

July 6, 2022

National Stock Exchange of India Limited
"Exchange Plaza",
5th Floor, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051.

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400 001.

Sub: Intimation under Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Scheme of amalgamation of JTEKT Fuji Kiko Automotive India Limited with and into JTEKT India Limited

Dear Sir,

In terms of the requirement of Clause 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that based on the recommendations of the Audit Committee and Committee of Independent Directors, the Board of Directors of JTEKT India Limited (the "**Amalgamated Company**") has in its meeting held today approved the scheme of amalgamation of JTEKT Fuji Kiko Automotive India Limited ("**Amalgamating Company**") with the Amalgamated Company (the "**Scheme**") as per the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 (the "**Act**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**Listing Regulations**") and in terms of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/000000065 dated November 23, 2021 ("**SEBI Circular**").

The Scheme, *inter-alia* provides for the following:

- (i) The transfer and vesting of the undertaking of the Amalgamating Company with and into the Amalgamated Company and the consequent issue of equity shares by the Amalgamated Company to the shareholders of the Amalgamating Company (except the Amalgamated Company).
- (ii) Listing of the share capital of the Amalgamated Company, consisting of the fully paid-up equity shares of the Amalgamated Company issued as consideration for the transfer and vesting of the undertaking of the Amalgamating Company with and into the Amalgamated Company under the Scheme to the shareholders of the Amalgamating Company, on the National Stock Exchange of India Limited and BSE Limited (collectively "**Stock Exchanges**") after the effectiveness of this Scheme in accordance with the provisions of the SEBI Circular and;
- (iii) The proposed Appointed Date of the Scheme will be April 1, 2022.
- (iv) The Scheme is subject to no-objection from the Stock Exchanges, approval by the requisite majorities of the classes or persons, including shareholders, creditors of Amalgamating Company and Amalgamated Company as may be directed by the NCLT under section 230-232 of the Act, approval from NCLT and other applicable approvals and shall come into effect upon fulfillment of conditionalities as prescribed under clause 10 of the Scheme.
- (v) The Amalgamated Company shall issue and allot 98,00,014 fully paid equity shares to the shareholders of the Amalgamating Company (except the Amalgamated Company) as per the share exchange ratio as specified in the Scheme and the said equity shares shall rank pari-passu in all the respects as the existing equity shares of the Amalgamated Company.

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

Works : 38/6, Delhi-Jaipur Road, NH-48, Gurugram - 122 001, Haryana, India.

Tel : +91 124 468 5000.

: 2 :

- (vi) The 50,99,993 equity shares held by the Amalgamated Company in the Amalgamating Company shall stand cancelled.
- (vii) The Amalgamated Company shall apply to all the Stock Exchanges (where the shares of the Amalgamated Company are listed) and SEBI for listing and admission to trading of all the equity shares issued to the shareholders of the Amalgamating Company pursuant to the Scheme in terms of the SEBI Circular read with any other applicable laws.
- (viii) The Amalgamating Company shall stand dissolved.
- (ix) Various other matters consequential or otherwise integrally connected therewith.

The details as required under Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 are given in Annexure A to this letter.

This is for your information and record.

Kindly acknowledge receipt.

Yours faithfully,
For **JTEKT INDIA LIMITED**

Ashish Srivastava
Company Secretary

Encl.: a/a

ANNEXURE A

SR. NO	DETAILS OF EVENTS THAT NEED TO BE PROVIDED	INFORMATION OF SUCH EVENT(S)												
(a)	name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.;	<p>The details of JTEKT Fuji Kiko Automotive India Limited (“Amalgamating Company”) and JTEKT India Limited (“Amalgamated Company” or the “Company”), are as under:</p> <p align="right">As on March 31, 2022 (Rs. crores)</p> <table border="1" data-bbox="764 531 1375 846"> <thead> <tr> <th data-bbox="764 531 938 604">Particulars</th> <th data-bbox="938 531 1135 604">Amalgamated Company</th> <th data-bbox="1135 531 1375 604">Amalgamating Company</th> </tr> </thead> <tbody> <tr> <td data-bbox="764 604 938 688">Paid up capital</td> <td align="center" data-bbox="938 604 1135 688">24.44</td> <td align="center" data-bbox="1135 604 1375 688">10.00</td> </tr> <tr> <td data-bbox="764 688 938 762">Net worth (standalone)</td> <td align="center" data-bbox="938 688 1135 762">606.69</td> <td align="center" data-bbox="1135 688 1375 762">60.07</td> </tr> <tr> <td data-bbox="764 762 938 846">Turnover (standalone)</td> <td align="center" data-bbox="938 762 1135 846">1610.60</td> <td align="center" data-bbox="1135 762 1375 846">99.38</td> </tr> </tbody> </table>	Particulars	Amalgamated Company	Amalgamating Company	Paid up capital	24.44	10.00	Net worth (standalone)	606.69	60.07	Turnover (standalone)	1610.60	99.38
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(b)	whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;	<p>Yes. The Amalgamating Company is subsidiary of the Amalgamated Company and as such the said companies are related party to each other.</p> <p>However, the Ministry of Corporate Affairs has clarified <i>vide</i> its General Circular No. 30/ 2014 dated July 17, 2014 that transactions arising out of Compromise, Arrangements and Amalgamations dealt with under specific provisions of the Companies Act, 2013, will not fall within the purview of related party transaction in terms of Section 188 of the Companies Act, 2013.</p> <p>The consideration for the Scheme will be discharged at an ‘arm’s length’ basis. The consideration/share exchange ratio has been arrived at based on the valuation report dated 30th June, 2022 obtained from Mr. Rahul Bansal, a registered Valuer, and confirmed by a Fairness Opinion dated 30th June, 2022 obtained from Corporate Professionals Capital Private Limited, a SEBI Registered Category I Merchant Banker.</p> <p>Further, the Amalgamating Company is a joint venture between the Amalgamated Company and Fuji Kiko Co. Ltd, Japan which is a wholly owned subsidiary of JTEKT Corporation Japan. JTEKT Corporation Japan is a majority shareholder of the Company. Accordingly, Fuji Kiko Co. Ltd. Japan and the Amalgamated Company are under common control and therefore related parties in accordance with SEBI Listing Regulations.</p> <p>Further, a key managerial personnel of the Amalgamated Company, being related party of the Amalgamated Company in terms of SEBI Listing Regulations, holds one equity share in the Amalgamating Company.</p>												

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		Pursuant to the Scheme the Amalgamated Company will issue and allot equity shares to the shareholders of Amalgamating Company (except the Amalgamated Company) as per the share exchange ratio as mentioned in the Scheme.
(c)	area of business of the entity(ies);	<p>Amalgamated Company: It is engaged <i>inter alia</i> in the manufacturing / production, supply and sale of steering systems, propeller shafts, axle assemblies, CV joints and other auto components for the passenger car and utility vehicle manufacturers.</p> <p>Amalgamating Company: engaged in, <i>inter alia</i>, the business of manufacturing of jacket assembly for steering system, manual column assembly, using tube forming, robotic welding, machining and assembly process.</p>
(d)	rationale for amalgamation/merger;	<p>The amalgamation of the Undertaking of the Amalgamating Company with and into the Amalgamated Company pursuant to this Scheme shall be in the interest of all concerned stakeholders including shareholders, customers, creditors, employees and general public, in the following ways:</p> <p>(i) The Amalgamating Company is a joint venture between the Amalgamated Company and Fuji Kiko Co. Ltd which is a wholly owned subsidiary of JTEKT Corporation. Apart from essentially being under one management, both the Amalgamating Company and the Amalgamated Company also have business and operational synergies. The Amalgamating Company is primarily engaged in making Columns / Column Parts which is in turn an input for steering systems manufactured by the Amalgamated Company. The proposed consolidation will bring this entire value chain under one umbrella, driving sharper focus for smooth and efficient management of the value chain requirements with scale and agility.</p> <p>(ii) It will lead to cost savings owing to more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.</p> <p>(iii) It will help in achieving consolidation, greater integration and flexibility that will maximize overall shareholder's value and improve the competitive position and negotiating power of the combined entity.</p>

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		<p>(iv) It will improve organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.</p> <p>(v) It will result in reduction of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law / establishment related compliances.</p>
(e)	<p>in case of cash consideration – amount or otherwise share exchange ratio;</p>	<p>Upon the Scheme becoming effective, the Amalgamated Company shall issue and allot 98,00,014 fully paid equity shares to the shareholders of the Amalgamating Company (except the Amalgamated Company), as on the Record Date, as per the following share exchange ratio:</p> <p><i>“For every 100 equity shares of Amalgamating Company of face value of INR. 10/- each held in Amalgamating Company, every equity shareholder of the Amalgamating Company other than Amalgamated Company, shall without any application, act or deed, be entitled to receive 200 equity shares of face value INR.1/- each of the Amalgamated Company, credited as fully paid up on the same terms and conditions of issue as prevalent in Amalgamating Company”.</i></p> <p>Upon the Scheme becoming effective, no shares of the Amalgamated Company shall be allotted in lieu or exchange of the holding of the Amalgamated Company in the Amalgamating Company and accordingly, such equity shares held in the Amalgamating Company shall stand cancelled.</p> <p>The share exchange ratio has been arrived at based on the valuation report dated 30th June, 2022 obtained from Mr. Rahul Bansal, a registered Valuer and confirmed by a Fairness Opinion dated 30th June, 2022 obtained from Corporate Professionals Capital Private Limited, a SEBI Registered Category I Merchant Banker.</p> <p>No cash consideration is envisaged under this Scheme.</p>

(f)	brief details of change in shareholding pattern (if any) of listed entity.	Category	No. of shares and % of voting rights pre-amalgamation (Date : As on 30th June, 2022)	No. of shares and % of voting rights post-amalgamation
		Promoter	18,08,59,997 (73.98%)	19,06,59,997 (74.98%)
		Public	6,36,20,472 (26.02%)	6,36,20,486 (25.02%)
		Non-promoter non public	--	--
		TOTAL	24,44,80,469	25,42,80,483