

JTEKT JTEKT INDIA LIMITED

[Formerly known as Sona Koyo Steering Systems Limited]

(CIN : L29113DL1984PLC018415)

Regd.Off.- UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110 001.

Tel.No. – 011-23311924, 23327205

Email – investorgrievance@jtekt.co.in, Website – www.jtekt.co.in

NO GIFT COUPONS WILL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING

NOTICE

Notice is hereby given that the Thirty Fourth Annual General Meeting of the Members of JTEKT India Limited (formerly known as Sona Koyo Steering Systems Limited) will be held as under:

Day : Friday

Date : 10th August, 2018

Time : 10.00 AM

Venue : The Air Force Auditorium, Subroto Park, New Delhi 110010

to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider and adopt the audited Standalone and Consolidated Financial Statement for the year ended 31st March, 2018, including audited Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2) To declare dividend for the year ended 31st March, 2018.
- 3) To appoint a Director in place of Mr. Toshiya Miki (holding DIN 07505339) who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the resolution passed by the members at the 33rd Annual General Meeting held on 22nd August, 2017, the appointment of M/s. B.S.R. & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/W-100022), as Auditors of the Company for a term of five years i.e. till the conclusion of the 38th Annual General Meeting (AGM), which was subject to annual ratification, be and is hereby ratified to hold the office from the conclusion of this AGM till the conclusion of the 38th AGM of the Company, at such remuneration plus applicable taxes, out-of-pocket expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors, from time to time."

SPECIAL BUSINESS

- 5) **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:**

"RESOLVED THAT pursuant to provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. Geeta Mathur (DIN 02139552), who was appointed as an Additional Director & Independent Woman Director of the Company by the Board of Directors with effect from 10th November, 2017, in terms of Section 161(1) of the Act and Article 97 of the Articles of Association of the Company and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a period of five (5) years with effect from 10th November, 2017."

- 6) **To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

"RESOLVED THAT Mr. Akihiko Kawano be appointed as Director of the Company whose period of office would be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other sanctions as may be necessary, the consent of the Company be and is hereby accorded to the appointment of Mr. Akihiko Kawano as Managing Director of the Company for a period of three (3) years with effect from 1st July, 2018, with remuneration, on the terms and conditions including as to remuneration set out in the draft Agreement submitted to this meeting and initialled by the Chairman of the Meeting for the purpose of identification, which Agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions including as to remuneration for the said appointment and/or Agreement in such manner as may be agreed between the Board of Directors and Mr. Akihiko Kawano, Managing Director of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as in its absolute discretion it may think be necessary, proper or expedient in the matter and is further authorised to settle any question or doubt that may

arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval / consent from the government departments, as may be required in this regard."

- 7) **To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, a sum not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 be paid and distributed amongst the Independent Directors of the Company or any of them or some of them, as and by way of commission in such amounts or proportions and in such manner and in all respects as may be determined by the Board of Directors (such payments shall be made in addition to the sitting fees) in respect of the profits of the Company for each year for a period of five years commencing from 1st April, 2018.

RESOLVED FURTHER THAT the quantum of commission payable to each of the Independent Director(s) may be decided by the Board of Directors as it may deem fit."

Place : Registered Office:
UGF-6, Indra Prakash
21, Barakhamba Road
New Delhi 110 001.

By Order of the Board

Sudhir Chopra
Director (Corporate Affairs) &
Company Secretary

Dated : 18th May, 2018

NOTES:

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING. A Proxy Form is sent herewith. Proxies submitted on behalf of companies, societies, etc. must be supported by appropriate resolution / authority, as applicable.

- 2) A Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
- 3) **For security reasons, briefcases, transistors, bags, tiffin boxes, cameras, binoculars, eatables etc. will not be allowed to be taken inside the Meeting Hall.**
- 4) The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 4th August, 2018 to Friday, the 10th August, 2018 (both days inclusive).
- 5) Dividend to Shareholders, as recommended by the Directors for the year ended 31st March, 2018, when declared at the meeting, will be paid:

- i) to those members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with the Company or its Registrars on or before Friday the 3rd August, 2018; and
- ii) in respect of shares held in electronic form, to those "beneficiaries" whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on Friday the 3rd August, 2018.

Non Resident Indian Shareholders having NRE Account in any scheduled bank are requested to intimate the same to the Company immediately for remittance of dividend.

The dividend on Equity Shares, if declared at the meeting, will be dispatched between 17th August, 2018 to 24th August, 2018.

- 6) In order to provide protection against fraudulent encashment of dividend warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information which will be used by the Company for dividend payments:

- i) Name of Sole/First joint holder and Folio No.
- ii) Particulars of Bank Account viz.:
- Name of the Bank
 - Name of Branch
 - Branch Code
 - Complete address of the Bank with Pin Code Number
 - Account type, whether Savings Bank or Current Account
 - Bank Account number allotted by the Bank

In case of Shareholders holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Shareholders who wish to change such bank accounts may advise their DPs about such change with complete details of Bank Account including MICR Code.

- 7) **As per the provisions of Clause 5A of the Listing Agreement (introduced vide SEBI circular dated 16/12/2010) the unclaimed Equity Shares of INR 1/- each were dematerialized and transferred to "Unclaimed Suspense Account". The members who are still holding Equity Shares of the Face Value of INR 10/- or INR 2/- each, are requested to surrender the respective Share Certificate(s) to the Company or to its Registrar and Transfer Agent viz. M/s. Karvy Computershare Private Limited, to enable the Company to issue the Equity Shares of the Face Value of INR 1/- each.**
- 8) i) The unclaimed dividend up to financial year 1994-95 has been transferred to the General Revenue Account of the Central Government in terms of the provisions of Section 205A of the Companies Act, 1956.
- ii) The unclaimed dividend for the year from 1995-96 to 2009-10 have been transferred to the Investor Education and Protection Fund ("the Fund").
- iii) Those members who have yet not encashed dividend warrants for the financial year 2010-11 to 2016-17 may

return the time barred dividend warrants or write to the Company to issue demand draft.

- iv) Pursuant to the provisions of Section 124 of the Companies Act, 2013, dividend for the financial year 2010-11 and thereafter which remain unclaimed for a period of 7 (seven) years will be transferred to Investor Education and Protection Fund ("the Fund"). **Unclaimed Equity Dividend for the financial year 2010-11 will become due for transfer to the Fund on 1st September, 2018.**
- v) Pursuant to the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules 2017 notified by the Ministry of Corporate Affairs, the Company was required to transfer all shares in respect of which dividend has not been paid or claimed by the members for seven consecutive years or more, in the name of Investor Education and Protection Fund ("IEPF") Suspense Account. Adhering to various requirements set out in the Rules, the Company has taken appropriate action for transferring the shares to the Demat Account opened by the IEPF Authority. The Company has also uploaded details of such members whose shares are transferred to IEPF Suspense Account on its website at www.jtekt.co.in.

The shares transferred to IEPF Suspense Account including all benefits accruing on such shares, if any, can be claimed by the members from IEPF Authority, after following the procedure prescribed under the Rules.

Further, all the shareholders who have not claimed / encashed their dividends in the last seven consecutive years from 2011 are requested to claim the same. In case valid claim is not received, the Company will proceed to transfer the respective shares to the IEPF Account in terms of the IEPF Rules. In this regard, the Company has individually informed the shareholders concerned and also published notice in the newspapers as per the IEPF Rules. The details of such shareholders and shares due for transfer are uploaded on the "Investors Section" of the website of the Company viz. www.jtekt.co.in.

- 9) Members holding Equity Shares in physical form are requested to promptly notify change in their address / bank details, if any, quoting the Folio Number(s), to the Company's Registered Office or M/s. Karvy Computershare Private Limited, the Registrar and Transfer Agent.

Members holding shares in electronic form are hereby informed that the address / bank details registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of address / bank details or bank mandates. Such changes are to be advised only to the Depository Participant of the members.

- 10) Details as required in sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meeting (SS-2) of ICSI in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice of the AGM. Requisite declarations have been received from the Directors for seeking appointment / re-appointment.

- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN, if not already done, to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form are required to submit their PAN details to the Company / Karvy Computershare Private Limited, the Registrar and Transfer Agent.
- 12) All the queries related to Accounts must be sent to the Company before 3rd August, 2018.
- 13) As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members / Proxy holders are requested to bring their attendance slip along with copy of the Annual Report to the meeting.
- 14) Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID Nos. for easy identification of attendance at the meeting.
- 15) In terms of the "Green Initiative in Corporate Governance" undertaken by the Ministry of Corporate Affairs, electronic copy of the Annual Report, including Notice of the Annual General Meeting, is being sent to all the Members whose e-mail IDs are registered with the Company / Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For members, who have still not registered their e-mail IDs, physical copies of the Annual Report is being sent in the permitted mode. However, such Members are requested to register their e-mail addresses, in respect of shares held in electronic mode, with their Depository Participant and in respect of the shares held in physical mode, with the Company / Karvy Computershare Pvt. Ltd., the Registrar and Transfer Agent.
- 16) Members may note that the Notice of the Annual General Meeting and the Annual Report 2018 will also be available on the Company's website www.jtekt.co.in. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi.
- 17) **Voting through electronic means**
 - i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 - ii) The facility for voting through ballot paper shall also be made available at the venue of the Annual General Meeting.
 - iii) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.

- iv) The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") as the Agency to provide remote e-voting facility.
- v) The Board of Directors of the Company has appointed Mr. S.K. Luthra, Advocate (Enrollment Number D 70/75) or failing him Mr. Sharad Chopra, Chartered Accountant in Practice (Membership No. 503100) or failing him Mr. S.C. Jain, Advocate (Enrollment Number D 179/69) as Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner and they have communicated their willingness to the said appointment and will be available for same purpose.
- vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 3rd August, 2018.
- vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 3rd August, 2018, only shall be entitled to avail the facility of remote e-voting / voting.
- viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 3rd August, 2018, may obtain the User ID and password in the manner as mentioned below:
 - a) If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD<space>Folio No. or DP ID Client ID to 9212993399
 Example for NSDL:
 MYEPWD<space>IN12345612345678
 Example for CDSL :
 MYEPWD<space>1402345612345678
 Example for Physical :
 MYEPWD<space>XXX123456
 - b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c) Member may call Karvy's toll free number 1-800-3454-001.
 - d) Member may send an e-mail request to einward.ris@karvy.com.

If the member is already registered with Karvy e-voting platform then he can use his existing User ID and password for casting the vote through remote e-voting.
- ix) The remote e-voting facility will be available during the following period:
 - Commencement of remote e-voting : From 9.00 a.m. (IST) on 7th August, 2018.
 - End of remote e-voting: Up to 5.00 p.m. (IST) on 9th August, 2018.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

- x) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than 48 (forty eight) hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company www.jtekt.co.in and on the website of Karvy <https://evoting.karvy.com>. The results shall simultaneously be communicated to the Stock Exchanges.

xi) Instructions and other information relating to remote e-voting:

In case a member receives an e-mail from Karvy [for members whose e-mail addresses are registered with the Company / Depository Participant(s)] :

- a) Launch internet browser by typing the URL : <https://evoting.karvy.com>.
- b) Enter the login credentials (i.e. User ID and password) which will be sent separately. The E-Voting Event Number+Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.
- c) After entering these details appropriately, click on "LOGIN".
- d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.**
- e) You need to login again with the new credentials.
- f) On successful login, the system will prompt you to select the E-Voting Event Number for JTEKT India Limited.
- g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
- h) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- i) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

- j) You may then cast your vote by selecting an appropriate option and click on "Submit".
- k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
- l) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: skluthra@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

In case a member receives physical copy of the Notice by Post [for members whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

- a) User ID and initial password - These will be sent separately.
- b) Please follow all steps from Sr. No. (a) to (l) as mentioned in above, to cast your vote.

Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

Resolution No. 5

Keeping in view the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company has appointed Mrs. Geeta Mathur as an Additional Director, in the capacity of an Independent Woman Director of the Company, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting.

As an Additional Director, Mrs. Mathur holds office till the date of the Annual General Meeting and is eligible for being appointed as an Independent Woman Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Mrs. Geeta Mathur as a Director of the Company. The Company has also received a declaration from Mrs. Mathur confirming that she meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mrs. Mathur is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company. In the opinion of the Board, Mrs. Mathur fulfills the conditions for her appointment as an Independent Woman Director as specified in the Act and the Listing Regulations and she is independent of the management.

Mrs. Geeta Mathur, aged 51 years, is a Chartered Accountant, specializes in the area of project, corporate and structured finance,

treasury, investor relations and strategic planning. She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the Board of reputed companies such as Eicher Motors, SIEL Limited etc. She then worked in various capacities in large organizations such as IBM and Emaar MGF where she developed diversified expertise across Corporate Finance, Treasury, M&A, Strategy, Supply Chain, Investor Relations, Restructuring, Accounts & Audit, Corporate Governance and General Administration. Besides finance, she is equipped with strong understanding and experience in operations and commercial contracts. She has developed, reorganized, streamlined and led large national teams. She transitioned from the corporate sector to the development sector as CFO of Helpage India, where besides successful implementation of Oracle ERP and setting up processes for budgeting and MIS was consistently awarded by the Institute of Chartered Accountants and South Asian Federation of Accountants for best presented and transparency in accounts.

Mrs. Geeta Mathur holds directorship and membership of the Committees of the Board of Directors of the understated listed companies in India:

- Director in Motherson Sumi Systems Limited, NIIT Limited, IIFL Holdings Limited.
- Chairperson of Audit Committee of NIIT Limited and Member of Audit Committee of Motherson Sumi Systems Limited and IIFL Holdings Limited.

Mrs. Mathur does not hold by herself or for any other person on a beneficial basis, any shares in the Company. Mrs. Mathur is not related to any other Director and Key Managerial Personnel of the Company.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Mathur as an Independent Non-Executive Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Mathur as an Independent Non-Executive Director for a period of five (5) years with effect from 10th November, 2017, for the approval by the members of the Company.

Except Mrs. Geeta Mathur, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the Listing Regulations

The resolution is accordingly recommended for members' approval.

Resolution No. 6

Keeping in view the recommendations of the Nomination and Remuneration Committee and the proposal of JTEKT Corporation, Technical and Financial Collaborator of the Company, the Board appointed Mr. Akihiko Kawano as an additional director of the Company effective from 1st July, 2018. In terms of the provisions of the of Section 161 of the Companies Act, 2013, Mr. Kawano holds office of Director only up to the date of ensuing Annual General Meeting of the

Company. Consequently Mr. Kawano will cease to be director in 34th Annual General Meeting.

As required by Section 160 of the Companies Act, 2013, a notice along with the requisite amount of deposit has been received from a member of the Company signifying his intention to propose the appointment of Mr. Akihiko Kawano as Director of the Company. Keeping in view of Mr. Kawano's rich experience and knowledge, the Board considers it desirable that the Company should continue to avail the benefits of his expertise.

Mr. Kiyozumi Kamiki, who has been working with the Company since 2013 as Dy. Managing Director / Managing Director, will now be returning back to Japan for his new role within JTEKT Corporation, therefore, Mr. Kamiki will rescind his position of Managing Director as well as Directorship of the Company with effect from the close of the business hours of 30th June, 2018.

Further upon the proposal of JTEKT Corporation, Technical and Financial Collaborator of the Company, the Board of Directors of the Company in meeting dated 18th May, 2018, in place of Mr. Kiyozumi Kamiki, appointed Mr. Akihiko Kawano, as Managing Director for a period of three (3) years with effect from 1st July, 2018 to 30th June, 2021, with remuneration, subject to the approval of the shareholders and such other sanction(s) as may be necessary.

Mr. Akihiko Kawano, aged 55 years, is a Japanese national. Mr. Kawano completed his graduation from Nara Prefectural Nara Technical High School in 1981. Mr. Kawano joined KOYO JIDOKI Co. Ltd. in April, 1981 in the Quality Assurance Department. Upon merger of KOYO JIDOKI Co. Ltd. with KOYO SEIKO Co. Ltd. (Presently JTEKT Corporation) he became part of JTEKT family and he was then elevated to Manager in the Production Department, Nara Plant, Japan (Nara Plant) in the year 2001. During 2004-2009 he served as President, T&K Autoparts SDN. BHD. (a JTEKT group company in Malaysia). In the year 2009 he was appointed as General Manager Administration and subsequently General Manager in the Manufacturing Department of Nara Plant. From 2011 till 2015 he served as President JTEKT AUTOMOTIVE CZECH PLZEN S.R.O. and later in 2015 he was appointed as Plant Manager Nara Plant, Japan.

Mr. Kawano has hands-on experience of managing matters relating to Labour Union; he served as Secretary General of Nara Plant during 1993-2011. Mr. Kawano has got vast experience of handling manufacturing operations and quality issues.

Mr. Akihiko Kawano does not hold any Equity Shares of the Company. Mr. Kawano is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Kawano does not hold the directorship and membership of the Committees of the Board of Directors in any other listed company in India.

Pursuant to the provisions of Sections 196, 197 and 198 read with Schedule V and other applicable provisions of the Companies Act, 2013, the approval of the members is now being sought for appointment of Mr. Akihiko Kawano as Managing Director from 1st July, 2018 till 30th June, 2021, on the terms and conditions as embodied in the draft Agreement (a copy whereof shall be placed before the members) as referred to in the resolution. The extracts of the aforesaid draft Agreement to be executed between the Company and Mr. Akihiko Kawano are as under:

A) Remuneration

- a) Salary - INR 4,00,000/- (Rupees Four Lacs Only) per month.
- b) Perquisites

- i) In addition to the above remuneration, Mr. Akihiko Kawano, Managing Director of the Company shall be entitled to Rent Free Accommodation subject to a maximum of INR 2,40,000/- per month.
- ii) Mr. Akihiko Kawano, Managing Director shall also be entitled to perquisites like Medical Reimbursement, Leave Travel Concession (including visits to his home country and return by business class twice during the year) for self and family.

Explanation: 'Family' means the spouse, the dependent children and dependent parents of the Appointee.

- iii) Mr. Akihiko Kawano, Managing Director shall also be entitled to reimbursement of salary of a servant. The value of this perquisites shall be restricted to an amount equivalent to INR 7,500/- (Rupees seven thousand five hundred only) per month.
- iv) Mr. Akihiko Kawano shall also be entitled for use of chauffeur driven Company Car, as per Company's policy for official duties and telephone(s) at residence (including payment for local calls and long distance official calls, internet).
- v) Provision for payment of Club Membership Fee of one Club.
- vi) Reimbursement of highway toll equivalent to INR 1,000/- per month.
- vii) Company's contribution to Provident Fund and Superannuation Fund, as per Company's policy.
- viii) Gratuity, if any, payable will not exceed half a month's salary for each completed year of service.
- ix) Encashment of leave as per Company's policy.
- x) Group Personal Accident Insurance as per Company's Policy.

In the absence or inadequacy of profits in any financial year during the currency of the tenure of Mr. Akihiko Kawano as the Managing Director of the Company, the above remuneration shall be the minimum remuneration payable to Mr. Akihiko Kawano.

- B) The appointment is for a period effective from 1st July, 2018 to 30th June, 2021 which may be terminated by either party giving the other party three (3) months' notice.
- C) The appointment of the Managing Director is subject to the provisions of Section 167(1) of the Companies Act, 2013, while at the same time the Managing Director shall be liable to retire by rotation.
- D) The Managing Director shall not be entitled to supplement his earnings under the appointment with any buying or selling commission. He shall also not become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company, without the prior approval of the Central Government.

- E) The Managing Director shall be in the whole-time employment of the Company and thus devote the whole of his attention to the business of the Company. During the terms of the service with the Company, Managing Director hereby undertakes not to take up any other employment / assignment and further shall not draw any remuneration, commission, fees etc. from any other source in India.
- F) The terms and conditions of the said appointment and /or remuneration may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to the Managing Director in accordance with Schedule V to the Companies Act, 2013, or any amendments/re-constitution hereafter in this regard.

The information required in terms of Clause (iv) of Section II of Part II of Schedule V to the Companies Act, 2013 is as under:

I. GENERAL INFORMATION

- (1) **Nature of the Industry:** The Company is a part of Indian Auto Ancillary Components Manufacturing Industry and is engaged in the business of manufacturing Steering Systems, Propeller Shafts, Axle Assemblies and other automobile components for its various customers viz. Maruti Suzuki, Mahindra & Mahindra, Tata Motors, Honda, Fiat India, Toyota Kirloskar, General Motors, John Deere, Club Car, E-z-go, Renault-Nissan and Isuzu at its Plants located in Gurugram, Dharuhera, Chennai and Sanand. The Auto Ancillary Industry is a high technology industry with continuous advancement of technology.
- The Company has technological advantage over its competitors due to Technical Collaboration with JTEKT Corporation, Japan, the global technology leader in Steering Systems.
- (2) **Date of Commercial Production:** The Company commenced its commercial production on 1st October, 1987.
- (3) **Financial Performance:** The financial performance of the Company (audited) during last five years is as under:

Financial Parameters	(INR In Lakhs)				
	Year ended 31st March, 2013	Year ended 31st March, 2014	Year ended 31st March, 2015	Year ended 31st March, 2016	Year ended 31st March, 2017
Gross Income	127785.33	122616.70	123299.48	124530.16	133107.66
Net Profit as per Profit & Loss Account	3061.08	5166.15	1797.72	2499.73	2358.52
Amount of Dividend Paid	1291.82	1589.93	1291.82	993.71	993.71
Rate of Dividend Declared	65%	80%	65%	50%	50%

- (4) **Financial performance based on given indicators:** The Company sales are increasing corresponding to growth of Indian Automotive Industry.
- (5) **Export performance and net foreign exchange:** The exports done by the Company, during the previous five (5) years, are as under:

i)	For the year ended 31.3.2013	: INR 6244.31 lakhs
ii)	For the year ended 31.3.2014	: INR 8902.62 lakhs
iii)	For the year ended 31.3.2015	: INR 6025.25 lakhs
iv)	For the year ended 31.3.2016	: INR 7601.53 lakhs
v)	For the year ended 31.3.2017	: INR 7189.09 lakhs

- (6) **Foreign investment or collaboration, if any:** The Company has entered into a Technical Collaboration Agreement with JTEKT Corporation (Formerly: Koyo Seiko Co., Ltd., Japan), the global technology leader in Steering Systems (hereinafter referred to as "JTEKT") for the manufacture of Manual Steering Systems in the year 1985, which has been extended from time to time. In order to cement the relationship between the Company and JTEKT, in the year 1992, the Company had allotted 6,00,000 nos. of Equity Shares of INR 10/- each at a premium of INR 22/- per share to JTEKT, on preferential basis, contributing to 7.8% Equity Share Capital of the Company.

In 1996, the Company had also acquired technology for manufacture of Power Steering Systems from JTEKT. In order to further strengthen the strategic alliance with JTEKT, the Company had allotted additional 12,00,000 nos. of Equity Shares of INR 10/- each for cash at a premium of INR 82/- per share to JTEKT, on preferential basis, in 1997.

With the increasing demand of Electric Power Steering in the car market and to meet the requirement of the car manufacturers in this regard, the Company negotiated with JTEKT to obtain the technology for Electric Power Steering and executed a technology transfer agreement for this purpose.

During the financial year 2006-07, the Company allotted additional Equity Shares and Convertible Warrants to Promoter Group including JTEKT Corporation. Consequent upon this, JTEKT Corporation holds 20.10% stake in the Equity Share Capital of the Company.

On 01st February, 2017 Sona Autocomp Holding Limited ('SAHL'), one of the Promoters of the Company, entered into a Share Purchase Agreement with JTEKT Corporation, Japan ('JTEKT'), Technical and Financial Collaborator of the Company and a member of the Promoter Group. In terms of the said Share Purchase Agreement, on May 18, 2017, JTEKT acquired from SAHL 25.12% of the equity shares of the Company on a fully diluted basis. Consequent to the said transaction, JTEKT's shareholding in the Company increased from 20.10% to 45.22%.

Further JTEKT acquired 25.23% from the general public vide public offer (open offer), made in compliance to the provisions of Regulation 3(1), 3(2), 3(3) and Regulation 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Thus JTEKT's equity holding was further increased from 45.22% to 70.45%.

In order to bring public shareholding to the minimum threshold level of 25%, JTEKT sold excess Promoters' shareholding of 2.39%, by way of 'Offer for Sale' (OFS) in accordance with the guidelines issued by Securities & Exchange Board of India, in two tranches completed on 20th March, 2018 and 9th April, 2018.

At present, the JTEKT's shareholding in the Company stands at 68.06%.

II. INFORMATION ABOUT THE APPOINTEE

- (1) **Background Details:** The appointee is graduate from Nara Prefectural Nara Technical High School and has a working experience of over 37 Years.
- (2) **Past Remuneration:** INR 80 lakhs per annum (approx.) (In previous employment, JTEKT Corporation, Japan.)
- (3) **Recognition or awards:** NIL
- (4) **Job profile and his suitability:** The appointee is the Managing Director of the Company and is responsible for entire manufacturing operations of Company's all Plants, with quality assurance, productivity, delivery and cost being the main deliverables. Keeping in view of his experience and knowledge, he is best suited for the position.
- (5) **Remuneration Proposed:** The detail of the remuneration proposed is as mentioned hereinabove.
- (6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** The appointee is a graduate from Nara Prefectural Nara Technical High School and has a working experience of over 37 Years. The present job responsibilities of the appointee are - entire manufacturing operations of Company's all Plants, with quality assurance, productivity, delivery and cost being the main deliverables. Accordingly, keeping in view the present scenario of high pay package being offered by MNC / Class 'A' Indian Corporate(s), the proposed remuneration package of the appointee matches to the prevailing remuneration package in the concerned industry, size of the Company, profile of the position etc.
- (7) **Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Except to the extent of his employment with the Company and being represented by JTEKT Corporation, the Financial and Technical Collaborator of the Company, Mr. Akihiko Kawano does not have any pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel.

III. OTHER INFORMATION

- (1) **Reasons of loss or inadequate profits:** Not applicable, since the Company has earned adequate profits for the year ended 31st March, 2018 to cover the remuneration payable to the Managing Director.
- (2) **Steps taken or proposed to be taken for improvement:** Not Applicable
- (3) **Expected increase in productivity and profits in measurable terms:** Not Applicable

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 the Board recommends the Special Resolution set out at item no. 6 of the accompanying notice for approval of the members.

Except Mr. Akihiko Kawano, being the appointee and Mr. Hidekazu Omura and Mr. Seiho Kawakami to the extent that they are the representatives of JTEKT Corporation, Japan, none of the Directors and/or Key Managerial Personnel of the Company and their relatives

is in any way, concerned or interested financially or otherwise in the resolution pertaining to his appointment as Managing Director from 1st July, 2018 till 30th June, 2021. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution is accordingly recommended for members' approval.

Resolution No. 7

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent directors. The Independent Directors of your Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as corporate strategy, information systems, and finance. The Board is of the view that it is necessary that adequate compensation be given to the Independent Directors so as to compensate them for their time and efforts.

The shareholders of the Company have at the Annual General Meeting held on 18th July, 2013, accorded their consent for payment of commission on profits to the Independent Directors of the Company at a rate not exceeding 1 (one) per cent of the net profits of the Company in any fiscal year (computed in the manner provided in computed in the manner laid down in Section 349 & 350 of the Companies Act, 1956).

In view of Sections 149, 197 and any other relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and taking into account the roles and responsibilities of the directors, it is proposed that the Independent Directors be paid for each of the five financial years of the Company commencing from 1st April 2018, a remuneration not exceeding one percent per annum of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013. This remuneration will be distributed amongst Independent Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013.

This remuneration shall be in addition to the fee payable to the Independent Directors for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

The Board of Directors in its meeting held on 18th May, 2018, subject to the approval of the Shareholders, have approved the payment of commission up to a sum not exceeding 1 (one) per cent of the net profits of the Company to the Independent Directors of the Company for a further period of five years commencing from 1st April, 2018.

Accordingly, approval of the Shareholders is sought by way of a Special Resolution under the applicable provisions of the Companies Act, 2013, for payment of remuneration by way of commission to the Independent Directors of the Company, for a period of five years commencing from 1st April 2018 as set out in the Resolution at item no. 7 of the Notice.

All Independent Directors of the Company are concerned and interested in this resolution to the extent of their share, if any, in the profits of the Company.

The resolution is accordingly recommended for members' approval.

Profile of Directors seeking appointment / re-appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Re-appointment of Mr. Toshiya Miki (Item No. 3)

Mr. Toshiya Miki, aged 49 years, is a Japanese national. He has completed his Graduation from Meiji University, Nagoya in 1991. He joined Suzuki Corporation in 1991 and became Plastic In-charge of Suzuki Purchase Department. In 1998, He became resident of Magyar Suzuki Purchase and thereafter in 2003, he held the position of GM Joint purchasing in Suzuki Purchase Department. During his association with the Company he held various important positions and handled the Cost Control Department, Business Promotion Department (VW Purchase) and Overseas Purchase Department and later in November, 2015, he became MSIL (Maruti Suzuki India Limited) Purchase Resident.

Mr. Miki holds directorship in one more listed Company in India viz. Bharat Seats Limited but he is not a member of any of the Committee of Directors. Mr. Toshiya Miki does not hold any Equity Shares of the Company.

Mr. Miki is not related to any other Director and Key Managerial Personnel of the Company.

Appointment of Mrs. Geeta Mathur (Item No. 5)

For the details of Mrs. Geeta Mathur, please refer to the above Explanatory Statement in respect of the Special Business set out at item no. 5 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Appointment of Mr. Akihiko Kawano (Item No. 6)

For the details of Mr. Akihiko Kawano, please refer to the above Explanatory Statement in respect of the Special Business set out at item no. 6 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Inspection of Documents

The material documents referred to hereinabove will remain open for inspection for the members at the Registered Office of the Company from the date hereof up to the date of the ensuing Annual General Meeting during 3.00 PM to 5.00 PM on working days.

Place : Registered Office:
UGF-6, Indra Prakash
21, Barakhamba Road
New Delhi 110 001.
Dated : 18th May, 2018

By Order of the Board

Sudhir Chopra
Director (Corporate Affairs) &
Company Secretary

JTEKT**JTEKT INDIA LIMITED**

[Formerly known as Sona Koyo Steering Systems Limited]

(CIN : L29113DL1984PLC018415)

Regd.Off.- UGF-6, Indraprakash 21, Barakhamba Road, New Delhi 110 001.

Tel.No. – 011-23311924, 23327205

Email – investorgrievance@jtekt.co.in, Website – www.jtekt.co.in**PROXY FORM**

I/We, R/o

being the member(s), holdingshares of JTEKT India Limited hereby appoint:

- (1) Name..... Address
Email Id:..... Signature or failing him/her;
- (2) Name..... Address
Email Id:..... Signature or failing him/her;
- (3) Name..... Address
Email Id:..... Signature or failing him/her;

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirty Fourth Annual General Meeting of the Company, to be held on Friday, the 10th August, 2018 at 10.00 a.m. at Air Force Auditorium, Subroto Park, New Delhi 110 010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional*	
		For	Against
Ordinary Business			
1.	Adoption of Accounts for the year ended 31st March, 2018.		
2.	Declaration of dividend on equity shares.		
3.	Re-appointment of Mr. Toshiya Miki (holding DIN 07505339), who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	To ratify the appointment of M/s. B.S.R. & Co. LLP, Chartered Accountants (ICAI Registration No.: 101248W/W-100022), as Statutory Auditors of the Company.		
Special Business			
5.	Appointment of Mrs. Geeta Mathur (holding DIN 02139552) as Independent Director of the Company.		
6.	Appointment of Mr. Akihiko Kawano as Managing Director of the Company.		
7.	Payment of commission to the Independent Directors of the Company.		

Signed this..... day of 2018.

Member's Folio/DP ID-Client ID No.....Signature of shareholder(s).....

Signature of Proxy holder (s).....

Affix
Revenue
Stamp of
INR 1/-

- Notes
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
 2. For the Resolutions, Explanatory Statement and Notes please refer to the Notice of the Thirty Fourth Annual General Meeting.
 - *3. It is optional to put a (✓) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 4. Please complete all details including details of member(s) in above box before submission.