

16th September, 2022

The BSE Limited

Department of Corporate Services
Floor 1, New Trading Ring
Rotunda Building. P.J. Towers
Dalal Street, Fort
Mumbai 400 001.

Scrip Code - 520057

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra - Kurla Complex
Bandra (E)
Mumbai 400 051.

Symbol - JTEKTINDIA; Series - EQ

Sub: Postal Ballot Notice.

Dear Sir,

In furtherance to our letter dated 12th September, 2022, please find enclosed the Notice of Postal Ballot dated 12th September, 2022 (the 'Notice') together with the Explanatory Statement for seeking approval of Members of the Company by way of Ordinary Resolutions for ***'entering into material related party transactions with its related parties viz. Maruti Suzuki India Limited, JTEKT Corporation Japan and JTEKT Fuji Kiko Automotive India Limited.'***

In accordance with the requirements, the said Notice is being sent electronically to those Members whose names appear in the Register of Members/ List of Beneficial Owners as on Wednesday, the 14th September, 2022 ('cut-off date') and whose e-mail IDs are registered with Kfin Technologies Limited ('KFIN'), the Registrar & Share Transfer Agent of the Company or the Depository Participant(s).

The remote e-voting period shall commence on Monday, the 19th September, 2022 at 09:00 a.m. and conclude on Tuesday, the 18th October, 2022 at 05:00 p.m. The results of the remote e-voting shall be declared within two working days of the conclusion of the remote e-voting i.e. Thursday, the 20th October, 2022.

The copy of the said Notice is also being uploaded on the website of the Company i.e. www.jtekt.co.in and of KFIN i.e. <https://evoting.kfintech.com>.

Kindly take the same on records.

Thanking you,

Yours faithfully,
For **JTEKT India Limited**

Ashish Srivastava
Company Secretary

Regd. Office : UGF-6, Indra Prakash 21, Barakhamba Road, New Delhi - 110 001, India.
Tel : +91 11 2331 1924 / 2332 7205, **Telefax :** +91 11 2332 7205
CIN : L29113DL1984PLC018415, **Website :** www.jtekt.co.in

Corporate Office : 38/6, Delhi-Jaipur Road, NH-48, Gurugram - 122 001, Haryana, India.
Tel : +91 124 468 5000.



JTEKT INDIA LIMITED

(CIN : L29113DL1984PLC018415)

Regd. Office : 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

POSTAL BALLOT NOTICE

[Pursuant to Section 108 and Section 110 of the Companies Act, 2013, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014]

To

The Members of JTEKT India Limited (the “Company”)

NOTICE is hereby given that pursuant to the provisions of Section 108, Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (the “Rules”), including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereto, for the time being in force and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs (“MCA”) for holding general meetings / conducting the process of postal ballot through remote e-voting vide General Circular Nos. 14/2020 dated 8th April, 2020; 17/2020 dated 13th April, 2020; 22/2020 dated 15th June, 2020; 33/2020 dated 28th September, 2020; 39/2020 dated 31st December, 2020; 10/2021 dated 23rd June, 2021, 20/2021 dated 8th December 2021 and 03/22 dated 5th May 2022 including any other circular issued in this regard (“Relevant Circulars”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), Secretarial Standard – 2 issued by the Institute of Company Secretaries of India and other applicable laws and regulations, circulars, if any, the resolutions appended below are proposed to be passed by the Members of the Company, by way of postal ballot through remote voting by electronic means only:

SPECIAL BUSINESS

Resolution No. 1

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act, and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable provisions of Listing Regulations, if any, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s) / agreements(s) / arrangement(s) / transaction(s), between the Company with Maruti Suzuki India Limited (“**MSIL**”) for the transactions as given below :

- (a) sale / supply of steering systems, drive-line products and components thereof; and
- (b) related cost of tooling and development and other expenses linked with the production of aforesaid products

on such terms and conditions as specified in the explanatory statement annexed to this notice, subject to such transactions being undertaken on an arm’s length basis and in the ordinary course of business of the Company

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**the Board**”, which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and are hereby authorised, to execute, deliver and perform such agreements, contracts, deeds and other documents on an ongoing basis and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient in order to give effect to this resolution.”

Resolution No. 2

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“**the Act**”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act, and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable provisions of Listing Regulations, if any, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s) / agreements(s) / arrangement(s) / transaction(s), between the Company with JTEKT Corporation, Japan (“**JJP**”) for the transactions as given below :-

- (a) Technical assistance from JJP to manufacture and sell the Licensed Products (steering systems, driveline products and components thereof) as per Technical Assistance Agreement and involving payment of initial royalty (development cost) and running royalty on production and sale as per the terms of agreements and reimbursement of related expenses;
- (b) Purchase of components required in the manufacturing of Licensed products and Tooling / Fixtures / other capital goods for use in production process

on such terms and conditions as specified in the explanatory statement annexed to this notice, subject to such transactions being undertaken on an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**the Board**”, which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and are hereby authorised, to execute, deliver and perform such agreements, contracts, deeds and other documents on an ongoing basis and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient in order to give effect to this resolution.”

Resolution No. 3

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

“**RESOLVED THAT** pursuant to the provisions of section 188 of the Companies Act, 2013 (“**the Act**”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act, and the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and other applicable provisions of Listing Regulations, if any, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into contract(s) / agreements(s) / arrangement(s) / transaction(s), between the Company with JTEKT Fuji Kiko Automotive India Limited (“**JFIN**”) for the transactions as given below :-

- (a) Purchase of jacket Assembly, column & column parts and other components required in the manufacturing of steering systems including cost of development of tools and fixtures and related costs essential to the production of these parts at JFIN;
- (b) Sale of worm housing assembly and other parts required in the manufacturing of jacket assembly and other products at JFIN;
- (c) Reimbursement of expenses and other business transactions like testing charges, cost of samples integral to the business etc.

on such terms and conditions as specified in the explanatory statement annexed to this notice, subject to such transactions being undertaken on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “**the Board**”, which term shall be deemed to include, unless context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) be and are hereby authorised, to execute, deliver and perform such agreements, contracts, deeds and other documents on an ongoing basis and deal with any matters, take necessary steps in the matter as they may in their absolute discretion deem necessary or expedient in order to give effect to this resolution.”

By Order of the Board

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

Dated : 12th September, 2022

Ashish Srivastava
Company Secretary
[Membership No. – A20141]

NOTES:

- 1) The relevant explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 setting out the material facts and reasons is given herein below.
- 2) Due to the outbreak of COVID-19 Pandemic, the Ministry of Corporate Affairs (“MCA”) vide the relevant Circulars, has permitted companies to conduct the Postal Ballot by sending the Notice in electronic form only. The communication of the assent or dissent of the Members would take place through the process of remote e-voting.
- 3) In accordance with the relevant Circulars, the Members are requested to take note of the following:
 - I) Notice of Postal Ballot and the e-voting instructions along with the User ID and Password are being sent by email to those Members who have registered their email address with their Depository Participant(s) (“DPs”) or with Kfin Technologies Limited, the Registrar and Share Transfer Agent of the Company (“KFINTECH”) and whose names appear in the Register of Members / List of Beneficial Owners as received from the National Securities Depository Limited and Central Depository Services (India) Limited (“Depositories”) as on **Wednesday, 14th September, 2022** (“Cut-off Date”).
 - II) Members holding shares in electronic form can verify/update their email address and mobile number with their respective DPs. Members can also temporarily update their email address and mobile number with KFINTECH, by following the procedure given below:
 - i) Visit the link <https://ris.kfintech.com/clientservices/postalballot>
 - ii) Select the company name: JTEKT India Limited
 - iii) Enter DPID Client ID (in case shares are held in electronic form)/Physical Folio No. (in case shares are held in physical form) and Permanent Account Number (“PAN”).
 - iv) In case of shares which are held in physical form, if PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.

- v) Enter the email address and mobile number.
- vi) System will check the authenticity of the DPID Client ID/Physical Folio No. and PAN / Certificate No., as the case may be and send the OTPs to the said mobile number and email address, for validation.
- vii) Enter the OTPs received by SMS and Email to complete the validation process. (Please note that the OTPs will be valid for 5 minutes only).
- viii) In case the shares are held in physical form and PAN is not available, the system will prompt you to upload the self-attested copy of your PAN.
- ix) System will confirm the email address for the limited purpose of serving the Postal Ballot Notice and the remote e-voting instructions along with the User ID and Password.

Alternatively, Members may send an email request to einward.ris@kfintech.com along with the scanned copy of their request letter duly signed by the 1st member, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFINTECH to temporarily register their email address and mobile number so as to enable to issue the Postal Ballot Notice and the remote e-voting instructions along with the User ID and Password, through electronic mode. However, Members holding shares in electronic form, will have to once again register their email address and mobile number with their DPs, to permanently update the said information.

In case of any queries, in this regard, Members are requested to write to einward.ris@kfintech.com or evoting@kfintech.com or contact KFINTECH at toll free number: 1800 309 4001.

- III) The Postal Ballot Notice has been uploaded on the website of the Company (www.jtekt.co.in), KFINTECH (<https://evoting.kfintech.com/public/Downloads.aspx>), National Stock Exchange of India Limited (www.nseindia.com) and BSE Limited (www.bseindia.com), in compliance with the relevant Circulars.

4) **Remote e-voting:**

- I) In compliance with Regulation 44 of the Listing Regulations and Section 108 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and the relevant Circulars, the Company is pleased to provide facility of remote e-voting to enable its Members to cast their votes electronically in respect of the Resolutions as set out in this Postal Ballot Notice.
- II) The remote e-voting period **commences from Monday, 19th September, 2022 (9:00 a.m. IST) and ends on Tuesday, 18th October, 2022, (5:00 p.m. IST)**. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFINTECH upon expiry of the aforesaid period. Once the vote on the resolutions is cast by the Member, he/she shall not be allowed to change it subsequently.
- III) The Company has appointed Mr. Arun Kumar Gupta, Practicing Company Secretary (Membership No. A21227) or failing him Mr. Kapoor Chand Garg, Practicing Company Secretary (Membership No. F7145), as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- IV) The voting rights of the Members shall be in proportion of their shareholding to the total issued and paid up equity share capital of the Company as on the cut-off date i.e. **Wednesday, 14th September, 2022**.
- V) A person who is not a Member of the Company as on the said cut-off date, will not be entitled to vote and should treat this Postal Ballot Notice, for information purposes only.
- VI) Members holding shares either in physical form or dematerialized form, as on the cut-off date i.e. **Wednesday, 14th September, 2022** (including those Members who may not receive this Postal Ballot Notice due to non-registration of their email address with KFINTECH or the DPs, as aforesaid) can cast their votes electronically, in respect of the Resolutions as set out in the Postal Ballot Notice only through the remote e-voting.
- VII) **Instructions for voting through remote e-voting:**
 - a) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on “e-Voting facility provided by Listed Companies”, e-Voting process has been enabled to all the individual demat account holders, by way of single login

credential, through their demat accounts / websites of Depositories / Depository Participant(s) ('DPs') in order to increase the efficiency of the voting process.

- b) Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. The members are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

Login method for remote e-voting for Individual Shareholders holding securities in demat mode.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for Internet based Demat Account Statement (IDeAS) facility of NSDL:</p> <ol style="list-style-type: none"> i) Visit URL: https://eservices.nsdl.com ii) Click on the 'Beneficial Owner' icon under Login under 'IDeAS' section. iii) A new page will open. Enter your User ID and Password for accessing IDeAS. iv) On successful authentication, you will enter your IDeAS service login. Click on 'Access to e-Voting' under 'Value Added Services' on the panel available on the left hand side. v) Click on 'Active E-Voting Cycles' option under E-Voting. vi) You will see Company Name 'JTEKT India Limited' on the next screen. Click on the e-Voting link available against JTEKT India Limited or select e-Voting service provider 'KFINTECH' and you will be re-directed to the e-Voting page of KFINTECH to cast your vote without any further authentication. <p>2. User not registered for IDeAS e-services facility of NSDL:</p> <ol style="list-style-type: none"> i) To register click on link : https://eservices.nsdl.com ii) Select 'Register Online for IDeAS' or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp iii) Proceed with completing the required fields. iv) After successful registration, please follow steps given in points 1 above to cast your vote. <p>3. Alternatively by directly accessing the e-voting website of NSDL:</p> <ol style="list-style-type: none"> i) Open URL: https://www.evoting.nsdl.com/ ii) Click on the icon 'Login' which is available under 'Shareholder/Member' section. iii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. iv) On successful authentication, you will enter the e-voting module of NSDL. Click on 'Active E-voting Cycles / VC or OAVMs' option under E-voting. You will see Company Name: 'JTEKT India Limited' on the next screen. Click on the e-voting link available against JTEKT India Limited or select e-voting service provider 'KFINTECH' and you will be re-directed to the e-voting page of KFINTECH to cast your vote without any further authentication.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing user who have opted for Easi / Easiest facility of CDSL:</p> <ol style="list-style-type: none"> i) Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com ii) Click on New System Myeasi / Login to My Easi option under Quick Login iii) Login with your registered user id and password. iv) You will see the Company name 'JTEKT India Limited' on the next screen. Click on the e-voting link available against JTEKT India Limited or select e-voting service provider 'KFINTECH' and you will be re-directed to the e-voting page of KFINTECH to cast your vote without any further authentication. <p>2. User not registered for Easi/Easiest facility of CDSL:</p> <ol style="list-style-type: none"> i) Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	<ul style="list-style-type: none"> ii) Proceed with completing the required fields. iii) After successful registration, please follow steps given in point 1 above to cast your vote. <p>3. Alternatively, by directly accessing the e-voting website of CDSL:</p> <ul style="list-style-type: none"> i) Visit URL: www.cdslindia.com ii) Provide your demat Account Number and PAN. iii) System will authenticate user by sending OTPs on registered Mobile & Email as recorded in the Demat Account. iv) On successful authentication, you will enter in the e-voting module of CDSL. Click on the e-voting link available against JTEKT India Limited or select e-voting service provider 'KFINTECH' and you will be re-directed to the e-voting page of KFINTECH to cast your vote without any further authentication.
Individual Shareholders login through their demat accounts / Website of Depository Participant	<ul style="list-style-type: none"> i) You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. ii) Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature. iii) Click on options available against company name 'JTEKT India Limited' or e-voting service provider – KFINTECH and you will be redirected to e-voting website of KFINTECH for casting your vote during the remote e-voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

For Technical Assistance : Individual Shareholders holding shares in demat mode who need assistance for any technical issues related to login through Depositories i.e. NSDL and CDSL may reach out to below helpdesk:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

VIII) Login method for e-voting for members other than Individuals holding securities in demat mode and members holding securities in physical mode.

A) Members whose email IDs are registered with the Company/Depository Participant(s), will receive an email from KFINTECH which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- a) Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- b) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFINTECH for e-voting, you can use your existing User ID and password for casting the vote.
- 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 of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (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 ID 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 “EVEN” of ‘JTEKT India Limited’ and click on “Submit”
- 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 “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- h) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
- 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 have voted on the resolutions, 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 Resolutions.
- 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/Authority Letter etc., authorizing its representative to cast vote on its behalf through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id aruncs.gupta@gmail.com with a copy marked to evoting@kfintech.com on or before **Tuesday, 18th October, 2022 (05.00 p.m. IST)**.

IX) Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently Notice of Postal Ballot and e-voting instructions cannot be serviced, will have to follow the following process:

- a) Members who have not registered their email address and in consequence, the Postal Ballot Notice and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFINTECH, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
- b) Alternatively, member may send an email request at the email id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the notice of postal ballot and the e-voting instructions.
- c) After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

X) Other Instructions:

- A) Any member who has not received/forgotten the User ID and Password, may obtain/generate/retrieve the same from KFINTECH 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>e-voting Event Number + Folio No. or DP ID Client ID to 9212993399.
 - i) Example, for NSDL:
MYEPWD<SPACE>IN12345612345678
 - ii) Example, for CDSL:
MYEPWD<SPACE>1402345612345678
 - iii) Example for Physical:
MYEPWD<SPACE>SOE098765
 - b) If email address or mobile number of the Member is registered against Folio No./ DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a new password.
 - c) Members who may require any technical assistance or support during the e-voting period are requested to contact KFINTECH’s toll-free numbers 1800-309-4001 or write to them at evoting@kfintech.com.
 - d) In case of any query, clarification(s) and/or grievance(s), in respect of remote e-voting, please refer the Help & Frequently Asked Questions (FAQs) section and e-voting user manual available at the download Section of KFINTECH’s website <https://evoting.kfintech.com/public/Downloads.aspx> or contact Mr. Rajeev Kumar at rajeev.kr@kfintech.com or call KFINTECH’s toll free No. 1800-309-4001 for any further clarification.
- 5) The Scrutinizer shall, after conclusion of remote e-voting submit his report to the Chairman of the Company. The result of the Postal Ballot will be declared by the Chairman or any person authorized by the Board, in this regard, not later than two working days of the conclusion of the remote e-voting i.e. **Thursday, 20th October, 2022**.
 - 6) The Result(s) in respect of the Resolutions as set out in the Postal Ballot Notice, so declared, along with the Scrutinizer’s Report will be communicated to the Stock Exchanges, not later than **Thursday, 20th October, 2022** and will be uploaded on the website of the Company i.e. www.jtekt.co.in and of KFINTECH i.e. <https://evoting.kfintech.com/public/Downloads.aspx>. The said Results will also be displayed at the Registered Office of the Company.
 - 7) In case Members have any queries or need any assistance on remote e-voting, they may write to KFIN at einward.ris@kfintech.com or evoting@kfintech.com or they may contact KFINTECH at toll free number: 1800 309 4001.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 AND THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, AS AMENDED, SETTING OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS PROPOSED TO BE TRANSACTED UNDER ITEM NO. 1 TO 3 OF THE ACCOMPANYING POSTAL BALLOT NOTICE

The members may note that the Securities and Exchange Board of India (“SEBI”) notified SEBI (Listing Obligation and Disclosure Requirements) (Sixth Amendment) Regulation, 2021 on November 9, 2021 which were effective from April 1, 2022. The amended provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) defines a “material related party transaction” as transaction to be entered into individually or taken together with previous transactions during a financial year by the company, which exceeds INR 1,000 crore or 10% of annual consolidated turnover of the listed entity, whichever is lower, as per last audited financial statements of the listed entity. Further, such “material related party transactions” require prior approval of shareholders of the company.

SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and vide SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 (hereinafter collectively referred to as “**SEBI Circulars**”) had, *inter-alia*, clarified that the shareholders’ approval of omnibus related party transactions approved in an annual general meeting shall be valid up to the date of the next annual general meeting for a period not exceeding fifteen months. SEBI had also clarified that in case of omnibus approvals for material RPTs obtained from shareholders in general meeting other than AGMs, the validity of such approvals shall not exceed one year.

Now, considering clarifications issued by SEBI it is proposed to seek approval from the shareholders of the Company for “material related party transactions” by the Company as mentioned in the resolution number 1 to 3 read with the terms and conditions presently stated in this explanatory statement.

It may be noted that the aforesaid resolutions were proposed by way of ordinary resolution in accordance with the applicable provisions of the Companies Act, 2013 read with Listing Regulations and SEBI Circulars in the annual general meeting of the Company held on August 26, 2022, however the said resolution could not muster requisite votes as required for approval. Hence, by way of this postal ballot, the Company is approaching the shareholders again to seek their approval.

Resolution No. 1

Rationale for the related party transactions with Maruti Suzuki India Limited (“MSIL”)

Your Company is engaged in the manufacture of steering systems and driveline products mainly for the passenger vehicle segment in the automobile sector. Your Company, over the years, has established itself as a reliable supplier of high quality steering and driveline products and currently supplies to major OEMs in India including Maruti Suzuki, Toyota Kirloskar, Mahindra & Mahindra, Tata Motors, Renault-Nissan, Fiat India, Club Car, Ezgo, Peugeot Societe Anonyme (PSA) and Isuzu. Maruti Suzuki India Limited (“**MSIL**”) is the market leader in the automobile sector with market share of around 40% in the passenger vehicle segment. Your Company is one of the major suppliers to MSIL and typically meets around 50% of MSIL’s requirements of steering systems. Considering MSIL is the largest customer of the Company, the aforesaid related party transaction with MSIL is not only crucial but also critical for survival and growth of the business of the Company.

MSIL being shown as co-promoter of the Company which currently holds 5.64% of the equity shares in the capital of the Company. The interest of MSIL in the Company is limited to the extent of MSIL’s shareholding in the Company.

It may be noted that the shareholders of the Company had approved related party transactions with MSIL up to an overall aggregate limit of INR 2000 Crores in the annual general meeting of the Company held on August 09, 2019. It is proposed to revise the said aggregate limit to INR 2500 Crores for the term as stated in the table below.

The brief particulars of the material related party contracts and / or transactions and / or arrangements entered / to be entered into by the Company with MSIL and corresponding approval required are as under:

Particulars	Information
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	Maruti Suzuki India Limited (“ MSIL ”) MSIL is the co-promoter of the Company and holds 5.64% of equity shares in the capital of the Company.

Type, material terms and particulars of the proposed transaction.	The transactions are in relation to sale, supply of steering systems, drive-line products and components thereof, related cost of tooling and development and other expenses linked with the production of these products. The transactions including proposed transactions will be at an arm's length basis and in the ordinary course of business.
Rationale for transaction	MSIL is the largest customer for the Company. Over the years, the Company has established itself as one of the major suppliers of steering systems and currently MSIL procures around 50% of its total requirements of steering systems from the Company. The Company works continuously to gain additional share of business of MSIL by competing with other vendors of this product. MSIL is the leader in passenger and utility vehicle segment and hence association with MSIL is not only crucial but critical for the survival and growth of the business of the Company as sale to MSIL usually constitutes approx. 50% to 73% of the total sales of your Company.
Tenure of the proposed transaction (particular tenure shall be specified).	As per Industry practice the agreements executed between MSIL and the Company are long term and of ongoing nature unless terminated by the parties otherwise, however, the resolution will be valid for a period of one year in accordance with SEBI Circular number SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022.
Pricing and financial Arrangements	<p>The arrangement between the Company and MSIL is on a nonexclusive basis and therefore the parties would be free to enter into similar contracts with other parties if there is an associated cost benefit, subject to necessary approvals.</p> <p>The settlement of price follows a commercial process of RFQ (request for quotation by MSIL customer), filing of quotations by the Company and final award of business based on pricing and other parameters.</p> <p>Pricing for products is hence on an arm's-length basis and in the ordinary course of business.</p>
Value of the proposed transaction.	INR. 2500 crores per annum plus applicable taxes in force.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).	The value of related party transactions of INR 1157.85 crores executed between the Company and MSIL during financial year 2021-22 accounted for 72.9% of the consolidated turnover of the Company for financial year 2021-22. The proposed limit of INR 2500 crores is based on business forecast as well as to provide for any additional demand based on promising market conditions. The said proposed limit of INR 2500 crores is 157.4% of the consolidated turnover of the Company for the financial year 2021-2022.

Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPTs on a voluntary basis	The proposed limit of INR 2500 crores is equivalent to 2.83% of the consolidated turnover of MSIL for the financial year 2021-22.				
Details of transactions executed in the last three years					Rs Lacs
	Related Party	Brief Nature of Transactions	FY-2019-20	FY-2020-21	FY-2021-22
	Maruti Suzuki India Limited (Co-Promoter)	(a) Sale / supply of steering systems, drive line products and components thereof	1,07,046	1,01,580	1,15,689
		(b) Related cost of tooling and development and other expense	10	10	5
Total Related Party Transactions		1,07,056	1,01,590	1,15,694	
In addition to above transactions of expense & revenue, MSIL has given advance of Rs. 71.48 lacs for development of tooling outstanding as on 31/3/2022 and further the Company paid dividend of Rs. 20.7 lacs in FY 2021-22					

Mr. Taku Sumino, a nominee director of MSIL on the Board of Company may be deemed to be interested in the enabling resolution. Except to the extent mentioned hereinabove, none other Directors and/or Key Managerial Personnel(s) or their relatives are in any way concerned or interested in the resolution.

Further, in terms of Regulation 23 of the Listing Regulations, all entities falling within the definition of related parties under the Listing Regulations shall not vote to approve the relevant transactions irrespective of whether such entities are a party to the particular transaction or not. Accordingly, related parties of the Company shall not vote to approve the aforesaid resolution(s) under Resolution No. 1.

The resolution is accordingly recommended for members' approval.

Resolution No. 2

Rationale for the related party transactions with JTEKT Corporation, Japan ('JJP')

JTEKT Corporation, Japan ('JJP') is engaged in the manufacture of steering systems, driveline systems and bearings and its components and owns valuable technique and know-how on manufacturing of such products through research, development and experience for many years. JJP is a world leader in steering technology and holds more than 25% of global market share in steering.

Steering systems are safety components and faulty design or product may lead to fatal accidents and therefore the production of these systems require a high degree of quality assurance. JJP provides to the Company :

- (i) Technical know-how on design covering (a) Assembly drawing of the License Products; and (b) Component parts drawing of the License Products.
- (ii) Technical know-how on manufacturing techniques including (a) Working diagram, (b) Drawing of cutting tool and inspection Jig, (c) Quality control Process List, (d) Inspection standards, (e) Specifications for inspection equipment, (f) drawing or specifications of measurement machine; and (g) Specifications for testing Machine and performance test as per the requirement of each specific product developed and manufactured in India by the Company.

Almost 63 percent of the products sold by the Company are manufactured using the technology provided by JJP to the Company. Therefore, the technical know-how provided by JJP to the Company is crucial for the survival and growth of the business of your Company

The shareholders of the Company had approved related party transactions with JJP up to an overall aggregate limit of INR 400 Crores in the annual general meeting of the Company held on August 09, 2019. Owing to the SEBI Circular dated April 08, 2022, which provides for obtaining yearly approvals in relation to all the material omnibus related party transactions, the Company is seeking approval of its shareholders for entering into related party transaction with JJP up to an overall aggregate limit of INR 250 Crores.

The brief particulars of the material related party contracts and / or transactions and / or arrangements entered / to be entered into by the Company with JJP and corresponding approval required are as under:

Particulars	Information
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	<p>JTEKT Corporation, Japan (JJP)</p> <p>The Company first entered into a technical collaboration agreement with JJP for the manufacture of steering systems in the year 1985, which has been extended from time to time by adding new products.</p> <p>In the year 2017, JJP acquired shares from the Indian promoter of the Company as well as from general public. Currently JJP is the largest promoter of the Company and it holds 68.33% in the equity shares of the Company.</p> <p>Since 1985, JJP has been the technical collaborator of the Company and approx. 63% of the products sold by the Company are manufactured using the technology provided by JJP to the Company.</p>
Type, material terms and particulars of the proposed transaction.	<p>(a) Technical assistance from JJP to manufacture and sell the Licensed Products (steering systems, driveline products and components thereof) as per Technical Assistance Agreement and involving payment of initial royalty (development cost) and running royalty on production and sale as per the terms of agreement and reimbursement of related expenses.</p> <p>(b) Purchase of components required in the manufacturing of Licensed Products and tooling / fixtures / other capital goods for use in production process.</p> <p>The transactions will be at an arm's length basis and in the ordinary course of business.</p>
Rationale for transaction	<p>JJP has been engaged in the manufacture of steering systems, driveline systems and bearings and its components, and owns valuable technique and know-how on manufacturing of such products through research, development and experience for many years. JJP is a world leader in steering technology and holds more than 25% of global market share of steering.</p> <p>The availability of high quality of technical knowledge enables the Company to demonstrate its manufacturing strength and win new business, thereby leading to growth. This aspect is common in the steering component industry and all players need to demonstrate this technical capability to stay competitive in the Indian as well as global markets.</p>

Tenure of the proposed transaction (particular tenure shall be specified).	As per Industry practice the agreements executed between JJP and the Company are long term and of ongoing nature unless terminated by the parties otherwise, however the resolution will be valid for a period of one year in accordance with SEBI Circular number SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022.				
Pricing and financial Arrangements	Pricing for products will be based on an arm's-length transfer price established by the parties. The purchase price is based on a mix of fixed, variable and pass-through costs and benchmarked margins for different activities based on transfer pricing principles.				
Value of the proposed transaction.	INR 250 crores per annum plus applicable taxes in force.				
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided).	<p>The value of related party transactions of INR 150.26 crores executed between the Company and JJP during financial year 2021-22 accounted for 9.46% of the consolidated turnover of the Company for the financial year 2021-2022.</p> <p>The said proposed limit of INR. 250 crores is 15.74% of the consolidated turnover of the Company for the financial year 2021-2022.</p>				
Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPTs on a voluntary basis	Proposed limit of INR 250 crores is equivalent to 0.28% of the consolidated turnover of JJP for financial year 2021-22.				
Details of transactions executed in the last three years					Rs Lacs
	Related Party	Nature of Transactions	FY-2019-20	FY-2020-21	FY-2021-22
	JTEKT Corporation (Promoter / Holding Company)	(a) Technical Assistance from JJP - Payment of Royalty, development cost and reimbursement of related expenses	4,057	2,979	3,247
		(b) Purchase of Components, tooling, fixtures and capital goods required for manufacturing of licensed products	5,419	5,026	5,174
		Total Related Party Transactions	9,476	8,005	8,421
	<p>* In addition to above transactions, JJP has given a corporate Guarantee for securing the borrowings from Banks in India for a total value of Rs. 6350.90 lacs outstanding as on 31/3/2022 to enable your Company to borrow from the banks without creating any charge on its assets. Further the Company paid dividend of Rs. 254.34 lacs in FY 2021-22.</p> <p>* Royalty is paid in respect of products covered under the Technical Agreements. As stated above Royalty is paid on 63% of the products sold by the Company and on this value of sales the % of royalty works out to 1.92% for FY 2021-22, whereas Royalty paid as a % of the Consolidated Turnover of the Company is only 1.3%.</p>				

Mr. Hitoshi Mogi, Mr. Takumi Matsumoto and Mr. Satoshi Komeda to the extent being representatives of JTEKT Corporation, Japan on the Board of Company may be deemed to be interested in the enabling resolution. Except to the extent mentioned hereinabove, none other Directors and/or Key Managerial Personnel(s) or their relatives are in any way concerned or interested in the resolution.

In terms of Regulation 23 of the Listing Regulations, all entities falling within the definition of related parties under the Listing Regulations shall not vote to approve the relevant transactions irrespective of whether such entities are a party to the particular transaction or not. Accordingly, related parties of the Company shall not vote to approve the aforesaid resolution(s) under Resolution No. 2.

The resolution is accordingly recommended for members' approval.

Resolution No. 3

Rationale for the related party transactions with JTEKT Fuji Kiko Automotive India Limited ('JFIN')

JTEKT Fuji Kiko Automotive India Limited ('JFIN') is a subsidiary company which has been promoted by your Company in technical and financial Collaboration with Fuji Kiko Co. Ltd., Japan ('FJP') for the manufacturing of steering column; intermediate shaft and other automotive components. Your Company currently holds 51% of equity shares in the capital of JFIN and the balance 49% is held by FJP. Further FJP is the subsidiary company of JTEKT Corporation, Japan ('JJP') and JJP holds 99.7% of equity in FJP.

Currently, JFIN's entire production is used for captive consumption at your Company and therefore the production at JFIN is in the nature of backward integration. The Company purchases jacket assembly, column assembly from JFIN and thereafter sells the same to its customers. Accordingly, the said related party transaction is crucial for the business of the Company.

The shareholders of the Company had approved related party transactions with JFIN up to an overall aggregate limit of INR 400 Crores in the annual general meeting of the Company held on August 09, 2019. Owing to the SEBI Circular dated April 08, 2022, which provides for obtaining yearly approvals in relation to all the material omnibus related party transactions, the Company is seeking approval of its shareholders for entering into related party transaction with JFIN up to an overall aggregate limit of INR 250 Crores.

Further, Board of the Company as well as JFIN in their respective meetings held on July 6, 2022 have considered and approved the Scheme of Amalgamation proposing amalgamation of JFIN with the Company. The Scheme of Amalgamation is filed with BSE and NSE on July 14, 2022 and the Company is waiting for the necessary approvals from SEBI and post that the Company will move to National Company Law Tribunal, New Delhi for necessary approvals. Upon the Scheme of Amalgamation coming into effect JFIN will merge with the Company along with all its assets and operations. This amalgamation will bring production and operational synergies and bring all steering manufacturing operations under the Company.

The brief particulars of the material related party contracts and / or transactions and / or arrangements entered / to be entered into by the Company with JFIN and corresponding approval required are as under:

Particulars	Information
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise).	JTEKT Fuji Kiko Automotive India Limited ('JFIN') JFIN is a subsidiary company which has been promoted by your Company in technical and financial Collaboration with Fuji Kiko Co. Ltd., Japan (FJP) for the manufacturing of steering column; intermediate shaft and other automotive components. Your Company currently holds 51% of equity shares in the capital of JFIN and the balance 49% is held by FJP.

<p>Type, material terms and particulars of the proposed transaction.</p>	<p>(a) Purchase of Jacket Assembly, Column & Column parts and other components required in the manufacturing of Steering systems including cost of development of tools and fixtures and related costs essential to the production of these parts at JFIN.</p> <p>(b) Sale of worm housing assembly and other parts required in the manufacturing of Jacket Assembly and other products at JFIN</p> <p>(c) Reimbursement of expenses and other business transactions like testing charges, cost of samples integral to the business, etc.</p> <p>The transactions will be at an arm’s length basis and in the ordinary course of business.</p>
<p>Rationale for transaction</p>	<p>Currently, JFIN’s entire production is used for captive consumption at your Company and therefore the production at JFIN is in the nature of backward integration. The manufacturing facilities at JFIN are completed aligned with the production requirements of your Company. JFIN is the single source of jacket assembly and few other products used in the manufacturing of steering systems at JIN.</p> <p>JFIN has access to proprietary technology from FJP for manufacture of advanced column products used in steering system and this has helped your Company to offer superior products to OEMs in India and thus compete and win new business.</p>
<p>Tenure of the proposed transaction (particular tenure shall be specified).</p>	<p>As per Industry practice the agreements executed between JFIN and the Company are long term and of ongoing nature unless terminated by the parties otherwise, however the resolution will be valid for a period of one year in accordance with SEBI Circular number SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022.</p>
<p>Pricing and financial Arrangements</p>	<p>Pricing for products will be based on an arm’s-length transfer price established by the parties. The purchase price is based on a mix of fixed, variable and pass-through costs and benchmarked margins for different activities based on transfer pricing principles.</p>
<p>Value of the proposed transaction.</p>	<p>INR. 250 crores per annum plus applicable taxes in force.</p>
<p>The percentage of the listed entity’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary’s annual turnover on a standalone basis shall be additionally provided).</p>	<p>The value of related party transactions of INR 156.87 crores executed between the Company and JFIN during the financial year 2021-22 accounted for 9.87% of the consolidated turnover of the Company for the financial year 2021-2022. The said proposed limit of INR 250 crores is 15.74% of the consolidated turnover of the Company for the financial year 2021-2022 and 251.53% of the standalone turnover of JFIN for the financial year 2021-2022.</p>

Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPTs on a voluntary basis	Proposed limit of INR 250 crores is equivalent to 251.53% of the standalone turnover of JFIN for financial year 2021-22. The entire production of JFIN is for captive consumption at your Company and in addition your Company supplies certain components for use in manufacturing process of JFIN.				
Details of transactions executed in the last three years					Rs Lacs
	Related Party	Brief Nature of Transactions	FY-2019-20	FY-2020-21	FY-2021-22
	JTEKT Fuji Kiko Automotive India Limited (Subsidiary Company)	(a) Purchase of Jacket Assembly, Column & Column parts and other components including cost of development of tools, fixtures and related costs.	12,797	10,662	12,657
		(b) Sale of worm housing assembly and other parts	2,658	2,267	2,857
		(c) Reimbursement of expenses and other business transactions	48	70	81
	Total Related Party Transactions	15,503	12,999	15,595	
In addition to above transactions, JIN has given an advance of Rs. 28.90 lacs for development of tooling which is outstanding as on 31/3/2022. In addition Company received dividend of Rs. 63.75 lacs from JFIN in FY 2021-22					

In terms of Regulation 23 of the Listing Regulations, all entities falling within the definition of related parties under the Listing Regulations shall not vote to approve the relevant transactions irrespective of whether such entities are a party to the particular transaction or not. Accordingly, related parties of the Company shall not vote to approve the aforesaid resolution(s) under Resolution No. 3.

The resolution is accordingly recommended for members' approval.

For the removal of doubt, all monetary values set out above exclude any taxes that may be payable under applicable laws.

The members may note that pursuant to Regulation 23 of the Listing Regulations and applicable provisions of the Act, the other non-material related party transaction(s) to be entered by the Company with its related parties on arm's length basis and in ordinary course of business shall continue to be reviewed and / or approved by the audit committee and / or the Board of the Company.

The Audit Committee and the members of the Board of the Company have on 8th September, 2022 and 12th September, 2022 respectively approved and consented to seek shareholders' approval for the said related party transactions. The Audit Committee and the members of the Board have also noted that these transactions are at arm's length and in the ordinary course of business. Accordingly, the members' approval is being sought for the resolution mentioned as Item No. 1 to 3 to this notice.

By Order of the Board

Place : Registered Office:
UGF-6, Indraprakash
21, Barakhamba Road
New Delhi 110 001.
Dated : 12th September, 2022

Ashish Srivastava
Company Secretary
[Membership No. – A20141]