310.40	-	2008-12	CESTAT
Finance Act, 1994 (Service Tax)	Service Tax	86.44	25.00	2006-2007	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Service Tax	113.70	-	May 2005 to July 2005	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Service tax	13.81	-	2009-2012	Commissioner (Appeals)
Finance Act, 1994 (Service Tax)	Service tax	18.12	-	2012-2013	Joint Commissioner (Appeals)
Finance Act, 1994 (Service Tax)	Service tax	10.70	-	2011-2013	Joint Commissioner (Appeals)
Finance Act, 1994 (Service Tax)	Service tax	2.42	-	2010-14	Deputy Commissioner, Patiala, Punjab
Finance Act, 1994 (Service Tax)	Service tax	5.90	-	2014	Additional Commissioner
Finance Act, 1994 (Service Tax)	Service tax	19.11	-	2013-14	Additional Commissioner
Income tax Act, 1961	Income tax	3.05	-	2000-2001	Supreme Court
Income tax Act, 1961	Income tax	72.68	-	2007-2008	Income tax appellate tribunal
Income tax Act, 1961	Income tax	68.45	-	2001-2002	Assessing Officer for Appeal Effect
Income tax Act, 1961	Income tax	11.60	-	2002-2003	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	12.39	-	2001-2002	Assessing Officer for Appeal Effect
Income tax Act, 1961	Income tax	85.17	-	1997-1998	Honorable High Court, Delhi
Income tax Act, 1961	Income tax	1.52	-	1997-1998	Honorable High Court, Delhi
Income tax Act, 1961	Income tax	39.52	-	2005-2006	Assessing Officer for Appeal Effect
Income tax Act, 1961	Income tax	16.54	-	1995-1996 and 1996-1997	Honorable High Court, Delhi
Income tax Act, 1961	Income tax	66.55	-	1998-1999	Supreme Court
Income tax Act, 1961	Income tax	16.71	-	1998-1999	Supreme Court
Income tax Act, 1961	Income tax	345.80	-	1997-1998	Honorable High Court, Delhi
Income tax Act, 1961	Income tax	0.52	-	2000-2001	Supreme Court
Income tax Act, 1961	Income tax	21.21	-	1999-2000	Supreme Court

Name of the statute	Nature of dues	Amount (₹in lacs)	Amount paid under protest (₹in lacs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income tax	17.65	-	1999-2000	Supreme Court
Income tax Act, 1961	Income tax	19.23	-	2004-2005	AO for Appeal Effect
Income tax Act, 1961	Income tax	59.68	-	1999-00	Commissioner Income Tax (Appeal)
Income tax Act, 1961	Income tax	2.00	-	2004-2005	Assessing Order for final order
Income tax Act, 1961	Income tax	262.49	-	2007-08 to 2016-17	Income tax Officer
Income tax Act, 1961	Income tax	3.56	-	2004-2005	Assessing Officer for Appeal Effect
Income tax Act, 1961	Income tax	2.21	-	2002-03	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	17.27	-	2000-01	Honorable Supreme Court
Income tax Act, 1961	Income tax	19.22	-	2004-05	Assessing Officer for final order
Income tax Act, 1961	Income tax	117.26	-	2011-12	Assessing Officer for final order
Income tax Act, 1961	Income tax	0.31	-	2011-12	Assessing Officer for final order
Income tax Act, 1961	Income tax	0.67	-	2011-12	Assessing Officer for final order
Income tax Act, 1961	Income tax	26.60	-	2011-12	Assessing Officer for final order
Income tax Act, 1961	Income tax	199.50	-	2010-11	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	198.49	-	2011-12	Assessing Officer for final order
Income tax Act, 1961	Wealth Tax	3.94	-	2005-06	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	17.85	-	2011-12	Income Tax Appellate Tribunal
Income tax Act, 1961	Income tax	414.03	-	2012-13	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	70.87	-	2008-09	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	1.71	-	2009-10	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	1.78	-	2009-10	Commissioner of Income Tax (Appeals)
Income tax Act, 1961	Income tax	143.66	-	2013-14	Commissioner of Income Tax (Appeals)
Andhra Pradesh VAT Act ,2005	Value added tax	35.00	-	2013-14	Deputy Commissioner, Appeal
Delhi VAT Act ,2004	Value added tax	196.00	-	2010-11	Special Commissioner Objection Hearing
Delhi VAT Act ,2004	Value added tax	16.00	-	2009-10	Special Commissioner Objection Hearing
Kanrataka VAT Act, 2003	Value added tax	13.38	3.41	2008-09	Joint Commissioner Appeal
Delhi VAT Act,2004	Value added tax	613.93	-	2007-2008	Delhi – Commissioner
Delhi VAT Act,2004	Value added tax	73.44	-	2008-2009	Delhi – Commissioner
Rajasthan VAT Act, 2003	Value added tax	137.29	-	2007-08 and 2009-10	Honorable High Court of Rajasthan
Bihar VAT Act,2005	Value added tax	25.66	16.50	2005-2006	Deputy Commissioner, Patna
West Bengal VAT Act,2003	Value added tax	1.76	-	2006-2007	Commissioner (Appeals)
West Bengal VAT Act,2003	Value added tax	1.18	-	2006-2007	Commissioner (Appeals)
West Bengal VAT Act,2003	Value added tax	1.87	-	2004-2005	Commissioner (Appeals)
West Bengal VAT Act,2003	Value added tax	1.56	-	2001-2002	Commissioner (Appeals)
Karnataka VAT Act, 2003	Value added tax	97.00	215.37	1996-2002	Honorable High court of Karnataka
Rajasthan VAT Act, 2003	Value added tax	2.52	-	2009-10	Commercial Tax officer, Bhiwadi, Rajasthan
Rajasthan VAT Act, 2003	Value added tax	50.64	-	2012-13	Assistant Commissioner, Bhiwadi, Rajasthan
Rajasthan VAT Act, 2003	Value Added Tax	544.24	-	2013-14	Assistant Commissioner, Bhiwadi, Rajasthan
Andhra Pradesh VAT Act,2005	Value Added Tax	11.41	-	2012-13	Special Commissioner Objection Hearing
Maharastra VAT Demand Act, 2002	Value Added Tax	23.88	-	2012-13	Special Commissioner Objection Hearing

Name of the statute	Nature of dues	Amount (₹in lacs)	Amount paid under protest (₹in lacs)	Period to which the amount relates	Forum where dispute is pending
Gujarat VAT Demand Act, 2003	Value Added Tax	568.25	-	2012-13	Special Commissioner Objection Hearing
Gujarat CST Demand	Value Added Tax	39.28	-	2012-13	Special Commissioner Objection Hearing
Uttanchal VAT Act, 2005	Value Added Tax	33.38	-	2010-11	Special Commissioner Objection Hearing
Karnataka VAT Act, 2003	Value Added Tax	278.51	55.00	2005-2006	Honorable High Court of Karnataka
Uttar Pradesh VAT Act, 2005	Value Added tax	82.78	40.00	2007-2008	Commissioner (Appeals), Ghaziabad
Karnataka VAT Act, 2003	Value Added tax	410.00	216.00	2007-2011	ACCT, Audit Banglore,
Karnataka VAT Act, 2003	Value Added tax	1.36	1.38	2007-2008	Assistant . Commissioner, Banglore
Karnataka VAT Act, 2003	Value Added tax	293.00	89.60	2014-15	Deputy Commissioner of Commercial Tax, Audit Banglore,
Rajasthan VAT Act, 2003	Value Added Tax	2.15	-	2008-2009	Assistant commissioner, Bhiwadi, Rajasthan
Uttar Pradesh VAT Act 2008	Value Added Tax	32.68	-	2012-2013	Commissioner, Uttar Pradesh

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. The Company did not have any outstanding dues to government or financial institutions or outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Anamitra Das**

Partner

Membership No.: 062191

Place: Gurugram

Date: 19 May 2017

Annexure II to the Independent Auditor's Report of even date to the members of Federal-Mogul Goetze (India) Limited, on the standalone financial statements for the year ended 31 March 2017

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the standalone financial statements of the Federal-Mogul Goetze (India) Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the

audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Walker Chandio & Co LLP
Chartered Accountants**

Firm's Registration No.:
001076N/N500013

per **Anamitra Das**
Partner

Membership No.:062191

Place: Gurugram
Date: 19th May 2017

Federal-Mogul Goetze (India) Limited
Balance Sheet as at 31 March 2017

			Rs. in lacs
	Notes	As at 31 March 2017	As at 31 March 2016
Equity and Liabilities			
Shareholders' funds			
Share capital	3	5,563.21	5,563.21
Reserves and surplus	4	50,675.95	43,477.39
		56,239.16	49,040.60
Non-current liabilities			
Long-term borrowings	5	2,333.33	3,722.22
Deferred tax liabilities (net)	6	946.18	912.92
Other long term liabilities	7	513.48	432.07
Long-term provisions	8	7,877.23	7,491.52
		11,670.22	12,558.73
Current liabilities			
Short-term borrowings	9	7,809.72	15,410.37
Trade payables	10	19,401.72	24,882.59
Trade Payables to micro enterprises and small enterprises	10	289.63	310.35
Other current liabilities	11	3,909.65	3,243.67
Short-term provisions	8	916.84	406.45
		32,327.56	44,253.43
Total		100,236.94	105,852.76
Assets			
Non-current assets			
Fixed assets			
Tangible assets	12	51,654.48	52,055.52
Intangible assets	12.1	51.10	-
Capital work-in-progress		2,387.08	3,191.91
Non-current investments	13	513.25	510.00
Long-term loans and advances	14	2,537.49	2,980.47
		57,143.40	58,737.90
Current assets			
Current investments	15	-	-
Inventories	16	18,186.86	19,635.00
Trade receivables	17	18,994.24	18,117.32
Cash and bank balances	18	1,353.10	4,348.41
Short-term loans and advances	19	3,991.35	4,528.77
Other current assets	20	567.99	485.36
		43,093.54	47,114.86
Total		100,236.94	105,852.76

Note 1 to 49 form an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants

Anamitra Das
Partner
Membership No.: 062191

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans
Whole Time Managing Director
DIN : 03328309

Manish Chadha
Chief Finance Officer & Finance Director
DIN : 07195652

Place: Gurugram
Date: 19th May 2017

Khalid Iqbal Khan
Whole Time Director- Legal & Company Secretary
DIN : 05253556

Federal-Mogul Goetze (India) Limited
Statement of Profit and Loss for the year ended 31 March 2017

			Rs. in lacs
	Notes	31 March 2017 Year ended	31 March 2016 Year ended
Revenue			
Revenue from operations (gross)		143,298.02	146,584.88
Less: Excise duty		(13,080.56)	(13,525.04)
Revenue from operations (net)	21	130,217.46	133,059.84
Other income	22	2,628.26	3,543.17
Total Revenue		132,845.72	136,603.01
Expenses			
Cost of raw material and components consumed	23	40,204.82	44,876.81
Decrease in inventories	24	809.91	529.62
Purchase of traded goods	25	3,379.45	5,636.95
Employee benefit expense	26	27,720.16	28,461.26
Depreciation and amortisation expenses	27	7,639.04	7,517.68
Finance cost	28	1,975.26	2,732.09
Other expenses	29	40,135.26	39,668.45
Total expenses		121,863.90	129,422.86
Profit before tax for the year		10,981.82	7,180.15
Tax expense			
Current tax		3,750.00	1,876.79
Tax pertaining to earlier years		-	198.49
Deferred tax		33.26	704.23
Total tax expenses		3,783.26	2,779.51
Profit for the year		7,198.56	4,400.64
Earnings per equity share (Rs.)	30		
Basic and diluted [Nominal value of shares Rs. 10]		12.94	7.91

Note 1 to 49 form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants

Anamitra Das
 Partner
 Membership No.: 062191

Place: Gurugram
 Date: 19th May 2017

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans
 Whole Time Managing Director
 DIN : 03328309

Khalid Iqbal Khan
 Whole Time Director- Legal & Company Secretary
 DIN : 05253556

Manish Chadha
 Chief Finance Officer & Finance Director
 DIN : 07195652

Federal-Mogul Goetze (India) Limited
Cash flow statement for the year ended March 31, 2017
Rs. in lacs

	31 March 2017 Year ended	31 March 2016 Year ended
A. Cash flow from operating activities		
Profit before tax	10,981.82	7,180.15
Adjustments for:		
Depreciation and amortisation	7,639.04	7,517.68
Loss on sale / discard of fixed assets (net)	61.65	181.18
Provision for doubtful debts and advances	45.75	-
Excess liabilities written back	(756.13)	(1,431.85)
Provision for warranties	413.44	119.67
Bad debts / advances written off	60.74	185.22
Interest income	(174.26)	(124.81)
Dividend income	(285.60)	(446.25)
Interest expense	1,975.26	2,732.09
Unrealised forex (gain)/loss (net)	59.76	(202.44)
Operating profit before working capital changes	20,021.47	15,710.64
Movements in working capital:		
Increase in trade/other receivables	(609.67)	(1,978.49)
Decrease / (increase) in inventories	1,448.14	155.16
Increase / (decrease) in trade/other payables	(3,831.36)	6,487.11
Cash generated from operations	17,028.58	20,374.42
Direct taxes paid (net of refunds)	(3,442.52)	(1,547.07)
Net cash from operating activities	13,586.06	18,827.35
B. Cash flows from investing activities		
Purchase of tangible fixed assets	(6,443.72)	(10,766.14)
Proceeds from sale of fixed assets	50.05	15.39
Movement in restricted cash	132.36	(197.76)
Investment purchased	(3.25)	-
Interest received	145.55	115.65
Dividends received	285.60	446.25
Net cash used in investing activities	(5,833.41)	(10,386.61)
C. Cash flows from financing activities		
Receipt of borrowings (Long term)	-	4,000.00
Payment of borrowings (Long term)	(1,000.00)	(6,66.61)
Movement in borrowings (Short term)	(7,600.65)	(5,842.95)
Interest paid	(2,014.95)	(2,757.68)
Net cash used in financing activities	(10,615.60)	(5,267.30)
Net increase in cash and cash equivalents (A + B + C)	(2,862.95)	3,173.44
Cash and cash equivalents at the beginning of the year	3,753.66	580.22
Cash and cash equivalents at the end of the year	890.71	3,753.66
Components of cash and cash equivalents as at	31 March 2017	31 March 2016
Cash and cheques on hand	-	0.14
With banks - on current account	890.71	3,753.52
	890.71	3,753.66

This is the Cash Flow Statement referred to in our report of even date

For Walker Chandiok & Co LLP
Chartered Accountants
Anamitra Das

Partner

Membership No.: 062191

Place: Gurugram

Date: 19th May 2017

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited
Vinod Kumar Hans

Whole Time Managing Director

DIN : 03328309

Khalid Iqbal Khan

Whole Time Director- Legal & Company Secretary

DIN : 05253556

Manish Chadha

Chief Finance Officer & Finance Director

DIN : 07195652

Summary of significant accounting policies and other explanatory notes

1. a) Corporate information

Federal-Mogul Goetze (India) Limited ('FMGIL' or 'the Company'), is inter-alia engaged mainly in the manufacture, supply and distribution of 'automotive components' used in two/three/four wheeler automobiles.

The principal facilities of the Company are located at Patiala (Punjab), Bengaluru (Karnataka) and Bhiwadi (Rajasthan), with its registered office in Delhi. The Company is listed at National Stock Exchange of India Limited and Bombay Stock Exchange.

Federal Mogul Holdings Limited, Mauritius, is the immediate parent company and ultimate parent company is Federal Mogul LLC, USA.

b) Basis of Preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Company (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2. Statement of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized in the current and future periods.

b) Tangible fixed assets and Capital work-in-progress

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use i.e. freight, duties, taxes and other incidental expenses excluding cenvat in so far as this is available for set off against excise duty. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation on tangible fixed assets

Tangible fixed assets except for leasehold land are depreciated on straight line method

Depreciation has been provided in accordance with useful lives prescribed in the Companies Act 2013 except for certain fixed assets where useful lives has been assessed based on technical evaluation after considering the expected usage of assets, operational factors, technological changes and maintenance practice etc. The following are the rates used by the Company which are different from Schedule II.

Asset Class	Rates used by the Company
Plant & Machinery	5 to 21 years

In respect of assets whose useful lives has been revised, the unamortised depreciable amount is charged over the revised remaining useful lives of the assets.

Leasehold land is amortised over the period of lease.

d) Impairment of tangible and intangible assets

i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

e) Intangible Assets

Intangible assets are stated at cost less amortization less impairment, if any. Cost comprises the purchase price and other directly attributable costs. Intangibles assets are amortised over their expected useful economic lives, on straight line basis, as follows:

Design and drawings- over a period of 5 years on straight line basis.

Summary of significant accounting policies and other explanatory notes

f) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

h) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares and bought out tools.	Lower of cost and net realizable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Constructed Tools	Lower of cost and net realizable value. Cost represents material, labour and appropriate allocation of overheads. Cost is determined on a weighted average basis.
Work-in-progress	Lower of cost and net realizable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a weighted average basis.
Finished Goods: - Manufactured	Lower of cost and net realizable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Excise duty on stock lying with Company is added to the cost of the finished goods inventory. Cost is determined on a weighted average basis.
- Traded	Lower of cost and net realizable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis.
Reusable scrap	At lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for obsolescence is determined based on management's assessment and is charged to profit and loss account.

i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale of Goods:

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and are recorded net of excise duty, sales tax and trade discount.

ii) Job Work:

Income from job work is accrued when right of revenue is established, which relates to effort completed.

iii) Interest:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Dividends:

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

v) Commission:

Commission income is accrued when due, as per the agreed terms.

vi) Export Benefits/Incentives:

Export entitlements under the Duty Entitlement Pass Book (DEPB) Scheme/ Duty Drawback scheme are recognized in the profit and loss account when the right to receive credit as per the terms of the scheme is established in respect of exports made.

vii) Management support charges:

Income from management support charges is recognized as per the terms of the agreement based upon the services completed.

Summary of significant accounting policies and other explanatory notes

viii) Lease income:

Lease rental in respect of asset given under operating leases are recognized in the statement of profit and loss as and when they are due to be received.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

l) Retirement and other employee benefits

(i) Provident fund contributions are charged to profit and loss account, when contributions paid/payable are due to "Goetze India Limited Provident Fund Trust", administered by the trustees and to the Regional Provident Fund Commissioners. The Company accrues for the deficit in the Provident Fund trust as per the books of accounts of the Trust.

(ii) Gratuity liability under the Payment of Gratuity Act is accrued on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.

(iii) Short term compensated absences are provided for based on estimates. Long term compensation liability for leave encashment is determined in accordance with company policy and is measured on the basis of valuation by an independent actuary at the end of the financial year. The actuarial valuation is done as per projected unit credit method.

(iv) Actuarial gains/losses are immediately taken to profit and loss account. However, recognition for actuarial gain is done only to the extent that the net cumulative unrecognized actuarial gains exceed the unrecognized part of transitional liability.

(v) Superannuation Benefit

The Company has superannuation obligation administered with Life Insurance Corporation of India (LIC). Contributions to the defined contribution scheme are charged to profit and loss account when contributions paid/ payable are due to such fund. There are no other obligations other than the contribution payable to the respective trusts.

m) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that

Summary of significant accounting policies and other explanatory notes

sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period

n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are usually not provided for, unless it is probable that the future outcome may be materially detrimental to the Company. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefits is remote.

Contingent assets are not recognized in the financial statement.

p) Cash and Cash Equivalents

Cash and cash equivalents for cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Segment Reporting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

3. Share capital

Particulars	Rs. in lacs	
	As at 31 March 2017	As at 31 March 2016
Authorized shares		
80,000,000 (Previous year: 80,000,000) equity shares of Rs. 10/- each.	8,000.00	8,000.00
	8,000.00	8,000.00
Issued, subscribed and fully paid-up shares		
55,632,130 (Previous year: 55,632,130) equity shares of Rs.10/- each	5,563.21	5,563.21
	5,563.21	5,563.21

(a) There is no movement in equity share capital during the current year and previous period.

b) Right/restriction attached to equity shares.

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the reporting year

Name of the shareholder*	31 March 2017		31 March 2016	
	No.	% holding	No.	% holding
Equity shares of Rs 10 each fully paid				
Federal Mogul Holding Limited, Mauritius, the Holding company	33,408,581	60.05%	33,408,581	60.05%
Federal Mogul Vemogensuwerwaltungs GMBH, a Fellow subsidiary company	8,306,873	14.93%	8,306,873	14.93%
Reliance capital Trustee Company Limited	5,479,189	9.85%	5,479,189	9.85%

*The above information is furnished as per the shareholder register at the year end.

(d) Shares held by Holding/ Ultimate Holding Company and/ or their subsidiaries/ associates

Name of the shareholder*	31 March 2017		31 March 2016	
	No.	% holding	No.	% holding
Equity shares of Rs 10 each fully paid				
Federal Mogul Holding Limited, Mauritius, the Holding company	33,408,581	60.05%	33,408,581	60.05%
Federal Mogul Vemogensuwerwaltungs GMBH, a fellow subsidiary company	8,306,873	14.93%	8,306,873	14.93%

(e) The Company has not issued any equity shares pursuant to any contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last five years

4. Reserves and surplus

Rs. in lacs

	As at 31 March 2017	As at 31 March 2016
Capital redemption reserve	1,000.00	1,000.00
Capital reserve	56.55	56.55
Capital subsidy	1.12	1.12
Securities premium account	26,750.74	26,750.74
Surplus in the Statement of Profit and Loss		
Opening balance	15,668.98	11,705.85
Add: Profit for the year/ Period	7,198.56	4,400.64
	22,867.54	16,106.49
Less: Impact of revision of useful lives of various fixed assets (Amount net of deferred tax current year Nil (Previous Year: Rs.225.29 lacs).	-	(437.51)
Closing balance	22,867.54	15,668.98
	50,675.95	43,477.39

5. Long-term borrowings

Term loans

Indian rupee loan from banks (secured)	2,333.33	3,722.22
	2,333.33	3,722.22

1. (A) Indian rupee loan amounting to Rs 2,000 lacs from Yes Bank in two tranches of Rs 1,000 lacs each taken on May 31, 2013 and June 28, 2013 respectively carries interest @ 11.70% p.a. Both tranches are repayable in 36 equal monthly installments of Rs. 27.77 lacs each along with interest after moratorium period of 12 months from the date of the disbursement of loan, viz., May 31, 2014 and June 28, 2014 respectively. The loan is secured by first parri passu charge on moveable assets of the Company including plant and machinery, spares, tools and accessories, furniture and fixtures and other moveable assets of the Company, excluding vehicles.

(B) Indian rupee loan amounting to Rs 4,000 lacs from Yes Bank in two tranches of Rs 2,000 lacs each taken on Dec 22, 2015 and Dec 31, 2015 respectively carries interest @ 10.40% p.a. Both tranches are repayable in 36 equal monthly installments of Rs. 55.55 lacs each along with interest after a moratorium period of 12 months from the date of the disbursement of loan, viz., Dec 22, 2016 and Dec 31, 2016 respectively. The loan is secured by first parri passu charge on moveable assets of the Company including plant and machinery, spares, tools and accessories, furniture and fixtures and other moveable assets of the Company, excluding vehicles.

2. Current maturities of long term borrowings amounting to **Rs. 1,388.89 lacs** (Previous year: Rs. 1,000 lacs) are included under the head 'Other current liabilities'. (refer note 11)."

6. Deferred tax liabilities (net)

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Deferred tax liabilities		
Impact of difference between depreciation as per tax books and depreciation charged for the financial reporting	4,092.81	4,037.19
	4,092.81	4,037.19
Deferred tax assets		
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis		
Provision for employees benefits	1,960.35	2,167.80
Provision for doubtful debts and advances	117.25	77.76
Provision for contingencies	520.99	470.70
Provision for environment, maintenance & remediation	146.96	149.37
Others	401.08	258.64
	3,146.63	3,124.27
Deferred tax liabilities (net)	946.18	912.92

7. Other long-term liabilities

	As at 31 March 2017	As at 31 March 2016
Trade deposits*	513.48	432.07
	513.48	432.07

* Deposits from vendors/ customers are considered as long term in view of long term business relationships.

8. Provisions

	As at 31 March 2017	Long term As at 31 March 2016	As at 31 March 2017	Short term As at 31 March 2016
Provision for employee benefits				
Provision for gratuity (refer Note no. 37)	4,916.51	4,752.95	-	-
Provision for compensated absences	1,030.70	914.28	143.60	166.44
Provision for bonus	-	-	257.28	240.01
	5,947.21	5,667.23	400.88	406.45
Other provisions				
Provision for taxation (net of advance tax)	-	-	515.96	-
Provision for regulatory matters (refer note (a) below)	1,930.02	1,824.29	-	-
	1,930.02	1,824.29	515.96	-
	7,877.23	7,491.52	916.84	406.45

Note (a)

Provision for regulatory matters (refer note no. 44)

Opening balance	1,824.29	1,277.28
Provision made during the year	421.04	852.51
Utilised during the year	(315.31)	(305.50)
Closing balance	1,930.02	1,824.29

9. Short-term borrowings

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Secured		
Working capital loans (refer note (a))	1,000.00	6,500.00
Cash credit facilities from banks (refer note (a))	114.98	685.46
	1,114.98	7,185.46
Unsecured		
Inter-corporate deposit (refer note (b))	4,715.00	4,214.99
Working capital loan (refer note (c))	1,979.74	4,009.92
	6,694.74	8,224.91
Total	7,809.72	15,410.37

Note (a)

- Indian rupees working capital loans and cash credit facilities are secured against hypothecation of current assets of the company, both present and future with HDFC bank, Yes Bank, Kotak Mahindra Bank, State Bank of India and Deutsche Bank.
- Cash credit facilities carries interest rate range of 9.50% to 11.80% p.a.
- Details of working capital loans.

Name of the bank	Amount of loan	Date of repayment	Interest rate
State Bank of India	1,000.00	30 April 2016	8.80%
	1,000.00		

Note (b): Inter-corporate deposits are repayable on demand and carry rate of interest 9.50 % p.a

Note (c): Balance as on 31 March 2017 includes Export Packing Credit Loan from Bank of America of Rs 1,979.74 lakhs at interest rate of 5% p.a., repayable in May, 2017.

10. Trade payables

	As at 31 March 2016	Rs. in lacs As at 31 March 2015
Due to micro, medium and small enterprises(refer note no. 42 for details of dues to micro and small enterprises)	289.63	310.35
Due to subsidiary (Refer note no. 34 for details)	268.35	2,907.21
Due to others (including acceptances)	19,133.37	21,975.38
	19,691.35	25,192.94

11. Other current liabilities

Current maturities of long-term borrowings (refer note no.5)	1,388.89	1,000.00
Interest accrued and not due on term borrowings	34.28	43.04
Interest accrued and not due on inter corporate deposits	36.58	27.01
Interest accrued but not due on borrowings	35.75	76.25
Advance from customers	283.44	171.22
Statutory liabilities	2,130.71	1,926.15
	3,909.65	3,243.67

12. Tangible assets

Rs. in lacs

	Freehold land	Leasehold land	Building	Furniture and fittings and office equipment	Plant and machinery	Vehicles	Total tangible assets
Gross block							
At 1 April 2015	1,485.16	362.87	9,872.23	1,624.73	89,600.55	304.79	103,250.33
Additions	-	-	448.29	103.67	13,014.82	47.82	13,614.60
Disposals	-	-	13.05	94.32	1,976.44	19.89	2,103.70
At 31 March 2016	1,485.16	362.87	10,307.47	1,634.08	100,638.93	332.72	114,761.23
At 1 April 2016	1,485.16	362.87	10,307.47	1,634.08	100,638.93	332.72	114,761.23
Additions			828.21	64.61	6,380.62	54.25	7,327.69
Disposals			5.66	43.72	1,181.29	-	1,230.67
At 31 March 2017	1,485.16	362.87	11,130.02	1,654.97	105,838.26	386.97	120,858.25
Depreciation							
At 1 April 2015	-	-	3,963.75	898.79	51,400.86	219.68	56,483.08
Impact of revision of useful lives of various fixed assets	-	-	163.29	129.74	368.90	0.87	662.80
Charge for the period	-	-	317.86	116.98	7,065.93	16.91	7,517.68
Disposals / Adjustments	-	-	5.77	90.92	1,852.69	8.47	1,957.85
At 31 March 2016	-	-	4,439.13	1,054.59	56,983.00	228.99	62,705.71
At 1 April 2016	-	-	4,439.13	1,054.59	56,983.00	228.99	62,705.71
Charge for the year	-	-	332.97	84.45	7,175.78	23.83	7,617.03
Disposals / Adjustments	-	-	2.40	41.66	1,074.91	-	1,118.97
At 31 March 2017	-	-	4,769.70	1,097.38	63,083.87	252.82	69,203.77
Net block							
At 31 March 2016	1,485.16	362.87	5,868.34	579.49	43,655.93	103.73	52,055.52
At 31 March 2017	1,485.16	362.87	6,360.31	557.58	42,754.39	134.14	51,654.48

12.1 Intangible assets

		Rs. in lacs
	Designs and drawings and patents and trademarks & software	Total intangible assets
Gross block		
At 1 April 2015	712.11	712.11
Additions	-	-
Disposals	-	-
At 31 March 2016	712.11	712.11
At 1 April 2016	712.11	712.11
Additions	73.11	73.11
Disposals	-	-
At 31 March 2017	785.22	785.22
Depreciation		
At 1 January 2015	712.11	712.11
Charge for the year	-	-
Disposals	-	-
At 31 March 2016	712.11	712.11
At 1 April 2016	712.11	712.11
Charge for the year	22.01	22.01
Disposals	-	-
At 31 March 2017	734.12	734.12
Net block		
At 31 March 2016	-	-
At 31 March 2017	51.10	51.10

13. Non-current investments

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Trade investments unquoted (valued at cost unless stated otherwise)		
Investment in Subsidiary		
(i) Equity shares		
"5,100,000 (Previous year : 5,100,000) equity shares of Rs. 10 each fully paid in Federal-Mogul TPR (India) Limited."	510.00	510.00
Non-trade investments, unquoted (valued at cost unless stated otherwise)		
(i) Equity shares in		
32,500 (Previous Year : Nil) equity shares of Rs 10 each fully paid in Vyshali Energy Private Limited	3.25	-
	513.25	510.00
Aggregate amount of unquoted investment	513.25	510.00

14. Long-term loans and advances

Capital advances (Unsecured, considered good)	566.07	718.31
Prepaid expenses	15.14	10.76
Advance tax (net of provision for taxation)	-	340.74
Taxes paid under protest	662.26	611.89
Security deposits (Unsecured, considered good)	1,294.02	1,298.77
	2,537.49	2,980.47

15. Current investments
At lower of cost and fair value, unless stated otherwise
Unquoted equity shares

3,889,600 (Previous year: 3,889,600) equity shares of Rs 5 each, fully paid in GI Power Corporation Limited	194.48	194.48
Less: Provision for diminution in the value of investment	(194.48)	(194.48)
	-	-

16. Inventories (Valued at lower of cost and net realizable value)

Raw materials and components (including stock in transit Rs. 386.70 lacs (Previous year: Rs. 484.94 lacs)	2,178.31	3,180.79
Work-in-progress	5,461.73	5,732.54
Finished goods	8,290.59	7,944.54
"Traded goods(including stock in transit Rs. 10.82 lacs (Previous year: Rs. 237.60 lacs)"	495.99	1,387.99
Stores and spares (including stock in transit Rs. 291.31 (Previous year: Rs. 215.25 lacs)	1,751.27	1,387.02
Reusable scrap	8.97	2.12
Total	18,186.86	19,635.00

17. Trade receivables

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	67.36	49.82
Unsecured, considered doubtful	167.38	121.63
	234.74	171.45
Less: Provision for doubtful debts	(167.38)	(121.63)
	67.36	49.82
Outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	513.48	432.07
Unsecured, considered good	18,413.40	17,635.43
	18,926.88	18,067.50
	18,994.24	18,117.32

18. Cash and bank balances

Cash and cash equivalents

Cash in hand	-	0.14
Balances with scheduled banks: Current accounts	890.71	3,753.52
	890.71	3,753.66

Other bank balances

"Deposits with original maturity for more than 3 months but less than 12 months(Pledged with Government authorities)	462.39	594.75
	462.39	594.75
	1,353.10	4,348.41

19. Short-term loans and advances

Advances recoverable in cash or kind

Unsecured, considered good	1,591.91	1,792.89
Unsecured, considered doubtful	171.42	107.14
Less: Provision for doubtful advances	(171.42)	(107.14)
	1,591.91	1,792.89

Other loans and advances

Balance with statutory/government authorities	1,829.05	2,156.62
Prepaid expenses	570.39	579.26
	2,399.44	2,735.88
	3,991.35	4,528.77

20. Other current assets

Unsecured considered good unless stated otherwise Earnest money deposit	12.66	13.32
Fixed assets held for disposal (at lower of net book value and estimated net realisable value)	2.30	2.78
Interest accrued but not due on deposits	101.66	72.94
Export incentive receivable	451.37	396.32
	567.99	485.36

21. Revenue from operations (net)

	31 March 2017 Year ended	Rs. in lacs 31 March 2016 Year ended
Sale of products		
Finished goods	135,309.22	136,643.06
Traded goods	4,748.92	6,321.57
Other operating revenue		
Job work income	1,469.73	1,480.94
Export incentives	517.76	517.46
Scrap sales	1,252.39	1,621.85
Revenue from operations (gross)	143,298.02	146,584.88
Less: Excise duty	(13,080.56)	(13,525.04)
Revenue from operations (net)	130,217.46	133,059.84

Details of finished goods sold

Pistons, Piston rings and pistons pins*	125,518.80	127,590.17
Valve train and Structural components	9,790.42	9,052.89
Total	135,309.22	136,643.06

*Pistons, Piston rings and pistons pins are sold either as an assembly or as a separate component, therefore, details of the same has not been disclosed separately.

Details of traded goods sold

Gasket	1,588.75	1,391.93
Engine bearings	613.52	745.32
Spark plugs	512.07	1,751.84
Liners	1,062.19	426.72
Brake lining	263.36	722.85
Others	709.03	1,282.91
Total	4,748.92	6,321.57

22. Other income

Interest income on		
Fixed deposits with banks	31.17	33.21
Others	143.09	91.60
Management support income	741.15	809.65
Dividend income on		
Investment in subsidiaries	285.60	446.25
Commission income	479.00	380.10
Foreign exchange fluctuation (net)	-	181.38
Excess liabilities written back	756.13	1,431.85
Miscellaneous income	192.12	169.13
	2,628.26	3,543.17

23. Cost of raw material and components consumed

Aluminium	12,033.59	11,489.03
Silicon	1,793.74	2,054.84
Iron powder	2,159.08	2,227.97
Bought out components	6,375.83	7,976.56
Others	17,842.58	21,128.41
	40,204.82	44,876.81

24. Decrease in inventories

	31 March 2017 Year ended	31 March 2016 Year ended	Rs. in lacs (Increase) / Decrease
Opening stock			
Work-in-progress	5,732.54	6,054.23	321.69
Finished products	7,944.54	8,521.61	577.07
Trading goods	1,387.99	1,013.54	(374.45)
Reusable scrap	2.12	7.43	5.31
	15,067.19	15,596.81	529.62
Less: Closing stock			
Work-in-progress	5,461.73	5,732.54	270.81
Finished products	8,290.59	7,944.54	(346.05)
Trading goods	495.99	1,387.99	892.00
Reusable scrap	8.97	2.12	(6.85)
	14,257.28	15,067.19	809.91
	809.91	529.62	

25. Purchase of traded goods

	31 March 2017 Year ended	31 March 2016 Year ended
Engine bearings	292.69	860.72
Spark plugs	532.17	1,307.25
Liners	1,006.97	261.36
Brake lining	161.35	603.42
Gasket	1,012.99	1,698.69
Others	373.28	905.51
	3,379.45	5,636.95

26. Employee benefit expenses

Salaries, wages and bonus	22,553.91	23,024.94
Contribution to provident and other funds	1,440.03	1,456.93
Contribution to superannuation fund	97.52	120.60
Gratuity expense (refer note no. 37)	1,055.05	1,605.80
Staff welfare expenses	2,573.65	2,252.99
	27,720.16	28,461.26

27. Depreciation and amortisation expense

Depreciation of tangible assets	7,617.03	7,517.68
Amortisation of intangible assets	22.01	-
	7,639.04	7,517.68

28. Finance cost

Interest		
-to banks	1,043.37	1,902.52
-to others	931.89	829.57
	1,975.26	2,732.09

29. Other expenses

	31 March 2017	Rs. in lacs
	Year ended	31 March 2016 Year ended
Consumption of stores and spares	11,328.64	11,540.10
Sub-contracting expenses	1,744.63	1,864.21
(Decrease) / Increase in excise duty on inventory	41.53	(72.13)
Power and fuel	8,412.02	8,418.45
Freight and forwarding charges	1,723.52	2,214.25
Rent (refer note no.36)	203.56	258.71
Rates and taxes	676.13	629.92
Insurance	157.65	170.49
Repairs and maintenance		
Plant and machinery	643.19	493.72
Buildings	327.96	177.52
Others	743.16	769.50
Advertising and sales promotion	6,251.60	6,196.13
Management support charges (refer note no.45)	580.06	581.32
Royalty and trade-mark license fees	2,021.50	2,051.50
Provision for warranties (net of reversals)	413.44	119.67
Travelling and conveyance	924.55	715.95
Communication costs	152.52	155.56
Corporate social responsibility expense (refer note no.47)	106.65	57.36
Printing and stationery	101.26	94.49
Legal and professional fees	572.49	754.36
Cash discounts (net)	644.55	159.26
Auditors remuneration (Refer details below)*	44.25	51.08
Foreign exchange fluctuation (net)	304.74	-
Bad debts / advances written off	60.74	185.22
Provision for doubtful debts and advances	45.75	-
Loss on sale of fixed assets (net)	61.65	181.18
Environmental maintenance and remediation	510.17	703.00
Bank charges	74.28	109.66
Miscellaneous expenses	1,263.07	1,087.97
	40,135.26	39,668.45

***Auditors remuneration**

-Statutory audit fee	25.00	25.00
-Limited reviews	18.00	18.00
-Tax audit fee	1.25	1.25
-Out of pocket expenses	-	6.83
	44.25	51.08

30. Earnings per share

	31 March 2017	Rs. in lacs
	Year ended	31 March 2016 Year ended
The following reflects the profit and share data used in the basic and diluted EPS computations		
Profit for the year as per Statement of Profit and Loss	7,198.56	4,400.64
Weighted average number of equity shares	55,632,130	55,632,130
Nominal value of shares (Rs.)	10.00	10.00
Earning per share - basic and diluted	12.94	7.91

31. Segment Information

Based on the guiding principles given in AS-17 'Segmental Reporting' notified under Companies (Accounting Standard) Rules, 2006, the Company's primary business segment is manufacturing and trading of auto components. Considering the nature of Company's business and operations, there are no separate reportable business segment, as there is only one business segment and hence, there are no additional disclosures required to be provided other than those already been provided in the financial statements.

The analysis of geographical segment is based on the geographical location of the customers. The following table shows the distribution of the Company's consolidated sales by geographical market, regardless of where the goods were produced.

Geographical segment

Net sales revenue (including trading sales but excluding excise duty) by geographical market

Particulars	Rs. in lacs	
	31 March 2017 Year Ended	31 March 2016 Year Ended
India	111,050.78	112,727.94
Other countries	15,926.80	16,711.65
	126,977.58	129,439.59

Carrying amount of segment debtors by geographical market (net of provision)

Particulars	As at	
	31 March 2017	31 March 2016
India	15,651.52	14,664.26
Other countries	3,342.72	3,453.06
	18,994.24	18,117.32

The Company has common assets for producing goods for India and outside countries. Hence, separate figures for assets/additions to fixed assets cannot be furnished.

32. Capital and other commitments

Total estimated amount of contracts, remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2017 is **Rs 1,206.51 lacs** (31 March 2016 Rs. 1,392.81 lacs).

33. Contingent liabilities

Particulars	Rs. in lacs	
	As at 31 March 2017	As at 31 March 2016
(i) Excise duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	213.95	218.63
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	251.53	149.18
Total	465.48	367.81

(ii) Service tax

(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	-	-
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	1,659.10	2,607.00
Total	1,659.10	2,607.00

		Rs. in lacs
Particulars	As at 31 March 2017	As at 31 March 2016
(iii) Sales tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	137.29	28.70
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	3,450.93	2,759.45
Total	3,588.22	2,788.15
(iv) Income tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	209.47	209.47
(b) Cases pending before Appellate authorities/ Dispute resolution panel in respect of which the Company has filed appeals	1,007.16	566.63
(c) Show cause notices on issues yet to be adjudicated	283.71	40.28
Total	1,500.34	816.38
(iv) Others		
(a) Bank guarantees	877.24	1,023.57
(b) Employee related cases	316.10	321.14
(c) Electricity demand	52.24	52.24
Total	1,245.59	1,396.95

34(I). In accordance with the requirement of Accounting Standard (AS - 18) on related party disclosures where control exist and description of the relationship are as follows:

(a) Name of Parties where Control Exists

- i) Holding Company
 - Federal Mogul Holdings Limited (Mauritius)
- ii) Subsidiary
 - Federal-Mogul TPR (India) Limited
- iii) Ultimate Holding Company
 - Federal Mogul LLC, USA

(b) Key managerial personnel*

- Mr. Vinod Kumar Hans, Managing Director (w.e.f Jan 1, 2016)
- Mr. Andreas Wilhelm Kolf, Managing Director (resigned on Dec 31, 2015)
- Mr. Manish Chadha, CFO and Director (CFO : w.e.f June 1, 2015 and Director: w.e.f Feb 5, 2016)
- Mr. Rajesh Sinha, Additional Director (w.e.f Jan 1, 2016)
- Mr. Sachin Selot, CFO and Whole Time Director (resigned on May 26, 2015)
- Mr. Khalid Iqbal Khan, Whole Time Director

(c) Fellow and step fellow subsidiaries

- Federal Mogul Burscheid GMBH, Germany
- Federal Mogul Nurnberg, GMBH (Germany)
- Federal Mogul Holding Deutschland (Germany)
- Federal Mogul Limited (U.K.)
- Federal Mogul Financial Services FRANCHISE (France)
- Federal Mogul Gorzyce, S.A. (Poland)
- Federal Mogul Friedberg, GMBH (Germany)
- Federal Mogul Sintered Products Limited. (U.K.)
- Federal Mogul Friction Products Limited (Thailand)
- Federal Mogul Thailand Manufacturing Ayutthaya, (Thailand)
- Federal Mogul France, S.A. (France)
- Federal Mogul Corporation, Garennes (France)
- Federal Mogul (Shanghai)
- Federal Mogul Friction Products Limited.
- Federal Mogul Worldwide Aftermarket
- Federal Mogul Sistemas Brazil
- Federal Mogul Dongsuh Piston Co. Limited. (China)
- Federal Mogul Bradford Limited.
- Federal Mogul Powertrain Spara, MII
- Federal Mogul KK Yokohama
- Federal Mogul Powertrain Inc, Southbend
- Federal Mogul Chasseneuil
- Federal Mogul Kontich
- Federal Mogul Anand Bearings India Limited (India)
- Federal-Mogul Ignition Products India Limited (India)
- Federal-Mogul Motorparts Limited. (India)
- Federal-Mogul Powertrain Solutions India Private Limited (India)
(Formerly Federal-Mogul PTSB India Private Limited. (India))
- Federal Mogul Anand Sealing India Limited (India)
- Motocare India Private Limited (India).

Those transactions along with related balances as at 31 March 2017 and 31 March 2016 are presented in the following table:

(ii) Related party transactions

(Rs in lacs)

Particulars	Ultimate Holding Company Federal Mogul LLC (USA)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	6,293.78	6,845.40
Purchase of raw material	40.02	69.37
Expenses incurred on Company's behalf	8.68	27.23
Expenses incurred by Company	148.93	108.94
Balance outstanding as at the end of the year (payables)	(42.64)	(19.36)
Balance outstanding as at the end of the year receivables	1,491.13	1,602.15

(Rs in lacs)

Particulars	Fellow Subsidiaries							
	Federal-Mogul Bradford Limited (Germany)		Federal-Mogul Burscheid GMBH, (Germany)		Federal-Mogul Gorzyee S.A (Poland)		Federal-Mogul Dongsuh Piston Co.Ltd. (China)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	-	-	10.63	88.97	-	-	-	-
Purchase of raw material	899.96	1,312.65	1,133.51	1,093.24	9.05	17.66	-	-
Purchase of fixed assets	-	-	201.71	2,270.69	-	-	-	-
Expenses incurred on Company's behalf	-	0.90	-	11.37	-	-	-	-
Expenses incurred by Company	1.31	4.12	19.37	-	0.80	-	-	-
Service Income	-	-	-	-	-	-	-	-
Royalty Expenses	-	-	647.08	786.83	-	-	-	-
Balance outstanding as at the end of the year (payables)	(180.63)	(314.38)	(650.01)	(1,230.76)	-	(17.34)	-	-
Balance outstanding as at the end of the year receivables	-	-	49.96	54.96	-	-	218.61	238.58

(Rs in lacs)

Particulars	Fellow Subsidiaries							
	Federal-Mogul Nurnberg, GMBH (Germany)		Federal-Mogul Thailand Manufacturina Ayutthaya (Thailand)		Federal-Mogul Holding Deutschland (Germany)		Federal-Mogul Friction Products Ltd. (Thailand)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	14.06	19.18	1,708.30	2,348.77	-	-	-	-
Purchase of raw material	65.01	140.13	-	-	-	-	-	-
Purchase / (Sale) of Fixed Assets	-	51.21	-	-	-	-	-	-
Management Support charges paid	-	-	-	-	577.18	579.87	-	-
Expenses incurred on Company's behalf	3.14	4.81	-	-	-	-	6.89	-
Expenses incurred by Company	-	3.90	-	-	-	-	-	-
Royalty Expense	807.86	731.15	-	-	-	-	-	-
Balance outstanding as at the end of the year (payable)	(248.04)	(714.47)	-	-	(319.24)	(348.41)	(6.89)	(1.80)
Balance outstanding as at the end of the year receivables	-	-	378.07	60.93	-	-	-	-

(Rs in lacs)

Particulars	Fellow subsidiaries			
	Federal Mogul Sintered Products Limited, (U.K)		Other fellow subsidiaries	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	1.58	-	411.73	611.92
Purchase of raw material	32.15	34.08	48.49	119.39
Purchase / (Sale) of Fixed Assets	-	-	-	238.18
Trade Mark & license fees	-	-	142.34	144.56
Expenses incurred on Company's behalf	1.28	0.48	2.37	1.96
Expenses incurred by Company	-	0.19	5.99	2.23
Royalty Expense	305.83	256.53	-	-
Balance outstanding as at the end of the year (payable)	(98.14)	(92.41)	(40.81)	(54.31)
Balance outstanding as at the end of the year receivables	-	-	284.19	82.48

(Rs in lacs)

Particulars	Fellow subsidiaries											
	Federal Mogul Anand Bearings India Ltd. (India)		Federal Mogul Ignition Products India Ltd. (India) *		Federal Mogul Motorparts India Ltd. (India)		Federal Mogul Powertrain Solutions India Private Ltd. **		Motocare India Private Ltd. (India)		Federal Mogul Anand Sealing India Limited	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales (including excise duty)	-	-	-	-	-	-	-	-	1,521.17	139.56	-	-
Purchase of raw material, intermediaries and finished goods	410.77	417.25	489.92	1,269.07	149.79	506.97	-	-	50.11	-	927.69	1,778.44
Rent income	-	-	-	-	-	-	11.07	-	-	-	-	-
Expenses incurred on Company's behalf	8.74	15.23	31.99	3.07	5.54	15.54	40.16	32.07	145.21	40.85	8.98	1.09
Expenses incurred by Company	49.46	163.79	90.30	74.04	16.52	24.14	611.81	518.81	4.99	-	85.84	26.87
Inter-corporate deposit (ICD) Taken	-	-	1,400.00	-	-	-	950.00	1,000.00	-	-	-	-
Inter-corporate deposit (ICD) repaid	-	-	-	-	-	-	(300.00)	(4,500.00)	-	-	-	-
Interest on ICD	-	-	114.89	156.70	-	-	74.14	36.74	-	-	-	-
Balance outstanding as at the end of the year (payable)	(41.75)	(155.63)	(191.08)	(1,609.83)	(18.52)	(34.40)	(1,339.65)	(681.40)	-	(40.85)	(27.81)	(236.30)
Balance outstanding as at the end of the year receivables	-	-	-	-	-	-	28.34	52.02	1,072.96	60.11	-	-

* Federal Mogul Ignition Products India Limited (India), payables includes **Rs 125 lacs** (Previous year Rs Rs 1,525 lacs) payable against Inter corporate deposits taken and **Rs. 0.91 lacs** (Previous year Rs 12.24 lacs) payable against the interest on the same.

** Federal Mogul Powertrain Solutions India Private Ltd, payables includes **Rs 1,329.99 lacs** (Previous year Rs 679.99 lacs) payable against Inter corporate deposits taken and **Rs 9.66 lacs** (Previous year Rs 1.41 lacs) payable against the interest on the same.

(Rs in lacs)

Particulars	Subsidiary Federal-Mogul TPR India Limited	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales (including excise duty)	1,293.19	1,194.64
Purchase of raw material	5,192.52	8,212.97
Dividend received	-	446.25
Management fee received	(0.26)	809.63
Job work income	(7.35)	1,483.84
Rent income	78.00	78.00
Sole selling commission received	(2.11)	380.84
Inter-corporate deposit (ICD) Taken	2,850.00	-
Inter-corporate deposit (ICD) re paid	1,600.00	1,100.00
Interest on ICD (net of TDS)	329.97	209.87
Investment as at year end	510.00	510.00
Loan Outstanding	(3,260.00)	(2,010.00)
Interest payable	(26.02)	(14.56)
Balance outstanding as at the end of the year (payable)	(211.81)	(2,907.21)

Key Managerial Personnel							(Rs in lacs)	
Particulars	Mr Vinod Kumar Hans		Mr Andreas Wilhelm Kolf		Mr Sachin Selot		Mr Rajesh Sinha	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Remuneration	128.55	28.05	-	297.00	-	12.44	87.86	19.74
Particulars	Mr Manish Chadha		Mr Khalid Iqbal Khan		Total			
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Remuneration	62.44	44.96	73.25	57.09	352.11	459.28		

35. Particulars of unhedged foreign currency exposure as at 31st March 2017

							Rs. (in lacs)
Particulars	Currency	As at 31 March 2017 Amount Rs. (in lacs)	As at 31 March 2017 Amount (Foreign currency in lacs)	Year ended 31 March 2017 (Rates, 1 unit of Foreign currency equivalent INR)	As at 31 March 2016 Amount Rs. (in lacs)	As at 31 March 2016 Amount (Foreign currency in lacs)	Year ended 31 March 2016 (Rates, 1 unit of Foreign currency equivalent INR)
Creditors	CHF	(0.01)	(0.00)	64.91	0.56	0.01	68.54
Creditors	EUR	1,071.93	15.34	69.87	1,581.91	21.07	75.10
Creditors	GBP	196.87	2.44	80.75	324.68	3.41	95.09
Creditors	JPY	34.47	58.99	0.58	176.88	299.49	0.59
Creditors	USD	654.69	10.10	64.84	1,049.05	15.81	66.33
Debtors	EUR	684.42	9.80	69.87	1,030.98	13.73	75.10
Debtors	USD	2,471.61	38.12	64.84	2,396.68	36.13	66.33
Advance to suppliers	CHF	-	-	-	0.56	0.01	68.54
Advance to suppliers	EUR	115.65	1.66	69.87	162.18	2.16	75.10
Advance to suppliers	GBP	-	-	-	5.57	0.06	95.09
Advance to suppliers	JPY	2.36	4.04	0.58	2.50	4.23	0.59
Advance to suppliers	USD	16.18	0.25	64.84	522.55	7.88	66.33

36. Operating lease
a) Assets taken under operating lease

The Company has taken office and residential facilities under cancellable and non-cancellable operating leases, which are renewable on a periodic basis and have escalations ranging from 5% to 15% per annum

		Rs. in lacs
Period	31 March 2017 Year ended	31 March 2016 Year ended
1. Lease payments for the year	203.56	258.71
2. Minimum lease payments		
a. Not later than one year	105.94	207.05
b. Later than one year and not later than five years	0.75	133.47
c. Later than five years	-	-

b) Assets given under operating lease

1. Uncollectible minimum lease payments receivable at the Balance sheet date	-	-
2. Future minimum lease payments receivable:		
a. Not later than one year	78.00	78.00
b. Later than one year and not later than five years	136.50	214.50
c. Later than five years	-	-

c) The lease payment recognise in the Statement of Profit and Loss for the year is **Rs 203.56 lacs** (Previous year Rs 258.71 lacs).

37. Disclosures in accordance with AS-15 on "Employee Benefits"

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favourable than the provisions of the payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan

Statement of Profit and Loss

Net employee benefit expense (recognized in Employee cost) [AS15 Revised (c) (i) to (x)]

	Rs. in lacs	
Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Current service cost	411.89	365.34
Interest cost on benefit obligation	645.66	595.06
Expected return on planned assets	(338.60)	(369.54)
Net actuarial loss / (gain) recognized in the year	336.10	1,014.94
Net benefit expense	1,055.05	1,605.80
Actual return on plan assets		

Balance Sheet

Details of provision for gratuity

Particulars	As at 31 March 2017	As at 31 March 2016
Defined benefit obligation	9,789.58	9,311.51
Less: Fair value of plan assets	(4,873.07)	(4,558.56)
Plan liability	4,916.51	4,752.95

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	9,311.51	8,328.70
Interest cost	645.66	595.06
Current service cost	411.89	365.34
Benefits paid directly by the company	(171.47)	(4.05)
Benefits paid from the fund	(807.89)	(956.84)
Actuarial losses on obligation	399.88	983.30
Closing defined benefit obligation	9,789.58	9,311.51

Changes in the fair value of plan assets are as follows:

Opening fair value of plan assets	4,558.56	4,347.50
Expected return	338.60	369.54
Contributions by employer	720.00	830.00
Benefits paid	(807.89)	(956.84)
Actuarial gains / (losses)	63.80	(31.64)
Closing fair value of plan assets	4,873.07	4,558.56

The Company's expected contribution to the fund in the next year is not presently ascertainable and hence, the contribution expected to be paid during the annual period beginning after the balance sheet date as required by para 120(o) of the accounting standard 15(revised) on employee benefits has not been disclosed.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:-[AS15

Revised Para 120 (h)]

Particulars	As at 31 March 2017 %	As at 31 March 2016 %
Investments with insurer	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Particulars	As at 31 March 2017	As at 31 March 2016
Discount rate	6.70% p.a.	7.75% p.a.
Expected rate of return on plan assets	6.70% p.a.	8.50% p.a.
Normal retirement age*	58 years	58 years
Employee turnover	5.0% p.a.	5.0% p.a.

* For patiala unit its 60 and others its 58 years. The estimates of seniority, future salary increases, considered in actuarial valuation, take account of price inflation, promotions and other relevant factors, such as supply and demand in the employment market.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 December 2013	As at 31 December 2012
Defined benefit obligation	9,789.58	9,311.51	8,328.70	7,754.72	7,680.61
Plan assets	4,873.07	4,558.56	4,347.50	3,454.04	3,758.65
Deficit	4,916.51	4,752.95	3,981.20	4,300.68	3,921.96
Experience adjustments on plan liabilities	(83.11)	723.99	520.71	489.61	375.67
Experience adjustments on plan assets	63.80	(31.64)	29.56	328.26	348.35

38. Earning in foreign currency (on accrual basis)

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Sale - FOB value of exports	15,926.80	16,711.65
Total	15,926.80	16,711.65

39. Expenditure in foreign currency (on accrual basis)

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
(a) Travelling expenses	164.43	136.33
(b) Salary	-	363.00
(b) Communication expenses	122.58	97.19
(c) Royalty	1,926.96	1,963.49
(d) Professional expenses	233.87	171.52
(e) Management support charges	580.06	581.32
(g) Others	47.50	131.46
Total	3,075.40	3,444.31

40. Value of imports calculated on CIF basis during the year in respect of:-

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Raw materials	10,005.20	11,404.36
Stores and spares	1,717.29	985.76
Capital goods	2,159.28	5,003.41
Total	13,881.77	17,393.53

41. Value of imported and indigenous raw material, components and stores and spares consumed

Rs. in lacs

Particulars	% of total consumption	31 March 2017 Year ended	% of total consumption	31 March 2016 Year ended
Raw material and components				
Imported	22.93%	9,219.98	28.08%	12,600.91
Indigenous	77.07%	30,984.84	71.92%	32,275.90
	100.00%	40,204.82	100.00%	44,876.81
Stores and spares				
Imported	15.17%	1,718.79	7.65%	883.37
Indigenous	84.83%	9,609.85	92.35%	10,656.73
	100.00%	11,328.64	100.00%	11,540.10

42. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Rs in lacs

Particulars	As at 31 March 2017	As at 31 March 2016
The principal amount remaining unpaid as at the end of year	289.63	310.35
Interest due on above principal and remaining unpaid as at the end of the year	1.50	2.13
The amount of interest paid by the buyer in terms of section 16, of the micro, small and medium enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under micro, small and medium enterprise development Act, 2006.	29.54	21.64
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	31.04	24.48
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	1.39

43. Expenses capitalised

The Company has capitalized various expenses incurred in the course of construction of self generated assets in accordance with AS 10 -Accounting for Fixed Assets, the details of expenses capitalized for the purpose of construction of self generated assets are as follows:

Rs in lacs

Particulars	31 March 2017 Year Ended	31 March 2016 Year Ended
Salaries, wages and bonus	20.90	29.80
Any others exp	22.57	39.91
Total	43.47	69.71

44. Provision for regulatory matters

During the year ended 31 December 2010, the Company had commenced an evaluation process for various regulatory matters at its factories. Based on more accurate information discovered, a provision, towards costs to be incurred to remediate these matters, of Rs. 424.63 lacs is included under Note no. 8 of Standalone Financial Statements for provisions which are net of amounts utilized of Rs. 185.39 lacs during the year towards remediation.

In addition to the above, the provision for regulatory matters includes a provision of Rs. 1,505.39 lacs towards certain other regulatory matters.

The Company is actively seeking to resolve these actual and potential statutory, taxation, regulatory and contractual obligations. In accordance with requirements of Accounting Standard 29 on 'Provisions, Contingent liability and Contingent assets' issued by the Institute of Chartered Accountants of India, although difficult to quantify based on the complexity of the issues, the Company has accrued amounts corresponding to its best estimate of the costs associated with such regulatory and contractual obligations on the basis of available information and best professional judgment of experts appointed for this exercise.

Based on consultations obtained from the experts in respect of the said matters, in management's view, no further costs are expected to be incurred for which a provision would be required at this stage and considers the provisions made to be adequate.

45. Management support charges

During the year 2016-17, the Company has paid management support charges to its group companies of Rs 580.06 lacs (31 March 2016 Rs 581.32 lacs) in respect of certain global support services related to various functions including engineering, IT, finance, legal and HR etc provided to the Company. The Company carries out its transfer pricing study annually and updates its documentation, choice of methods and benchmarks to ascertain adequacy and compliance with the "arms length" principles prescribed under Income Tax Act. For the year April 1, 2016 to March 31, 2017, the process of updation is ongoing and management is confident of completing the same. The provision for current tax has been made accordingly considering the said amounts of Rs. 580.06 lacs as "allowable expenditure".

46. Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.

47. Corporate social responsibility

a) Gross amount required to be spent by the Company during the year in compliance with section 135 of the Act is **Rs. 106.65 lacs.**

	In Cash	Yet to be paid in Cash	Rs. in lacs Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above			
a. Education related expenses	51.10	-	51.10
b. Health related expenses	14.40	-	14.40
c. Social activities	33.07	-	33.07
d. Others	8.08	-	8.08
	106.65	-	106.65

48. Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016, required as per the notification no G.S.R. 308(E) dated 30 March 2017 issued by Ministry of Corporate Affairs:

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

49. Previous year numbers have been regrouped/reclassified, wherever considered necessary.

For Walker Chandiok & Co. LLP
Chartered Accountants

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

per **Anamitra Das**
 Partner
Membership No.: 062191

Vinod Kumar Hans
 Whole Time Managing Director
 DIN : 03328309

Manish Chadha
 Chief Finance Officer & Finance Director
 DIN : 07195652

Place: Gurugram
 Date: 19th May 2017

Khalid Iqbal Khan
 Whole Time Director - Legal & Company Secretary
 DIN : 05253556

DIRECTORS' REPORT

Dear Member(s),

Your Directors are pleased to present the 20th Annual Report and Audited Financial Statement of Accounts for the financial year ending 31st March, 2017.

FINANCIAL RESULTS
(Rs. in Lacs)

Particulars	1 st April 2016 to 31 st March 2017 Year ended	1 st April 2015 to 31 st March 2016 Year ended
Gross Sales	11,017.71	11,141.98
Less: Excise duty	(1,403.00)	(1,361.79)
Income from operations	9,614.71	9,780.19
Other income	514.85	439.66
Total Income	10,129.56	10,219.85
Operating Profit before finance charges, depreciation and exceptional item	2,286.80	2,689.49
Finance Charges	3.18	17.42
Depreciation	289.01	326.65
Exceptional items	-	-
Net Profit before tax	1,994.61	2,345.42
Provision for the Taxation :		
Current Tax	726.36	837.80
Deferred Tax	(45.84)	2.23
Profit after tax	1,314.09	1,505.39
Prior period items	-	-
Profit/ (Loss) brought forward from last year	6,409.82	5,735.14
Depreciation charged on transition to Schedule II of the Companies Act, 2013 (Net of deferred tax Current year : Nil (Previous year Rs.1.31 lacs)	-	(2.53)
Net profit available for appropriation	7,723.91	7,238.00
Appropriation		
Transfer to general reserve	-	(151.00)
Dividend:		
Equity Shares	-	(560.00)
Tax and cess on dividend-Equity	-	(117.18)
Surplus carried to Balance sheet	7,723.91	6,409.82

SUMMARY OF OPERATIONS, BUSINESS REVIEW/ STATE OF THE COMPANY'S AFFAIRS

The Net income of the Company during the financial year ended 31st March, 2017 was Rs. 10129.56 lacs as against Rs. 10,219.85 lacs for the financial year ended 31st March, 2016.

During the year under review, the Company made a net profit after tax of Rs. 1314.09 lacs for the financial year ended 31st March, 2017 as against the net profit after tax of Rs. 1,505.39 lacs for the financial year ended 31st March, 2016.

Out of the total profit of the Company of Rs. 1314.09 lacs for the financial year, the Company proposes to transfer an amount of Rs NIL to the general reserves as against an amount of Rs. 151.00 lacs last year. The Company proposed a dividend (including dividend tax) of Rs. 589.75 lacs.

MATERIAL CHANGES AND COMMITMENTS

During the financial year under review, Federal-Mogul UK Investments Limited transferred 1550000 (15.50%) Equity shares to TPR Co., Ltd., Japan. No material change, which could affect the financial position of the Company, occurred between the end of the financial year of the company and the date of the Board Report.



FEDERAL-MOGUL TPR (INDIA) LIMITED

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Presently your Board consists of eight (8) directors viz Mr. Vinod Kumar Hans, Chairman and Non-Executive Director; Dr. Khalid Iqbal Khan, Non-Executive Director; Mr. Rajesh Sinha, Non-Executive Director; Mr. Krishnamurthy Naga Subramaniam, Non-Executive Independent Director; Mr. Rayasam Venkataramaiah, Non-Executive Independent Director; Mr. Manish Chadha, Non-Executive Director & Chief Financial Officer; Mr. Toshiaki Imai, Whole-time Director and Mr. Takehiko Karasawa, Non-Executive Director. Further, Mr. Kapil Arora is Manager and Mr. Anand Kumar Sahoo is the Company Secretary of the Company.

A) Appointment/ Reappointment of Directors

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in accordance with Article 71 of the Articles of Association of the Company, Mr. Vinod Kumar Hans, Director of the Company, is liable to retire by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

None of the Directors is disqualified under Section 164(2) of the Companies Act, 2013.

B) Changes in Directors and Key Managerial Personnel

During the year under review, in the Board meeting held on 02nd September 2016, the Board has appointed Mr. Manish Chadha as Non-executive Director & CFO and Mr. Kenichi Shiba as Non-executive Director.

In the Board meeting held on 19th May, 2017, the Board accepted the resignation of Mr. Ashish Kaul as Manager of the Company, with effect from the closing of business hours of 18th April, 2017 and appointed Mr. Kapil Arora as Manager of the Company, with effect from 19th May, 2017.

In the Board meeting held on 22nd June, 2017, the Board accepted the resignation of Mr. Hiroshi Takano as Director and Mr. Kenichi Shiba as Additional Director, with effect from the closing business hours of 29th June, 2017. The Board places its sincere appreciation of the valuable contribution made by each of the outgoing Directors.

Further, in the same Board meeting, the Board appointed Mr. Takehiko Karasawa as Non-executive Director, liable to retire by rotation and Mr. Toshiaki Imai as Whole-time Director of the Company, with effect from 29th June, 2017.

MEETINGS OF THE BOARD OF DIRECTORS

A calendar of meetings is prepared and circulated in advance to the Directors. During the year 04 (Four) Board meetings were held in compliance with the provisions of the Companies Act, 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India. The details of the Board meetings held during the financial year 2016-17 are given below:

Date of the meeting	Total strength of the Board	No. of Directors Present
13 th May, 2016	6	4
02 nd September, 2016	8	7
22 nd November, 2016	8	6
14 th February, 2017	8	7

COMMITTEES OF BOARD

The Company has various committees of the Board, such as, Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility Committee. The details of composition of these committees are mentioned herein below:

a. Audit Committee

S. No.	Name	Chairperson/ Members
1.	Dr. Khalid Iqbal Khan	Chairperson
2.	Mr. Krishnamurthy Naga Subramaniam	Member
3.	Mr. Rayasam Venkataramaiah	Member

During the year, the Committee met on 13th May 2016 and 14th February 2017.

b. Nomination & Remuneration Committee

S. No.	Name	Chairperson/ Members
1.	Mr. Krishnamurthy Naga Subramaniam	Chairperson
2.	Mr. Vinod Kumar Hans	Member
3.	Mr. Takehiko Karasawa	Member
4.	Mr. Rayasam Venkataramaiah	Member

During the year, the Committee met on 13th May 2016 and 02nd September 2016.

c. Corporate Social Responsibility Committee

S. No.	Name	Chairperson/ Members
1.	Mr. Vinod Kumar Hans	Chairperson
2.	Dr. Khalid Iqbal Khan	Member
3.	Mr. Krishnamurthy Naga Subramaniam	Member
4.	Mr. Takehiko Karasawa	Member

During the year, the Committee met on 13th May 2016.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2017 and of the profit and loss of the Company for the financial year ended 31st March 2017;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis;
- the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIVIDEND

For the financial year ended 31st March 2017, the Board has recommended a dividend @ Rs. 4.90/- (Four rupees and ninety paise only) per Equity Shares, aggregating to Rs.490.00 lakhs (excluding Dividend Tax of Rs. 99.75 lakhs). The total outflow on account of dividend, if approved, will be Rs.589.75 lakhs (Including dividend tax of Rs. 99.75 lakhs).

EXTRACT OF THE ANNUAL RETURN

The extract of the annual return in Form MGT- 9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 12 of Companies (Management & Administration) Rules, 2014 is enclosed as **Annexure -A**, forming part of this report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR'S UNDER SECTION 143 (12) OF THE COMPANIES ACT, 2013

Pursuant to Section 134(3)(ca), no incident of fraud has been reported by the Auditors of the Company under section 143(12) of the Companies Act, 2013.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013

The Company has received declarations from all the Independent Directors confirming the criteria of independence as prescribed under section 149(6) of Companies Act, 2013 read with the schedules and rules made thereunder.

NOMINATION AND REMUNERATION POLICY

The Company has constituted the Nomination & Remuneration Committee in the Board meeting held on 4th June 2014. The Board has, on the recommendation of the Nomination & Remuneration Committee, adopted a policy for selection and appointment including the criteria for determining qualifications, positive attributes, independence of directors and remuneration of Directors, Key Managerial Personnel Senior Management Personnel and other employees. The Nomination & Remuneration Policy is attached as **Annexure-B**, forming part of this report.



FEDERAL-MOGUL TPR (INDIA) LIMITED

EXPLANATIONS OR COMMENTS ON AUDITOR'S QUALIFICATION/ RESERVATION/ ADVERSE REMARKS/ DISCLAIMER

There is no reservation or observation or qualification or adverse remark or disclaimer of Auditors' of the Company in their report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

For the details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with rules made thereunder, please refer **Note No. 10 & 11** forming the part of financial statements.

RELATED PARTY TRANSACTIONS

During the financial year 2016-17, the Company has entered into the related party transactions in terms of the Companies Act, 2013 read with rules made there under, which were in the ordinary course of business and on arms' length basis and in accordance with the provisions of Section 188 of the Companies Act, 2013 and rules made there under. Hence Form AOC-2 is not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with rules made thereunder, is set out herewith as **Annexure- C** to this Report.

RISK MANAGEMENT POLICY

The Company operates in an environment, which is affected by various risks some of which are controllable while some are outside the control of the Company. Therefore, pursuant to the requirements of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy covering the process of identifying, assessing, mitigating, reporting and review of critical risks impacting the operations of Company or which threatens its existence.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Risk Management Policy of the Company.

CORPORATE SOCIAL RESPONSIBILITY

The Board of Directors at its meeting held on 4th June 2014 approved the Corporate Social Responsibility (CSR) Policy pursuant to the provisions of Section 135 of the Companies Act, 2013 read with rules made thereunder, on the recommendations of the CSR Committee. The Company has constituted Corporate Social Responsibility (CSR) Committee. Presently, the Committee comprises of the following members:

1) Mr. Vinod Kumar Hans	:	Chairperson
2) Dr. Khalid Iqbal Khan	:	Member
3) Mr. Krishnamurthy Naga Subramaniam	:	Member
4) Mr. Takehiko Karasawa	:	Member

The Corporate Social Responsibility Committee shall institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by Company. Pursuant to the provisions of Companies Act, 2013, the Company is required to spend 2% of the average profits of the company during the previous 3 financial years.

The activities and initiatives undertaken by the Company during the financial year 2016-17 in CSR activities have been detailed in the Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Annual Report on CSR activities are attached herewith as **Annexure- D** to this Report.

In accordance with the provisions of Section 135 of the Companies Act 2013, the Board has approved Rs. 52.62 lacs for spending on CSR activities during the financial year 2017-18.

SUBSIDIARY AND ASSOCIATE COMPANY

The Company has no subsidiary and associate Company.

PUBLIC DEPOSITS

As at 31st March, 2017, your Company had no unclaimed fixed deposits. No fresh/ renewed deposits were invited or accepted during the financial year.

DETAILS ON ADEQUACY OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has an Audit Committee headed by a non-executive director, inter-alia, to oversee the Company's financial reporting process, disclosure of financial information, performance of statutory and internal auditors, functions, internal control systems, related party transactions, investigation relating to suspected fraud or failure of internal audit control, to name a few, as well as other areas.

The powers of the Audit Committee, inter-alia, include seeking information from any employee, directing the Company's internal Audit function, obtaining outside legal or other professional advice and investigating any activity of the Company within the Committee's terms of reference.

The Company has a well-defined internal control system, which aims at protection of Company's resources, efficiency of operations, compliances with the legal obligations and Company's policies and procedures.

MATERIAL ORDERS PASSED BY REGULATORS

There is no such material order passed by regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

**AUDITORS****Statutory Auditors & Auditors' Report**

At the 18th AGM of the Company, M/s. Walker Chandiok & Co., LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013), New Delhi were appointed as the Statutory Auditors' to hold office till the conclusion of the 20th AGM of the Company subject to ratification by members at every AGM.

As per Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, your directors propose the appointment of M/s. Walker Chandiok & Co., LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013), New Delhi, as the Statutory Auditors' of the Company from the conclusion of the forthcoming Annual General Meeting till the conclusion of the Annual General meeting to be held in the calendar year 2022, subject to ratification of such appointment by the shareholders in every Annual General Meeting held during such period.

The Company has received written consent and a certificate from the Auditors to such effect in accordance with Section 141 read with rule 4 of the Companies (Audit & Auditors) Rules, 2014 of the Companies Act, 2013.

The Board has duly examined the Statutory Auditors' Report to the accounts, which is self-explanatory.

Internal Auditors

The Board, on the recommendation of the Audit Committee has approved the appointment of M/s. KPMG, as the Internal Auditors, for the financial year ending March 31, 2018.

Cost Auditors

The Board, on the recommendation of the Audit Committee has approved the appointment of M/s. Sanjay Gupta & Associates, Cost Accountants, as Cost Auditor, for the financial year ending March 31, 2018. The Cost Auditors will submit their report for the financial year ending 2016-17 on or before the due date.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with rules made thereunder, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the forthcoming Annual General Meeting.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There are no employees who come under the category of employees, as required under rule 5(2)(i) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an anti-sexual harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under the policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

No. of complaints received: Nil

No. of complaints disposed off: Nil

During the year, the Company carried out awareness programme against sexual harassment.

SAFETY, HEALTH AND ENVIRONMENT PROTECTION

The Company is committed to protect the environment and safety of its employees and those associated with it.

We strive to sustain a pollution free environment by elimination of waste, optimum utilization of power and preventive maintenance of equipments and machines to keep them in good condition. The Company adheres to the provisions of environmental laws and ensures due compliance of all emission norms, recycling of effluents and timely removal of wastes and residues.

ACKNOWLEDGEMENT

Your Directors would like to express its sincere thanks for the support and cooperation of its promoters TPR Co., Ltd., Federal-Mogul UK Investments Limited and Federal-Mogul Goetze (India) Ltd. We also wish to place on record our deep sense of appreciation for the committed services by the executives, staff and workers of the Company and for the encouragement and confidence extended by its dealers, vendors, customers, business associates without which it would not have been possible to achieve all round progress and growth of the Company.

For and on behalf of the Board of Directors
Federal-Mogul TPR (India) Limited

(Vinod Kumar Hans)
Chairman & Director
DIN: 03328309

Date: 22nd June, 2017
Place: Gurugram



FEDERAL-MOGUL TPR (INDIA) LIMITED

Form No. MGT-9

Annexure A

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	U34300DL1997PLC087410
Registration Date	21 st May, 1997
Name of the Company	Federal-Mogul TPR (India) Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	Registered Office: DLF Prime Towers, 10 Ground Floor, F-79 & 80, Okhla Phase - I, New Delhi – 110020 Contact details: Ph. No.: +91 124 4784530; +91 11 4905 7597
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Piston rings	2811	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of The company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Federal-Mogul Goetze (India) Limited	L74899DL1954PLC002452	Holding	51%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt	-	-	-	-	-	-	-	-	-
d) Bodies Corp	-	5100000	5100000	51.00	-	5100000	5100000	51.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub – total (A)(1)	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	4900000	4900000	49.00	-	4900000	4900000	49.00	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	10000000	10000000	100.00	-	10000000	10000000	100.00	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	-	10000000	10000000	100.00	-	10000000	10000000	100.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
l) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Joint shareholding	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	10000000	10000000	100.00	-	10000000	10000000	100.00	-



FEDERAL-MOGUL TPR (INDIA) LIMITED

Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged/encumbered to total shares	% change in shareholding during the year
1	Federal-Mogul Goetze (India) Limited	5100000	51.00	-	5100000	51.00	-	-
2	Federal-Mogul UK Investments Limited	2450000	24.50	-	900000	9.00	-	(15.50)
3	TPR Co. Ltd.	2450000	24.50	-	4000000	40.00	-	15.50
Total		10000000	100.00	-	10000000	100.00	-	-

ii. Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Federal-Mogul Goetze (India) Limited At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the End of the year	5100000 Nil 5100000	51.00 Nil 51.00	5100000 Nil 5100000	51.00 Nil 51.00
2.	Federal-Mogul UK Investments Limited At the beginning of the year Transfer of shares to TPR Co. Ltd. on 02 nd September, 2016 At the End of the year	2450000 1550000 900000	24.50 (15.5) 9.00	2450000 Nil 900000	24.50 Nil 9.00
3.	TPR Co. Ltd. At the beginning of the year Transfer of shares from Federal-Mogul UK Investments Ltd. on 02 nd September, 2016 At the End of the year	2450000 1550000 4000000	24.50 15.50 40.00	2450000 1550000 4000000	24.50 15.50 40.00

(iii) Shareholding Pattern of Top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For each of the Top 10 Shareholders	Shareholders at beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of Total Shares of the Company	No. of shares	% of total shares of the Company
1.	Nil	Nil	Nil	Nil	Nil

iv. Shareholding of Directors and Key Managerial Personnel:

Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. Vinod Kumar Hans (Chairman & Director) At the beginning of the year Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	20 equity shares	negligible	20 equity shares	negligible
Dr. Khalid Iqbal Khan (Director) At the beginning of the year Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	10 equity shares	negligible	10 equity shares	negligible
Mr. Manish Chadha (CFO) At the beginning of the year Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): At the end of the year	10 equity shares	negligible	10 equity shares	negligible

Note: Mr. K N Subramaniam, Mr. Rajesh Sinha, Mr. RayasamVenkataramaiah, Mr. Kenichi Shiba, Mr. Hiroshi Takano, Mr. Anand Kumar Sahoo, and Mr. Ashish Kaul did not hold any shares during the year 2016-17.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	(Rs. in lacs) Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil



FEDERAL-MOGUL TPR (INDIA) LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager	
		Mr. Ashish Kaul (Manager)	
1	Gross salary	22.93	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	
2	Stock Option	Nil	
3	Sweat Equity	Nil	
4	Commission	Nil	
	- as % of profit	Nil	
	- others, (Commission)	Nil	
5	Others, (Company's contribution to PF)	0.99	
Total (A)		23.92	
Ceiling as per the Act: (Being 10% of the Net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)		200	

B. Remuneration to other directors:

(Rs. in lacs)

Sl. No.	Particulars of Remuneration	Name of Directors							
		Krishnamurthy Naga Subramaniam				Rayasam Venkataramaiah			Total
	For Independent Directors								
	Fee for attending Board / Committee meetings	1.40				-			1.40
	Commission	-				-			-
	Others, please specify	-				-			-
	Total (1)	1.40				-			1.40
	Other Non-Executive Directors	Vinod Kumar Hans	Kenichi Shiba (from 02nd Sep, 2016 to 29th June, 2017)***	Khalid Iqbq Khan	Rajesh Sinha	Hiroshi Takano (upto 29th June, 2017) ***	Mr. Takehiko Karasawa (w.e.f. 29th June, 2017)***	Manish Chadha (w.e.f. 02nd Sep, 2016)*	
	Fee for attending Board / Committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-
	Total B (1+2)	1.40	-	-	-	-	-	-	1.40
	**Total Managerial Remuneration (A+B)	1.40	-	-	-	-	-	-	1.40
Overall Ceiling as per the Act:									
(Being 11% of the net Profits of the Company calculated as per Section 198 of the Companies Act, 2013)									
									220

Notes:

- *Mr. Manish Chadha & Mr. Kenichi Shiba were appointed as Director w.e.f. 02nd September, 2016.
- ***Mr. Hiroshi Takano & Mr. Kenichi Shiba has resigned from the position of Director, w.e.f. the closing business hours of 29th June, 2017 and Mr. Takehiko Karasawa & Mr. Toshiaki Imai were appointed as Director & Whole-time Director respectively, w.e.f. 29th June, 2017.
- Management Incentive Plan for the financial year 2016-17 was paid during 2017-18.
- **Total remuneration to Managing Director, Whole time Director, Manager & Directors and other Directors (being the total of A and B)

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

(Rs in lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Mr. Anand Kumar Sahoo (Company Secretary)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.85
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 Nil	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission	
	- as % of profit	Nil
	- others, specify	Nil
5.	Others, please specify (Company's contribution to PF)	0.77
	Total	19.62

Note: Management Incentive Plan for the financial year 2016-17 was paid during 2017-18.

PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences under any sections of the Companies Act, 2013 against the Company or its Directors or other Officers in default, if any, during the year.

**For and on behalf of the Board of Directors
Federal-Mogul TPR (India) limited**

**(Vinod Kumar Hans)
Chairman & Director
DIN: 03328309**

Date: 22nd June, 2017

Place: Gurugram

NOMINATION AND REMUNERATION POLICY
Annexure - B
Legal Framework

In an endeavor to make the hiring of Directors, KMP & other Senior Official more transparent, the Companies Act, 2013 ('Act') requires the Company to have the Nomination & Remuneration policy for inter-alia, setting up the criteria of Nomination and Remuneration of Directors, Key Managerial Personnel, Senior Management & Functional Heads.

Definitions

- Board:- Board of Directors
- Directors:- Directors of the Company
- Committee:- Nomination and Remuneration committee constituted and re constituted by the Board from time to time
- Company:- Federal Mogul TPR (India) Limited
- Independent Director:- a director referred to in Section 149 (6) of the Companies Act, 2013.
- Key Managerial Personnel (KMP):-
 - (i) Executive Chairman and / or Managing Director and/or Manager
 - (ii) Whole-time Director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary;
 - (v) Such other officer as may be prescribed.

Objective & purpose

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies in the auto ancillary industry.



FEDERAL-MOGUL TPR (INDIA) LIMITED

- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel & Functional Heads
- To provide them reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Scope of this Policy

The policy shall be applicable to

1. Directors
2. Key Managerial Personnel (KMP)
3. Senior Management (One Level Below the Board)
4. Functional Heads

Nomination, Evaluation & Removal Criteria

1.0 Broad Evaluation Mechanism

- 1.1 Factors to be considered when reviewing a potential candidate for Board/ KMP/ Senior Management/ Functional Head:
 - a. The skills, relevant experience, expertise and personal qualities that will best complement for the position
 - b. Potential conflicts of interest, and independence.
- 1.2 Detailed background information and performance track record.
- 1.3 Identification of potential candidates through external agencies & job portals and Screening of the candidates will be done by Human Resources Department (HRD).
- 1.4 Letter of appointment to be issued by HRD based on the recommendations of the Committee.

2.0 Nomination Appointment criteria and qualifications:

- 2.1 The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP, Senior Management & Functional Heads level and recommend to the Board his / her appointment.
- 2.2 A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- 2.3 The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- 2.4 Term / Tenure:

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time.

No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to five years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. The committee shall take into consideration the applicable provisions of the Companies Act, 2013 and the relevant rules, as existing or as may be amended from time to time.

2.5 Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP, Senior Management & Functional Heads at regular interval.

2.6 Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

2.7 Retirement:

The Director, KMP, Senior Management & Functional Heads shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management & Functional Heads in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Remuneration Criteria

3.1 In discharging its responsibilities, the Committee shall have regard to the following policy objectives:

- To ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
- To attract and retain competent executives;
- To plan short and long-term incentives to retain talent.
- To ensure any severance benefits are justified.

3.2 The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management & Functional Heads will be determined by the Committee and recommended to the Board for approval.

3.3 The remuneration and commission to be paid to the MD and/or Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made there under.

3.4 Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

3.5 Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

1. Fixed pay:

The MD and/or Whole-time Director / KMP and Senior Management and Functional Heads shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees and other perquisites shall be decided and approved by the Board on the recommendation of the Committee.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD and/or Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3.6 Remuneration to Non- Executive / Independent Director:

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the limits prescribed by the Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding the limit prescribed by the Government from time to time, of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

Review

The Committee shall, at least once in each year, assess the adequacy of this policy and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.



ANNEXURE TO THE DIRECTORS' REPORT

Pursuant to clause (m) of sub-section (3) of section 134 of the Act and Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy:

- Replacement of conventional light fixtures with LED fixtures
- Optimization of light fittings after introducing LED fixtures
- Arresting of compressed air leakages
- Optimization of compressed air requirement
- The savings accrued on the above initiations in 2016 is approx. Rs 5.75 lakhs.

(ii) The capital investment in energy conservation equipment

- The investment made in 2016 for the above improvements was Rs 7.50 lakhs.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards Technology absorption.

- Highly engineered product development initiated to meet BS VI Standards for Indian OEMS.
- Development of Low Friction Piston assembly with LKZ/ LKR rings.
- Introduced Low friction ring pack containing PVD coatings.
- Introduced semi inlaid ring in 2nd groove to improve fuel efficiency and meet stringent emission norms.
- Optimized designs for reduced lube oil consumption
- Rings for Passenger Segment engines Supplied with Gap tolerance of 0.050mm.
- Participated in Auto Expo and many technology show with OEMs and built the confidence on BS VI readiness.
- Conversion of current round coiling process to Oval Coiling in steel rings

2. Benefits derived as a result of above efforts:

- New engines introduced with improved and optimized fuel economy and reduced oil consumption.
- Products developed validated and Ready to meet BS VI norms.
- Gained New business opportunities with new customers and latest engines.
- Gained technology edge over competition.

3. In case of imported technology, (imported during the last three years reckoned from the beginning of the financial year).

Details of technology Imported	Year of Import	Technology absorption status
PVD	2016	Planned in 2017.
LKD	2016	Samples

4. Expenditure on R & D:

Capital:	Nil
Recurring:	Nil
Total:	Nil

Total R & D Expenditure as a percentage of total turnover: Nil

C. FOREIGN EXCHANGE EARNINGS & OUTGO

1. Exports: Rs. 2.45lacs
2. Foreign exchange earned: Rs. 2.45lacs
3. Foreign exchange utilized: Rs. 191.08 lacs

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES
1. A brief outline of the Company's CSR policy, including overview of the projects or programs undertaken and proposed to be undertaken

Federal Mogul TPR (India) Ltd. strives to be a good corporate citizen and making efforts to do its bit for the society. We have, therefore, brought together our existing operating principles into one framework policy under the heading of Corporate Social Responsibility (CSR). We will take steps to understand how we can most effectively support the needs of the local community and design/implement initiatives accordingly. The company's view of CSR is broad and covers more than what is envisaged under the Companies Act, 2013.

The company shall endeavor to create footprints in the nation building efforts of the Government by significantly contributing on national mission.

Our social investment programs focus on five areas where we believe we can add the most value and make a significant and lasting impact.

- **Promotion of Education** – Promoting quality education among less privileged children, especially girl child, to bring about a social change.
- **Preventive Health care** – To directly and indirectly improve the health of fellow citizens, especially the socially and economically marginalized groups by working actively in areas of preventive health and sanitation and making available safe drinking water.
- **Rural Development Project**– We undertake to maintain our commitment to contribute to economic development while improving the quality of life of the workforce and their families as well as of the community and society at large by supporting local schools & hospitals i.e. community development
- **Employment Enhancing Vocational Skills** – Skill Development of unemployed youth – we plan to associate ourselves with ITI's and launch series of programmes to provide technical and vocational training with an ultimate aim of creating world class skilled work force and making the potential employees 'Job Ready' before they embark upon their professional career.
- **Women Empowerment** – Equip people, particularly women, with skills and resources to build a better future for themselves

The CSR activities are taken up primarily in and around areas of FMPTR location, within a radius of 15- 30 Km.

2. Composition of the CSR Committee:

Mr. Vinod Kumar Hans	: Chairman
Dr. Khalid Iqbal Khan	: Member
Mr. Krishnamurthy Naga Subramaniam	: Member
Mr. Takehiko Karasawa	: Member

3. Average net profit of the Company for the last three financial years: 2797.54 lacs
4. Prescribed CSR Expenditure (two percent, of the amount as in item 3 above): 55.95 lacs
5. Details of CSR spent during the financial year: 105.13 lacs which includes Rs. 49.18 lakhs carried forward from last years.

The manner in which the amount has been spent during the financial year is detailed below:

						Rs. Lacs
S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local Area (2) Specify the State and district where projects was undertaken	Amount spent on project (1) Direct expenditure on project (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent : Direct or thru implementing agency
1	Education to Under-privileged children	Promotion of Education	Gurugram	9.12	9.12	Agency- Pragati
2	Sponsor education of 127 children for a period of one year	Promotion of Education	Bangalore/ Patiala/ Faridabad	28.08	37.2	Agency- SOS Children's Village
3	Construction of class room in phase 1 and providing computer, stationery, library, racks etc. in phase 2 in school at village Doddaballapur	Promotion of Education	Bangalore	20.11	57.31	Direct



FEDERAL-MOGUL TPR (INDIA) LIMITED

4	Bridge Course for school dropouts	Promotion of Education	Gurugram	12.69	70.00	Agency- Vidya Integrated Development for Youth and Adult
5	Vidya Deep Evening classes at IIT	Promotion of Education	Delhi	4.4	74.40	Agency- Vidya Integrated Development for Youth and Adult
6	Silai Centre for women	Women Empowerment	Bangalore	2.45	76.85	Agency- Vidya Integrated Development for Youth and Adult
7	Silai Centre for women	Women Empowerment	Delhi/Gurugram	9.66	86.51	Agency- Vidya Integrated Development for Youth and Adult
8	Construction of toilets under 'swach Bharat' Abhyan	Rural Development	Bangalore	17.15	103.66	Agency - Habitat for Humanity India Trust
9	Health Checkups for abandoned senior citizens and mentally disabled people	Preventive Health Care	Gurugram	1.47	105.13	Agency - The Earth Saviours Foundation
Total				105.13	105.13	

6. Details of implementing Agencies are as under:-

- **Pragati**, is an NGO that works primarily in the field of education for underprivileged children. Pragati adopts, manages and operates government Primary schools for deprived children from Nursery to Class -5 and helps improve students' learning. It is working in this field since 2004. **Vidya-Integrated Development for Youth and Adults, (VIDYA)** is a non-profit NGO. They are charitable organization that specializes in the field of providing education and empowerment of less-privileged children, youth and women through working with them at an individual level. Their nationally-recognized programmes include schools, remedial education, computer training, adult literacy, skills training, microfinance and social entrepreneurship. It was Founded in 1985. We are currently active in the major Indian cities of Delhi, Gurugram, Mumbai and Bangalore.
- **SOS Children's Village** - SOS Children's Villages of India is an independent, non-governmental, social development organisation that provides family-based care for parentless or abandoned children in India. The organization is over 50 years old in India and it advocates the concerns, rights and needs of children in need of care and protection. In India, they are present in 22 states, have 32 SOS Children's Villages and over 25, 000 beneficiaries.
- **The Earth Saviours Foundation** -Founded in 2008, is an Internationally recognized NGO, situated in Gurugram, Haryana, India. The Foundation is dedicated to serve less privileged people and making every possible effort to protect the environment. They are Recipient of Sardar Vallabhbhai Patel International Prestigious Award for Excellence in Humanitarian Services.
- **Habitat for Humanity India Trust** - Habitat for Humanity began operations in Khammam, Andhra Pradesh state, southeastern India, in 1983. Among the largest Habitat programs in the Asia-Pacific region, Habitat India has helped more than 195,000 families gain access to decent shelter as well as rebuilt their homes and live in the aftermath of disasters. By 2019, Habitat India plans to reach out to 500,000 low-income families with improved housing solutions, safe sanitation and clean water as well as post-disaster reconstruction.

It is confirmed that during the financial year, the implementation and monitoring of CSR policy, was in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board of Directors of
Federal-Mogul TPR (India) Limited

Vinod Kumar Hans
Chairman- CSR Committee & Director
DIN: 03328309

Date: 22nd June, 2017
Place: Gurugram

Effective: April 1, 2014

1. SHORT TITLE & APPLICABILITY:

1.1 The Corporate Social Responsibility policy of the Company encompasses its philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large. The Corporate Social Responsibility policy of the Company is titled as the 'THE COMPANY CSR POLICY'.

1.2 This policy shall apply to all CSR initiatives and activities taken up by THE COMPANY for the benefit of different segments of the society, specifically the deprived, and underprivileged section of the society.

2. THE COMPANY'S APPROACH TOWARDS CORPORATE SOCIAL RESPONSIBILITY

The approach of the Company towards Corporate Social Responsibility would be oriented to identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner. The Company will provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the society, specifically the deprived, and underprivileged section of the society.

2.1 AIMS AND OBJECTIVES

As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on the following social welfare activities:-

1. Promotion of rural enterprise and livelihood including skill development and training.
2. Making sustained efforts for environmental preservation.
3. Undertaking relevant community development programmes.
4. Supporting initiatives of vocational, technical and higher education to the most disadvantaged and marginalized section of the society.
5. Eradicating extreme hunger and poverty;
6. Promoting gender equality and empowering women.
7. To be a part of national/local initiatives to provide relief / rehabilitation in times of natural disaster/ calamities.

3. ACTIVITIES UNDER CORPORATE SOCIAL RESPONSIBILITY

The Company would endeavor to adopt an integrated approach to address the community, societal & environmental concerns by taking up a range of the following activities, which shall be taken up strategically in a focused manner to the extent possible and allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations as may be prescribed in this regard, including any modification (s) thereof.

3.1 CSR ACTIVITIES: CSR activities will be undertaken within India.

CSR activities will include the following activities relating to:—

- (i) Eradicating hunger, poverty, malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water.
- (ii) Promotion of education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) Measures for the benefit of armed forces veterans, war widows and their dependants.
- (v) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
- (vi) Ensuring environmental sustainability, ecological balance protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- (vii) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts.
- (viii) Contributions or funds provided to technology incubators located within academic institutions which are approved by Central Government.
- (ix) Rural development projects.
- (x) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and
- (xi) Such other matters as may be prescribed by the Central Government and approved by the Board of Directors/ CSR Committee, as the case may be.



4. PROHIBITED ACTIVITIES UNDER CSR

The Corporation will abstain from carrying out the following activities under CSR that may create dissatisfaction in any section of the Society:-

- I. Activities concerned with religion like construction of temple/mosque etc.
- II. Activities disturbing social harmony in any manner.
- III. Activities exclusively for the benefit of employees of the company or their family members
- IV. Such other activities as may be prohibited by Central Government

5. IMPLEMENTATION MECHANISM

The Company would consider the following broad parameters while identifying/selecting the schemes/projects:

- 5.1 The assistance under CSR activities may be in the form of donation, so as to create social impact and visibility.
- 5.2 While implementing the identified activities, time frames and milestones may be predefined.
- 5.3 The CSR projects may be based on fundamentals of sustainable development
- 5.4 In line with the Companies Act, 2013, donation based assistance/ grants, should not be less than limits as may be prescribed by the Central Government/ Ministry of Corporate Affairs from time to time.
- 5.5 Proper screening, checks and balances shall be ensured while sanctioning the CSR proposals.

6. PLANNING AND COORDINATION

- 6.1 Subject to the above, the Company will prepare an annual plan for CSR activities for each year within the budgetary provisions and will place the same before the CSR Committee / the Board of Directors for approval, as the case may be.
- 6.2 The focus of benefits will be in line with the activities mentioned in this document and as per programs, projects and schemes approved.

7. MONITORING AND EVALUATION

Regular update on the CSR initiatives undertaken and/ or to be undertaken shall be given to the CSR Committee. The Company may also depute one or more employees who shall monitor the CSR initiatives of the Company and report the same to the CSR Committee. The impact of the CSR activities may be quantified to the extent possible. The Chairman of CSR Committee shall draw a time frame from the date of initiation. In case of any delay noticed while monitoring the CSR initiatives, remedial measures shall be taken for timely completion of the Project.

8. ALLOCATION OF FUNDS

A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board will be earmarked every year for implementation of CSR programmes.

9. REPORTING

An annual report of the activities undertaken under the CSR initiatives will be prepared, mentioning the activities identified, benefits accrued as a result thereof and the number of people benefited there from. The said report shall be submitted to the Board of Directors.

10. GENERAL

- 10.1. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company;
- 10.2 In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee. In all such matters, the decision of the CSR Committee shall be final.
- 10.3. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013, rules and regulations as may be prescribed by the Central Government, from time to time.
- 10.4. The Company reserves the right to modify, cancel, add, or amend any of these Rules.

Independent Auditor's Report

To the Members of Federal-Mogul TPR (India) Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **Federal-Mogul TPR (India) Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and the summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. 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, of the state of affairs of the Company as at 31 March 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. Further to our comments in Annexure I, as required by Section 143(3) of the Act, we report that:

- a. we have sought and 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 it appears from our examination of those books;
- c. the financial statements dealt with by this report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting

Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

e. on the basis of the written representations received from the directors as on 31 March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164(2) of the Act;

f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 19 May 2017 as per annexure II expressed an unqualified opinion; and

g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company, as detailed in Note 25 to the financial statements, the Company has disclosed the impact of pending litigations on its financial position;

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. the company, as detailed in Note 38 to the financial statements, has made requisite disclosures in these financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on the audit procedures performed and taking into consideration the information and explanations given to us, in our opinion, these are in accordance with the books of account maintained by the company.

For Walker Chandiok & Co LLP

Chartered Accountants

**Firm's Registration No.:
001076N/N500013**

per **Anamitra Das**

Partner

Membership No.: 062191

Place: Gurugram

Date: 19th May 2017



FEDERAL-MOGUL TPR (INDIA) LIMITED

Annexure I to the Independent Auditor's Report of even date to the members of Federal-Mogul TPR(India) Limited, on the financial statements for the year ended 31 March 2017

Annexure I

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified in a phase manner over a period of three years which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification..
- (c) The Company does not hold any immovable properties. Accordingly, the provision of clause 3(ii)(c) of the order are not applicable.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion the, company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products 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 cost records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.

(b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹ in lacs)	Amount paid under Protest	Period to which the amount relates (₹ in lacs)	Forum where dispute is pending
Finance Act, 1994	Service tax	655.49	-	2008-2011	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	43.30	-	2013-2014	Additional Commissioner, Excise
Finance Act, 1994	Service tax	47.73	-	2014-2015	Additional Commissioner, Excise
Finance Act, 1994	Service tax	51.85	-	2014-2016	Commissioner, Excise
Finance Act, 1994	Service tax	56.50	-	2010-2011	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	219.80	-	2011-2013	Commissioner, Excise
Finance Act, 1994	Service tax	135.15	3.31	2008-2010	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	29.84	15.50	2007-2008	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	233.38	17.50	2010-2013	Commissioner, Excise
Finance Act, 1994	Service tax	35.93	-	2014-2016	Joint Commissioner, CE Excise
Finance Act, 1994	Service tax	38.35	-	2014-2016	Commissioner, Excise
Finance Act, 1994	Service tax	35.72	-	2014-2015	Commissioner excise
Finance Act, 1994	Service tax	73.77	-	2006-2009	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service tax	611.96	-	2007-2008	High Court
Finance Act, 1994	Service tax	1.97	-	2012-2013	Commissioner, Excise
Income tax Act, 1961	Income tax	2.53	-	2012-2013	Commissioner Income Tax (Appeals)
Income tax Act, 1961	Income tax	1.82	-	2010-2011	Commissioner Income Tax (Appeals)
Income tax Act, 1961	Income tax	0.37	-	2010-2011	Commissioner Income Tax (Appeals)
Income tax Act, 1961	Income tax	7.73	-	2011-2012	Commissioner Income Tax (Appeals)
Uttar Pradesh VAT	Value added tax	3.50	-	2007-2008	Sale Tax Commissioner, Uttar Pradesh

(viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(x) No fraud by the Company or on the company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Anamitra Das**

Partner

Membership No.: 062191

Place : Gurugram

Date : 19th May 2017



Annexure II

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Federal-Mogul TPR (India) Limited ("the Company") as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as of that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

per **Anamitra Das**

Partner

Membership No.: 062191

Place: Gurugram

Date: 19th May 2017



FEDERAL-MOGUL TPR (INDIA) LIMITED

Federal-Mogul TPR (India) Limited

Balance Sheet as at 31 March 2017

(All amounts in lacs, unless otherwise stated)

	Notes	As at 31 March 2017	As at 31 March 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,000.00	1,000.00
Reserves and surplus	4	10,018.91	8,704.82
		11,018.91	9,704.82
Non-current liabilities			
Deferred tax liabilities (net)	5	61.44	107.28
Long-term provisions	6	104.77	83.93
		166.21	191.21
Current liabilities			
Trade payables	7	570.22	428.42
Trade payables to micro enterprises and small enterprises	7	14.72	7.48
Other current liabilities	8	88.32	88.56
Short-term provisions	6	9.25	692.90
		682.51	1,217.36
Total		11,867.63	11,113.39
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	1,655.59	1,947.06
Capital work-in-progress		2,399.67	12.80
Long-term loans and advances	10	101.68	38.31
		4,156.94	1,998.17
Current assets			
Inventories	13	1,031.41	1,041.29
Trade receivables	14	1,042.79	3,963.83
Cash and bank balances	15	1,825.62	1,935.99
Short-term loans and advances	11	3,682.92	2,105.20
Other current assets	12	127.95	68.91
		7,710.69	9,115.22
Total		11,867.63	11,113.39

Notes 1 to 39 form an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

For and on behalf of Board of Directors
Federal-Mogul TPR (India) Limited

per **Anamitra Das**
Partner
Membership No.: 062191

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer

Place: Gurugram
Date: 19th May 2017

Anand Kumar Sahoo
Company Secretary
Membership No.: F6659



FEDERAL-MOGUL TPR (INDIA) LIMITED

Federal-Mogul TPR (India) Limited

Statement of Profit and Loss for the year ended 31 March 2017

(All amounts in lacs, unless otherwise stated)

	Notes	31 March 2017 Year ended	31 March 2016 Year ended
Revenue			
Revenue from operations (gross)		11,017.71	11,141.98
Less: Excise duty		1,403.00	1,361.79
Revenue from operations (net)	16	9,614.71	9,780.19
Other income	17	514.85	439.66
Total		10,129.56	10,219.85
Expenses			
Cost of materials consumed	18	2,658.03	2,856.44
Decrease/ (increase) in inventories of finished goods and work-in-progress	19	86.56	(251.02)
Employee benefits expenses	20	587.84	546.64
Finance cost	21	3.18	17.42
Depreciation and amortisation expense	9	289.01	326.65
Other expenses	22	4,510.33	4,378.30
Total		8,134.95	7,874.43
Profit before tax		1,994.61	2,345.42
Tax expense			
Current tax expense		726.36	837.80
Deferred tax (credit) / expense		(45.84)	2.23
Total tax expense		680.52	840.03
Profit for the year		1,314.09	1,505.39
Earnings per equity share	23		
Basic and diluted		13.14	15.05

Notes 1 to 39 form an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

For and on behalf of Board of Directors
Federal-Mogul TPR (India) Limited

per **Anamitra Das**
Partner
Membership No.: 062191

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer

Place: Gurugram
Date: 19th May 2017

Anand Kumar Sahoo
Company Secretary
Membership No.: F6659



FEDERAL-MOGUL TPR (INDIA) LIMITED

Federal-Mogul TPR (India) Limited

Cash flow statement for the year ended 31 March 2017

(All amounts in lacs, unless otherwise stated)

	31 March 2017 Year ended	31 March 2016 Year ended
A. Cash flow from operating activities		
Profit before tax and after prior period items	1,994.61	2,345.42
Adjustments for:		
Depreciation and amortisation	289.01	326.65
Loss on sale / discard of fixed assets (net)	5.47	6.19
Provision for doubtful debts and advances	-	4.17
Interest income	(513.35)	(332.31)
Interest expense	3.18	17.42
Excess provision written back	-	(107.35)
Unrealised forex (gain)/loss (net)	(1.04)	(10.42)
Operating profit before working capital changes	1,777.88	2,249.77
Movements in working capital:		
Changes in trade and other receivables	2,595.30	(687.71)
Changes in inventories	9.88	(196.76)
Changes in trade/other payables	176.88	(108.74)
Cash generated from operations	4,559.94	1,256.56
Direct taxes paid (net of refunds)	(803.43)	(911.26)
Net cash from operating activities	3,756.51	345.30
B. Cash flows from investing activities		
Purchase of fixed assets	(2,389.88)	(359.57)
Movement in restricted cash	(323.28)	(340.59)
Interest received	453.37	321.70
(Increase) / Decrease in Inter-corporate deposit	(1,250.00)	1,100.00
Net cash flow (used in)/ from investing activities	(3,509.79)	721.54
C. Cash flows from financing activities		
Interest paid	(3.18)	(17.42)
Dividends paid	(560.00)	(875.00)
Tax on dividend paid	(117.19)	(178.14)
Net cash used in financing activities	(680.37)	(1,070.56)
Net decrease in cash and cash equivalents (A + B + C)	(433.65)	(3.72)
Cash and cash equivalents at the beginning of the year	700.60	704.32
Cash and cash equivalents at the end of the year	266.95	700.60



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

Components of cash and cash equivalents as at (Refer note - 15)	31 March 2017 Year ended	31 March 2016 Year ended
Cash on hand*	0.00	0.00
With banks - on current account	266.95	700.60
	266.95	700.60

* Rounded off to nearest rupees lacs.

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants

For and on behalf of Board of Directors
Federal-Mogul TPR (India) Limited

per **Anamitra Das**
Partner
Membership No.: 062191

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer

Place: Gurugram
Date: 19th May 2017

Anand Kumar Sahoo
Company Secretary
Membership No.: F6659



FEDERAL-MOGUL TPR (INDIA) LIMITED

Summary of significant accounting policies & other explanatory notes

(All amounts in lacs, unless otherwise stated)

1. Corporate information

Federal-Mogul TPR (India) Limited (the 'Company') is a subsidiary of Federal-Mogul Goetze (India) Limited. The Company in technical collaboration with Teikoku Piston Ring Co. Ltd, Japan and Federal Mogul UK Investments Limited, a group Company of Federal-Mogul LLC, USA (the ultimate parent Company), manufactures steel rings used in passenger vehicles automobiles. At the year end, 51% of the shares of the Company are held by Federal-Mogul Goetze (India) Limited, 40% held by Teikoku Piston Ring Co. Ltd and 9% held by Federal Mogul UK Investments Limited, a group company of Federal-Mogul LLC, USA.

2. Basis of preparation and presentation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Company (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized in the current and future periods.

b) Tangible fixed assets and capital work-in-progress

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use i.e. freight, duties, taxes and other incidental expenses excluding cenvat in so far as this is available for set off against excise duty. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation on tangible fixed assets

Tangible fixed assets except for leasehold land are depreciated on straight line method. Depreciation has been provided in accordance with useful lives prescribed in the Companies Act 2013 except for certain fixed assets where useful lives has been assessed based on technical evaluation after considering the expected usage of assets, operational factors, technological changes and maintenance practice etc. The following are the rates used by the Company which are different from Schedule II.

Asset class	Rate prescribed in Schedule II of Companies Act, 2013	Rates used by the Company
Plant and machinery -		
-General	7.5 to 15 years	7.5 to 14 years
(ii) Computers	3 years	3 years
(iii) Furniture, fittings and office equipment	10 years	10 years
(iv) Vehicles	8 years	8 years

Leasehold land is amortised over the period of lease. Plant and Machinery also includes self constructed machinery.

d) Intangible Assets

Intangible assets are stated at cost less amortization less impairment, if any. Cost comprises the purchase price and other directly attributable costs. Intangibles assets are amortised over their expected useful economic lives, on straight line basis, as follows: Design and drawings- over a period of 5 years on straight line basis. Software: over a period of 5 years on straight line basis.

e) Leases

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

f) Impairment of tangible and intangible assets

i. The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

Summary of significant accounting policies & other explanatory notes

(All amounts in lacs, unless otherwise stated)

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.ii. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares and bought out tools	Lower of cost or net realizable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However materials and other items held for use in production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Work-in-progress	Lower of cost or net realizable value. Cost for this purpose includes material, labour and appropriate allocation of overheads.
Finished goods	Lower of cost or net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

h) Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and that the revenue can be reliably measured.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and are recorded net of trade discounts and sales tax / Value added tax.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

i) Foreign currency translation
(i) Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting such monetary items of the Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

j) Retirement and other employee benefits

(I) Retirement benefits in the form of Provident Fund and Employee State Insurance Scheme are defined contribution plans and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

(ii) Gratuity liability under the Payment of Gratuity Act is defined benefit obligations and is accrued on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

(iii) Short term compensated absences are provided for on the basis of estimates. Long term compensation liability for leave encashment is determined on the basis of Company policy and recorded on the basis of valuation by an independent actuary at the end of the financial year. The actuarial valuation is done as per projected unit credit method.

iv) Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.



FEDERAL-MOGUL TPR (INDIA) LIMITED

Summary of significant accounting policies & other explanatory notes

(All amounts in lacs, unless otherwise stated)

(v) Superannuation Benefit

The Company's superannuation obligation is a defined contribution scheme and is administered with Life Insurance Corporation of India (LIC). Contributions to the defined contribution scheme are charged to statement of profit and loss when contributions paid/payable are due to such fund. There are no other obligations other than the contribution payable to the respective trusts.

k) Income taxes

"Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognises unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will not be available."

l) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or losses for the period attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

m) Provisions, contingent liabilities and contingent asset

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are usually not provided for, unless it is probable that the future outcome may be materially detrimental to the Company. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefits is remote. Contingent assets are not recognized in the financial statement.

n) Cash and cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(All amounts in lacs, unless otherwise stated)

3. Share capital

Particulars	As at 31 March 2017	As at 31 March 2016
Authorized shares		
10,000,000 equity shares of Rs. 10/- each.	1,000.00	1,000.00
1,000,000 6% redeemable cumulative preference shares of Rs. 100 each	1,000.00	1,000.00
	2,000.00	2,000.00
Issued, subscribed and fully paid-up shares		
10,000,000 equity shares of Rs. 10/- each.	1,000.00	1,000.00
Total issued, subscribed and fully paid-up share capital	1,000.00	1,000.00

(a) There is no movement in equity share capital during the current year and previous year.

(b) Terms/ rights attached to equity shares

- The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.
- During the year ended 31 March 2017, the amount of per share dividend proposed by the Board of Directors to equity shareholder is Rs. 4.90 (31 March 2016 Rs. 5.60). The dividend proposed by Board of Director is subject to approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the company.

Name of the shareholder	31 March 2017		31 March 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each				
Federal-Mogul Goetze (India) Limited, India	5,100,000	51.00%	5,100,000	51.00%
Federal Mogul UK Investment Limited, UK	900,000	9.00%	2,450,000	24.50%
TPR Co. Limited, Japan	4,000,000	40.00%	2,450,000	24.50%
Total	10,000,000	100.00%	10,000,000	100.00%

(d) Shares held by holding company

Name of the shareholder	31 March 2017		31 March 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each				
Federal-Mogul Goetze (India) Limited, India	5,100,000	51.00%	5,100,000	51.00%

(e) The Company has not issued any equity shares pursuant to any contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last five years.



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

4. Reserves and surplus

Particulars	As at 31 March 2017	As at 31 March 2016
Capital redemption reserve		
Balance at the beginning of the year	1,000.00	1,000.00
Closing balance	1,000.00	1,000.00
General reserve		
Balance at the beginning of the year	1,295.00	1,144.00
Add: Transferred from the balance in statement of profit and loss	-	151.00
Closing balance	1,295.00	1,295.00
Surplus in the statement of profit and loss		
Balance at the beginning of the year	6,409.82	5,735.14
Add: Transferred from statement of profit and loss	1,314.09	1,505.39
Less: Appropriations:		
Proposed dividends on equity shares	-	(560.00)
Tax on proposed dividend - equity shares (2015-16)	-	(114.00)
Tax on proposed dividend - equity shares (2014-15)	-	(3.18)
Impact of revision of useful lives of various fixed assets (Amount net of deferred tax of Rs.1.31 lacs).	-	(2.53)
Transfer to general reserve	-	(151.00)
Net surplus in the statement of profit and loss	7,723.91	6,409.82
Total reserves and surplus	10,018.91	8,704.82

5. Deferred tax liabilities (net)

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred tax liabilities		
Impact of difference between depreciation as per tax books and depreciation charged for the financial reporting	109.45	142.26
Gross deferred tax liability	109.45	142.26
Deferred tax assets		
Provision for employee benefits	40.17	32.28
Provision for doubtful debts and advances	2.75	2.70
Others	5.09	-
Gross deferred tax assets	48.01	34.98
Deferred tax liabilities (net)	61.44	107.28

(All amounts in lacs, unless otherwise stated)

6. Provisions

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Non-current		Current	
Provision for employee benefits				
Provision for gratuity (refer note no. 31)	82.56	68.16	7.00	4.07
Provision for compensated absences	22.21	15.77	2.25	1.13
	104.77	83.93	9.25	5.20
Other provisions				
Proposed dividend	-	-	-	560.00
Tax on proposed dividend	-	-	-	114.00
Provision for taxation (net of advance tax)	-	-	-	13.70
	-	-	-	687.70
	104.77	83.93	9.25	692.90

7. Trade payables

Particulars	As at 31 March 2017	As at 31 March 2016
Trade payables (including acceptances)		
- Due to micro, small and medium enterprises (refer note no. 30)	14.72	7.48
- Total outstanding dues to units other than micro, small and medium enterprises	570.22	428.42
	584.94	435.90
8. Other current liabilities		
Advance from customers	11.19	9.54
Other payables:		
Statutory liabilities	77.13	79.02
	88.32	88.56



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

9. Tangible assets

	Furniture and Fittings and Office equipments	Plant and machinery	Vehicles	Total tangible assets
Gross block				
Balance as on 1 April 2015	12.18	5,623.90	0.31	5,636.39
Additions	-	433.04	-	433.04
Disposals	-	118.11	-	118.11
Balance as on 31 March 2016	12.18	5,938.83	0.31	5,951.32
Balance as on 1 April 2016	12.18	5,938.83	0.31	5,951.32
Additions	-	3.01	-	3.01
Disposals/adjustment	-	25.11	-	25.11
Balance as on 31 March 2017	12.18	5,916.73	0.31	5,929.22
Accumulated depreciation				
Balance as on 1 April 2015	10.11	3,775.29	0.30	3,785.70
Impact of revision of useful lives of various fixed assets	0.31	3.52	-	3.83
Charge for the year	0.06	326.59	-	326.65
Disposals	-	111.92	-	111.92
Balance as on 31 March 2016	10.48	3,993.48	0.30	4,004.26
Balance as on 1 April 2016	10.48	3,993.48	0.30	4,004.26
Charge for the year	0.37	288.64	-	289.01
Disposals	-	19.64	-	19.64
Balance as on 31 March 2017	10.85	4,262.48	0.30	4,273.63
Net block				
Balance as on 31 March 2016	1.70	1,945.35	0.01	1,947.06
Balance as on 31 March 2017	1.33	1,654.25	0.01	1,655.59

10. Long-term loans and advances

Particulars	As at 31 March 2017	As at 31 March 2016
Advance income-tax (net of provision for taxation)	63.37	-
Taxes paid under protest	38.31	38.31
	101.68	38.31

11. Short-term loans and advances

Unsecured, considered good		
Advance to suppliers	7.74	4.25
Deposits with excise and other tax authorities	401.54	82.75
Deposits with Holding Company (refer note no. 26)	3,260.00	2,010.00
Prepaid expenses	13.64	8.20
	3,682.92	2,105.20

12. Other current assets

Interest accrued on deposits with holding company (refer Note no. 26)	26.02	14.56
Interest accrued on others	101.93	53.41
Insurance claim receivable	-	0.94
	127.95	68.91

(All amounts in lacs, unless otherwise stated)

13. Inventories (valued at lower of cost or net realizable value)

Particulars	As at 31 March 2017	As at 31 March 2016
Raw material and components	382.40	305.19
Stores and spares	49.77	50.30
Work-in-progress	426.08	413.31
Finished goods (Includes goods in transit Nil (31 March 2016 Rs. 4.70 lacs).	173.16	272.49
	1,031.41	1,041.29

14. Trade receivables
Debt outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered doubtful	7.94	7.94
Less Provision for doubtful debts	(7.94)	(7.94)
	-	-

Debts outstanding for a period less than six months for the date they are due for payment

Unsecured, considered good	1,042.79	3,963.83
	1,042.79	3,963.83
	1,042.79	3,963.83

15. Cash and bank balances
Cash and cash equivalents

Cash on hand	0.00	0.00
Balances with scheduled banks:		
On current accounts	266.95	700.60
	266.95	700.60

Other bank balances

Deposits with original maturity for more than 3 months but less than 12 months*	1,558.67	1,235.39
	1,558.67	1,235.39
	1,825.62	1,935.99

*Deposits pledge with government authorities as at 31 March 2017 Rs Nil (as at 31 March 2016 Rs 318.02 lacs).

16. Revenue from operations (net)
Revenue from operations

Sale of products	10,979.55	11,133.95
Other operating revenue	38.16	8.03
Revenue from operations (gross)	11,017.71	11,141.98
Less: Excise duty	(1,403.00)	(1,361.79)
Revenue from operations (net)	9,614.71	9,780.19

Details of products sold

Manufactured goods		
Rings	10,979.55	11,133.95
Total	10,979.55	11,133.95



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

17. Other income

Particulars	As at 31 March 2017	As at 31 March 2016
Interest income on		
Bank deposits	146.73	99.12
On inter-corporate deposit	366.62	233.19
Excess liabilities written back	-	107.35
Exchange differences (net)	1.50	-
	514.85	439.66

18. Cost of Raw material consumed*

Steel wire	1,299.39	1,305.30
Bought out rings	1,169.38	1,474.71
Others	189.26	76.43
	2,658.03	2,856.44

*(Also refer note no. 35)

19. (Increase) / decrease in inventories of finished goods and work-in-progress

Opening stock		
Work-in-process	413.31	282.16
Finished goods	272.49	152.62
	685.80	434.78
Closing stock		
Work-in-process	426.08	413.31
Finished goods	173.16	272.49
	599.24	685.80
	86.56	(251.02)

20. Employee benefits expenses

Salaries, wages and bonus	505.17	474.99
Contribution to provident fund and other funds	37.41	35.65
Contribution to super annuation	3.26	1.98
Gratuity expenses (refer note no. 31)	17.33	17.57
Workmen and staff welfare expenses	24.67	16.45
	587.84	546.64

21. Finance cost

Interest - Others	3.18	17.42
	3.18	17.42

(All amounts in lacs, unless otherwise stated)

22. Other expenses

Particulars	As at 31 March 2017	As at 31 March 2016
Consumption of stores and spares (refer note no. 35)	875.96	860.11
Sub-contracting expenses	112.28	98.28
Chrome plating charges	1,477.08	1,483.84
Increase/(decrease) in excise duty on inventory	(8.21)	27.38
Power and fuel	144.42	141.99
Freight and forwarding charges	27.83	23.04
Rent (refer note no. 28)	80.55	80.32
Rates and taxes	13.29	5.47
Insurance	2.57	3.70
Repairs and maintenance		
Plant and machinery	0.24	8.16
Buildings	2.57	0.96
Others	4.78	5.11
Advertising and sales promotion	164.95	139.00
Sole selling commission	481.11	380.84
Management support charges	741.41	809.74
Royalty	169.00	153.69
Product rectification charges	2.24	0.75
Legal and professional fees	23.89	28.55
Travelling and conveyance	23.80	10.76
Printing and stationery	4.48	6.04
Auditors' remuneration*	6.00	6.00
Corporate Social Responsibility expenses (refer note no. 37)	105.13	67.47
Exchange differences (net)	-	1.50
Bad debts	0.49	-
Provision for doubtful debts and advances	-	4.17
Loss on sale of fixed assets (net)	5.47	6.19
Bank charges	15.03	13.23
Miscellaneous expenses	33.97	12.01
	4,510.33	4,378.30

*** Auditors' remuneration**

-Audit fee	5.25	5.25
-Tax audit fee	0.75	0.75
	6.00	6.00

23. Earnings per share

Net profit after tax as per statement of profit and loss	1,314.09	1,505.39
Profit available for equity shareholders	1,314.09	1,505.39
Weighted average number of equity shares outstanding during the year	10,000,000	10,000,000
Basic and diluted earnings per share (Rs.)	13.14	15.05

24. Capital and other commitments

Total estimated amount of contracts, remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2017 is Rs. 30.74 lacs (31 March 2016 Rs. 1359.67 lacs).



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

25. Contingent liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
(i) Service tax & Excise duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	76.23	329.80
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	1,582.54	1,355.75
(c) Show cause notices on issues yet to be adjudicated	-	-
Total	1,658.77	1,685.55
(ii) Income tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	-	-
(b) Cases pending before Appellate authorities/ Dispute resolution panel in respect of which the Company has filed appeals	12.45	12.45
(c) Show cause notices on issues yet to be adjudicated	26.13	6.66
Total	38.57	19.11

26. Related party disclosure

i) List of related parties and related party relationship:

Name of the Party	Nature of relationship
Federal-Mogul LLC, USA	Ultimate Holding Company
Federal-Mogul Goetze (India) Limited	Holding Company
Federal Mogul UK Investments Limited	Common control with Holding Company
Teikoku Piston Ring Co. Ltd., Japan	Common control with Holding Company
Federal Mogul Sistemas	Fellow Subsidiary
Federal Mogul Burschied	Fellow Subsidiary
Federal Mogul Motorparts India Ltd	Fellow Subsidiary
Motocare India Private Limited	Fellow Subsidiary
Mr. Vinod Kumar Hans	Director
Mr. Manish Chadha	Chief Finance Officer (w.e.f. June 1, 2015)
Mr. Anand Kumar Sahoo	Company Secretary
Mr. S Raghavendra	Manager (resigned on May 22, 2015)
Mr. Ashish Kaul	Manager (resigned w.e.f 18th April 2017)

(All amounts in lacs, unless otherwise stated)

Related Party Transactions		Common Control with holding Co.				Fellow Subsidiary Total				Total
Particulars	Holding Company Federal Mogul Goetze (India) Ltd.	Federal Mogul UK Investment Limited	Teikoku Piston Rings	Motocare India Pvt. Ltd.	Federal Mogul Burschied	Federal Mogul Motorparts India Ltd				
	31 March 2017 Year ended	31 March 2016 Period ended	31 March 2017 Year ended	31 March 2016 Period ended	31 March 2017 Year ended	31 March 2016 Period ended	31 March 2017 Year ended	31 March 2016 Period ended	31 March 2017 Year ended	31 March 2016 Period ended
Sales (including excise duty)	5,192.52	-	-	101.70	-	-	-	-	5,294.22	8,212.97
Purchase of raw material, intermediaries and finished goods (incl. excise duty)	1,293.19	-	71.51	-	0.39	0.22	-	-	1,365.09	1,245.12
Purchase of fixed assets	285.60	-	11.90	-	-	-	-	-	11.90	-
Dividend Paid	741.15	214.38	137.20	-	-	-	-	-	560.00	875.00
Management fee paid	1,477.08	-	-	-	-	-	-	-	741.15	809.63
Job work Expenses	481.11	-	-	-	-	-	-	-	1,477.08	1,483.84
Sole selling commission paid	-	-	-	-	-	-	-	-	481.11	380.84
Expenses incurred on Company's behalf	-	-	3.76	4.83	-	-	0.20	0.22	8.80	0.22
Rent expense	78.39	-	-	-	-	-	-	-	78.39	78.16
Royalty Expense	-	-	168.90	-	-	-	-	-	168.90	147.14
Inter-Corporate Deposit (ICD) given	2,850.00	-	-	-	-	-	-	-	2,850.00	-
Inter-Corporate Deposit (ICD) received back	1,600.00	-	-	-	-	-	-	-	1,600.00	1,100.00
Interest on ICD (net of tds)	329.97	-	-	-	-	-	-	-	329.97	209.87
Balance outstanding at the end of the year (Receivable)	211.81	-	-	39.96	-	-	-	-	251.77	2,907.21
Deposits with holding company	3,260.00	-	-	-	-	-	-	-	3,260.00	2,010.00
holding company	26.02	-	-	-	-	-	-	-	-	-
Interest accrued on deposits with	14.56	-	-	-	-	-	-	-	-	-
Balance outstanding as at the end of the year (payable)	-	-	(74.10)	-	(0.22)	(0.22)	-	-	(74.31)	(52.03)

Key Managerial personnel-Remuneration				
Mr. Anand Kumar Sahoo		Mr. S Raghavendra		Mr. Ashish Kaul
31 March 2017 Year ended	31 March 2016 Period ended	31 March 2017 Year ended	31 March 2016 Period ended	31 March 2016 Period ended
18.85	17.03	-	3.22	22.75



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

27. Segment information

The Company is primarily engaged in the business of manufacturing of steel rings. As the company operates in a single business and geographical segment, the reporting requirements for primary and secondary segment disclosure prescribed by Accounting Standard 17, "Segment Reporting", have not been provided in these financial statements.

28. Operating lease

(a) The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:

Particulars	31 March 2017	31 March 2016
(i) not later than one year;	78.00	78.00
(ii) later than one year and not later than five years;	136.50	214.50
(iii) later than five years;	-	-

(b) The lease payments recognised in the statement of profit and loss for the year is Rs 80.55 lacs and for the previous year Rs. 80.32 lacs.

29. Particulars of unhedged foreign currency exposure as at the balance sheet date

Import creditors	Foreign currency (Rs. in Lacs)	Rate	Amount (Rs. in Lacs)
USD			
31 March 2017	(0.01)	64.84	(0.84)
31 March 2016	0.10	66.33	6.74
Euro			
31 March 2017	0.00	69.87	0.21
31 March 2016	0.00	75.10	0.23
JPY			
31 March 2017	(132.52)	0.58	(76.86)
31 March 2016	(161.73)	0.59	(95.52)

Note: Figures in bracket signifies advance to vendors.

30. On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	As at 31 March 2017	As at 31 March 2016
The principal amount remaining unpaid as at the end of year	14.72	7.48
Interest due on above principal and remaining unpaid as at the end of the year	0.10	0.06
The amount of interest paid by the buyer in terms of section 16, of the Micro small and medium enterprise development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro small and medium enterprise development Act, 2006.	0.96	1.06
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro small and medium enterprise development Act, 2006	1.06	1.12

(All amounts in lacs, unless otherwise stated)

31. Disclosures in accordance with revised AS- 15 on "Employee benefits"

The Company has a defined benefit gratuity plan(non funded). Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favorable than the provisions of the payment of Gratuity Act, 1972. The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and the defined benefit obligation recognized in the balance sheet.

Statement of profit and loss

Net employee benefit expense (recognized in Employee cost)

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Current service cost	6.46	5.52
Interest cost on benefit obligation	5.26	4.12
Expected return on planned assets	-	-
Net actuarial (gain) / loss recognised in the year	5.61	7.93
Net benefit expense	17.33	17.57

Balance Sheet

Details of provision for gratuity

Particulars	As at 31 March 2017	As at 31 March 2016
Defined benefit obligation	89.56	72.23
	89.56	72.23

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	72.23	54.66
Interest cost	5.26	4.12
Current service cost	6.46	5.52
Benefits paid	-	-
Actuarial losses on obligation	5.61	7.93
Closing defined benefit obligation	89.56	72.23

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Discount rate	6.70%	7.50%
Normal retirement age	58 years	58 years
Employee turnover	5%	5%

The estimates of seniority, future salary increases, considered in actuarial valuation, take account of price inflation, promotions and other relevant factors, such as supply and demand in the employment market.



FEDERAL-MOGUL TPR (INDIA) LIMITED

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Normal retirement age	58 years	58 years
Employee turnover	5%	5%

The estimates of seniority, future salary increases, considered in actuarial valuation, take account of price inflation, promotions and other relevant factors, such as supply and demand in the employment market.



FEDERAL-MOGUL TPR (INDIA) LIMITED

(All amounts in lacs, unless otherwise stated)

Amount for the current year and previous four years are as follows:

Particulars	31 March 2017 Year ended	31 March 2016 Year ended	31 December 2015 Year ended	31 December 2014 Year ended	31 December 2013 Year ended
Defined benefit obligation	89.56	72.23	54.66	42.23	37.60
Plan assets	-	-	-	-	-
Surplus / (deficit)	(89.56)	(72.23)	(54.66)	(42.23)	(37.60)
Experience adjustments on plan liabilities	(0.89)	6.24	(0.42)	1.61	(3.86)
Experience adjustments on plan assets	-	-	-	-	-

32. Expenditure in foreign currency (on accrual basis)

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Travelling expenses	13.28	2.45
Technical fees	8.90	4.86
Royalty	168.90	147.14
Total	191.08	154.45

33. Remittance in foreign currency on account of dividend:

Particulars	Period to which pertain	No. of shares held	No. of non resident share holders	Amount
Equity shares	April 1, 2016 to March 31, 2017	4,900,000	2	27,440,000
	April 1, 2015 to March 31, 2016	4,900,000	2	42,875,000

34. Value of imports calculated on CIF basis (on accrual basis)

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Raw materials	1,546.93	1,441.26
Spare parts and components	52.85	60.83
Capital goods (including CWIP)	1,985.05	241.71
Total	3,584.83	1,743.80

35. Imported and indigenous raw material, components and spare parts consumed

Particulars	31 March 2017 Year ended		31 March 2016 Year ended	
	% of total consumption	Value Amount	% of total consumption	Value Amount
Raw materials and components				
Indigenous	47%	1,250.61	49%	1,388.15
Imported	53%	1,407.42	51%	1,468.29
	100%	2,658.03	100%	2,856.44
Stores, spares and tools				
Indigenous	94%	823.11	93%	799.28
Imported	6%	52.85	7%	60.83
	100%	875.96	100%	860.11

(All amounts in lacs, unless otherwise stated)

36. Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.

37. Corporate Social Responsibility (CSR)

a) Gross amount required to be spent by the Company during the year (including brought forward from previous year) in compliance with section 135 of the Act is Rs 105.13 Lacs.

b) Amount spent during the year	in cash	yet to be paid in cash	Total
i) Construction/acquisition of any asset		-	-
ii) On purpose other than			
- Educational activities	63.95	-	63.95
- Social Activities	22.51	-	22.51
- Health related activities	18.67	-	18.67
Total	105.13	-	105.13

38. Details of Specified Bank Notes (SBN) held and transacted during the period from 8 November 2016 to 30 December 2016, required as per the notification no G.S.R. 308(E) dated 30 March 2017 issued by Ministry of Corporate Affairs.

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

39. Previous year numbers have been regrouped/ reclassified, wherever considered necessary.

For **Walker Chandiok & Co LLP**
Chartered Accountants

For and on behalf of Board of Directors
Federal-Mogul TPR (India) Limited

per **Anamitra Das**
Partner
Membership No.: 062191

Vinod Kumar Hans
Director
DIN-03328309

Dr. Khalid Iqbal Khan
Director
DIN-05253556

Manish Chadha
Chief Finance Officer

Place: Gurgaon
Date: 19th May 2017

Anand Kumar Sahoo
Company Secretary
Membership no. F6659

Independent Auditors' Report

To the Members of Federal-Mogul Goetze (India) Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Federal-Mogul Goetze (India) Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and the summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for

the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these consolidated financial statements are free from material misstatement.

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

7. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

Opinion

8. In our opinion and to the best of our

information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, as noted below, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31 March 2017, their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2017 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company incorporated in India, is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure I';
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 33 to the consolidated financial statements.
 - (ii) the Group, did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company covered under the Act during the year ended 31 March 2017;
 - (iv) These consolidated financial statements have made requisite disclosures as to holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 by the Holding Company, and its subsidiary company covered under the Act. Based on the audit procedures performed and taking into consideration the information and explanations given to us on separate financial statements and other financial information, in our opinion, these disclosures are in accordance with the books of account maintained by the respective companies.

For **Walker Chandiok & Co. LLP**

Chartered Accountants

Firm's Registration No.: **001076N/N500013**

per **Anamitra Das**

Partner

Membership No.: 062191

Place: Gurugram

Date: 19th May 2017

Annexure- I to the Independent Auditor's Report of even date to the members of Federal-Mogul Goetze (India) Limited, on the consolidated financial statements for the year ended 31 March 2017

Annexure-I

Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Federal-Mogul Goetze (India) Limited ("the Holding Company") and its subsidiary, (the Holding Company and its subsidiary together referred to as "the Group"), as of and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary company, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary company based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section

143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Walker Chandio & Co LLP
Chartered Accountants**

Firm's Registration No.:
001076N/N500013

per **Anamitra Das**
Partner

Membership No.: 062191

Place: Gurugram
Date: 19th May 2017

Federal-Mogul Goetze (India) Limited
Consolidated Balance Sheet as at 31 March 2017

		Rs in lacs	
		As at 31 March 2017	As at 31 March 2016
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,563.21	5,563.21
Reserves and surplus	4	55,713.43	45,452.91
		61,276.64	51,016.12
Minority interest		5,399.25	7,452.87
Non-current liabilities			
Long-term borrowings	5	2,333.33	3,722.22
Deferred tax liabilities (net)	6	1,007.62	1,020.20
Other long-term liabilities	7	513.48	432.07
Long-term provisions	8	7,982.00	7,575.46
		11,836.43	12,749.95
Current liabilities			
Short-term borrowings	9	4,549.72	13,400.37
Trade payables	10	19,703.30	22,403.71
Trade payables to micro enterprises and small enterprises	10	304.35	317.83
Other current liabilities	11	3,971.95	3,317.52
Short-term provisions	8	926.10	813.74
		29,455.42	40,253.17
Total		107,967.74	111,472.11
Assets			
Non-current assets			
Fixed assets			
Tangible assets	12	53,310.01	54,002.75
Intangible assets	12.1	51.10	-
Capital work-in-progress		4,786.79	3,204.67
Non-current investments	13	3.25	-
Long-term loans and advances	14	2,639.17	3,057.11
		60,790.32	60,264.53
Current assets			
Current investments	15	-	-
Inventories	16	19,145.84	20,624.00
Trade receivables	17	19,768.68	19,173.80
Cash and bank balances	18	3,178.72	6,284.41
Short-term loans and advances	19	4,414.27	4,585.66
Other current assets	20	669.91	539.71
		47,177.42	51,207.58
Total		107,967.74	111,472.11

Note 1 to 45 form an integral part of these financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants

per **Anamitra Das**
Partner
Membership No.: 062191
Place: Gurugram
Date: 19th May 2017

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans Whole Time Managing Director DIN : 03328309	Manish Chadha Chief Finance Officer & Finance Director DIN : 07195652
Khalid Iqbal Khan Whole Time Director - Legal & Company Secretary DIN : 05253556	

Federal-Mogul Goetze (India) Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2017

			Rs. in lacs
	Note	31 March 2017 Year ended	31 March 2016 Year ended
Revenue			
Revenue from operations (gross)		146,360.29	146,838.32
Less: Excise duty		(13,698.29)	(13,749.55)
Revenue from operations (net)	21	132,662.00	133,088.77
Other income	22	1,191.49	2,034.05
Total revenue		133,853.49	135,122.82
Expenses			
Cost of raw material and components consumed	23	37,162.40	39,462.91
Decrease in inventories	24	916.61	241.20
Purchase of traded goods	25	3,379.45	5,636.95
Employee benefit expense	26	28,308.02	29,007.90
Depreciation and amortisation expenses	27	7,928.05	7,844.33
Finance cost	28	1,611.80	2,520.18
Other expenses	29	41,876.48	41,292.54
Total expenses		121,182.81	126,006.01
Profit before tax for the year		12,670.68	9,116.81
Tax expense			
Current tax		4,476.36	2,714.59
Tax pertaining to earlier years		-	198.50
Deferred tax (credit) / expense		(12.58)	706.45
Total tax expenses		4,463.78	3,619.54
Profit for the year		8,206.90	5,497.27
Profit before minority interest		8,206.90	5,497.27
Minority interest		643.90	737.64
Profit after minority interest		7,563.00	4,759.63
Earnings per equity share (Rs.)	30		
Basic and diluted (Nominal value of shares Rs. 10)		13.59	8.56

Note 1 to 45 form an integral part of these financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

per **Anamitra Das**
 Partner
Membership No.: 062191

Vinod Kumar Hans
 Whole Time Managing Director
 DIN : 03328309

Manish Chadha
 Chief Finance Officer & Finance Director
 DIN : 07195652

Place: Gurugram
 Date: 19th May 2017

Khalid Iqbal Khan
 Whole Time Director - Legal & Company Secretary
 DIN : 05253556

Federal-Mogul Goetze (India) Limited
Consolidated cash flow statement for the year ended 31 March 2017
Rs. in lacs

	31 March 2017 year ended	31 March 2016 Year ended
1. A. Cash flow from operating activities		
Profit before tax	12,670.68	9,116.81
Adjustments for:		
Depreciation and amortisation	7,928.04	7,844.33
Loss on sale / discard of fixed assets (net)	67.13	187.37
Provision for doubtful debts and advances	45.75	4.17
Excess provision written back	(756.13)	(1,539.18)
Interest income	(320.98)	(223.93)
Interest expense	1,611.82	2,520.18
Advances written off	60.74	185.22
Provision for warranties	413.44	120.42
Unrealised forex (gain)/ loss (net)	58.73	(212.86)
Operating profit before working capital changes	21,779.22	18,002.53
Movements in working capital:		
Decrease / (increase) in trade and other receivable	2,279.99	(1,800.65)
Decrease / (increase) in inventories	1,478.16	(79.04)
Increase / (decrease) in trade and other payables	(3,948.85)	5,511.95
Cash generated from operations	21,588.52	21,634.79
Direct taxes paid (net of refunds)	(4,245.95)	(2,458.34)
Net cash from operating activities (A)	17,342.57	19,176.45
B. Cash flows from investing activities		
Purchase of fixed assets	(8,833.60)	(11,125.68)
Proceeds from sale of fixed assets	50.05	15.39
Movement in restricted cash	(190.92)	(538.34)
Proceeds from sale of investment	(3.25)	-
Interest received	232.30	196.14
Net cash used in investing activities (B)	(8,745.42)	(11,452.49)
C. Cash flows from financing activities		
Receipt of borrowings (Long term)	-	4,000.00
Payment of borrowings (Long term)	(1,000.00)	(666.67)
Movement in borrowings (short term)	(8,850.65)	(4,742.94)
Interest paid	(1,651.51)	(2,537.74)
Dividend paid on equity shares	(274.40)	(428.75)
Tax on dividend paid on equity shares	(117.19)	(178.14)
Net cash used in financing activities (C)	(11,893.75)	(4,554.24)
Net increase in cash and cash equivalents (A + B + C)	(3,296.60)	3,169.72
Cash and cash equivalents at the beginning of the year	4,454.27	1,284.55
Cash and cash equivalents at the end of the year	1,157.67	4,454.27
Components of cash and cash equivalents as at		
Cash and Cheques on hand	0.01	0.15
With bank - on current account	1,157.66	4,454.12
	1,157.67	4,454.27

This is the consolidated cash flow statement referred to in our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants

per **Anamitra Das**
Partner
Membership No.: 062191
For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited
Vinod Kumar Hans
Whole Time Managing Director
DIN : 03328309

Manish Chadha
Chief Finance Officer & Finance Director
DIN : 07195652

Place: Gurugram
Date: 19th May 2017

Khalid Iqbal Khan
Whole Time Director - Legal & Company Secretary
DIN : 05253556

Summary of significant accounting policies and other explanatory notes to consolidated accounts

1. a) Corporate information

Federal-Mogul Goetze (India) Limited ('FMGIL' or 'the Company'), is inter-alia engaged in the manufacture, supply and distribution of 'automotive components' used in two/three/four wheeler automobiles.

The principal facilities of the Company are located at Patiala (Punjab), Bengaluru (Karnataka) and Bhiwadi (Rajasthan), with its registered office in New Delhi. The Company is listed at National Stock Exchange of India Limited and Bombay Stock Exchange.

Federal Mogul Holdings Limited, Mauritius, is the immediate parent company and ultimate parent company is Federal Mogul LLC, USA.

b) Basis of Preparation and consolidation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Company (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) " Consolidated Financial Statements" .

The Subsidiary (which along with Federal-Mogul Goetze (India) Limited, the parent, constitutes the Federal-Mogul Goetze Group) considered in the preparation of these consolidated financial statements are:

Name	Percentage of Ownership interest as at 31 March 2017	Percentage of Ownership interest as at 31 March 2016
Federal-Mogul TPR (India) Limited	51 %	51 %

The audited financial statements of the subsidiary, considered in the consolidated accounts, are drawn upto 31st March 2017.

Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship comes into existence.

The difference between the cost to the Company of its investment in the subsidiary and its proportionate share in the equity of the subsidiary as at the date of acquisition of stake is recognized as goodwill or capital reserve, as the case may be. Goodwill is tested for impairment at the end of each accounting year. For impairment, the carrying value of goodwill is compared with the present value of discounted cash flows of the respective subsidiaries and loss, if any, is adjusted to the carrying value of the goodwill.

Minority interest in net profits/losses of the subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the consolidated balance sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same are accounted for the holding company.

The financial statements of the group entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company i.e. year ended 31st March 2017.

These Consolidated Financial Statements are based on audited accounts in so far as they relate to amounts included in respect of subsidiaries.

The accounting policies have been consistently applied by the group and are consistent with those used in the previous year.

2. Statement of Significant Accounting Policies

a) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Tangible fixed assets and Capital work-in-progress

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use i.e. freight, duties, taxes and other incidental expenses excluding cenvat in so far as this is available for set off against excise duty. Borrowing costs relating to acquisition of fixed

Summary of significant accounting policies and other explanatory notes to consolidated accounts

assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

c) Depreciation on tangible fixed assets

Tangible fixed assets except for leasehold land are depreciated on straight line method

Depreciation has been provided in accordance with useful lives prescribed in the Companies Act 2013 except for certain fixed assets where useful lives has been assessed based on technical evaluation after considering the expected usage of assets, operational factors, technological changes and maintenance practice etc. The following are the rates used by the Company which are different from Schedule II.

Asset Class	Rates used by the Company
Plant & Machinery	5 to 21 years

In respect of assets whose useful lives has been revised, the unamortised depreciable amount is charged over the revised remaining useful lives of the assets.

Leasehold land is amortised over the period of lease.

d) Impairment of tangible and intangible assets

i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

e) Intangible Assets

Intangible assets are stated at cost less amortization less impairment, if any. Cost comprises the purchase price and other directly attributable costs. Intangibles assets are amortised over their expected useful economic lives, on straight line basis, as follows:

Design and drawings- over a period of 5 years on straight line basis.

f) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

g) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

h) Inventories

Inventories are valued as follows:

Raw materials, components, stores and spares and bought out tools.	Lower of cost and net realizable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
Constructed Tools	Lower of cost and net realizable value. Cost represents material, labour and appropriate allocation of overheads. Cost is determined on a weighted average basis.
Work-in-progress	Lower of cost and net realizable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Cost is determined on a weighted average basis.
Finished Goods: - Manufactured	Lower of cost and net realizable value. Cost for this purpose includes material, labour and appropriate allocation of overheads. Excise duty on stock lying with Company is added to the cost of the finished goods inventory. Cost is determined on a weighted average basis.
- Traded	Lower of cost and net realizable value. Cost represents purchase price and other direct costs and is determined on a moving weighted average cost basis.
Reusable scrap	At lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Provision for obsolescence is determined based on management's assessment and is charged to Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory notes to consolidated accounts

i) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Sale of Goods:

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and are recorded net of excise duty, sales tax and trade discount.

ii) Job Work:

Income from job work is accrued when right of revenue is established, which relates to effort completed.

iii) Interest:

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iv) Dividends:

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognized even if the same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement the Companies Act, 2013.

v) Commission:

Commission income is accrued when due, as per the agreed terms.

vi) Export Benefits/Incentives:

Export entitlements under the Duty Entitlement Pass Book (DEPB) Scheme/ Duty Drawback scheme are recognized in the Statement of Profit and Loss when the right to receive credit as per the terms of the scheme is established in respect of exports made.

vii) Management support charges:

Income from management support charges is recognized as per the terms of the agreement based upon the services completed.

j) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k) Foreign Currency Transactions

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

l) Retirement and other employee benefits

- (i) Provident fund contributions are charged to profit and loss account, when contributions paid/payable are due to "Goetze India Limited Provident Fund Trust", administered by the trustees and to the Regional Provident Fund Commissioners. The Company accrues for the deficit in the Provident Fund trust as per the books of accounts of the Trust.
- (ii) Gratuity liability under the Payment of Gratuity Act is accrued on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method.
- (iii) Short term compensated absences are provided for based on estimates. Long term compensation liability for leave encashment is determined in accordance with company policy and is measured on the basis of valuation by an independent actuary at the end of the financial year. The actuarial valuation is done as per projected unit credit method.
- (iv) Actuarial gains/losses are immediately taken to profit and loss account. However, recognition for actuarial gain is done only to the extent that the net cumulative unrecognized actuarial gains exceed the unrecognized part of transitional liability.

Summary of significant accounting policies and other explanatory notes to consolidated accounts

- (v) Superannuation Benefit: The Company has superannuation obligation administered with Life Insurance Corporation of India (LIC). Contributions to the defined contribution scheme are charged to profit and loss account when contributions paid/payable are due to such fund. There are no other obligations other than the contribution payable to the respective trusts.

m) Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are usually not provided for, unless it is probable that the future outcome may be materially detrimental to the Company. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefits is remote.

Contingent assets are not recognized in the financial statement.

p) Cash and Cash Equivalents

Cash and cash equivalents for cash flow statement comprises cash at bank and in hand and short-term investments with an original maturity of three months or less.

q) Segment Reporting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

Rs. in Lacs

3. Share capital

Particulars	As at 31 March 2017	As at 31 March 2016
Authorized shares		
80,000,000 (Previous Year: 80,000,000) equity shares of Rs. 10/- each.	8,000.00	8,000.00
	8,000.00	8,000.00
Issued, subscribed and fully paid-up shares		
55,632,130 (Previous Year: 55,632,130) equity shares of Rs.10/- each	5,563.21	5,563.21
	5,563.21	5,563.21

(a) There is no movement in equity share capital during the current year and previous year.

(b) Right/restriction attached to equity shares.

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of 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.

© List of shareholders holding more than 5% of the equity share capital of the Company at the beginning and at the end of the reporting year

Name of the shareholder	31 March 2017		31 March 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid				
Federal Mogul Holding Limited, Mauritius, the Holding company	33,408,581	60.05%	33,408,581	60.05%
Federal Mogul Vemogensuwerwaltungs GMBH, a fellow subsidiary company	8,306,873	14.93%	8,306,873	14.93%
Reliance capital Trustee Company Limited	5,479,189	9.85%	5,479,189	9.85%

*The above information is furnished as per the shareholder register at the year end.

(d) Shares held by Holding/ Ultimate Holding Company and/ or their Subsidiaries/ Associates

Name of the shareholder	31 March 2017		31 March 2016	
	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs 10 each fully paid				
Federal Mogul Holding Limited, Mauritius, the Holding company	33,408,581	60.05%	33,408,581	60.05%
Federal Mogul Vemogensuwerwaltungs GMBH, a fellow subsidiary company	8,306,873	14.93%	8,306,873	14.93%

(e) The company has not issued any equity shares pursuant to any contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last five years.

Rs. in Lacs

4. Reserves and surplus

Particulars	As at 31 March 2017	As at 31 March 2016
Capital redemption reserve	2,000.00	2,000.00
Capital reserve	56.55	56.55
Capital subsidy	1.12	1.12
General reserve	1,295.00	1,144.00
Add: Transferred from surplus balance in the consolidated statement of profit and Loss	-	151.00
Closing balance	1,295.00	1,295.00
Securities premium account	26,750.74	26,750.74
Surplus in the Statement of Profit and Loss		
Opening balance	15,349.50	11,572.50
Add: Profit for the year	7,563.00	4,759.63
Less/ add : Appropriation/Adjustments		
Proposed final equity dividend (31 March 2016 of Rs.5.60/-)	-	274.40
Tax on proposed dividend - equity shares (2015-16)	-	114.00
Tax on proposed dividend - equity shares (2014-15)	-	3.18
Transfer to general reserve	-	151.00
Impact of revision of useful lives of various fixed assets (Net of deferred tax Current Year: Nil,(Previous year Rs.226.59 lacs)	-	440.05
Add: Transferred from minority interest (refer note 42)	2,697.52	-
Total appropriations	2,697.52	982.63
Closing balance	25,610.02	15,349.50
	55,713.43	45,452.91

5. Long-term borrowings

Particulars	As at 31 March 2017	As at 31 March 2016
Term loans		
Indian rupee loan from banks (secured)	2,333.33	3,722.22
	2,333.33	3,722.22

- 1 A) Indian rupee loan amounting to Rs 2,000 lacs from Yes Bank in two tranches of Rs 1,000 lacs each taken on May 31, 2013 and June 28, 2013 respectively carries interest @ 11.70% p.a. Both tranches are repayable in 36 equal monthly installments of Rs. 27.77 lacs each along with interest after moratorium period of 12 months from the date of the disbursement of loan, viz., May 31, 2014 and June 28, 2014 respectively. The loan is secured by first parri passu charge on moveable assets of the Company including plant and machinery, spares, tools and accessories, furniture and fixtures and other moveable assets of the Company, excluding vehicles.

B) Indian rupee loan amounting to Rs 4,000 lacs from Yes Bank in two tranches of Rs 2,000 lacs each taken on Dec 22, 2015 and Dec 31, 2015 respectively carries interest @ 10.40% p.a. Both tranches are repayable in 36 equal monthly installments of Rs. 55.55 lacs each along with interest after a moratorium period of 12 months from the date of the disbursement of loan, viz., Dec 22, 2016 and Dec 31, 2016 respectively. The loan is secured by first parri passu charge on moveable assets of the Company including plant and machinery, spares, tools and accessories, furniture and fixtures and other moveable assets of the Company, excluding vehicles.

2. Current maturities of long term borrowings amounting to Rs. 1,388.89 lacs (Previous year: Rs. 1,000 lacs) are included under the head 'Other current liabilities'. (refer note 11).

Rs. in Lacs

6. Deferred tax liabilities (net)

Particulars	As at 31 March 2017	As at 31 March 2016
Deferred tax liabilities		
Impact of difference between depreciation as per tax and as per books	4,202.26	4,179.45
	4,202.26	4,179.45
Deferred tax assets		
Provision for employees benefit	2,000.52	2,200.08
Provision for doubtful debts and advances	120.00	80.46
Provision for contingencies	520.99	470.70
Provision for environmental maintenance and remediation	146.96	149.37
Others	406.17	258.64
	3,194.64	3,159.25
Deferred tax liabilities (net)	1,007.62	1,020.20

7. Other long-term liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
Trade deposits from dealers*	513.48	432.07
	513.48	432.07

* Deposits from dealers /vendors/ customers are considered as long term in view of long term business relationships.

8. Provisions

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
	Non-current		Current	
Provision for employee benefits				
Provision for gratuity (refer note no. 37)	4,999.07	4,821.09	7.00	4.07
Provision for compensated absences	1,052.91	930.08	145.86	167.56
Provision for bonus	-	-	257.28	240.01
	6,051.98	5,751.17	410.14	411.64
Other provisions				
Proposed dividend	-	-	-	274.40
Tax on proposed dividend	-	-	-	114.00
Provision for taxation (net of advance tax)	-	-	515.96	13.70
Provision for regulatory matters	1,930.02	1,824.29	-	-
(refer note (a) below)	1,930.02	1,824.29	515.96	402.10
	7,982.00	7,575.46	926.10	813.74
Note (a)				
Provision for regulatory matters				
Opening balance	1,824.29	1,277.29		
Provision made during the year	421.04	852.51		
Utilised during the period	(315.31)	(305.51)		
Closing balance	1,930.02	1,824.29		

Rs. in Lacs

9. Short-term borrowings

Particulars	As at 31 March 2017	As at 31 March 2016
Secured		
Working capital loans (refer note (a))	1,000.00	6,500.00
Cash credit facilities from banks (refer note (a))	114.98	685.46
	1,114.98	7,185.46
Unsecured		
Inter-corporate deposit (refer note (b))	1,455.00	2,204.99
Working capital loan (refer note (c))	1,979.74	4,009.92
	3,434.74	6,214.91
Total	4,549.72	13,400.37

Note (a)i. Indian rupees working capital loans and cash credit facilities are secured against hypothecation of current assets of the company, both present and future with HDFC, Yes Bank, Kotak Mahindra Bank, State Bank of India and Deutsche Bank.

ii. Cash credit facilities carries interest rate range of 9.50% to 11.80% p.a.

iii. Details of working capital loans.

Name of the bank	Amount of loan	Date of repayment	Interest rate
State Bank of India	1,000.00	30 April 2016	8.80%
	1,000.00		

Note (b): Inter-corporate deposits are repayable on demand and carry rate of interest 9.50 % p.a

Note (c): Balance as on 31 March 2017 includes Export Packing Credit Loan from Bank of America of of Rs 1,979.74 lakhs at interest rate of 5% p.a., repayable in May, 2017.

10. Trade payables

Particulars	As at 31 March 2017	As at 31 March 2016
Due to micro, small and medium enterprises	304.35	317.83
Due to others (including acceptances)	19,703.30	22,403.71
	20,007.65	22,721.54

11. Other current liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
Current maturities of long-term borrowings (refer note no.5)	1,388.89	1,000.00
Interest accrued and not due on long term borrowings	34.28	43.04
Interest accrued and not due on inter corporate deposits	10.57	12.46
Interest accrued but not due on borrowings	35.75	76.25
Advance from customers	294.62	180.76
Statutory liabilities	2,207.84	2,005.01
	3,971.95	3,317.52

Rs. in Lacs

12. Tangible assets

	Freehold land	Leasehold land	Building	Furniture and fittings and office equipment	Plant and machinery	Vehicles	Total tangible assets
Gross block							
At 1 April 2015	1,485.16	362.87	9,872.22	1,627.36	95,224.60	314.67	108,886.88
Additions	-	-	448.29	103.67	13,447.86	47.82	14,047.64
Disposals	-	-	13.05	94.32	2,094.55	19.89	2,221.81
At 31 March 2016	1,485.16	362.87	10,307.46	1,636.71	106,577.91	342.60	120,712.71
At 1 April 2016	1,485.16	362.87	10,307.46	1,636.71	106,577.91	342.60	120,712.71
Additions	-	-	828.21	64.61	6,383.63	54.25	7,330.70
Disposals/ adjustments	-	-	5.66	43.72	1,206.40	-	1,255.78
At 31 March 2017	1,485.16	362.87	11,130.01	1,657.60	111,755.14	396.85	126,787.63
Depreciation							
At 1 April 2015	-	-	3,965.14	899.09	55,175.68	228.87	60,268.78
Schedule-II impact	-	-	163.29	130.05	372.42	0.87	666.63
Charge for the year	-	-	317.86	117.04	7,392.52	16.91	7,844.33
Disposals /adjustments	-	-	5.77	90.92	1,964.62	8.47	2,069.78
At 31 March 2016	-	-	4,440.52	1,055.26	60,976.00	238.18	66,709.96
At 1 April 2016	-	-	4,440.52	1,055.26	60,976.00	238.18	66,709.96
Charge for the year	-	-	332.97	84.82	7,464.42	23.83	7,906.04
Disposals	-	-	2.40	41.66	1,094.32	-	1,138.38
At 31 March 2017	-	-	4,771.09	1,098.42	67,346.10	262.01	73,477.62
Net block							
At 31 March 2016	1,485.16	362.87	5,866.94	581.45	45,601.91	104.42	54,002.75
At 31 March 2017	1,485.16	362.87	6,358.92	559.18	44,409.04	134.84	53,310.01

		Rs. in Lacs
12.1 Intangible assets		Rs. in lacs
	Designs and drawings and patents and trademarks & software	Total intangible assets
Gross block		
At 1 April 2015	712.11	712.11
Additions	-	-
Disposals	-	-
At 31 March 2016	712.11	712.11
At 1 April 2016	712.11	712.11
Additions	73.11	73.11
Disposals	-	-
At 31 March 2017	785.22	785.22
Amortisation		
At 1 April 2015	712.11	712.11
Charge for the year	-	-
Disposals	-	-
At 31 March 2016	712.11	712.11
At 1 April 2016	712.11	712.11
Charge for the year	22.01	22.01
Disposals	-	-
At 31 March 2017	734.12	734.12
Net Block		
At 31 March 2016	-	-
At 31 March 2017	51.10	51.10

13. Non-current investments

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Non-trade investments unquoted (valued at cost unless stated otherwise)		
(i) Equity shares		
32,500 (Previous Year: Nil) equity shares of Rs 10 each fully paid in Vyshali energy private limited	3.25	-
	3.25	-
Aggregate amount of unquoted investment	3.25	-

14. Long-term loans and advances

Capital advances (Unsecured, considered good)	566.07	718.31
Taxes paid under protest	700.58	650.22
Prepaid expenses	15.14	10.76
Advance tax (net of provision for taxation)	63.37	340.74
Security deposits (Unsecured, considered good)	1,294.01	1,337.08
	2,639.17	3,057.11

15. Current investments

At lower of cost and fair value, unless stated otherwise

Unquoted equity shares

3,889,600 (Previous Year: 3,889,600) equity shares of Rs 5 each, fully paid in GI Power Corporation Limited (refer note no 42)	194.48	194.48
Less: Provision for diminution in the value of investment	(194.48)	(194.48)
	-	-

16. Inventories (Valued at lower of cost and net realizable value)

Raw materials and components (including stock in transit Rs. 386.70 lacs (Previous year: Rs. 484.94 lacs))	2,560.71	3,485.98
Work-in-progress	5,887.81	6,145.85
Finished goods(including stock in transit year Rs Nil (Previous year Rs 4.70 lacs).	8,391.32	8,164.74
Traded goods(including stock in transit Rs. 10.82 lacs (Previous year Rs 237.60 lacs))	495.99	1,387.99
Stores and spares (including stock in transit Rs. 291.31 (Previous year: Rs 215.25 lacs))	1,801.04	1,437.32
Reusable scrap	8.97	2.12
Total	19,145.84	20,624.00

17. Trade receivables

	As at 31 March 2017	Rs. in lacs As at 31 March 2016
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	67.36	49.82
Unsecured, considered doubtful	175.32	129.57
	242.67	179.39
Less: Provision for doubtful debts	(175.32)	(129.57)
	67.36	49.82
Outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	513.48	432.07
Unsecured, considered good	19,187.84	18,691.91
	19,701.33	19,123.98
	19,768.68	19,173.80

18. Cash and bank balances
Cash and cash equivalents

Cash on hand	0.01	0.15
"Balances with scheduled banks: Current accounts"	1,157.66	4,454.12
	1,157.67	4,454.27

Other bank balances

Balances with bank held as margin money		
Deposits with original maturity for more than 3 months but less than 12 months*	2,021.05	1,830.14
	2,021.05	1,830.14
	3,178.72	6,284.41

*Deposits pledge with government authorities as at 31 March 2017

Rs 462.39 lacs (previous year Rs 912.77 lacs).

19. Short-term loans and advances
Advances recoverable in cash or kind

Unsecured, considered good	1,599.64	1,797.15
Unsecured, considered doubtful	171.42	107.14
Less: Provision for doubtful advances	(171.42)	(107.14)
	1,599.64	1,797.15

Other loans and advances

Balance with statutory/government authorities	2,230.59	2,201.05
Prepaid expenses	584.04	587.46
	2,814.63	2,788.51
	4,414.27	4,585.66

20. Other current assets

Unsecured considered good unless stated otherwise Earnest Money Deposit	12.66	13.32
Fixed assets held for disposal (at lower of net book value and estimated net realisable value)	2.30	2.78
Interest accrued but not due on deposits	203.57	126.35
Export incentive receivable	451.38	396.32
Insurance claim receivable	-	0.94
	669.91	539.71

21. Revenue from operations (net)

	31 March 2017 Year ended	Rs. in lacs 31 March 2016 Year ended
Revenue from operations		
Finished goods	139,803.05	138,369.41
Traded goods	4,748.92	6,321.57
Other operating revenue		
Job work income	28.62	-
Export incentives	517.76	517.46
Scrap sales	1,261.94	1,629.88
Revenue from operations (gross)	146,360.29	146,838.32
Less: Excise duty	(13,698.29)	(13,749.55)
Revenue from operations (net)	132,662.00	133,088.77

Details of finished goods sold

Pistons, Steel rings, Piston rings and pistons pins*	130,012.63	129,316.51
Valve train and Structural components	9,790.42	9,052.90
Total	139,803.05	138,369.41

*Pistons, Steel rings, Piston rings and pistons pins are sold either as an assembly or as a separate component, therefore, the same has not been disclosed separately.

Details of traded goods sold

Gasket	1,588.75	1,391.93
Engine bearings	613.52	745.32
Spark plugs	512.07	1,751.84
Liners	1,062.19	426.72
Brake lining	263.36	722.85
Others	709.03	1,282.91
Total	4,748.92	6,321.57

22. Other income

Interest income on		
Fixed deposits with banks	177.90	132.33
Others	143.08	91.60
Foreign exchange fluctuation (net)	-	179.88
Excess liabilities written back	756.13	1,539.18
Miscellaneous income	114.38	91.06
	1,191.49	2,034.05

23. Cost of raw material and components consumed

Aluminium	12,033.59	11,489.03
Silicon	1,793.74	2,054.84
Iron powder	2,159.08	2,227.97
Bought out components	2,708.51	4,892.60
Steel wire	1,299.39	1,305.30
Others	17,168.09	17,493.17
	37,162.40	39,462.91

24. Decrease/ (increase) in inventories

	31 March 2017 Year ended	31 March 2016 Year ended	Rs. in lacs (Increase) / Decrease
Opening stock			
Work-in-progress	6,145.85	6,336.39	190.54
Finished products	8,164.74	8,584.53	419.79
Traded goods	1,387.99	1,013.55	(374.44)
Reusable scrap	2.12	7.43	5.31
	15,700.70	15,941.90	241.20
Less: Closing stock			
Work-in-progress	5,887.81	6,145.85	258.04
Finished products	8,391.32	8,164.74	(226.58)
Traded goods	495.99	1,387.99	892.00
Reusable scrap	8.97	2.12	(6.85)
	14,784.09	15,700.70	916.61
	916.61	241.20	

25. Purchase of traded goods

	31 March 2017 Year ended	31 March 2016 Year ended
Engine bearings	292.69	860.72
Spark plugs	532.17	1,307.25
Liners	1,006.97	261.36
Brake lining	161.35	603.42
Gasket	1,012.99	1,698.69
Others	373.28	905.51
	3,379.45	5,636.95

26. Employee benefit expenses

Salaries, wages and bonus	23,059.10	23,499.95
Contribution to provident and other funds	1,477.44	1,492.57
Contribution to superannuation fund	100.79	122.58
Gratuity expense (refer note no. 37)	1,072.38	1,623.37
Staff welfare expenses	2,598.31	2,269.43
	28,308.02	29,007.90

27. Depreciation and amortisation expense

Depreciation of tangible assets	7,906.04	7,844.33
Amortisation of intangible assets	22.01	-
	7,928.05	7,844.33

28. Finance cost

Interest		
-to banks	1,043.37	1,902.52
-to others	568.43	617.66
	1,611.80	2,520.18

29. Other expenses

	31 March 2017	Rs. in lacs
	Year ended	31 March 2016
		Period ended
Consumption of stores and spares	12,204.60	12,400.24
Sub-contracting expenses	1,856.91	1,962.49
Increase / (decrease) in excise duty on inventory	33.32	(44.75)
Power and fuel	8,556.44	8,560.44
Freight and forwarding charges	1,751.35	2,237.27
Rent (refer note no. 35)	206.11	260.87
Rates and taxes	689.43	635.39
Insurance	160.22	174.19
Repairs and maintenance		
Plant and machinery	643.43	501.87
Buildings	330.53	178.48
Others	747.95	774.61
Advertising and sales promotion	6,416.55	6,335.13
Management support charges (refer note no.40)	580.06	581.32
Royalty and trade-mark license fees	2,192.61	2,205.19
Provision for warranties (net of reversals)	415.68	120.42
Travelling and conveyance	948.35	726.72
Communication costs	152.52	155.56
Corporate social responsibility expenses (refer note no. 44)	211.78	124.83
Printing and stationery	105.74	100.53
Legal and professional fees	596.39	782.91
Cash discounts (net)	644.55	159.26
Auditors remuneration (Refer details below)*	50.25	57.08
Foreign exchange fluctuation (net)	303.23	-
Bad debts / advances written off	61.23	185.22
Provision for doubtful debts and advances	45.75	4.17
Bank charges	89.31	119.03
Loss on sale of fixed assets (net)	67.13	187.37
Environmental maintenance and remediation	510.17	703.00
Miscellaneous expenses	1,304.89	1,103.70
	41,876.48	41,292.54

***Auditors remuneration**

-Statutory audit fee	30.25	30.25
-Limited reviews	18.00	18.00
-Tax audit fee	2.00	2.00
-Out of pocket expenses	-	6.83
	50.25	57.08

30. Earnings per share

The following reflects the profit and share data used in the basic and diluted EPS computations

Profit for the year as per Statement of Profit and Loss (after adjusting minority interest)	7,563.00	4,759.63
Weighted average number of equity shares in calculating basic and diluted EPS	55,632,130	55,632,130
Nominal value of shares (Rs.)	10	10
Earning per share - basic and diluted	13.59	8.56

31. Segment Information

Based on the guiding principles given in AS-17 'Segmental Reporting' notified under Companies (Accounting Standard) Rules, 2006, the Company's primary business segment is manufacturing of auto components. Considering the nature of Company's business and operations, there are no separate reportable business segment, as there is only one business segment and hence, there are no additional disclosures required to be provided other than those already been provided in the financial statements.

The analysis of geographical segment is based on the geographical location of the customers. The following table shows the distribution of the Company's consolidated sales by geographical market, regardless of where the goods were produced.

Geographical segment

Net sales revenue (including trading sales but excluding excise duty) by geographical market

	31 March 2017 Year ended	31 March 2016 Year ended
India	114,924.43	114,226.68
Other countries	15,929.25	16,714.75
	130,853.68	130,941.43

Carrying amount of segment debtors by geographical market (net of provision)

Particulars	As at 31 March 2017	As at 31 March 2016
India	16,423.59	15,717.64
Other countries	3,345.09	3,456.16
	19,768.68	19,173.80

The Company has common assets for producing goods for India and outside countries. Hence, separate figures for assets/additions to fixed assets cannot be furnished.

32. Capital and other commitments

Total estimated amount of contracts, remaining to be executed on capital account (net of advances) and not provided for as at 31 March 2017 is **Rs: 1,237.25 lacs** (Previous year Rs: 2,752.48 lacs).

33. Contingent liabilities

Particulars	As at 31 March 2017	As at 31 March 2016
(i) Service tax and Excise duty		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	290.18	548.43
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	3,493.17	4,111.93
Total	3,783.35	4,660.36
(ii) Sales tax		
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeal and show cause notices/ orders on the same issues for other periods	137.29	28.70
(b) Cases pending before Appellate authorities in respect of which the Company has filed appeals and show cause notices for other periods	3,450.93	2,759.45
Total	3,588.22	2,788.15

		Rs. in lacs	
Particulars	As at 31 March 2017	As at 31 March 2016	
(iii) Income tax			
(a) Cases decided in the Company's favour by Appellate authorities and for which the department has filed further appeals	209.47	209.47	
(b) Cases pending before Appellate authorities/ Dispute resolution panel in respect of which the Company has filed appeals	1,019.61	579.08	
(c) Show cause notices on issues yet to be adjudicated	309.84	46.94	
Total	1,538.91	835.49	
(iv) Others			
(a) Bank guarantees	877.24	1,023.57	
(b) Employee related cases	316.10	321.14	
(c) Electricity demand	52.24	52.24	
Total	1,245.59	1,396.95	

34(i). In accordance with the requirement of Accounting Standard (AS - 18) on related party disclosures where control exist and description of the relationship are as follows:

(a) Name of Parties where Control Exists

- i) Holding Company
 - Federal Mogul Holdings Limited (Mauritius)
- ii) Subsidiary
 - Federal-Mogul TPR (India) Limited
- iii) Ultimate Holding Company
 - Federal Mogul LLC, USA

(b) Key managerial personnel*

- Mr. Vinod Kumar Hans, Managing Director (w.e.f Jan 1, 2016)
- Mr. Andreas Wilhelm Kolf, Managing Director (resigned on Dec 31, 2015)
- Mr. Manish Chadha, CFO and Director (CFO : w.e.f June 1, 2015 and Director: w.e.f Feb 5, 2016)
- Mr. Rajesh Sinha, Additional Director (w.e.f Jan 1, 2016)
- Mr. Sachin Selot, CFO and Whole Time Director (resigned on May 26, 2015)
- Mr. Khalid Iqbal Khan, Whole Time Director (w.e.f May 22, 2015) and Company Secretary
- Mr. Anand Kumar Sahoo, Company Secretary
- Mr. Ashsiah Kaul, Manager (resigned on 18th April 2017)

(c). Fellow and step fellow subsidiaries

- Federal Mogul Burscheid GMBH, Germany
- Federal Mogul Nurnberg, GMBH (Germany)
- Federal Mogul Holding Deutschland (Germany)
- Federal Mogul Limited (U.K.)
- Federal Mogul Financial Services FRANCTNL (France)
- Federal Mogul Gorzyce, S.A. (Poland)
- Federal Mogul Friedberg, GMBH (Germany)
- Federal Mogul Sintered Products Limited. (U.K.)
- Federal Mogul Friction Products Limited (Thailand)
- Federal Mogul Thailand Manufacturina Ayutthaya, (Thailand)
- Federal Mogul France, S.A. (France)
- Federal Mogul Corporation, Garennes (France)
- Federal Mogul (Shanghai)
- Federal Mogul Friction Products Limited.
- Federal Mogul Worldwide Aftermarket
- Federal Mogul Sistemas Brazil
- Federal Mogul Dongsuh Piston Co. Limited. (China)
- Federal Mogul Bradford Limited.
- Federal Mogul Powertrain Spara, MII
- Federal Mogul KK Yokohama
- Federal Mogul Powertrain Inc, Southbend
- Federal Mogul Chasseneuil
- Federal Mogul Kontich
- Federal Mogul Anand Bearings India Limited (India)
- Federal-Mogul Ignition Products India Limited (India)
- Federal-Mogul Motorparts Limited. (India)
- Federal-Mogul Powertrain Solutions India Private Limited (India)
(Formerly Federal-Mogul PTSB India Private Limited. (India))
- Federal Mogul Anand Sealing India Limited (India)
- Motocare India Private Limited (India).

Those transactions along with related balances as at 31 March 2017 and 31 March 2016 are presented in the following table:

(ii) Related party transactions
(Rs in lacs)

Particulars	Ultimate Holding Company Federal Mogul LLC (USA)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	6,293.78	6,845.40
Purchase of raw material	40.02	69.37
Expenses incurred on Company's behalf	8.68	27.23
Expenses incurred by Company	148.93	108.94
Balance outstanding as at the end of the year (payables)	(42.64)	(19.36)
Balance outstanding as at the end of the year receivables	1,491.13	1,602.15

(Rs in lacs)

Particulars	Fellow Subsidiaries							
	Federal-Mogul Bradford Limited (Germany)		Federal-Mogul Burscheid GMBH, (Germany)		Federal-Mogul Gorzsee S.A (Poland)		Federal-Mogul Dongsuh Piston Co.Ltd. (China)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	-	-	10.63	88.97	-	-	-	-
Purchase of raw material	899.96	1,312.65	1,133.51	1,093.24	9.05	17.66	-	-
Purchase of fixed assets	-	-	201.71	2,270.69	-	-	-	-
Expenses incurred on Company's behalf	-	0.90	-	11.37	-	-	-	-
Expenses incurred by Company	1.31	4.12	19.37	-	0.80	-	-	-
Service Income	-	-	-	-	-	-	-	-
Royalty Expenses	-	-	647.08	786.83	-	-	-	-
Balance outstanding as at the end of the year (payables)	(180.63)	(314.38)	(650.01)	(1,230.76)	-	(17.34)	-	-
Balance outstanding as at the end of the year receivables	-	-	49.96	54.96	-	-	218.61	238.58

(Rs in lacs)

Particulars	Fellow Subsidiaries							
	Federal-Mogul Nurnberg, GMBH (Germany)		Federal-Mogul Thailand Manufacturing Ayutthaya (Thailand)		Federal-Mogul Holding Deutschland (Germany)		Federal-Mogul Friction Products Ltd. (Thailand)	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	14.06	19.18	1,708.30	2,348.77	-	-	-	-
Purchase of raw material	65.01	140.13	-	-	-	-	-	-
Purchase / (Sale) of Fixed Assets	-	51.21	-	-	-	-	-	-
Management Support charges paid	-	-	-	-	577.18	579.87	-	-
Expenses incurred on Company's behalf	3.14	4.81	-	-	-	-	6.89	-
Expenses incurred by Company	-	3.90	-	-	-	-	-	-
Royalty Expense	807.86	731.15	-	-	-	-	-	-
Balance outstanding as at the end of the year (payable)	(248.04)	(714.47)	-	-	(319.24)	(348.41)	(6.89)	(1.80)
Balance outstanding as at the end of the year receivables	-	-	378.07	60.93	-	-	-	-

(Rs in lacs)

Particulars	Fellow subsidiaries			
	Federal Mogul Sintered Products Limited, (U.K)		Other fellow subsidiaries	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales	1.58	-	411.73	611.92
Purchase of raw material	32.15	34.08	48.49	119.39
Purchase / (Sale) of Fixed Assets	-	-	-	238.18
Trade Mark & license fees	-	-	142.34	144.56
Expenses incurred on Company's behalf	1.28	0.48	2.36	1.96
Expenses incurred by Company	-	0.19	5.99	2.23
Royalty Expense	305.83	256.53	-	-
Balance outstanding as at the end of the year (payable)	(98.14)	(92.41)	(40.81)	(54.31)
Balance outstanding as at the end of the year receivables	-	-	284.19	82.48

(Rs in lacs)

Particulars	Fellow subsidiaries											
	Federal Mogul Anand Bearings India Ltd. (India)		Federal Mogul Ignition Products India Ltd. (India)*		Federal Mogul Motorparts India Ltd. (India)		Federal Mogul Powertrain Solutions India Private Ltd.**		Motocare India Private Ltd. (India)		Federal Mogul Anand Sealing India Limited	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales (including excise duty)	-	-	-	-	-	-	-	-	1,521.17	139.56	-	-
Purchase of raw material, intermediaries and finished goods	410.77	417.25	489.92	1,269.07	149.79	506.97	-	-	50.11	-	927.69	1,778.44
Rent income	-	-	-	-	-	-	11.07	-	-	-	-	-
Expenses incurred on Company's behalf	8.74	15.23	31.99	3.07	5.54	15.54	40.16	32.07	145.21	40.85	8.98	1.09
Expenses incurred by Company	49.46	163.79	90.30	74.04	16.52	24.14	611.81	518.81	4.99	-	85.84	26.87
Inter-corporate deposit (ICD) Taken	-	-	1,400.00	-	-	-	950.00	1,000.00	-	-	-	-
Inter-corporate deposit (ICD) repaid	-	-	-	-	-	-	(300.00)	(4,500.00)	-	-	-	-
Interest on ICD	-	-	114.89	156.70	-	-	74.14	36.74	-	-	-	-
Balance outstanding as at the end of the year (payable)	(41.75)	(155.63)	(191.08)	(1,609.83)	(18.52)	(34.40)	(1,339.65)	(681.40)	-	(40.85)	(27.81)	(236.30)
Balance outstanding as at the end of the year receivables	-	-	-	-	-	-	28.34	52.02	1,072.96	60.11	-	-

* Federal Mogul Ignition Products India Limited (India), payables includes **Rs 125 lacs** (Previous year Rs 1,525 lacs) payable against Inter corporate deposits taken and **Rs. 0.91 lacs** (Previous year Rs 12.24 lacs) payable against the interest on the same.

** Federal Mogul Powertrain Solutions India Private Ltd, payables includes **Rs 1,329.99 lacs** (Previous year Rs 679.99 lacs) payable against Inter corporate deposits taken and **Rs 9.66 lacs** (Previous year Rs 1.41 lacs) payable against the interest on the same.

(Rs in lacs)

Particulars	Common Control in FM TPR with below entities				Fellow Subsidiaries			
	Federal Mogul UK Investment Limited		Teikoku Piston Rings		Motocare India Private Limited		Federal Mogul Burschied	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Sales (including excise duty)	-	-	-	-	(101.70)	-	-	-
Purchase of raw material, intermediaries and finished goods (incl. excise duty)	-	-	-	-	-	-	-	-
Dividend Paid	137.20	214.38	83.41 137.20	50.27 214.38	-	-	0.39	-
Expenses incurred on Company's behalf	-	-	3.76	-	4.83	-	-	-
Royalty Expense	-	-	168.90	147.14	-	-	-	-
Balance outstanding at the end of the year (Receivable)	-	-	-	-	39.96	-	-	-
Balance outstanding as at the end of the year (Payable)	-	-	(74.10)	(52.03)	-	(0.22)	-	(0.22)

(Rs in lacs)

Key Managerial Personnel

Particulars	Mr Vinod Kumar Hans		Mr Andreas Wilhelm Kolf		Mr Sachin Selot		Mr Rajesh Sinha	
	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016	1 April 2016 to 31 March 2017	1 April 2015 to 31 March 2016
Remuneration	128.55	28.05	-	297.00	-	12.44	87.86	19.74
Particulars	Mr Manish Chadha		Mr Khalid Iqbal Khan		Mr. Anand Kumar Sahoo		Mr. S Raghavendra	
Remuneration	62.44	44.96	73.25	57.09	17.49	17.03	-	3.22
Particulars	Mr. Ashish Kaul		Total					
Remuneration	23.77	22.75	393.36	502.28				

35. Operating lease

a) Assets taken under operating lease

Period	31 March 2017 Year ended	31 March 2016 Year ended
1. Lease payments for the year	206.11	260.87
2. Minimum lease payments		
a. Not later than one year	105.94	207.05
b. Later than one year and not later than five years	0.75	133.47
c. Later than five years	-	-

b) Assets given under operating lease

1. Uncollectible minimum lease payments receivable at the Balance sheet date	-	-
2. Future minimum lease payments receivable:		
a. Not later than one year	78.00	78.00
b. Later than one year and not later than five years	136.50	214.50
c. Later than five years	-	-

b) The lease payment recognise in the statement of profit and loss for the year is **Rs 206.11 lacs** (31 March 2016 Rs 260.87 lacs)

36. Unhedge foreign currency exposure

Particulars	Currency	As at 31 March 2017 Rs.(in lacs)	As at 31 March 2017 (Foreign currency in lacs)	Year ended 31 March 2017 (Rates, 1 unit of Foreign currency equivalent INR)	As at 31 March 2016 Rs.(in lacs)	As at 31 March 2016 (Foreign currency in lacs)	Year ended 31 March 2016 (Rates, 1 unit of Foreign currency equivalent INR)
Creditors	CHF	(0.01)	(0.00)	64.91	0.56	0.01	68.54
Creditors	EUR	1,071.93	15.34	69.87	1,582.14	21.07	75.10
Creditors	GBP	196.87	2.44	80.75	324.68	3.41	95.09
Creditors	JPY	(98.05)	58.99	0.58	176.88	299.49	0.59
Creditors	USD	654.70	10.10	64.84	1,055.79	15.92	66.33
Debtors	EUR	684.42	9.80	69.87	1,030.98	13.73	75.10
Debtors	USD	2,471.61	38.12	64.84	2,396.68	36.13	66.33
Advance to suppliers	CHF	-	-	-	0.56	0.01	68.54
Advance to suppliers	EUR	115.65	1.66	69.87	162.18	2.16	75.10
Advance to suppliers	GBP	-	-	-	5.57	0.06	95.09
Advance to suppliers	JPY	2.36	4.04	0.58	98.02	165.96	0.59
Advance to suppliers	USD	16.18	0.25	64.84	522.55	7.88	66.33

37. Disclosures in accordance with AS-15 on "Employee Benefits"

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services, gets a gratuity on departure at 15 days basic salary (last drawn) for each completed year of service on terms not less favourable than the provisions of the payment of Gratuity Act, 1972. The scheme is funded with an insurance company in the form of a qualifying insurance policy. The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the plan.

Consolidated Statement of Profit and Loss

Particulars	31 March 2017 Year ended	31 March 2016 Year ended
Net employee benefit expense (recognized in Employee cost) [AS15 Revised (c) (i) to (x)]		
Current service cost	418.35	370.86
Interest cost on benefit obligation	650.92	599.18
Expected return on planned assets	(338.59)	(369.53)
Net actuarial loss/ (gain) recognized in the year	341.70	1,022.86
Net benefit expense	1,072.38	1,623.37

Consolidated Balance Sheet
Rs. in Lacs

Particulars	As at 31 March 2017	As at 31 March 2016
Details of provision for gratuity		
Defined benefit obligation	9,879.14	9,383.73
Less: Fair value of plan assets	(4,873.07)	(4,558.57)
Plan liability	5,006.07	4,825.16

Changes in the present value of the defined benefit obligation are as follows

Particulars	As at 31 March 2017	As at 31 March 2016
Opening defined benefit obligation	9,383.73	8,383.35
Interest cost	650.92	599.18
Current service cost	418.35	370.86
Benefits paid directly by the company	(171.47)	(4.05)
Benefits paid from the fund	(807.89)	(956.84)
Actuarial loss on obligation	405.50	991.23
Closing defined benefit obligation	9,879.14	9,383.73

Changes in the fair value of plan assets are as follows:

Opening fair value of plan assets	4,558.56	4,347.50
Expected return	338.59	369.54
Contributions by employer	720.00	830.00
Benefits paid	(807.89)	(956.84)
Actuarial (loss)/ gains	63.81	(31.63)
Closing fair value of plan assets	4,873.07	4,558.57

The Company's expected contribution to the fund in the next year is not presently ascertainable and hence, the contribution expected to be paid during the annual period beginning after the balance sheet date as required by para 120(o) of the accounting standard 15(revised) on employee benefits has not been disclosed.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:[AS15 Revised Para120(h)]

Particulars	As at 31 March 2017 %	As at 31 March 2016 %
Investments with insurer	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plan is shown below:

Discount rate	6.70% p.a.	7.75% p.a.
Expected rate of return on plan assets	6.70% p.a.	8.50% p.a.
Normal retirement age*	58 years	58 years
Employee turnover	5.0% p.a.	5.0% p.a.

* For patiala unit its 60 and others its 58 years.

Particulars	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 December 2013	As at 31 December 2012
Defined benefit obligation	9,879.14	9,383.73	8,383.35	7,796.95	7,718.21
Plan assets	4,873.07	4,558.57	4,347.50	3,454.04	3,758.65
Deficit	5,006.07	4,825.16	4,035.85	4,342.92	2,733.29
Experience adjustments on plan liabilities	(84.00)	730.23	520.71	491.22	371.81
Experience adjustments on plan assets	63.78	(31.64)	29.56	328.26	348.35

38. Expenses capitalised

The Company has capitalized various expenses incurred in the course of construction of self generated assets in accordance with AS 10 -Accounting for Fixed Assets, the details of expenses capitalized for the purpose of construction of self generated assets are as follows:

Particulars	Rs. in lacs	
	31 March 2017 Year ended	31 March 2016 Year ended
Salaries, wages and bonus	20.90	29.80
Any others exp	22.57	39.91
Total	43.47	69.71

39. Provision for regulatory matters

During the year ended 31 December 2010, the Company had commenced an evaluation process for various regulatory matters at its factories. Based on more accurate information discovered, a provision, towards costs to be incurred to remediate these matters, of Rs. 424.63 lacs is included under Note no. 8 of consolidated financial statement for provisions which are net of amounts utilized of Rs. 185.39 lacs during the year towards remediation.

In addition to the above, the provision for regulatory matters includes a provision of Rs. 1,505.39 lacs towards certain other regulatory matters.

The Company is actively seeking to resolve these actual and potential statutory, taxation, regulatory and contractual obligations. In accordance with requirements of Accounting Standard 29 on 'Provisions, Contingent liability and Contingent assets' issued by the Institute of Chartered Accountants of India, although difficult to quantify based on the complexity of the issues, the Company has accrued amounts corresponding to its best estimate of the costs associated with such regulatory and contractual obligations on the basis of available information and best professional judgment of experts appointed for this exercise.

Based on consultations obtained from the experts in respect of the said matters, in management's view, no further costs are expected to be incurred for which a provision would be required at this stage and considers the provisions made to be adequate.

40. Management support charges

During the year 2016-17, the Company has paid management support charges to its group companies of Rs 580.06 lacs (31 March 2016 Rs 581.32 lacs) in respect of certain application engineering services provided to the Company. The Company carries out its transfer pricing study annually and updates its documentation, choice of methods and benchmarks to ascertain adequacy and compliance with the "arms length" principles prescribed under Income Tax Act. For the year April 1 2016 to March 31 2017, the process of updation is ongoing and management is confident of completing the same. The provision for current tax has been made accordingly considering the said amounts of Rs. 580.06 lacs as "allowable expenditure".

41. Per transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transactions with associated enterprises and maintain adequate documentation in this respect. Since law requires existence of such information and documentation to be contemporaneous in nature, the Company has appointed independent consultants for conducting a Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arms length basis". Management is of the opinion that the Company's international transactions are at arm's length and that the results of the on-going study will not have any impact on the financial statements and the independent consultants appointed have also preliminarily confirmed that they do not expect any transfer pricing adjustments.

42. During the current year, the Company has reclassified Rs. 2697.52 lacs from Minority interest to General reserve for adjustment being made for distribution of dividend in prior years.

43. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30 December 2016, required as per the notification no G.S.R. 308(E) dated 30th March 2017 issued by Ministry of Corporate Affairs:

Particulars	SBNs	Other denomination	Total
Closing cash in hand as on 08.11.2016	-	-	-
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	-	-

44. Corporate Social Responsibility (CSR)

a) Gross amount required to be spent by the Company during the year (including brought forward from previous year) in compliance with section 135 of the Act is Rs 211.78 lacs

	Rs. in lacs		
	in cash	yet to be paid in cash	Total
b) Amount spent during the year			
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (I) above			
- Educational activities	115.05	-	115.05
- Social Activities	36.91	-	36.91
- Health related activities	51.74	-	1.74
- Others	8.08	-	8.08
Total	211.78	-	211.78

During the year the Company has spent an amount of Rs. 211.78 lacs on CSR activities.

45. Previous year numbers have been regrouped/ reclassified, wherever considered necessary.

As per our report of even date

For Walker Chandiok & Co. LLP
Chartered Accountants

per **Anamitra Das**
 Partner
Membership No.: 062191

Place: Gurugram
 Date: 19th May 2017

For and on behalf of the Board of Directors of
Federal-Mogul Goetze (India) Limited

Vinod Kumar Hans
 Whole Time Managing Director
 DIN : 03328309

Manish Chadha
 Chief Finance Officer & Finance Director
 DIN : 07195652

Khalid Iqbal Khan
 Whole Time Director - Legal & Company Secretary
 DIN : 05253556

FEDERAL-MOGUL GOETZE (INDIA) LIMITED

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