Walker, Chandiok & Co

21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

T +91 124 462 8000
F +91 124 462 8001
E GURGAON@wcgt.in

Auditors' Report on Consolidated Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of Federal-Mogul Goetze (India) Limited

1. We have audited the consolidated financial results ("the Statement") of **Federal-Mogul Goetze (India) Limited** ("the Company") and its subsidiary, (collectively referred to as "the Group") for the year ended December 31, 2012 attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement has been prepared from consolidated year to date financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of such consolidated year to date financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended), as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed in consolidated year to date financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. *As detailed in note 7 of the accompanying Statement, the Company is pursuing a matter regarding certain discrepancies noted in availing sales tax benefits. The matter is currently pending with the appropriate authorities, management based on certain internal assessment has accrued a provision to an extent of Rs. 625.81 lacs (including estimated interest and penalties) to meet future tax obligations. Out of this provision, the Company has deposited Rs 398.03 lacs with the appropriate authorities during the year. However, the extent of exact future liabilities that may arise is presently not determinable. Accordingly, we are unable to comment upon the adequacy of provision recorded in this respect and the consequential impact of the outcome of the proceedings.*

4. In our opinion and to the best of our information and according to the explanations given to us, this Statement:

(i) includes the year to date financial results of Federal-Mogul TPR (India) Limited;
(ii) has been presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
(iii) gives a true and fair view of the consolidated net profit and other financial information for the consolidated year to date results for the period from January 1, 2012 to December 31, 2012 *except for the effects of qualification as described in the previous paragraph.*

5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

For Walker, Chandiok & Co
Chartered Accountants
Firm Registration No.: 001076N

per **David Jones**
Partner
Membership No.: 98113

Place: New Delhi
Date: February 28, 2013

Walker, Chandiok & Co

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Jacaranda Marg, DLF Phase II
Gurgaon 122002
India

T +91 124 462 8000
F +91 124 462 8001
E GURGAON@wcgt.in

Auditors' Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To the Board of Directors of Federal Mogul Goetze (India) Limited

1. We have audited the financial results ("the Statement") of **Federal Mogul Goetze (India) Limited** ("the Company") for the quarter ended **December 31, 2012** and the year to date results for the period January 1, 2012 to December 31, 2012, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding', which have been traced from disclosures made by the management and have not been audited by us. This Statement has been prepared on the basis of the interim and year to date financial statements, which are the responsibility of the Company's management. Our responsibility is to express an opinion on this Statement based on our audit of such interim and year to date financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standard) Rules, 2006 (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India.

2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. *As detailed in note 7 of the accompanying Statement, the Company is pursuing a matter regarding certain discrepancies noted in availing sales tax benefits. The matter is currently pending with the appropriate authorities, management based on certain internal assessment has accrued a provision to an extent of Rs. 625.81 lacs (including estimated interest and penalties) to meet future tax obligations. Out of this provision, the Company has deposited Rs 398.03 lacs with the appropriate authorities during the year. However, the extent of exact future liabilities that may arise is presently not determinable. Accordingly, we are unable to comment upon the adequacy of provision recorded in this respect and the consequential impact of the outcome of the proceedings.*

4. In our opinion and to the best of our information and according to the explanations given to us this Statement :

   (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and

   (ii) gives a true and fair view of the net loss and other financial information for the quarter ended December 31, 2012 as well as the year to date results for the period from January 1, 2012 to December 31, 2012, *except for the effects of qualification as described in the previous paragraph.*

5. Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of Clause 35 of the Listing Agreement and found the same to be correct.

6. The review of financial results for the three months period ended March 31, 2012 and June 30, 2012 included in the Statement was carried out and reported by S.R. Batliboi & CO. vide their qualified audit reports dated May 08, 2012 and August 09, 2012 respectively whose review reports have been furnished to us and which have been relied upon by us for the purpose of our audit of the Statement. Our audit report is not qualified in respect of this matter.

Walker, Chandiok & Co

For Walker, Chandiok & Co
Chartered Accountants
Firm Registration No.: 001076N

per **David Jones**
Partner
Membership No. 98113

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

Place: New Delhi
Date: 28 February 2013

FEDERAL-MOGUL GOETZE (INDIA) LIMITED
Regd. Office : 7870-7877, F 1, Roshanara Plaza Building, Roshanara Road
Delhi: 110007

Statement of Audited Results for the Quarter/Year Ended December 31, 2012

(Rs. In lacs except per share data)

S.No	Description	Quarter Ended December 31, 2012 (Audited)	Quarter Ended September 30, 2012 (Unaudited)	Quarter Ended December 31, 2011 (Audited)	Year Ended December 31, 2012 (Audited)	Year Ended December 31, 2011 (Audited)	Consolidated Year Ended December 31, 2012 (Audited)	Consolidated Year Ended December 31, 2011 (Audited)
PART I								
1	**Income from Operations**							
	Gross Sales	**29,736.78**	**31,008.73**	**30,937.51**	**1,25,475.81**	**1,20,168.35**	**1,29,216.47**	**1,23,867.59**
	Less: Excise duty	2,642.05	2,911.62	2,424.86	11,297.93	9,398.49	11,865.15	9,734.38
	(a) Net Sales (Net of Excise Duty)	27,094.73	28,097.11	28,512.65	1,14,177.88	1,10,769.86	1,17,351.31	1,14,133.21
	(b) Other operating income	1,395.31	1,017.13	1,077.71	4,485.78	4,442.06	2,561.90	2,558.00
	Total income from Operations (net)	**28,490.04**	**29,114.25**	**29,590.36**	**1,18,663.66**	**1,15,211.92**	**1,19,913.21**	**1,16,691.21**
2	**Expenses**							
	(a) Cost of materials consumed	10,080.51	10,175.19	8,858.47	43,199.75	42,819.00	39,058.85	38,651.37
	(b) Purchases of stock-in-trade	736.40	888.82	886.23	3,600.36	3,656.35	3,600.36	3,656.35
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade ((Increase)/ Decrease)	861.72	(816.09)	561.90	(1,107.82)	(2,441.14)	(1,184.71)	(2,530.07)
	(d) Employee benefits expense	6,295.51	5,816.83	5,296.24	23,510.94	21,331.51	23,925.37	21,663.69
	(e) Depreciation and amortisation expense	1,610.23	1,515.36	1,677.30	6,193.52	5,365.89	6,494.96	5,688.73
	(f) Consumption of stores and spares	3,305.03	4,012.64	3,448.65	15,451.81	13,259.48	16,453.47	14,281.45
	(g) Other expenses	7,697.14	6,672.07	7,167.25	26,994.10	25,755.65	27,755.80	26,463.69
	Total expenses	**30,586.53**	**28,264.81**	**27,896.04**	**1,17,842.66**	**1,09,746.74**	**1,16,104.11**	**1,07,875.20**
3	**Profit from operations before other income, finance costs & exceptional items (1-2)**	**(2,096.49)**	**849.43**	**1,694.32**	**821.00**	**5,465.18**	**3,809.10**	**8,816.01**
4	Other income	(2.79)	291.80	602.48	1,408.90	1,701.85	940.68	478.31
5	**Profit from ordinary activities before finance costs & exceptional items (3+4)**	**(2,099.29)**	**1,141.23**	**2,296.80**	**2,229.89**	**7,167.02**	**4,749.78**	**9,294.32**
6	Finance costs	606.42	638.61	1,036.15	2,988.00	2,485.66	2,689.97	2,304.24
7	**Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**(2,705.71)**	**502.62**	**1,260.65**	**(758.11)**	**4,681.36**	**2,059.82**	**6,990.09**
8	**Exceptional items (Refer Note 7 below)**	0.00	-	-	(625.81)	-	(625.81)	-
9	**Profit / (Loss) from ordinary activities before tax (7+8)**	**(2,705.71)**	**502.62**	**1,260.65**	**(1,383.92)**	**4,681.36**	**1,434.01**	**6,990.09**
10	**Tax Expense** (includes Rs. 84.80 lacs relating to earlier years, the quarter ended March 31, 2012 includes Rs. 102.52 lacs and the year ended December 31, 2011 includes Rs. 297.59 lacs relating to earlier years.)	**(471.67)**	**298.63**	**376.28**	**251.82**	**1,117.84**	**1,240.22**	**2,215.61**
11	**Net Profit / (Loss) from ordinary activities after tax (9-10)**	**(2,234.04)**	**203.99**	**884.37**	**(1,635.74)**	**3,563.52**	**193.79**	**4,774.48**
12	Prior period expense/ (income) (net of tax)	-	-	24.20	-	(182.65)	-	(29.06)
13	**Net Profit / (Loss) from ordinary activities after tax and prior period items (11-12)**	**(2,234.04)**	**203.99**	**860.17**	**(1,635.74)**	**3,746.16**	**193.79**	**4,803.54**
14	**Extra ordinary items**	-	-	-	-	-	-	-
15	Minority interest in profit / (loss)	-	-	-			(865.69)	(884.90)
16	Share of profit/ (loss) in associate company	-	-	-			-	35.39
17	**Net Profit / (Loss) for the period**	**(2,234.04)**	**203.99**	**860.17**	**(1,635.74)**	**3,746.16**	**(671.89)**	**3,954.03**
18	Paid-up equity share capital (Face value Rs 10/- each)	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21	5,563.21
19	Reserve excluding revaluation reserve as per balance sheet of previous accounting year.	-	-	-	-	35,955.90	35,566.17	37,088.72
20	Basic and diluted Earnings / (Loss) Per Share before extraordinary items for the period (of Rs. 10 each) (not annualised for quarters)	(4.02)	0.37	1.54	(2.94)	6.73	0.35	7.05
21	Basic and diluted Earnings / (Loss) Per Share after extraordinary items for the period (of Rs. 10 each) (not annualised for quarters)	(4.02)	0.37	1.54	(2.94)	6.73	0.35	7.05

See accompanying notes to the financial results

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

Federal Mogul Goetze (India) Limited

S.No	Description	Quarter Ended December 31, 2012 (Audited)	Quarter Ended September 30, 2012 (Unaudited)	Quarter Ended December 31, 2011 (Audited)	Year Ended December 31, 2012 (Audited)	Year Ended December 31, 2011 (Audited)	Consolidated Year Ended December 31, 2012 (Audited)	Consolidated Year Ended December 31, 2011 (Audited)
PART II								
Information for the quarter ended December 31, 2012								
A	PARTICULARS OF SHAREHOLDING							
1	Public shareholding							
	- Numbers of shares	1,39,16,676	1,39,16,676	1,39,16,676	1,39,16,676	1,39,16,676	-	-
	- Percentage of shareholding	25.02	25.02	25.02	25.02	25.02	-	-
2	Promoters and Promoter group shareholding	-	-					
(a)	Pledged/Encumbered	Nil	Nil	Nil	Nil	Nil	-	-
(b)	Non-Encumbered (In nos.)	4,17,15,454	4,17,15,454	4,17,15,454	4,17,15,454	4,17,15,454	-	-
	- Percentage of shares (as a % of total shareholding of promoter and promoter group)	100.00	100.00	100.00	100	100	-	-
	- Percentage of shares (as a % of total share capital of the company)	74.98	74.98	74.98	74.98	74.98	-	-

	Particulars	3 months ended December 31, 2012
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	0
	Disposed of during the quarter	0
	Remaining unresolved at the end of the quarter	0

Notes:

1 The above financial results of the Companyn have been reviewed by the Audit Committee and thereafter have been approved by the Board of Directors at their respective meetings held on February 28, 2013

2 The Audit as required under clause 41 of Listing Agreement has been completed by statutory auditor for the quarter and year ended December 31, 2012

3 Statement of Assets and Liabilities:

S.No.	Particular's	As at December 31, 2012 (Audited)	As at December 31, 2011 (Audited)	Consolidated As at December 31, 2012 (Audited)	Consolidated As at December 31, 2011 (Audited)
A	EQUITY AND LIABILITIES				
1	SHAREHOLDER'S FUNDS:				
	(a) Capital	5,563.21	5,563.21	5,563.21	5,563.21
	(b) Reserves and surplus	34,320.16	35,955.90	35,566.17	37,088.72
	(c) Money Received against share Warrants	-	-	-	-
	SUB-TOTAL - SHAREHOLDER'S FUNDS	39,883.37	41,519.11	41,129.38	42,651.93
2	MINORITY INTEREST	-	-	4,686.39	4,310.70
3	NON-CURRENT LIABILITIES				
	(a) Long-term borrowings	-	400.00	-	400.00
	(b) Deferred tax liabilities (net)	1,431.00	1,459.35	1,476.79	1,507.28
	(c) Other long-term liabilities	245.16	253.96	245.17	253.96
	(d) Long-term provisions	5,612.27	4,253.26	5,657.97	4,299.65
	SUB-TOTAL - NON-CURRENT LIABILITIES	7,288.43	6,366.57	7,379.93	6,460.89
3	CURRENT LIABILITIES				
	(a) Short-term borrowings	19,021.30	14,479.80	17,021.30	10,979.80
	(b) Trade Payables	17,108.46	20,863.33	16,661.21	21,340.68
	(c) Other current liabilities	1,984.78	2,113.47	2,031.76	2,291.57
	(d) Short-term provisions	320.51	355.11	1,146.12	856.05
	SUB-TOTAL - CURRENT LIABILITIES	38,435.05	37,811.72	36,860.38	35,468.11
	TOTAL - EQUITY AND LIABILITIES	85,606.85	85,697.41	90,056.08	88,891.63
B	ASSETS				
1	NON-CURRENT ASSETS				
	(a) Fixed Assets	49,557.25	46,136.29	51,185.93	47,865.41
	(b) Goodwill on consolidation*	-	-	-	-
	(c) Non-current investments	509.99	1,021.42	-	1.42
	(d) Long-term loans and advances	1,891.74	1,495.09	2,628.16	1,480.88
	(e) Other non-current assets	11.78	50.97	227.13	6.32
	SUB-TOTAL - NON-CURRENT ASSETS	51,970.75	48,703.77	54,041.22	49,354.02
2	CURRENT ASSETS				
	(a) Current investments	0.00	1,070.92	-	1,070.92
	(b) Inventories	13,346.04	13,920.16	14,043.63	14,614.67
	(c) Trade receivables	15,047.19	15,069.79	15,726.66	15,832.79
	(d) Cash and cash equivalents	177.10	211.96	1,009.46	1,180.71
	(e) Short-term loans and advances	4,684.57	5,899.48	4,833.54	6,008.37
	(f) Other current assets	381.18	821.33	401.56	830.15
	SUB-TOTAL - CURRENT ASSETS	33,636.09	36,993.64	36,014.86	39,537.61
	TOTAL-ASSETS	85,606.85	85,697.41	90,056.08	88,891.63

4 Segment Reporting: As the Company's business activities fall within a single primary business segment viz, auto components for two wheeler and four wheeler industry, the disclosure requirement of Accounting Standard (AS-17) 'Segment Reporting' is not applicable.

5 The Consolidated Financials Statements of the Company and its subsidiaries (collectively known as " the Group") are prepared in accordance with the requirements of the AS-21 "Consolidated Financial Statements" prescribed by Companies (Accounting Standards) Rules, 2006.

6 During the quarter, a provision of Rs. 1072.25 lacs has been created based on the assessment of recoverability of the Investment in GI Power Corporation Limited. This represents the full cost of the investment and is included in other expenditure.

7 Exceptional item : During the year, the Company became aware of certain descrepancies regarding sales tax matters at one of its factories. It thereafter undertook a review and, based on information available at this stage of the ongoing evaluation (which is in process), has provided an amount of Rs 6.26 crores towards tax and related liabilities pertaining to earlier years out of which Rs. 398.06 has been deposited with the tax authorities.
The Statutory auditors in their audit report for the quarter and year ended December 31, 2012 have reported their inability to comment on such provision and have qualified their report. The management considers the provision created in this regard adequate to cover the liabilities relating to this matter.

8 The figure for the last quarter of current and the previous years are the balancing figures between audited figures in respect of the full financial years upto December 31, 2012 and 2011 respectively and the unaudited published year-to-date figures for nine months upto September 30, 2012 and 2011 for respective years.

9 The balance sheet information under the revised SEBI format for the year ended December 31, 2012 and 2011 has been prepared from the audited financial statements for the year ended December 31, 2012 and 2011.

10 Till the year ended 31 December 2011, the company, in accordance with the pre-revised Schedule VI requirement, was recognizing dividend declared by subsidiary company after the reporting date in the current year's statement of profit and loss if such dividend pertained to the period ending on or before the reporting date. The revised schedule VI, applicable for financial years commencing on or after 1 April 2011, does not contain this requirement. Hence, to comply with AS 9 Revenue Recognition, the company has changed its accounting policy for recognition of dividend income from subsidiary companies. In accordance with the revised policy, the company recognizes dividend as income only when the right to receive the same is established by the reporting date. Pursuant to this change, loss for the quarter and year ended December 31, 2012 is higher by Rs. 357 lacs

11 Previous period/ year figures have been regrouped / recasted, wherever necessary.

WALKER CHANDIOK & CO. CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

Sunit Kapur

(Sunit Kapur)
Managing Director

Federal-Mogul Goetze (India) Limited

Place : Gurgaon
Date : February 28, 2013