

4<sup>th</sup> May, 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 26<sup>th</sup> April, 2022, please find enclosed the Notice of Postal Ballot dated 26<sup>th</sup> April, 2022 (the 'Notice') together with the Explanatory Statement for seeking approval of Members of the Company by way of Special Resolution for '**re-appointment of Mr. Hitoshi Mogi as Chairman & Managing Director**'.

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 Friday, the 29<sup>th</sup> April, 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 9<sup>th</sup> May, 2022 at 09:00 a.m. and conclude on Tuesday, the 7<sup>th</sup> June, 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 9<sup>th</sup> June, 2022.

The copy of the said Notice is also being uploaded on the website of the Company i.e. [www.jtekt.co.in](http://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](http://www.jtekt.co.in)

**Works :** 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](mailto:investorgrievance@jtekt.co.in), Website – [www.jtekt.co.in](http://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

**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 31<sup>st</sup> December, 2020; 10/2021 dated 23rd June, 2021 and 20/2021 dated 8th December 2021 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, if any, the resolution appended below is proposed to be passed by the Members of the Company, by way of postal ballot through remote voting by electronic means only:

#### **SPECIAL BUSINESS**

- 1) To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution for the re-appointment of Mr. Hitoshi Mogi as Chairman & Managing Director.**

**"RESOLVED 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 Members of the Company be and is hereby accorded to the re-appointment of Mr. Hitoshi Mogi (DIN 08741355) as Chairman & Managing Director of the Company for a further period of three (3) years with effect from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2025, with remuneration, and on the terms and conditions including as to remuneration set out in the draft Agreement to be executed with Mr. Hitoshi Mogi, which 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 re-appointment and/or Agreement in such manner as may be agreed between the Board of Directors and Mr. Hitoshi Mogi, Chairman & 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 this resolution and to seek such approval / consent from the government departments, as may be required in this regard.”

By Order of the Board

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

**Ashish Srivastava**  
**Company Secretary**  
[Membership No. – A20141]

Dated : 26<sup>th</sup> April, 2022

**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 **Friday, 29<sup>th</sup> April, 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/client services/postalballot/registration.aspx>
    - 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 [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) along with the scanned copy of their request letter duly signed by the 1<sup>st</sup> 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](mailto:einward.ris@kfintech.com) or [evoting@kfintech.com](mailto: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](http://www.jtekt.co.in)), KFINTECH (<https://evoting.kfintech.com/public/Downloads.aspx>), National Stock Exchange of India Limited ([www.nseindia.com](http://www.nseindia.com)) and BSE Limited ([www.bseindia.com](http://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 Resolution as set out in this Postal Ballot Notice.

II) The remote e-voting period **commences from Monday, 9<sup>th</sup> May, 2022 (9:00 a.m. IST) and ends on Tuesday, 7<sup>th</sup> June, 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 resolution is cast by the Member, he/she shall not be allowed to change it subsequently.

III) The Company has appointed Mr. Krishna Kumar Singh, Practicing Company Secretary (Membership No. F8493) or failing him Mr. Vipin Shukla, Practicing Company Secretary (Membership No. F6798), 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. **Friday, 29<sup>th</sup> April, 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. **Friday, 29<sup>th</sup> April, 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 Resolution 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. <b>User already registered for Internet based Demat Account Statement (IDeAS) facility of NSDL:</b></p> <p>i) Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii) Click on the ‘Beneficial Owner’ icon under Login under ‘IDeAS’ section.</p> <p>iii) A new page will open. Enter your User ID and Password for accessing IDeAS.</p>

	<p>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.</p> <p>v) Click on 'Active E-Voting Cycles' option under E-Voting.</p> <p>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> <p><b>2. User not registered for IDeAS e-services facility of NSDL:</b></p> <p>i) To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii) Select 'Register Online for IDeAS' or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>iii) Proceed with completing the required fields.</p> <p>iv) After successful registration, please follow steps given in points 1 above to cast your vote.</p> <p><b>3. Alternatively by directly accessing the e-voting website of NSDL:</b></p> <p>i) Open URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></p> <p>ii) Click on the icon 'Login' which is available under 'Shareholder/Member' section.</p> <p>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.</p> <p>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.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p><b>1. Existing user who have opted for Easi / Easiest facility of CDSL:</b></p> <p>i) Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>ii) Click on New System Myeasi / Login to My Easi option under Quick Login</p> <p>iii) Login with your registered user id and password.</p> <p>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> <p><b>2. User not registered for Easi/Easiest facility of CDSL:</b></p> <p>i) Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>ii) Proceed with completing the required fields.</p> <p>iii) After successful registration, please follow steps given in point 1 above to cast your vote.</p> <p><b>3. Alternatively, by directly accessing the e-voting website of CDSL:</b></p> <p>i) Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>ii) Provide your demat Account Number and PAN.</p> <p>iii) System will authenticate user by sending OTPs on registered Mobile &amp; Email as recorded in the Demat Account.</p> <p>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.</p>

Individual Shareholders login through their demat accounts / Website of Depository Participant	<ul style="list-style-type: none"> <li>i) You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility.</li> <li>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.</li> <li>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.</li> </ul>
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**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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022-23058738</b> or <b>022-23058542-43</b>

**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 Participants(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 resolution(s), 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.
- 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 [kksinghcs@gmail.com](mailto:kksinghcs@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) on or before **Tuesday, 7<sup>th</sup> June, 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](mailto:einward.ris@kfintech.com).
- b) Alternatively, member may send an email request at the email id [einward.ris@kfintech.com](mailto: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](mailto: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](mailto: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, 9<sup>th</sup> June, 2022**.
  - 6) The Result(s) in respect of the Resolution 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, 9<sup>th</sup> June, 2022** and will be uploaded on the website of the Company i.e. [www.jtekt.co.in](http://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](mailto:einward.ris@kfintech.com) or [evoting@kfintech.com](mailto:evoting@kfintech.com) or they may contact KFINTECH at toll free number: 1800 309 4001.

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

### **Resolution No. 1**

The Board of Directors had appointed Mr. Hitoshi Mogi (DIN: 08741355) as an Additional Director of the Company effective from 16<sup>th</sup> May, 2020 and the same was approved by the shareholders in the 36<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2020.

Keeping in view the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 23<sup>rd</sup> September, 2020 had appointed Mr. Hitoshi Mogi as Chairman & Managing Director, with remuneration, with effect from 24<sup>th</sup> September, 2020 to 31<sup>st</sup> March, 2022, which was approved by the shareholders of the Company in the 37<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> September, 2021.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meetings held on 10<sup>th</sup> February, 2022 and 26<sup>th</sup> April, 2022, extended the tenure of Mr. Hitoshi Mogi as Chairman & Managing Director for a further period of three (3) years with effect from 1<sup>st</sup> April, 2022, with remuneration, subject to the approval of the shareholders and such other sanction(s) as may be necessary.

Mr. Mogi does not hold any Equity Shares of the Company and is not disqualified from being appointed as Chairman & Managing Director.

Mr. Hitoshi Mogi 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 re-appointment of Mr. Hitoshi Mogi as Chairman & Managing Director, with remuneration, for a further



period of three years effective from 1<sup>st</sup> April, 2022 till 31<sup>st</sup> March, 2025, 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. Hitoshi Mogi are as under:

(I) Mr. Hitoshi Mogi as the Chairman & Managing Director shall be reporting to the Board of Directors of the Company. As Chairman & Managing Director, he shall be responsible for the entire operations of Company and shall further carry out such duties as may be entrusted to him subject to the supervision and control of the Board of Directors from time to time.

(II) Remuneration

a) Salary

Rs. 5,42,500/- (Rupees Five Lacs Forty Two Thousand Five Hundred Only) per month.

b) Perquisites

i) In addition to the above remuneration, Mr. Hitoshi Mogi, Chairman & Managing Director of the Company shall be entitled to Rent Free Accommodation/HRA subject to a maximum of Rs. 2,00,000/- (Rupees Two Lakhs Only) per month.

ii) Mr. Hitoshi Mogi, Chairman & Managing Director shall also be entitled to 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. Hitoshi Mogi, Chairman & 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 Rs. 7,500/- (Rupees Seven Thousand Five Hundred Only) per month.

iv) Mr. Hitoshi Mogi shall also be entitled for use of chauffeur driven Company Car, running and maintenance to be borne by Company, 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) Group Personal Accident Insurance as per Company's Policy.

vi) Relocation charges payable as per Company's Policy.

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

(III) The re-appointment is for a period effective from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2025, which may be terminated by either party giving the other party three (3) months' notice.

(IV) The re-appointment of the Chairman & Managing Director is subject to the provisions of Section 167(1) of the Companies Act, 2013, while at the same time Mr. Hitoshi Mogi shall not be liable to retire by rotation.

(V) The Chairman & 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.

- (VI) The Chairman & 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, the Chairman & 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.
- (VII) The terms and conditions of the said re-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 Chairman & 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, John Deere, Club Car, E-z-go, Renault-Nissan, PCA and Isuzu at its Plants located in Gurugram, Dharuhera, Bawal and Chennai. 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 based on given indicators : The financial performance of the Company (audited) during last five years is as under:

*(Rs. In Lakhs)*

Financial Parameters	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2019	Year ended 31st March, 2020	Year ended 31st March, 2021
Gross Income	133107.66	157211.04	178566.74	154189.26	135798.25
Net Profit as per Profit & Loss Account	2358.52	5607.70	6844.37	2528.83	1199.51
Amount of Dividend Paid	993.71	993.82	1955.84	855.68	366.72
Rate of Dividend Declared	50%	50%	80%	35%	15%
Export performance and net foreign exchange	7189.09	9252.77	10524.33	9795.89	5843.79

- (4) 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 01<sup>st</sup> 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% shareholding 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 20<sup>th</sup> March, 2018 and 9<sup>th</sup> April, 2018.

Further for compliance of minimum threshold level of 25% of public shareholding of equity shares issued by the Company and in compliance to directives of Securities & Exchange Board of India in the matter of Amalgamation of JTEKT Sona Automotive India Limited (Amalgamating Company) and JTEKT India Limited (Amalgamated Company) and their respective Shareholders and their respective Creditors, JTEKT has sold at Stock Exchange excess Promoters' shareholding of 5.76% on 16<sup>th</sup> July, 2018.

Further in terms of Scheme of Amalgamation of JTEKT Sona Automotive India Limited (Amalgamating Company) and JTEKT India Limited (Amalgamated Company) and their respective Shareholders and their respective Creditors, the Company has allotted equity shares to JTEKT thus increasing stake of JTEKT by 7.06%.

At present, the JTEKT's shareholding in the Company stands at 69.36%.

## **II. INFORMATION ABOUT THE APPOINTEE**

- (1) Background Details: The appointee is graduate from Ritsumeikan University and has a working experience of over three decades.
- (2) Past Remuneration : In terms of the resolution passed by the members of the Company in 37<sup>th</sup> Annual General Meeting, Mr. Hitoshi Mogi was paid Rs. 85,46,496/-, as remuneration by the Company, during the financial year ended 31<sup>st</sup> March, 2022.

- (3) Recognition or awards: NIL
- (4) Job profile and his suitability: The appointee is the Chairman & Managing Director of the Company and is responsible for entire operations of the Company and shall further carry out such duties as may be entrusted to him subject to the supervision and control of the Board of Directors from time to time. 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 the Ritsumeikan University and has a working experience of over three decades. The present job responsibilities of the appointee are - entire operations of the Company and shall further carry out such duties as may be entrusted to him subject to the supervision and control of the Board of Directors from time to time. 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. Hitoshi Mogi 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 31<sup>st</sup> March, 2021 to cover the remuneration payable to the Chairman & 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. 1 of the accompanying Postal Ballot Notice for approval of the members.

Except Mr. Hitoshi Mogi, being the appointee and Mr. Akihiko Kawano and Mr. Takumi Matsumoto to the extent that they are 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 re-appointment as Chairman & Managing Director effective from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2025.

This Explanatory Statement together with the accompanying Notice may also be regarded as a disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief resume and other details of Mr. Hitoshi Mogi are provided in annexure to this Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

The resolution is accordingly recommended for members’ approval.

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

Dated : 26<sup>th</sup> April, 2022

By Order of the Board

**Ashish Srivastava**  
**(Company Secretary)**  
[Membership No. –A20141]

**General information as per Secretarial Standards 2 and Regulation 36 of SEBI(LODR) 2015 regarding Mr. Hitoshi Mogi**

(a)	Brief resume of the director	Mr. Hitoshi Mogi, aged 56 years, is a Japanese national with rich experience in the field of Human Resource Development and administration. Mr. Mogi completed his graduation in March 1988 from the Ritsumeikan University and thereafter joined Koyo Seiko Co. Ltd. in April 1988 in HR department of Steering Division. During 2011 to 2016 he worked in JTEKT Europe S.A.S. as Vice President. In the year 2016 Mr. Mogi returned back to JTEKT Corporation, Japan as General Manager, Management Department of Steering Division. In the year 2018 he was promoted to the position of General Manager, Human Resource.
(b)	Nature of his expertise in specific functional areas	Mr. Mogi has experience of more than three decades in the field of Human Resources and Administration.
(c)	Disclosure of relationships between directors and key managerial personnel inter-se	Except Mr. Hitoshi Mogi, being the appointee, Mr. Akihiko Kawano and Mr. Takumi Matsumoto 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 re-appointment.
(d)	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Mr. Hitoshi Mogi does not hold the directorship and membership of the Committees of the Board of Directors in any other listed company in India.
(e)	Shareholding of director in company	Mr. Mogi does not hold any Equity Shares of the Company.
(f)	Terms and conditions of appointment or re-appointment	<p>The Board of Directors had appointed Mr. Hitoshi Mogi as an Additional Director of the Company effective from 16<sup>th</sup> May, 2020 and the same was approved by the shareholders in the 36<sup>th</sup> Annual General Meeting.</p> <p>On the recommendations of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on 23<sup>rd</sup> September, 2020 had appointed Mr. Hitoshi Mogi as Chairman &amp; Managing Director, with remuneration, with effect from 24<sup>th</sup> September, 2020 to 31<sup>st</sup> March, 2022, which was approved by the shareholders of the Company in the 37<sup>th</sup> Annual General Meeting.</p> <p>Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meetings held on 10<sup>th</sup> February, 2022 and 26<sup>th</sup> April, 2022, re-appointed Mr. Hitoshi Mogi as Chairman &amp; Managing Director, with remuneration, effective from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2025. The detailed terms and conditions of re-appointment of Mr. Hitoshi Mogi are given in the explanatory statement of the proposed resolution number of Postal Ballot Notice attached hereto.</p> <p>Mr. Hitoshi Mogi shall not be liable to retire by rotation.</p>
(g)	The number of Meetings of the Board attended during the year	Mr. Hitoshi Mogi attended all the four Board Meetings held in FY 2021-22.
(h)	Membership / Chairmanship of Committees of other Boards	Mr. Hitoshi Mogi is not a member of any of the Committees of any other Board.