



DEEPENING
THE ROOTS

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The graphic represents our deep conviction to scale up performance by upholding the mantra of resilience excellence, strength and precision, high. JTEKT India's path towards expansion of production capacities, manufacturing rationalization, expansion of product portfolio and widening geographical reach are aimed at deepening its roots.

DEEPENING THE ROOTS

Having been in the automotive domain for more than three decades, we at JTEKT India have carved a niche for ourselves by creating a strong blueprint of resilience, strength, and excellence. We have focused on deepening our roots by strengthening our foundation that has helped us attain stability and achieve long-term sustainability. All our strategies and actions have not only been directed towards building and nurturing our company's core values, culture, and relationships but also enhancing our brand positioning by means of creativity, application of cutting-edge technology, and improving operational efficiency. And, in our pursuit of fineness, we have often succeeded in winning trust by attaining exceptional standards in precision, utilizing technical skills, and making creative advancements. Besides, we have been diligent in expanding and diversifying our product portfolio and further amplifying our technological capacity. Our emphasis on innovation, introducing cutting-edge technological know-how, resonates well with our group's vision of "a solution provider creating the future of mobility society through Monozukuri and Monozukuri equipment"

In keeping with our goal to achieve excellence and reach our maximum potential, we have upgraded our product line. Our state-of-the-art technological arm is well adept at developing innovative products replete with cutting-edge prowess. Our most up-to-date product and one of its kind in India, Constant Velocity Joints (Drive Shaft), is a testimonial to our relentless effort to achieve technological edge in the field of automotive innovation and our dedication towards mastering the art of innovation and precision. Our endeavor to deepen roots and anchor well as a system supplier for steering products in the domain is exhibited in the merger of JTEKT Fuji Kiko Automotive India Limited with JTEKT India Limited.

We have also augmented our operational efficiency and production capacity in every phase of our growth and have built a structure that is resilient and exhibits strength and longevity. JTEKT has prioritized enhancing its internal technical capacity and outfitting its India-based facilities for testing, designing, and prototyping in addition to investing in the possible future development and innovation for its value

generation. To achieve excellence and reach our maximum potential, we have upgraded our product line. We have also worked towards increasing the production capacity of all products—MS Gears, C-EPS, and CVJ.

We have always been future-forward in our approach, and with our well-equipped research and development centers, which have been relentlessly working on technological improvement and innovation, we have succeeded in further deepening our roots. Moreover, we have rationalized our manufacturing processes, which will help maximize overall operating efficiency.

Efforts such as cost-effectiveness, appropriate resource training, encouraging a green supply chain, quality enhancement, boosting safety, security, and sustainability measures, investing in human resource upskilling, developing a workforce that is intelligent and tech-savvy, rationalization through mergers, fortifying manufacturing lines, increasing operational efficiency, and energy efficiency will aid in fortifying our position and deepening our roots.

JTEKT Group of Companies in India

JTEKT India Limited

JTEKT Bearings India Pvt. Ltd.

Hub Units, Tapered Roller Bearings and
Single Ball Bearings.

**JTEKT Micromatic Machinery
India Pvt. Ltd.**

Machines, Machine Tools Sales and
After Sales Support & Service



A subsidiary of the JTEKT Corporation, Japan, JTEKT India Limited is a pivot that plays an important role in running the course of India's automotive component manufacturing domain. Keeping inventiveness and ingenuity at the center stage, JTEKT India manufactures avant-garde auto parts such as High performance Rack and Pinion Manual Steering Gear, Hydraulic Power Steering System, Recirculating Ball Screw Assembly, Column type Electric Power Steering and Driveline products which include Propeller Shaft, Case Differential and newly launched Driveshaft (Constant Velocity Joints-CVJ) .

The Company is a part of the JTEKT Group, which is situated in Japan. Thanks to its top-notch product portfolio, the Group leads the world in the automotive industry and other sectors, generating 1,428 billion yen in revenue. In the category of Automotive Components, JTEKT Corporation supports a wide range of functions such as steering



system components and drive-line components to realize assuredness, safety and comfort as a system supplier. The group's other product categories include bearings and machine tools. All its offerings are of top quality and are widely used in the automotive domain.

Invested in excellence and prowess, the company displays fineness in production quality and precision in manufacturing next-generation, technology for automobiles like Column type Electric Power Steering Systems. Well-established OEMs in India, including Maruti Suzuki, Toyota, Tata Motors, Mahindra & Mahindra, General Motors, Fiat India, Isuzu Motors, Renault India, Honda, and Nissan use JTEKT India's product line. The Company is equipped with operational and manufacturing units which use highly-precise technology. Its, par excellence product lines have been well received in the market and are being exported to the USA, Europe, and Japan.

Besides, the Company has made its presence felt across India with seven advantageously placed plants. These plants are located in Gurgaon, Bawal, Dharuhera, Sanand, and Sriperumbudur and it is from these units that JTEKT India supplies to major auto clusters across India.

Keeping in mind customer preferences and their changing behaviours, the company has been reinventing itself time and again and has been innovative in its approach. One of its avant-garde products in the Driveline Segment, Constant Velocity Joint (CVJ), which the company

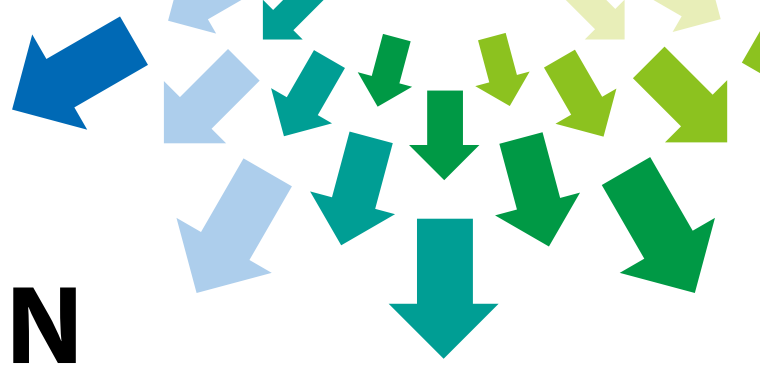
produces commercially, is evidence of its commitment to ingenuity and resourcefulness.

The newest offering from the Company, CVJ, paints a promising picture and the Company has started supplying it to automobile companies. With a huge potential ahead, CVJ has not only helped the Company in firming its foundation but also capitalizing on its leadership, skill set, technological know-how and innovation. The newest offering has also revolutionized the automotive industry and paved the way for JTEKT India's bright future.

With a huge potential ahead, CVJ has not only helped the Company in firming its foundation but also capitalizing on its leadership, skill set, technological know-how and innovation.



LETTER FROM THE CHAIRMAN



Dear Shareholders,

The world is undergoing a period of significant geopolitical upheaval, marked by shifting alliances, the ongoing war in Ukraine, and an intensifying conflict in the Middle East. The palpable rise in geopolitical tensions is significantly impacting global stability and multiple sectors, making the outlook for the world economy increasingly uncertain. Factors such as significant rise in trade barriers, stringent financial conditions, diminished confidence among businesses and consumers, and increased policy uncertainty are impeding growth potential. Elevated trade expenses, particularly in nations that are increasing tariffs, are contributing to inflation, though this effect is going to be somewhat mitigated by declining commodity prices.

It has been estimated that global growth is expected to slow down from 3.3% in 2024 to a moderate 2.9% in 2025, whilst 2026 paints a challenging and uncertain picture. Some of the direct impacts of such a slowdown will undermine economic scenarios across nations, reduce income, create fewer employment opportunities, and lead to a decline in trade. Though most countries have witnessed a recent decline in inflation, service price inflation continues to be consistently high, and rising food costs are causing a minor increase in goods price inflation. These inflationary pressures are being exacerbated by protectionism, and inflation expectations have sharply increased in a number of nations.

Interestingly, in a present gloomy economic environment, India has emerged as a knight in shining armour by becoming 4th largest global economy in the year 2025. This growth has been fuelled by domestic reforms and its global positioning under the vision of 'Aatmanirbhar Bharat'. RBI in its latest Financial Stability Report has stated, 'Despite an uncertain and challenging global economic backdrop, the Indian economy remains a key driver of global growth — underpinned by sound macroeconomic fundamentals and prudent macroeconomic policies.'

A significant boost in economic activity in the fourth quarter of the financial year 2024-25 has driven GDP to grow for the full year to 6.5%. However, it is sluggish when compared to the pandemic year 2020-21 and has plummeted significantly from 9.2% recorded in financial year 2023-24. Stable economic conditions, increased spending on infrastructure, rising urbanization, increasing middle-class population, and recent changes in personal income tax coupled with two interest rate cuts by the RBI are expected to increase customer spending. A normal monsoon is likely to support rural demand, especially for Two-Wheelers and smaller cars.



With domestic sales up 7.3% and exports up 19.2% in FY 2024–2025, the Indian auto industry demonstrated robust growth. Such growth has been propped up by strong customer demand, government policies, rising infrastructure investments, and a focus on sustainable mobility. Whilst, Passenger Vehicles sales reached a record 4.3 million units (2% growth), 2W sales grew by 9.1% to 19.6 million units, and 3W sales rose by 6.7% to 7.4 lakh units. Nevertheless, despite some rebounds in recent months, Commercial Vehicles (CVs) registered a little 1.2% dip.

One of the major highlights among all the developments has been a 16.9% increase in EV registrations, which includes an 18.2% increase in electric passenger vehicles and a 21.2% increase in e-two-wheelers. The adoption of electric vehicles in the country was significantly supported by government initiatives such as EMPS, PM E-Drive, and PM e-Sewa. New models, easier access to EV charging stations, and consumers' growing desire for more environment friendly forms of transportation have all contributed to the rise. Furthermore, the Indian car industry is well-positioned for consistent development due to rising consumer confidence, continued government assistance, and growing interest in EVs.

Throughout the years, at JTEKT India, we have consistently endeavored to attain exceptional quality and integrate refinement at the heart of our operations. We have not only scaled up and exceeded our capacity by improving overall operational efficiency but also initiated and implemented several steps to rationalize our manufacturing operations. Moreover, to keep up with the changing market dynamics, customer behavior, and technical trends, we have focused on enhancing our designing, prototyping, and testing capabilities by keeping creativity and invention at the forefront. And, further aligning with the Indian automotive industry's new growth projections, the Company has purposefully transformed its manufacturing landscape. A strong Manufacturing Rationalization Roadmap, a long-term project aimed at creating flexible, effective, and scalable operations in line with our customers' changing needs, is at the core of this transformation.

With our seven factories, we have succeeded in leveraging our position as a solution provider by putting impetus on value-addition, innovation and infusing the essence of freshness in our new products which meet our customers' expectations. The organization has made rationalization a top priority as a crucial facilitator for achieving operational excellence to preserve speed, flexibility, and cost competitiveness.

Additionally, JTEKT India has declared the opening of a brand-new, cutting-edge

manufacturing plant in Gujarat. By localizing production and moving a few product lines from northern India; this plant will help improve customer accessibility and responsiveness while lowering transportation costs and lead times.

Over the years, we have created regionally tailored solutions for our customers with the sole aim to deliver quality and comfort to the end users. Our emphasis on innovation, introducing cutting-edge technological know-how, resonates well with our group's vision of becoming "A solution provider creating the future of mobility society through Monozukuri and Monozukuri equipment."

Along with focus on self-reliance, excellence, innovation, growth, development, cost competitiveness, exceeding customer expectations, we at JTEKT India have put an impetus on upskilling and upscaling our human resources through training, development and skill enhancement. As we support our employees throughout their journey with JTEKT, we are dedicated to fostering a workforce that is inclusive, healthy, and prepared for the future. During FY 2024-25, we completed 90+ training sessions, covered 92% workforce across technical, functional, and behavioral areas, ran hands-on DOJO programs for shop floor readiness and introduced E-Learning platform with 45+ modules and 7,600+ sessions for self-paced learning. We offered robust development pathways, particularly for trainees and off-roll colleagues. In FY 2025, 159 internal posts were filled by elevating from the trainee and offroll categories.

We focus on creating value in our purchasing process, considering quality, delivery, services, and long-term relationships with suppliers. We are committed to sustainable and ethical sourcing practices, considering the environmental and social impact of purchasing decisions. In the competitive Indian Automotive market, the Company has continuously improved its supply chain by implementing front-loading activities, part development lead-time reduction, and a Supplier Parts Tracking Team (SPTT) system. The Company also values long-term partnerships with supply partners, regularly meeting with them to discuss new projects and challenges. The Company organizes Annual Partners' Meet to share growth plans, new businesses, and initiatives to improve supply chain, cost, delivery, and quality.

The Company prioritizes sustainability through environmental stewardship, focusing on improving CO₂ emissions and water consumption. Initiatives include energy efficiency projects, green energy transition, water resource management, waste minimization, and ISO 14001:2015 compliance. These efforts aim to reduce freshwater dependency, increase recycling rates, and promote sustainable disposal practices. The Company continues to prioritize the integration

of safety, security, and sustainability throughout its operations to develop a robust, accountable, and future-oriented organization.

During the Financial Year 2024-25, JTEKT achieved sales growth of 7% compared to Passenger Vehicle Market growth of 3.7% during this period. However, EBIDTA Margins were down from 9.5% achieved last FY 2023-24 to 7.6% in the current FY 2024-25 due to several internal and external factors as we reported at Stock Exchange and discussed in details during our Quarterly Investor call.

The financial year focused on digital transformation in manufacturing and support functions, enhancing cyber security readiness, and improving operational efficiency through automation and in-house software development. Key initiatives included implementation of the Online Kiken Yochi (KY) Exercise System, supplier capacity mapping software, automation of supplier performance scorecards, customer sample part tracking system, E-Kanban system for direct material management, 4M Change Management System, and product traceability system at various locations.

Over the years, we have succeeded in establishing ourselves as one of the foremost automotive leaders, thanks to the trust and confidence you, our stakeholders, have placed in us. Without your support, JTEKT would not have been able to climb the success and growth ladder and set up new benchmarks.

I would like to extend my gratitude to our customers, which include, Maruti Suzuki, Suzuki Motor Gujarat, Mahindra & Mahindra, Tata Motors, Honda Cars India, Stellantis, Toyota Kirloskar, Club Car, E-z-go, Renault-Nissan, Isuzu, SML-Isuzu, and Force Motors, for putting their faith in us. I would like to take this opportunity to thank our bankers: the State Bank of India, Standard Chartered Bank, Sumitomo Mitsui Banking Corporation, MUFG Bank Limited, and Mizuho Bank Limited.

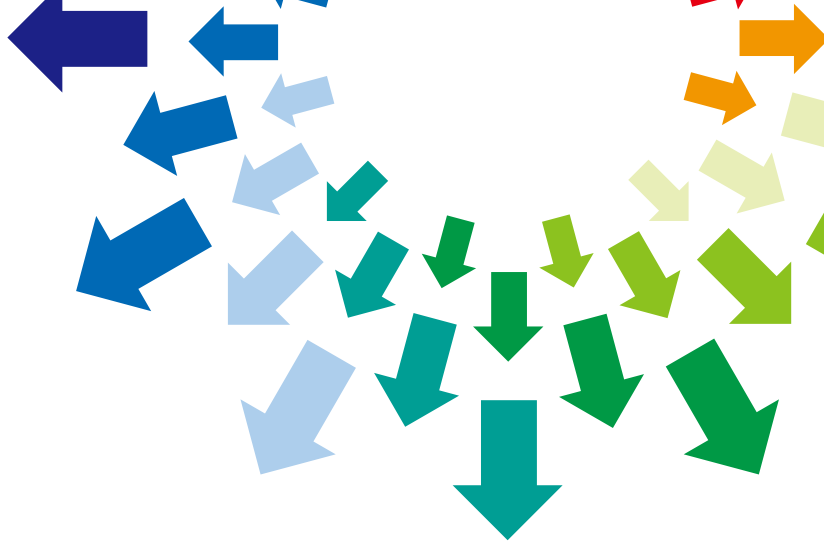
My deepest thanks go out to each and every one of our employees for remaining steadfast and cooperating as a JTEKT family, fostering trust and providing the best products, services, and experiences to our customers, and community.

Lastly, I would like to extend my deepest appreciation to my shareholders and patrons for their unwavering trust over the years and for being a stronghold in troubled times. Throughout our journey, you have truly kept us motivated and hopeful to achieve new benchmarks and greater things. Your trust and support have not only made us resilient, efficient and future-ready but also helped us deepen our roots!

Yours sincerely,

Minoru Sugisawa
Chairman and Managing Director

BOARD AND LEADERSHIP



Mr. Minoru Sugisawa
Chairman & Managing Director



Mr. Yosuke Fujiwara
Wholetime Director



Mr. Rajiv Chanana
Director & CFO



Mr. Deepak Thukral
Nominee of Maruti Suzuki
India Limited



Mrs. Hiroko Nose
Independent Director



Mr. Masahiko Morimoto
Independent Director



Mr. Hiroshi Daikoku
Independent Director



Mrs. Deepika Gera
Independent Director





CORPORATE INFORMATION

Board of Directors

Mr. Minoru Sugisawa
Chairman & Managing Director

Mr. Yosuke Fujiwara
Wholetime Director

Mr. Rajiv Chanana
Director & CFO

Mr. Deepak Thukral
Nominee of Maruti Suzuki India
Limited

Mrs. Hiroko Nose
Independent Director

Mr. Masahiko Morimoto
Independent Director

Mr. Hiroshi Daikoku
Independent Director

Mrs. Deepika Gera
Independent Director

Company Secretary

Mr. Saurabh Agrawal

Operating Management

Mr. Minoru Sugisawa
Mr. Yosuke Fujiwara
Mr. Rajiv Chanana
Mr. Ashish Singh
Mr. Tomohira Sakuma
Mr. Yasushi Shidahara
Mr. Daisuke Yoshimitsu
Mr. Jaydeep Kumar
Mr. Vinod Kumar Kalra
Mr. Praveen Bansal
Mr. Mukul Kalra
Mr. Pravat Samal
Mr. Vikram Singh
Mr. Rajan G.

Technical Partner

JTEKT Corporation, Japan

Auditors

M/s B S R & Co. LLP
Chartered Accountants
Building No. 10, 12th Floor,
Tower-C DLF Cyber City, Phase - II
Gurugram 122002 (Haryana).

Bankers

State Bank of India
Standard Chartered Bank
Sumitomo Mitsui Banking Corporation
MUFG Bank Limited
Mizuho Bank Limited

Registrar and Transfer Agent

KFin Technologies Limited
Selenium Building, Tower-B
Plot No. 31 & 32
Financial District, Nanakramguda,
Serilingampally, Hyderabad
Rangareddi, Telangana 500032.

Works

38/6, NH-8, Delhi-Jaipur Road
Gurugram 122001 (Haryana).

32, HUDA Industrial Area Phase II
Dharuhera, Distt, Rewari
122106 (Haryana).

19, HUDA Industrial Area Phase II
Dharuhera, Distt, Rewari
122106 (Haryana).

39/2/2, 3/2 4/2, 7, 8 Village Malpura
Tehsil Dharuhera, Distt. Rewari
123401 (Haryana).

26, Sector-5, Phase – II,
Growth Centre
Bawal, Distt. Rewari
123501 (Haryana).

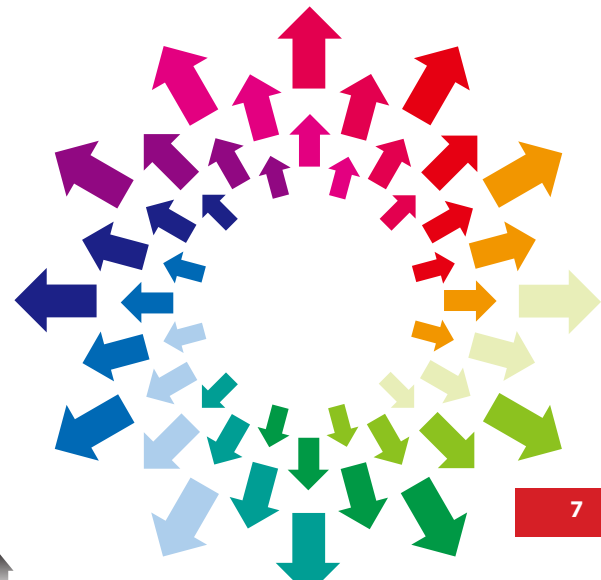
25, Sector-5, Phase – II,
Growth Centre
Bawal, Distt. Rewari
123501 (Haryana).

P.O. Box 14,
Chennai-Bangalore Highway
Sriperumbudur
Distt, Chinglepet
Chennai 602105 (Tamil Nadu).

Registered Office

UGF-6, Indraprakash
21, Barakhamba Road
New Delhi 110001.

The Corporate Information given above is as on 31 March 2025.



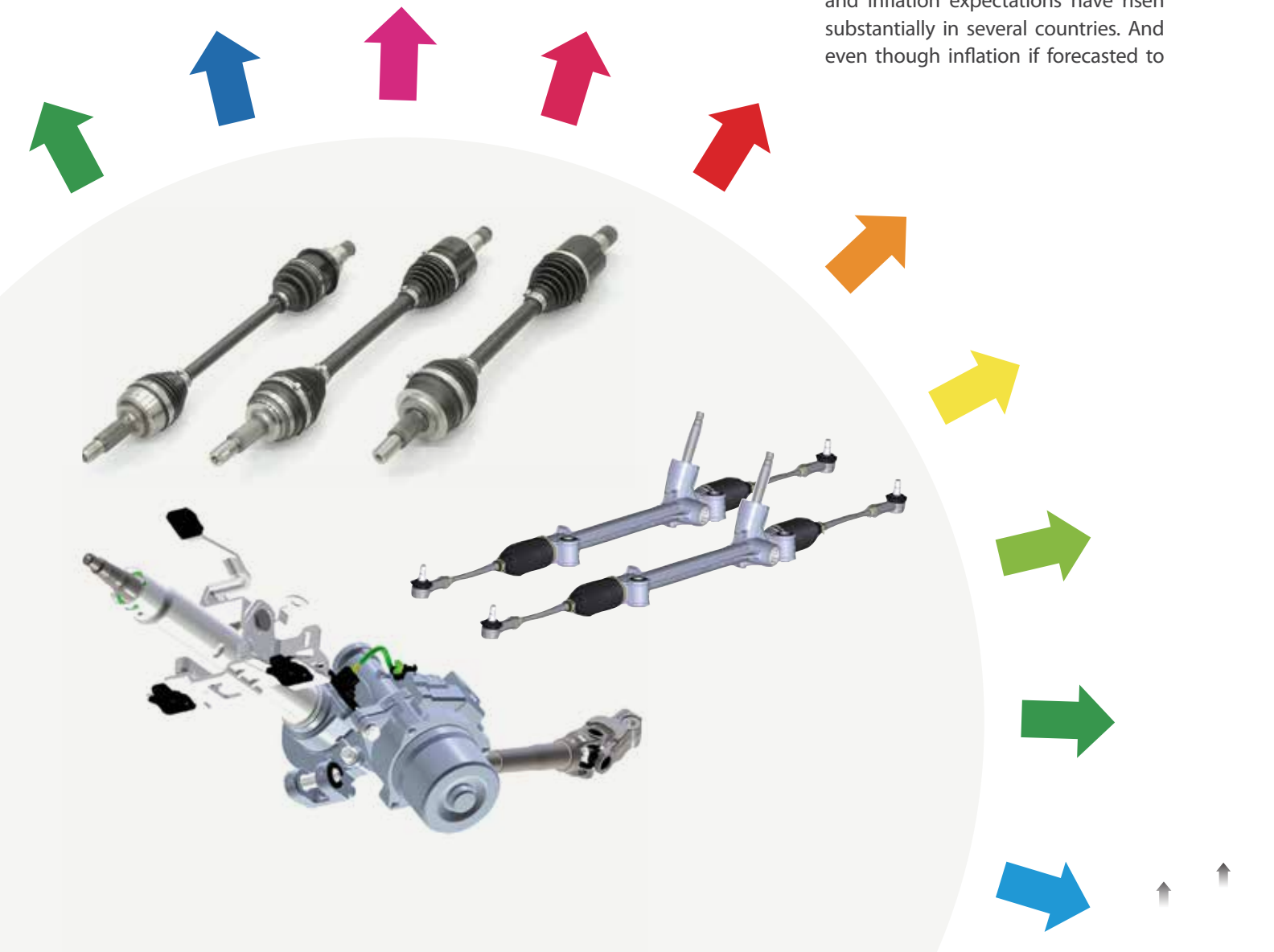
MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC SCENARIO

Global economic scenario

The global outlook is becoming increasingly challenging. Substantial increases in barriers to trade, tighter financial conditions, weaker business and consumer confidence and heightened policy uncertainty will all have marked adverse effects on growth prospects if they persist. Higher trade costs, especially in countries raising tariffs, will also push up inflation, although their impact will be offset partially by weaker commodity prices.

In this challenging and uncertain environment, global growth is predicted to decline from 3.3% in 2024 to a modest 2.9% in 2025 and in 2026. Weakened economic prospects will be felt around the world, with almost no exception. Lower growth and less trade will hit incomes and slow job growth. Although inflation has recently declined in most countries, service price inflation remains stubbornly sticky and goods price inflation has increased slightly in many countries due to rising food prices. Protectionism is adding to these inflationary pressures, and inflation expectations have risen substantially in several countries. And even though inflation is forecasted to





come down to central bank targets by 2026 in most countries, it will now take longer to reach those targets. In the countries more affected by tariffs, inflation might even rise first before coming down.

Fiscal risks are also increasing. Public debt levels are already elevated in many advanced and emerging market economies and spending pressures are rising in areas such as defence, investing in the green transition and costs related to the ageing of our societies. Debt service costs are rising too, further increasing pressures on public finances. High debt levels and tighter financial conditions pose particular risks for developing countries, many of which have large debt refinancing needs in the near future. (Source: OECD Economic Outlook, Volume 2025 Issue 1 June 2025)

Indian economic scenario

While a significant uptick in economic activity in the fourth quarter of financial year 2024-25 pushed GDP growth for the full year to 6.5%, this is the slowest since the pandemic year 2020-21 and a drop from the 9.2% high recorded in financial year 2023-24.

The agriculture sector continued its strong performance and grew 4.6% in the full year 2024-25, up from 2.7% in 2023-24. The manufacturing sector grew 4.5% in the full financial year 2024-25, down from 12.3% in 2023-24.

The construction sector growth stood at 9.4% in 2024-25, down from 10.4% in 2023-24 and the tertiary sector grew at 7.2%, lower than the 9% in the previous year. (Source: Press Release dated 30th May 2025 by Ministry of Statistics, Govt of India)

Real GDP is projected to grow by 6.3% in fiscal year 2025-26 and 6.4% in 2026-27. Private consumption will gradually strengthen, driven by rising real incomes that are helped by moderate inflation, recent tax cuts and a strengthening of the labour market. Investment will be supported by declining interest rates and substantial public capital spending, but higher US tariffs will weigh on exports. Inflation will remain contained at around 4% as economic activity grows around trend. A less benign monsoon season or higher global commodity prices could drive up food prices and inflation.

The Union Budget for the fiscal year 2025-26 foresees a moderate fiscal consolidation, aiming to reduce the headline budget deficit from 4.8% of GDP in fiscal year 2024-25 to 4.4% in 2025-26. With inflation firmly within the target range, monetary policy is gradually expected to become more accommodative. Better targeting of energy and fertiliser subsidies, and an overhaul of tax expenditures, could enhance spending efficiency and free resources for other policy priorities. Improving logistics efficiency, upgrading digital infrastructure, and enhancing policy predictability, particularly in tax administration, could bolster private investment. (Source: OECD Economic Outlook, Interim Report June 2025)

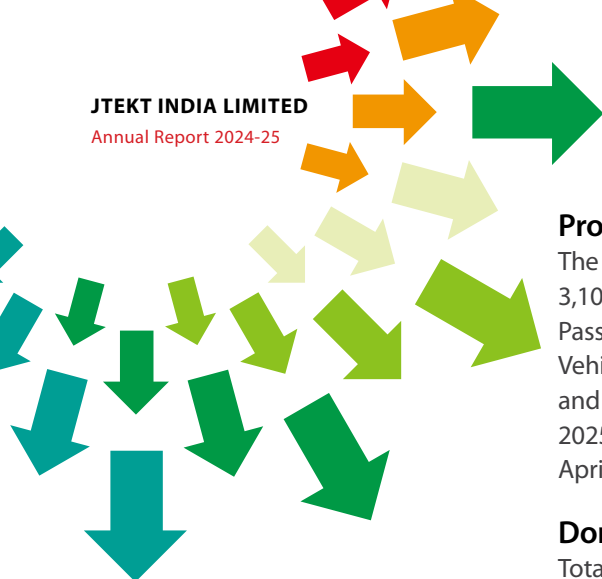
INDUSTRY

Global Auto Scenario

The Global light vehicle sales were 84 million units in 2024 and are projected to reach 85.1 million units in 2025, witnessing a YoY growth of 1.3% from 2024 to 2025. Further, within the regional market, the Asia-Pacific region accounted for almost half of the market share. While Internal Combustion Engine (ICE) Vehicles held the major share, the Hybrid Electric Vehicles (HEV) segment is expected to grow at a high rate of 20-25% over 2024-2025.

Dedicated to achieving zero emission targets, the OEMs have planned to invest over USD 500 Billion by 2030 for EV production facilities. In 2025, at least 10 new manufacturing plants of various OEMs are expected to commence. Further, the price of Lithium-ion batteries is expected to fall below USD 100/KWh in 2025. Moreover, OEMs have attempted to diversify the EV battery supply chain to de-risk from any possible supply chain disruption of raw material. (Source: <https://www.marketsandmarkets.com/Market-Reports/global-automotive-industry-outlook-77960341.html>)

The global auto industry outlook is improving due to recent US tariff agreements with China and the UK, alongside the exemption of USMCA-compliant parts from tariffs. Although the situation remains fluid, the adjustments reflect a generally better position for the industry, particularly in North America and China. (Source: <https://www.spglobal.com/automotive-insights/en/blogs/2025-light-vehicle-production-forecast>)



Indian Scenario

The Indian automobile industry showed strong growth in FY 2024–25, with domestic sales increasing by 7.3% and exports rising by 19.2%. This growth was supported by strong customer demand, government policies, rising infrastructure investments, and a focus on sustainable mobility. Passenger Vehicles (PVs), Two-Wheelers (2Ws), and Three-Wheelers (3Ws) all saw positive growth. PV sales reached a record 4.3 million units (2% growth), 2W sales grew by 9.1% to 19.6 million units, and 3W sales rose by 6.7% to 7.4 lakh units. However, Commercial Vehicles (CVs) saw a small decline of 1.2%, though recent months showed some recovery. The electric vehicle (EV) segment also performed well, with EV registrations growing by 16.9%. This includes a 21.2% rise in e-Two Wheelers and an 18.2% increase in electric Passenger Vehicles. Government schemes such as EMPS, PM E-Drive, and PM e-Sewa helped give a big boost to EV adoption in the country. The growing consumer preference for cleaner transportation options, along with new model launches and wider availability of EV charging infrastructure, contributed to the rise. Additionally, rising fuel prices have also encouraged many consumers to shift towards electric vehicles, further supporting the industry’s green transition.

Production

The industry produced a total of 3,10,34,174 vehicles including Passenger Vehicles, Commercial Vehicles, Three Wheelers, Two Wheelers and Quadricycles in April 2024 to March 2025, as against 2,84,34,742 units in April 2023 to March 2024.

Domestic Sales

Total Passenger Vehicle Sales increased from 42,18,746 to 43,01,848 units. The overall Commercial Vehicles sales increased from 9,68,770 to 9,56,671 units in FY 2024-25 compared to the previous year.

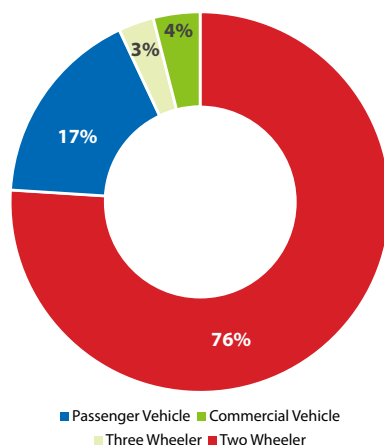
Sales of Three Wheelers increased from 6,94,801 to 7,41,420 units, in FY-2024-25, compared to the previous year.

Two Wheelers sales increased from 1,79,74,365 to 1,96,07,332 units, in FY-2024-25, compared to the previous year. (Source: <https://www.siam.in/statistics>)

Exports

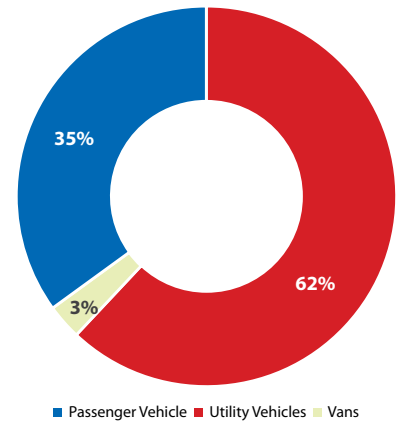
In April 2024 to March 2025, Passenger Vehicle Exports increased from 6,72,105 to 7,70,364 units and Commercial Vehicle Exports increased from 65,816 to 80,986, Three-Wheeler Exports increased from 2,99,977 to 3,06,914 and Two Wheelers Exports increased from 34,58,416 to 41,98,403 units over the same period last year. (Source: <https://www.siam.in/statistics.aspx?mpgid=8&pgidtrail=15>)

Domestic Market Share for 2024-25



Source: SIAM

Segment wise demand change in Passenger Vehicles



Source: SIAM

OUTLOOK

Looking ahead, the Indian auto industry is expected to continue its growth in FY 2025–26, supported by stable economic conditions, increased spending on infrastructure, and helpful government policies. A normal monsoon, as predicted, will likely support rural demand, especially for Two-Wheelers and smaller cars. The recent changes in personal income tax, along with two interest rate cuts by the RBI, are expected to make vehicle loans cheaper and increase customer spending. Exports are also likely to stay strong, especially in markets like Africa and neighboring countries, where Indian-made vehicles are becoming more popular. The industry will continue to watch global economic trends and supply chain developments, which could affect future growth. With growing interest in EVs, ongoing government support, and improving customer confidence, the Indian auto sector is well-positioned for steady growth in the coming year. Also, rising urbanization and increasing middle-class income levels are expected to further support auto sales. Stronger dealer networks, more financing options, and growing digital sales platforms will likely improve customer reach and convenience. Overall, the industry is optimistic and preparing for a more dynamic and competitive future.





OPERATIONAL PERFORMANCE AND FINANCIAL REVIEW

Financial Review

INR/Mn.

	2024-25	2023-24
Net Income from Operation	23,807	22,281
Other Operating Income	186	174
Total Revenue	23,993	22,455
Raw Material	17,404	15,965
Staff Cost	2,471	2,260
Other Expenditure	2,270	2,079
EBIDTA	1,848	2,151
Other Income	97	115
Depreciation and Amortisation	826	814
EBIT	1,119	1,452
Finance Charges	103	61
PBT before Exceptional Items	1,016	1,391
Exceptional Items (gain (-) / loss (+))	(7)	(74)
Share of profit of associates	-	-
PBT	1,023	1,465
Tax	271	396
PAT	752	1,069
Other Comprehensive Income	(18)	(10)
Total Comprehensive Income	734	1,059
Profit attributable to Owner	734	1,059
Capital Expenditure	3,742	1,707
EPS	2.96	4.20
D/E Ratio	0.18	0.14

Ratio Analysis

For the Financial Year, the profit margins were under pressure due to several internal and external factors. EBIDTA margins are down from 9.5% achieved last year FY 2023-24 to 7.6% in the current FY 2024-25. Export Sales to our US Customers declined reducing share of exports sale in our overall sales from 4% in FY 2023-24 to 2.4% in FY 2024-25 and impacting margins by 0.56%. The Company incurred additional warranty cost during the year impacting margins by 0.3%. Other factors impacting margins were increase in inward freight cost due to geo-political red sea issue, increase in testing charges due to increased activity of new product development, plant rationalization activity post-merger of Jtekt Fuji Kiko Automotive India Limited with the Company, actuarial impact of start of employee leave encashment scheme etc.

RECOGNITION

During the fiscal, the Company received Gold Award from Toyota Kirloskar at the Regional Quality Circle Competition. The Company also received Silver award from Maruti Suzuki at Quality Circle Competition 2024.



As a result of decline in margins and profits, there was a decline in Net Profit ratio from 4.76% last year to 3.14% in current year. Return on Equity ratio declined from 13.74% last year to 8.85% in current year. Further Return on Capital Employed ratio declined from 16.28% last year to 10.88% in current year.

For the FY 2024-25, the Company incurred total capex of INR 2878 million primarily towards expanding production capacity. Due to increase in Capex, the borrowings from the banking system increased from INR 1096 million as of end of March 2024 to a level of INR 1532 million as of end of March 2025. This resulted in increase in Debt Equity ratio from 0.14 times last year to 0.18 times in current year. Further the Debt Service Coverage ratio reduced from 7.95 times last year to 4.32 times in current year. For meeting the capital expenditure, the Company utilized surplus cash and as a result Current ratio declined from 1.65 times to 1.11 times.

There has been no significant change in other financial ratios, including inventory turnover, trade receivable turnover and trade payable turnover ratios.

TECHNICAL CAPABILITY / RESEARCH & DEVELOPMENT

The Company is committed to its mission of continuously contributing to Earth and Society through the

development of high-quality steering and driveline products, with a strong emphasis on safety, quality, and environmental compliance. We strive to deliver reliable products and services while fostering a safe and inclusive environment for employees and communities.

Customer satisfaction remains a top priority. To support this, the Company continues enhancing internal capabilities through long-term training at headquarters, process standardization, localized development, and simultaneous engineering—paving the way for greater self-reliance.

Advancing digitalization, we are emphasizing virtual simulations to achieve “first-time right” designs and reduce reliance on physical testing. Expansion of protocell facilities and enhanced validation capabilities are also underway to strengthen local development.

With a proactive mindset, the India Technical Center is playing a key role in developing cost-effective, market-specific solutions and competitive products tailored to Indian conditions. We remain focused on self-reliance, cost competitiveness, and exceeding customer expectations.

MANUFACTURING RATIONALIZATIONS

As the Indian automotive industry enters a new phase of accelerated growth, the Company is strategically transforming its manufacturing landscape to stay ahead of the curve. At the heart of this transformation lies a robust Manufacturing Rationalization Roadmap—a long-term initiative aimed at building agile, efficient, and scalable operations aligned with our customers’ evolving needs.

Operating across seven plant locations, the Company caters to a diverse customer base with a wide

product portfolio. To maintain speed, flexibility, and cost competitiveness, the company has prioritized rationalization as a key enabler for delivering operational excellence.

In FY 2024–25, we successfully completed 10 manufacturing rationalization projects, involving strategic consolidation, product line transfers, and layout optimization. An additional 7 projects are underway, with 6 slated for completion in FY 2025–26. These initiatives are being executed in close coordination with customers to ensure minimal disruption and seamless transitions.

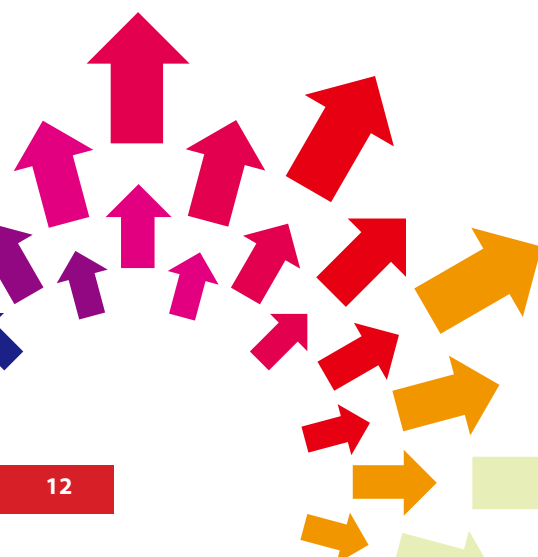
Recognizing the need to support future growth in the western region aligned to its main customer, the Company has announced the establishment of a new state-of-the-art manufacturing facility in Gujarat. This plant will enhance customer proximity and responsiveness by localizing production and shifting select product lines from northern India, thereby improving lead times and reducing logistics costs.

Through these collective efforts, the Company has achieved:

- Faster capacity ramp-up to match market demand
- Higher operational efficiency and resource utilization
- Optimized manufacturing footprint across India

This journey is not just about operational efficiency—it is about preparing for the future. By integrating rationalization with our growth strategy, we are creating a stronger, more sustainable foundation for the Company to emerge as a best-in-class automotive components manufacturer.

We remain committed to excellence, innovation, and value creation—for our customers, our people, and society.





HUMAN RESOURCES

At JTEKT India Limited, we believe that when we care for our people, they drive our success. Our Human Resources strategy is built on this foundation—creating a work environment where individuals feel valued, supported, and empowered to grow.

Our People, Our Priority

With a diverse workforce of over 3,400 employees across locations, we recognize our people as our greatest asset. We are committed to nurturing a healthy, inclusive, and future-ready workforce, supporting employees throughout their journey with JTEKT.

Well-being at the Core

We place holistic well-being at the heart of our employee experience:

- Health and wellness programs, including comprehensive medical coverage and preventive care initiatives.
- Work-life balance support through flexible and inclusive policies.

- Employee engagement activities that build a sense of belonging, community, and camaraderie.

Performance with Purpose

We foster a high-performance culture through:

- Transparent goal setting aligned with individual strengths and business priorities.
- Performance-based appraisals that reward meaningful contributions.
- Continuous feedback to support growth and development.

Investing in Growth and Learning

We believe in growing careers from within. Our focus on upskilling, internal mobility, and leadership development helps employees realize their potential:

- 90+ training sessions conducted in FY 2025.
- 92% workforce coverage across technical, functional, and behavioral areas.

- Hands-on DOJO programs for shop floor readiness.
- A dynamic E-Learning platform with 45+ modules and 7,600+ sessions for self-paced learning.

Welcoming Fresh Talent

To keep our organization agile and future-ready, we engaged and groomed young professionals through structured campus recruitment. In FY 2025, we on-boarded:

- 15 Graduate Engineer Trainees (GETs).
- 182 Diploma Engineer Trainees (DETs).

Career Growth from Within

We provide strong career paths, especially for Trainees and off-roll associates

- 159 internal roles were filled through elevation from Trainee and offroll category in FY 2025.
- Growth driven by performance, potential, and structured succession planning.



PURCHASING

At JTEKT, the primary goal of Purchasing is to create value for the organization, not just to minimize the costs. Quality, Delivery, Services and long term relationship are also considered in addition to price. We consider suppliers as business partners. We believe that building long term relationships is a pre-requisite for better quality, innovation and reliability.

The Company is committed to sustainable and ethical sourcing practices. This includes considering the environment and social impact of purchasing decisions and striving for responsible sourcing.

In current competitive and emerging Indian Automotive market, new projects are being launched frequently by OEMs with advanced technologies and features. To respond to such business scenario, an agile and responsive supply chain is required. We are continuously working on improvement activities in response to changing market conditions. Here are some key activities which are carried out to stay competitive in market and to meet customers' expectations:

1. Front Loading activities to improve the cost and capability enhancement. At initial parts

development stage, the Company is involved and closely work with its supply partners to develop the parts. It helps to improve the cost and design optimization.

2. Parts' Development lead-time reduction activity – Parts development stages are clearly defined with its development time to have timely development of parts. To reduce the development lead time, SPTT (Supplier Parts Tracking Team) system is introduced and implemented. Under SPTT system, development steps are reviewed to reduce the lead-time. During SPTT-1, Agreement is made with supply partners by deciding Quality, Delivery and Cost targets and fix the team to review the development progress at each stage.

3. The Company believes in long term and fair partnership with supply partners and for building robust partnership and growing together, the management team of the Company is meeting with its supply partners frequently to know each other, share the new projects and businesses in pipeline and understand their challenges and issues to resolve

the same mutually. JTEKT India Region has been organizing Partners' Meet on regular basis to share future growth plan, new businesses and initiatives taken to improve the supply chain, cost, delivery and quality.

SAFETY, SECURITY & SUSTAINABILITY

At JTEKT India, Safety, Security, and Sustainability are integral to our corporate philosophy. These pillars not only influence our daily operations but also define our long-term strategic vision, aligned with global best practices and stakeholder expectations.

Employee Safety: Our Top Priority

The health and safety of our employees remain paramount, especially as we expand operations at our current facilities. We continue to foster a culture of safety through:

Ongoing Training and Awareness:

Regular training sessions, safety drills, and workshops ensure employees are equipped to handle operational risks and emergencies.

Advanced Safety Infrastructure:

Deployment of modern PPE, interlocks, and safety monitoring systems at all sites.

Ergonomic Enhancements:

Workstations are continually being redesigned to promote employee wellness and reduce ergonomic risks, particularly in high-intensity operations.

Process Safety: Ensuring Continuity and Compliance

In preparation for our ISO 45001:2018 re-certification, we have strengthened our process safety framework to ensure safe operations during expansion and scale-up:

HIRA & RED Machine Implementation: Regular Hazard Identification and Risk Assessment (HIRA) and identifying RED machines to mitigate operational risks.

Standardized Safety Systems: Uniform implementation of safety SOPs and emergency preparedness plans across all locations.

Preventive Maintenance: Emphasis on TPM and reliability-centered maintenance to reduce equipment failure and downtime.

Physical Security: Safeguarding People and Assets

With an increasing footprint, we have reinforced security controls at all locations:

Access Control and Surveillance: Use of RFID-enabled entry systems, 24x7 CCTV surveillance, and security patrols.

Incident Management System: Timely reporting and resolution of any safety/environment incidents or near-miss observations, enabling proactive response.

Sustainability: A Core Business Driver

Environmental Stewardship
We are focused on improving CO₂ emissions and water consumption per unit of sales.

Our environmental initiatives include:

Energy Efficiency Projects:

Adoption of energy-efficient motors, compressors, and LED lighting; energy audits and real-time monitoring of utilities.

Green Energy Transition:

In process procurement of renewable energy through open access and group captive solar projects.

Water Resource Management:

Deployment of rainwater harvesting, ETP/STP upgradation, and water recycling technologies to lower fresh water dependency.

Waste Minimization:

Focus on reducing landfill waste, increasing recycling rates, and engaging vendors in sustainable disposal practices.

ISO 14001:2015 Compliance:

All facilities adhere to environment management system requirements, ensuring continuous improvement and regulatory alignment.

The Company remains committed to embedding safety, security, and sustainability across its value chain to create a resilient, responsible, and future-ready organization.

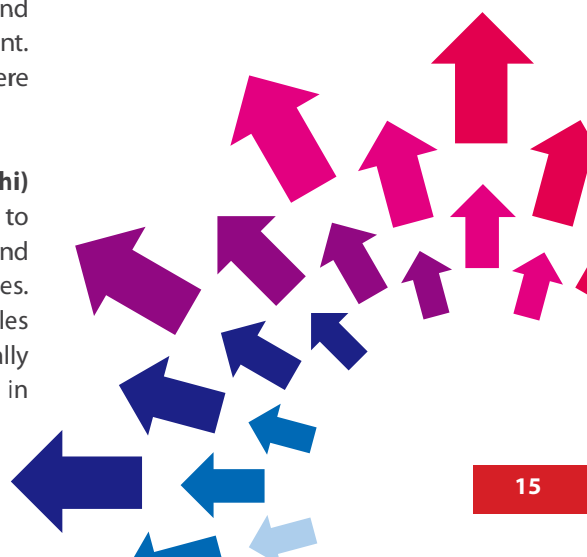
INFORMATION TECHNOLOGY

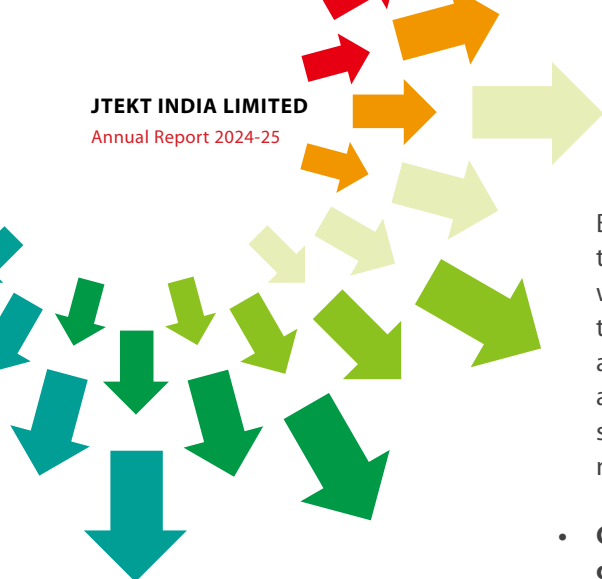
The major focus during the financial year was to drive digital transformation across manufacturing and support functions, enhance cyber security readiness, and improve operational efficiency through automation and in-house software development. The following key initiatives were undertaken during the year:

- **Online KY (Kiken Yochi) Exercise System** implemented to strengthen risk identification and promote proactive safety practices. KY digital platform enables employees to systematically recognize potential hazards in

their work environment, fostering a culture of safety awareness and preventing accidents before they occur.

- **Supplier Capacity Mapping** in-house software was developed and implemented for part-wise and supplier-wise capacity mapping, utilizing long-term forecast data derived from the sales plan. This system enables better visibility of supplier capabilities, supports proactive capacity planning, and helps prevent supply shortages by aligning procurement with future demand.
- **Automation of supplier performance score cards** deployed on the Supplier Portal to improve transparency and engagement. It provides real-time visibility into key metrics like delivery, quality, and responsiveness, helping suppliers track their performance and encouraging continuous improvement.
- **Customer sample part tracking system** implemented to improve process visibility and turnaround time. This system enables real-time monitoring of sample part movement across departments, ensuring timely updates, reducing manual follow-ups, and enhancing customer satisfaction through improved responsiveness.



- 
- **E-Kanban system** deployed for direct material management at our Bawal Plant, streamlining logistics operations and reducing inventory levels. The system ensures real-time visibility of material movement, improves production line efficiency, and minimizes manual intervention in inventory replenishment.
 - **4M Change Management System** was developed and implemented to govern changes in Man, Machine, Material, and Method. This digital platform improves process stability and product quality by ensuring traceability, approval workflows, and compliance across departments.
 - **Product traceability system** implemented at GGN, BWL, DHR1, and CHN locations to meet customer traceability requirements and regulatory norms, enabling part-level tracking across the production lifecycle and that will help in reducing the risk of recalls, and enhancing quality assurance through end-to-end material flow visibility.
 - **Regular Cyber Security Drills** (phishing simulation exercises) were conducted across all departments to assess the cyber awareness levels of employees.

Based on the results, targeted training and awareness sessions were provided to identify users to strengthen the human firewall against social engineering attacks and reduce the risk of security breaches caused by user negligence.

- **Cyber Security assessments of critical suppliers** to enhance supply chain resilience and mitigate risks of cyber-related disruptions. These evaluations were focused on identifying weakness in suppliers' IT infrastructure and ensuring alignment with JTEKT's cyber security standards, thereby reducing the likelihood of operational downtime or financial losses due to cyber incidents.

RISKS AND CONCERNS

The Company understands that effective risk management is critical in meeting its objectives and achieving sustainable growth. Risk management policies have been designed in a manner that the Company can respond swiftly and implement the necessary mitigation actions. In compliance with the prudential norms, we have constituted a Risk Management Committee and developed a risk management framework. The objective was to ensure sustainable business growth and promote a proactive approach in reporting, evaluating and mitigating risks associated with the business.

The Committee reviews the framework periodically in view of the dynamic business environment. This risk management policy has helped enhance process robustness, ensuring that strategic & operational risks are addressed effectively.

The Company's strategic & operational risks are broadly classified into the following four major categories:

Economic risks: Refer to risks resulting from the economic and political scenario in the country.

Operational risks: Refer to the risks that are inherent to the business and include manufacturing and distribution operations.

Financial risks: Refer to the risks that result from fluctuations in currency market and interest rate.

Human resource risks: Refer to the risks of losing out on skilled workforce due to competition.

The Committee recognizes that risk management is an integral part of good management practices. Thus, it has made risk management an essential element in achieving business goals and deriving benefits from market opportunities. While the Company cannot completely rule out the possibility of a negative impact owing to risks, we continue to take cautious steps to mitigate risks.

INTERNAL CONTROL AND ADEQUACY

Audit Committee monitors the adequacy and effectiveness of the Company's internal control framework. Internal control systems are supported through management reviews and verification by internal and statutory auditors.

Internal Audit Plans are aligned to the objective of Company's business and the same are approved by Audit Committee to ensure the adequacy & effectiveness of the Company's Internal Control framework.

Internal Audit Reports are reviewed by Audit Committee on Quarterly basis to ensure the robust internal control system commensurate with the size & operations of the Company.



CORPORATE SOCIAL RESPONSIBILITY

The Company considers corporate social responsibility as a fundamental aspect of its business philosophy. The Company's dedication to CSR reflects its focus on creating a meaningful impact in the communities, where it serves. The Company's CSR initiatives, approved by its CSR Committee, focus on key areas such as healthcare, education, environmental sustainability and rural development. Company's efforts are aimed not only at fulfilling regulatory requirements but also at fostering inclusive growth and sustainable development. Through these targeted efforts, the Company is committed to driving sustainable change and making a meaningful, lasting contribution to the well-being and progress of the communities.

During FY24-25, the Company has further extended these activities and has significantly increased its financial commitment to these projects. The Company focusses on directly implementing these projects in local areas after a detailed assessment of the requirements of the community with the objective to derive maximum benefit from these activities and to ensure that these CSR projects achieve the norm of sustainability. With the CSR



programme, the Company continues to make positive impact on the lives of the people and encourages employees of the Company to participate in the CSR initiatives of the Company in huge numbers.

Few of the CSR projects implemented by the Company during Financial Year 2024-25 are as under:

Skill Development

During the financial year 2024–25, one of the Company's key CSR initiatives was the establishment of a Skill Development Centre aimed at enhancing the practical capabilities of diploma engineering students at a total cost of INR 4.89 million. This initiative was undertaken in partnership with

Government Polytechnic College, Lisana (Rewari)—a reputed institution known for its quality technical education. Recognizing the growing need for industry-aligned technical skills in the automotive sector, the Company collaborated with the college to design and implement a customized training curriculum.

The Skill Development Centre shall provide hands-on training, equipping students with practical knowledge and exposure to industry best practices. This initiative shall significantly contribute towards enhanced technical skills, improved employability, increased creativity, and greater competence among participating students.

Health and well-being

During the year, the Company extended its support to Vivekanand Arogya Kendra by contributing essential medical equipment, including a Motorized ICU Bed with Mattress, a BPL 100 MA Mobile DR Model, and a BPL Vivid View Monitor. These contributions were made to assist in the establishment of a dedicated Cardiac Surgery Facility, which also includes an Emergency Centre for critical heart care. The facility once completed is expected to provide comprehensive cardiac treatment, including emergency interventions and minor surgeries.





Additionally, the Company supported infrastructure upgrades at the Maternity Ward, Community Health Centre in Bawal, by providing AC stabilizer installation, shaded pathway construction, roof access stairs, and window glass film application to improve comfort and functionality. Further Company installed two water coolers along with R.O Facility at two Anganwadi Centers in Malpura Village ensuring safe and clean drinking water for young children and staff thereby supporting better health and hygiene standards.

Education

During FY 2024-25, Company collaborated with the Central Himalayan Rural Action Group (CHIRAG) Foundation to support the expansion of a school in Uttarakhand by adding new classrooms and providing furniture. Additionally, under its CSR initiative for FY 2024-25, the Company donated 12 computers with furniture to the Electrical Engineering Department of Assam Engineering Institute, Guwahati.

To further support student development, the Company collaborated with Monk.e.Wise an institution focused on student wellness, to enhance English speaking and communication skills among students at S.D. Modern Senior Secondary School. The programme witnessed enthusiastic participation, with students engaging in various activities and showing a strong interest throughout the course. The initiative received highly positive feedback upon completion. The company also provided funding for the salary of a computer teacher at Government Senior Secondary School in Banipur Village.

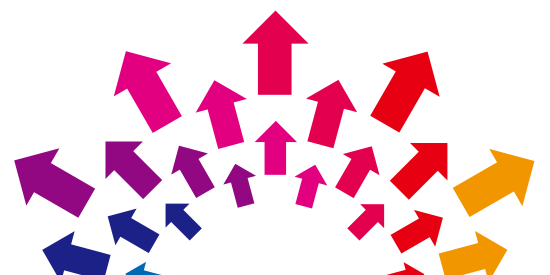
The Company also extended infrastructural and educational support to various schools, including S.D. Modern Senior Secondary School in Gurugram, Captain Chandan Lal Special School for the Blind in Gurugram; Panchayat Union Middle School, Pondhur in Chennai; and Government Primary School, Malpura.

Community Development

The Company undertakes community development initiatives in villages near its facilities to enhance the quality of life for local residents. During the year, it supported the installation of an open gym in a community park it had previously developed, promoting health and fitness among the youth and elderly. The facility benefits many from Below Poverty Line (BPL) households and aligns with the Company's focus on environmental sustainability through the creation of eco-friendly public spaces.

Water Conservation

As part of its commitment to sustainable water management and environmental conservation, the Company undertook the development of a rainwater harvesting pond in Jaurashi village under its CSR initiatives at a total cost of INR 6.60 million. This project aims to enhance groundwater





levels by constructing a pond, creating a pathway, and installing pipelines from the nearby school to the pond to collect and store rainwater directly. The pond not only serves as a crucial water conservation measure but also benefits the local community by ensuring access to a more reliable water source, especially during dry seasons.

Zero Hunger

To promote Zero hunger under the CSR initiative, the Company collaborates with Mother Teresa Charitable Trust, Tamil Nadu for the project entitled "Mid-day Meals for old age people residing at Mother Teresa Joy Home, Thanjavur, Tamil Nadu". This trust operates an old age home called Mother Teresa Joy Home, which provides meals to old age people.

ADOPTION OF GREEN TECHNOLOGY

The Company made further efforts towards harnessing solar energy for generating electricity for our manufacturing units. Currently, our seven manufacturing locations have solar power generating facilities, and the total solar power generating capacity stands at 4391 KWp. The Company has plans to further increase the capacity in the coming years. In addition to this, all other energy-saving efforts such as the adoption of energy-efficient fixtures and equipment, zero water discharge through water recycling, etc. continue to receive the focus of the management. This transition to cleaner and more efficient energy will significantly reduce our carbon footprint and improve air quality. Our dedication to sustainable

practices and green technologies reflects our long-term vision for a more sustainable future.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, and expectations may be forward-looking statements within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the automobile sector, significant changes in the political and economic environment in India, exchange rate fluctuations, tax laws, litigation, labour relations, and interest cost.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

JTEKT India Limited ('the Company') seeks to contribute to the happiness of people and the abundance of society through product manufacturing and engages in business activities with high standards of ethics in harmony with the economy; society and environment.

The ambit of our Corporate Governance philosophy extends beyond adherence to established regulatory framework and is realized through firm commitment by upholding trust and confidence of all stakeholders. This is achieved through compliance, transparency, professionalism, honest communication, continuous improvement, discipline, ownership and vision of Shaping a better future through the spirit of "No. 1 & Only One" in all that we do. As a good corporate citizen, we work with our Customers, Investors and Suppliers in order to continue contributing to the sustainable development of business, society and the world.

Responsibility to our customers and business partners

- Adopt business practices, which are fair, transparent and compliant with laws and regulations and promote free competition.
- Provide the best in quality products to achieve satisfaction and trust of customers.

Responsibility to our shareholders

- Maintain close communication with shareholders and disclose corporate information properly, while at the same time working to improve our corporate value on a continuous basis.

Responsibility to our employees

- We recognize our profound responsibility to our employees, deeply valuing their individuality and contributions. Our commitment is to cultivate environment that inspire and empower our employees to reach their fullest potential. We prioritize the well-being and growth of each individual, striving to provide the necessary support and resources to enable them to thrive both within our organization and in their personal lives.

Contributing to regional societies and to global society

- As a good corporate citizen, we pursue activities that contribute to society.
- Follow rules, observe the laws, cultures and customs of society and regions where we have operations, and seek to contribute to their growth.
- Carry out global environmental improvement activities proactively with deep awareness of their being an important corporate mission.

BOARD OF DIRECTORS

1. Composition of the Board

In adherence to the compliances stipulated under the applicable statutory regulations, the Board of Directors of your Company is

having an optimum combination of executive and non-executive directors, as mentioned below. As on 31 March 2025 there were three Executive Directors and five Non-Executive Directors. Out of the said five Non-Executive Directors, four directors were Independent Directors including two Independent Woman Directors (see Table 1):

Table 1 : Composition of the Board of Directors as on 31 March 2025

Name of Directors	Category
Mr. Minoru Sugisawa	Chairman & Managing Director (Executive Director)
Mr. Rajiv Chanana	Director & CFO (Executive Director)
Mr. Yosuke Fujiwara	Wholetime Director (Executive Director)
Mr. Deepak Thukral	Director-Nominee Director of Maruti Suzuki India Limited (MSIL) (Non-Executive Director)
Mrs. Hiroko Nose	Independent Woman Director
Mr. Masahiko Morimoto	Independent Director
Mr. Hiroshi Daikoku	Independent Director
Mrs. Deepika Gera	Independent Woman Director

None of the Directors had any relationships inter-se. The Board of Directors are of the opinion that Independent Directors of the Company fulfill the conditions specified under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and are independent of the Management.

During the year :

- Mr. Takumi Matsumoto, rescinded from the position of Director of the Company effective from 17 May 2024;
- Mr. Inder Mohan Singh and Lt.Gen. Praveen Bakshi (Retd.), Independent Directors of the Company completed their tenure of five years started from 18 May 2019, accordingly, ceased to be Directors of the Company effective from the close of business hours of 17 May 2024.
- The nomination of Mr. Taku Sumino was withdrawn by Maruti Suzuki India Limited from the Board of the Company, effective from 21 August 2024; and
- Mr. Hitoshi Mogi, rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.

Further, during the year :

- Mrs. Deepika Gera was appointed as an Additional Director, in the capacity of Independent Director, effective from 15 May 2024, whose appointment was confirmed by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024;
- Mr. Deepak Thukral, was appointed as an Additional Director in the capacity of Non-Executive Director, as



Nominee of Maruti Suzuki India Limited, effective from 1 September 2024; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 16 October, 2024;

- Mr. Minoru Sugisawa was re-designated as Chairman & Managing Director of the Company effective from 1 January 2025; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025; and
- Mr. Yosuke Fujiwara was appointed as an Additional Director, in the capacity of Wholetime Director of the Company, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.

2. Number of Board Meetings

In the financial year ended on 31 March 2025, the Company held seven Board Meetings on 15 May 2024, 30 May 2024, 1 August 2024, 7 October 2024, 14 November 2024, 20 December 2024 and 30 January 2025. The maximum time gap between any two Board Meetings during the year was less than 120 days.

3. Directors' attendance record and directorships held

The attendance of each Director of the Company in Board Meetings held during the financial year ended on 31 March 2025, last Annual General Meeting of the Company held on 13 August 2024 and number of directorships and/or memberships / chairmanship of committees of other companies [see Table 2(A)] and the Directorships in other Listed Companies and category of directorship, as on 31 March 2025 [see Table 2(B)].

Table 2 (A) : Directors' attendance record and directorships held in other companies

Name of Directors	Board Meetings held during FY 2024-25		Whether attended last AGM	Directorships held in other companies incorporated in India		Membership of Committees of other Companies ^①	
	Eligibility	Attended		Public	Private	Member	Chairperson
Mr. Hitoshi Mogi ^②	6	6	Yes	N.A.	N.A.	N.A.	N.A.
Mr. Rajiv Chanana	7	7	Yes	-	-	-	-
Mr. Minoru Sugisawa ^③	7	6	Yes	-	2	-	-
Mr. Yosuke Fujiwara ^④	0	0	NA	-	1	-	-
Mr. Takumi Matsumoto ^⑤	1	1	NA	N.A.	N.A.	N.A.	N.A.
Mr. Taku Sumino ^⑥	3	2	No	N.A.	N.A.	N.A.	N.A.
Mr. Deepak Thukral ^⑦	4	4	NA	1	-	-	-
Mrs. Hiroko Nose	7	7	Yes	-	1	-	-
Mr. Inder Mohan Singh ^⑧	1	0	NA	N.A.	N.A.	N.A.	N.A.
Lt.Gen.Praveen Bakshi (Retd.) ^⑨	1	1	NA	N.A.	N.A.	N.A.	N.A.
Mr. Masahiko Morimoto	7	7	Yes	-	2	-	-
Mr. Hiroshi Daikoku	7	7	Yes	-	-	-	-
Mrs. Deepika Gera ^⑩	6	6	Yes	1	-	-	1

Table 2 (B) : Directorships and category in other Listed Companies.

Name of Directors	Name of other Listed Companies	Category of Directorship
Mr. Hitoshi Mogi ^②	N.A.	N.A.
Mr. Rajiv Chanana	-	-
Mr. Minoru Sugisawa ^③	-	-
Mr. Yosuke Fujiwara ^④	-	-
Mr. Takumi Matsumoto ^⑤	N.A.	N.A.
Mr. Taku Sumino ^⑥	N.A.	N.A.
Mr. Deepak Thukral ^⑦	-	-
Mrs. Hiroko Nose	-	-
Mr. Inder Mohan Singh ^⑧	N.A.	N.A.
Lt. Gen. Praveen Bakshi (Retd.) ^⑨	N.A.	N.A.
Mr. Masahiko Morimoto	-	-
Mr. Hiroshi Daikoku	-	-
Mrs. Deepika Gera ^⑩	-	-

Notes:

- ① Only covers Membership / Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies.
- ② Rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.
- ③ Re-designated as Chairman & Managing Director effective from 1 January 2025, confirmed by shareholders via Postal Ballot concluded on 11 March 2025.

- ④ Appointed as an Additional Director, in the capacity of Wholetime Director, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.
- ⑤ Rescinded from the position of Director of the Company effective from 17 May 2024.
- ⑥ Nomination was withdrawn by Maruti Suzuki India Limited from the Board of the Company, effective from 21 August 2024.
- ⑦ Appointed as an Additional Director in the capacity of Non-Executive Director, as Nominee of Maruti Suzuki India Limited, effective from 1 September 2024; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 16 October, 2024.
- ⑧ Completed tenure as Independent Directors of the Company effective from the close of business hours of 17 May 2024.
- ⑨ Appointed as an Additional Director in the capacity of an Independent Director, effective from 15 May 2024, whose appointment was confirmed by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024.

None of the Directors is a member of more than 10 Board-level Committees or a Chairman of more than 5 such Committees, as required under Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Key Board qualifications, expertise and attributes

The Company's Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. The Board members are committed to ensure that the Company's Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board.

Leadership (L)	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth.
Communication (C)	Facilitate group discussions strategically (including focusing on the agenda and working for practical consensus). Promote transparency, communicating developments to members, affiliates, etc. and invite input.
Experience (E)	Have various leadership experiences within the profession. Have thorough knowledge of organization's policies / procedures / vision / mission.
Global Business (GB)	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities.
Financial (F)	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting processes, or experience in actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions.
Technology (T)	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.
Enterprise Risk Management (ERM)	Ability to think critically about operational and governance issues to ensure the effective management of potential opportunities and adverse effects.
Human Resources Strategy (HRS)	Ability for planning and implementing human resource strategies.
Sales and Marketing (SM)	Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.
Governance (G)	Experience of governance principles and practices.

In the table below the specific areas of focus or expertise of individual Board Member have been highlighted.

Name of Directors	Areas of skills / expertise									
	L	C	E	GB	F	T	ERM	HRS	SM	G
Mr. Minoru Sugisawa	✓	✓	✓	✓		✓	✓		✓	✓
Mr. Rajiv Chanana	✓	✓	✓		✓		✓	✓		✓
Mr. Yosuke Fujiwara	✓	✓	✓	✓		✓	✓			✓
Mr. Deepak Thukral	✓	✓	✓			✓	✓			✓
Mrs. Hiroko Nose		✓	✓		✓		✓			✓
Mr. Masahiko Morimoto		✓	✓	✓			✓			✓
Mr. Hiroshi Daikoku		✓	✓		✓		✓	✓		✓
Mrs. Deepika Gera		✓	✓		✓		✓	✓		✓



5. Details of the shares and convertible instruments and Stock Option Shares held by the Non-Executive Directors

Following (see Table 3) states the number of Equity Shares, convertible instruments and Stock Option Shares held by the Non-Executive Directors as on 31 March 2025.

Table 3 : Details of Equity Shares, Convertible Instruments and Stock Option Shares held by Non-Executive directors.

Name of Directors	Number of Equity Shares held	Number of convertible instruments ^① / Stock Option Shares ^② held
Mr. Deepak Thukral	-	N.A.
Mrs. Hiroko Nose	-	N.A.
Mr. Masahiko Morimoto	-	N.A.
Mr. Hiroshi Daikoku	-	N.A.
Mrs. Deepika Gera	-	N.A.

Notes:

- ① As on date the Company has not issued any Convertible Instruments.
- ② As on date the Company has not issued any Stock Option Shares.

6. Familiarization Programme of Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of business, finance, education, industry and commerce. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Independent Directors are appointed as per the governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations.

Periodic presentations are made at the Board/Committee meetings on business and performance updates of the Company, business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors. For the purpose, the Company has prepared a policy on familiarization programme for Independent Directors, which is displayed on the website of the Company (web link: <https://jtek.co.in/Menu/28245451-e13d-11ee-a2ec-9418826e6379>).

7. Information supplied to the Board

Among others, this includes:

1. Annual operating plans and budgets and any updates.
2. Capital budgets and any updates.
3. Quarterly results of the Company and its operating divisions or business segments.
4. Minutes of meetings of Audit Committee and other Committees of the Board.

5. The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
6. Show cause, demand, prosecution notices and penalty notices, which are materially important.
7. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
8. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
9. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
10. Details of any joint venture or collaboration agreement.
11. Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
12. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
13. Sale, of material nature, of investments, subsidiaries, assets, which is not in normal course of business.
14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
15. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

8. Materially significant related party transactions

The Company supplies auto components to Maruti Suzuki India Limited (MSIL), the co-promoter of the Company. The Company import components and equipments, pays royalty, technical know-how fees and other charges to JTEKT Corporation, Japan, Promoter of the Company. All transactions are executed on an arm's length, in ordinary course of business, and at prevailing market prices. None of these transactions involves a conflict with the financial interests of the Company. The details of related party transactions are given in Note No. 40 to the Financial Statement of the Company.

As required under Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company

(web link: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>).

However, in terms of Listing Regulations, all transactions with related parties, which are of material in nature, are subject to the approval of the Members of the Company. To comply with the aforesaid requirements of Listing Regulations, the approval of the shareholders was obtained by the Company at the 40 Annual General Meeting held on 13 August 2024.

9. Remuneration paid or payable to Directors (In INR) : Sitting Fees, Salary, Perquisites and Commission

The Remuneration to Directors is given as per the provision of Companies Act, 2013, Listing Regulations, subject to approval of shareholders or any other authority as may be required. The details of the remuneration of Directors and their relationships with each other is mentioned hereunder (See Table 4).

Table 4 : Details of Remuneration paid or payable to Directors for the year ended 31 March 2025

(Amount in INR)							
Name of Directors	Relationship with other Director	Sitting Fee ^①	Commission on profits	Salary	Perquisites	Provident Fund & National Pension Scheme	Total
Mr. Hitoshi Mogji ^②	None	N.A.	N.A.	49,50,000	21,70,292	-	71,20,292
Mr. Minoru Sugisawa ^③	None	N.A.	N.A.	51,00,000	23,60,156	-	74,60,156
Mr. Rajiv Chanana	None	N.A.	8,68,500	85,01,400	39,600	11,66,880	1,05,76,380
Mr. Yosuke Fujiwara ^④	None	N.A.	N.A.	8,00,000	7,05,160	-	15,05,160
Mr. Takumi Matsumoto ^⑤	None	50,000	N.A.	N.A.	N.A.	N.A.	50,000
Mr. Taku Sumino ^⑥	None	1,00,000	N.A.	N.A.	N.A.	N.A.	1,00,000
Mr. Deepak Thukral ^⑦	None	2,00,000	N.A.	N.A.	N.A.	N.A.	2,00,000
Mrs. Hiroko Nose	None	5,75,000	22,09,524	N.A.	N.A.	N.A.	27,84,524
Mr. Inder Mohan Singh ^⑧	None	0	0	N.A.	N.A.	N.A.	0
Lt. Gen. Praveen Bakshi (Retd.) ^⑨	None	1,25,000	4,57,143	N.A.	N.A.	N.A.	5,82,143
Mr. Masahiko Morimoto	None	5,25,000	19,80,952	N.A.	N.A.	N.A.	25,05,952
Mr. Hiroshi Daikoku	None	5,00,000	14,47,619	N.A.	N.A.	N.A.	19,47,619
Mrs. Deepika Gera ^⑩	None	5,00,000	19,04,762	N.A.	N.A.	N.A.	24,04,762

Notes:

- ① Sitting Fee includes the fee paid for attending the Committee Meetings.
- ② Rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.
- ③ Re-designated as Chairman & Managing Director effective from 1 January 2025, confirmed by shareholders via Postal Ballot concluded on 11 March 2025.
- ④ Appointed as an Additional Director, in the capacity of Wholetime Director, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.
- ⑤ Rescinded from the position of Director of the Company effective from 17 May 2024.
- ⑥ Nomination was withdrawn by Maruti Suzuki India Limited from the Board of the Company, effective from 21 August 2024. Sitting Fee for attending the Board Meetings was paid to the nominating Company MSIL.
- ⑦ Appointed as an Additional Director in the capacity of Non-Executive Director, as Nominee of Maruti Suzuki India Limited, effective from 1 September 2024; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 16 October, 2024. Sitting Fee for attending the Board Meetings was paid to the nominating Company MSIL.
- ⑧ Completed tenure as Independent Directors of the Company effective from the close of business hours of 17 May 2024.
- ⑨ Appointed as an Additional Director in the capacity of an Independent Director, effective from 15 May 2024, whose appointment was confirmed by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024.

Apart from the above, there were no pecuniary transactions between the Company and its directors. The Company has not issued any Stock Option Shares. None of the employees are related to any of the Directors.

10. Service contract of the Managing Director / Wholetime Director

During the Financial Year 2024-25 no Service Contract was executed with Managing Director / Whole Time Director / Director of the Company.

11. Basis for compensation payment to the Independent Directors

In order to make the payment of Commission to Independent Directors, in line with the market standards, the Nomination and Remuneration Committee and the Board of Directors at their meetings held on 14 May 2024 and 15 May 2024 respectively, recommended to impose a cap on the maximum commission payable. Accordingly, a fresh resolution for payment of commission to the Independent Directors was approved by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024.



Accordingly, as permitted under the Companies Act, 2013 and as per the terms of the resolution approved by the shareholders, the Board of Directors of the Company in its meeting held on 23 May 2025 have approved the distribution of commission to the Independent Directors not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 and subject to total payments not exceeding INR 8 million per annum and also maximum of INR 2.5 million per annum per director, for the Financial Year ended 31 March 2025. The details of payment of commission are given in Table 4 above.

COMMITTEES OF THE BOARD OF DIRECTORS

I) AUDIT COMMITTEE

The Audit Committee of the Company is entrusted with all the powers, role and terms of reference as contemplated under Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations, as applicable, besides terms as referred by the Board of Directors, the Audit Committee also assists the Board in effectively discharging its responsibilities.

Terms of reference to the Audit Committee is to:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommend for appointment, remuneration and terms of appointment of auditors;
- (3) Approve the payment to Statutory Auditors for any other services rendered by the statutory auditors;
- (4) Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;
 - (e) compliance with listing and other legal requirements relating to financial statements;
 - (f) disclosure of any related party transactions;
 - (g) modified opinion(s) in the draft audit report;
- (5) Review, with the management, the quarterly financial statements before submission to the Board for approval;
- (6) Review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (7) Review and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approve or any subsequent modification of transactions of the listed entity with related parties;
- (9) Do scrutiny of inter-corporate loans and investments;
- (10) Do valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Do evaluation of internal financial controls and risk management systems;
- (12) Review, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
- (13) Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discuss with internal auditors of any significant findings and follow up there on;
- (15) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (16) Discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) Review the functioning of the whistle blower mechanism;
- (19) Approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Review the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding INR 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments
- (21) Consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation, etc. on the listed entity and its shareholders.
- (22) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee of the Company reviews the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the Statutory Auditors;

- (3) internal audit reports relating to internal control weaknesses; and
- (4) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
- (5) statement of deviations:
 - i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s).
 - ii) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

The Audit Committee is also empowered with the following powers to:

- (1) investigate any activity within its terms of reference.
- (2) seek information from any employee.
- (3) obtain outside legal or other professional advice.
- (4) secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee is also apprised on information with regard to related party transactions, by being presented:

- (1) a statement in summary form of transactions with related parties in the ordinary course of business;
- (2) details of material individual transactions, if any, with related parties which are not in the normal course of business;
- (3) details of material individual transactions, if any, with related parties or others, which are not on an arm's length basis together with management's justification for the same.

The Chairperson of the Audit Committee was present at the last Annual General Meeting to answer shareholders' queries. The Audit Committee is regularly apprised of the various follow-up actions taken on the direction of the Audit Committee. Mr. Saurabh Agrawal, Company Secretary of the Company, is the Secretary to the Committee. The Audit Committee regularly invites such executives as it considers appropriate, including the head of the finance function, the head of internal audit and the representative of the Statutory Auditors, to be present at the meetings of the Committee.

Composition of Audit Committee, its meetings and attendance record for the year ended 31 March 2025.

As on 31 March 2025, the Audit Committee comprises of Mrs. Hiroko Nose, Mr. Masahiko Morimoto, Mrs. Deepika Gera and Mr. Yosuke Fujiwara. Except Mr. Yosuke Fujiwara, who is Wholetime Director of the Company, all other members of the Committee are Independent Directors. Further, members of the Audit Committee are competent and financially literate and Mrs. Hiroko Nose, the Chairperson of the Audit Committee has accounting and related financial management expertise.

During the year, the Audit Committee met six times i.e. on 15 May 2024, 30 May 2024, 1 August 2024, 14 November 2024, 30 January

2025 and 26 March 2025 (see Table 5). The time gap between any two Audit Committee meetings during the year was less than 120 days and at least two Independent Directors were present in each meeting. Further the Minutes of the Audit Committee meetings were placed before and deliberated by the Board.

Table 5: Attendance of members in Audit Committee Meetings held during FY 2024-25

Name & Category of Directors	Position	Audit Committee meetings held during FY 2024-25	
		Eligibility	Attended
Mrs. Hiroko Nose <i>(Independent Woman Director)</i>	Chairperson	6	6
Mr. Inder Mohan Singh ^① <i>(Independent Director)</i>	Member	1	0
Lt. Gen. Praveen Bakshi (Retd.) ^② <i>(Independent Director)</i>	Member	1	1
Mr. Minoru Sugisawa ^② <i>(Wholetime Director)</i>	Member	5	4
Mr. Masahiko Morimoto ^③ <i>(Independent Director)</i>	Member	5	5
Mrs. Deepika Gera ^③ <i>(Independent Director)</i>	Member	5	5
Mr. Yosuke Fujiwara ^④ <i>(Wholetime Director)</i>	Member	1	1

Notes :

- ① Ceased to be members of the Committee effective from 15 May 2024.
- ② Ceased to be a member of the Committee effective from 1 February 2025.
- ③ Appointed as one of the members of the Committee effective from 15 May 2024.
- ④ Appointed as one of the members of the Committee effective from 1 February 2025.

II) STAKEHOLDERS RELATIONSHIP COMMITTEE

A Stakeholders Relationship Committee of Directors of the Company looks into various aspects of interest of shareholders of the Company and is entrusted with all the powers, role and terms of reference as contemplated under Section 178 of the Companies Act, 2013, Regulation 20 of Listing Regulations, as applicable, and empowered by the Board of Directors of the Company to:

- (1) resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) review measures taken for effective exercise of voting rights by shareholders.
- (3) review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.



- (4) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.
- (5) issue duplicate Share Certificate(s) in lieu of the lost / torn / defaced / mutilated Share Certificate(s) of the Company and to authorize affixation of the Common Seal of the Company on the said duplicate Share Certificate(s) of the Company.

As on 31 March 2025, Mr. Saurabh Agrawal, Company Secretary is the Compliance Officer of the Company.

Composition of Stakeholders Relationship Committee, its meetings and attendance record for the year ended 31 March 2025.

As on 31 March 2025, the Stakeholders Relationship Committee comprises of Mr. Hiroshi Daikoku, Mr. Rajiv Chanana and Mr. Yosuke Fujiwara.

The Committee met once during the year i.e., on 30 January 2025 (see Table 6). Minutes of the Stakeholders Relationship Committee meeting were placed before and deliberated by the Board.

Table 6: Attendance of members in Stakeholders Relationship Committee Meetings held during FY 2024-25

Name & Category of Directors	Position	Stakeholders Relationship Committee Meetings held during FY 2024-25	
		Eligibility	Attended
Mr. Hiroshi Daikoku (Independent Director)	Chairman	1	1
Mr. Rajiv Chanana (Director & CFO)	Member	1	1
Mr. Minoru Sugisawa ^① (Wholetime Director)	Member	1	1
Mr. Yosuke Fujiwara ^② (Wholetime Director)	Member	0	0

Notes:

- ① Ceased to be a member of the Committee effective from 1 February 2025.
- ② Appointed as one of the members of the Committee effective from 1 February 2025.

III) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is entrusted with all the powers, role and terms of reference as contemplated under Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Board of Directors has empowered the Nomination and Remuneration Committee to:

- (1) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

- (2) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a) use the services of an external agencies, if required;
 - b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c) consider the time commitments of the candidates.
- (3) formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- (4) devise a policy on diversity of Board of Directors;
- (5) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- (6) extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- (7) recommend to the Board, all remuneration, in whatever form, payable to senior management.
- (8) nominate suitable candidates on the Boards of subsidiary and associate companies in terms of Joint Venture / Shareholder or other Agreements.

In accordance with the requirements under Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations the Company has formulated a Nomination and Remuneration Policy to govern the terms of nomination / appointment and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP). The primary objective of the Policy is to provide a framework and set standards for nomination, remuneration and evaluation of Directors, KMP and SMP. The policy is displayed on the website of the Company (web link: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>).

The performance evaluation of Directors including Independent Directors of the Company is done as per the Board Performance Evaluation Policy the objective of which is to provide a framework for evaluation of Directors, Chairman, Board of Directors collectively and its' Committees, the policy is displayed on the website of the Company (web link: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>).

Composition of Nomination and Remuneration Committee, its meetings and attendance record for the year ended 31 March 2025.

As on 31 March 2025, the Nomination and Remuneration Committee comprises of Mr. Hiroshi Daikoku, Mrs. Hiroko Nose and Mrs. Deepika Gera. All the members of the Committee are Independent Directors.

During the year ended on 31 March 2025, the Committee met four times i.e., on 14 May 2024, 20 December 2024, 29 January 2025 and 26 March 2025 (see Table 7). Minutes of the Nomination and Remuneration Committee meetings were placed before and deliberated by the Board.

Table 7: Attendance of members in Nomination and Remuneration Committee Meetings held during FY 2024-25

Name & Category of Directors	Position	Nomination and Remuneration Committee meetings held during FY 2024-25	
		Eligibility	Attended
Mr. Hiroshi Daikoku (Independent Director)	Chairman	4	4
Mr. Inder Mohan Singh ^① (Independent Director)	Chairman	1	0
Lt. Gen. Praveen Bakshi (Retd.) ^② (Independent Director)	Member	1	1
Mrs. Hiroko Nose ^② (Independent Director)	Member	3	3
Mrs. Deepika Gera ^② (Independent Director)	Member	3	3

Notes:

- ① Ceased to be members of the Committee effective from 15 May 2024.
- ② Appointed as members of the Committee effective from 15 May 2024.

IV) RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Company is constituted in line with provisions of Regulation 21 of Listing Regulations. The Board of the Company has formed a Risk Management Committee with regard to the identification, evaluation and mitigation of strategic, operational and cyber security risks and to frame, implement and monitor the risk management plan for the Company. The Committee is also responsible for reviewing risk management plan and ensuring its effectiveness. Major risks identified are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Committee of the Company is entrusted with all the powers, role and terms of reference as contemplated under Regulation 21 of Listing Regulations. The Board of Directors has empowered the Risk Management Committee to:

- 1) formulate a detailed risk management policy which shall include:
 - a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b) measures for risk mitigation including systems and processes for internal control of identified risks.
 - c) business continuity plan.

- 2) ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- 3) monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 4) periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 5) keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6) appoint, remove and terms of remuneration of the Chief Risk Officer (if any), subject to review by the Risk Management Committee.

Composition of Risk Management Committee, its meetings and attendance record for the year ended 31 March 2025.

As on 31 March 2025, the Risk Management Committee comprises of Mr. Masahiko Morimoto, Mr. Rajiv Chanana and Mr. Yosuke Fujiwara.

During the year, the Committee met twice i.e. on 29 August 2024 and 31 January 2025 (see Table 8). Minutes of the Risk Management Committee meetings were placed before and deliberated by the Board.

Table 8: Attendance of members in Risk Management Committee Meetings held during FY 2024-25.

Name & Category of Directors	Position	Risk Management Committee Meetings held during FY 2024-25	
		Eligibility	Attended
Mr. Masahiko Morimoto ^① (Independent Director)	Chairman	2	2
Mr. Hiroshi Daikoku ^② (Independent Director)	Member	0	0
Mr. Rajiv Chanana (Director & CFO)	Member	2	2
Mr. Minoru Sugisawa ^③ (Wholetime Director)	Member	2	2
Mr. Yosuke Fujiwara ^④ (Wholetime Director)	Member	NA	NA

Notes:

- ① Appointed as one of the members of the Committee effective from 15 May 2024.
- ② Ceased to be a member of the Committee effective from 15 May 2024.
- ③ Ceased to be a member of the Committee effective from 1 February 2025.
- ④ Appointed as one of the members of the Committee effective from 1 February 2025.

The details of foreign exchange risk and hedging activities are disclosed in Note No. 48 to the Annual Financial Statement.



V) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee of Directors has been constituted by the Board of Directors in accordance with the provisions of Section 135 of the Companies Act, 2013, which discharges the following roles and responsibilities to:

- (1) formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Committee as specified in Schedule VII to the Companies Act, 2013;
- (2) recommend the amount of expenditure to be incurred on the activities referred in CSR Policy; and
- (3) monitor the CSR Policy of the Company from time to time.

Composition of Corporate Social Responsibility Committee, its meetings and attendance record for the year ended 31 March 2025.

As on 31 March 2025, the Corporate Social Responsibility (CSR) Committee comprises of Mrs. Deepika Gera, Mr. Hiroshi Daikoku and Mr. Rajiv Chanana.

During the year, the Committee met once i.e., on 14 May 2024 (see Table 9). Minutes of the Corporate Social Responsibility Committee meetings were placed before and deliberated by the Board.

Table 9: Attendance of members in Corporate Social Responsibility Committee Meetings held during FY 2024-25.

Name & Category of Directors	Position	CSR Committee Meetings held during FY 2024-25	
		Eligibility	Attended
Mrs. Deepika Gera ^① (Independent Director)	Chairperson	0	0
Lt. Gen. Praveen Bakshi (Retd.) ^② (Independent Director)	Chairman	1	1
Mr. Hiroshi Daikoku (Independent Director)	Member	1	1
Mr. Minoru Sugisawa ^② (Wholetime Director)	Member	1	1
Mr. Rajiv Chanana ^① (Director & CFO)	Member	0	0

Notes:

- ① Appointed as one of the members of the Committee effective from 15 May 2024.
- ② Ceased to be members of the Committee effective from 15 May 2024.

MANAGEMENT

1) Management discussion and analysis

This Annual Report has a detailed section on management discussion and analysis.

2) Disclosures by Management to the Board

All details relating to financial and commercial transactions where Directors may have a potential interest are provided to

the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

In compliance with SEBI regulations on prevention of insider trading, the Company has implemented a comprehensive policy namely, 'Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information', for its management personnel and relevant business associates. The policy lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on consequences of violations.

3) Code of Conduct

The Board of Directors of the Company in their meeting held on 28 October, 2005 has adopted the 'Code of Conduct' for all Board Members and designated members of Senior Management of the Company. Designated 'Senior Management' comprises officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer. With a view to cover more management personnel of the Company, the said Code of Conduct was amended by the Board of Directors in their meetings held on 15 May, 2013 and 30 May, 2014. The code of conduct is available on the website of the Company (web link: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>). All Board members and designated management personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chairman & Managing Director to this effect is enclosed at the end of this report.

As a step towards good corporate governance, your Company has also implemented the 'Anti-Corruption & Anti-Bribery Policy' and 'Anti-Trust Policy' in line with the global practices and accordingly the scope of the previous Code of Conduct is further enlarged.

4) Whistle Blower Policy

As required under Section 177 (9) of the Companies Act, 2013 read with the Listing Regulations, the Company has formulated a Whistle Blower Policy. The policy comprehensively provides an opportunity for employee(s), director(s) and other stakeholders of the Company to raise any issue concerning breaches of law, accounting policies or any act resulting in financial or reputation loss and misuse of office or suspected or actual fraud. The policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. The policy has been communicated to the employees of the Company. The details of establishment of the Whistle Blower Policy/Vigil mechanism have been disclosed on the website of the Company.

Following is the status of complaints received under whistle blower system during the Financial Year 2024-25:

Number of complaints pending as on 31 March 2024	0
Number of complaints received by the Company	0
Number of complaints disposed	0
Number of complaints pending as on 31 March 2025	0

5) Subsidiary Company

The Company do not have any subsidiary company.

6) Disclosure of accounting treatment in preparation of financial statements

The Company has followed the guidelines of Indian Accounting Standards issued by the Ministry of Corporate Affairs (MCA) in preparation of its financial statements.

7) Certifications

The CEO and CFO certification on the financial statements for the year is enclosed along with this report.

Pursuant to Regulation 34(3) and Schedule V Para C Clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, a Certificate of non dis-qualification of directors by the Company Secretary in Practice is enclosed along with this report.

8) Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

As per requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), the Company has placed adequate mechanism to provide safe and congenial working environment to all female employees, by regularly arranging trainings and awareness programs to sensitize all employees on the matter.

The Company has constituted location wise Internal Complaints Committees (ICC) to redress the complaints of female workers. The ICC's are composed of internal members and an external member who has extensive experience in the field. The Company has formulated a policy for the prohibition of sexual harassment at work place. The same is displayed on the website of the Company (web link: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>).

Following is the status of complaints received under POSH during the Financial Year 2024-25:

Number of complaints filed	02
Number of complaints disposed	01
Number of complaints pending as on 31 March 2025	01

9) Other Disclosures:

- a) The Financial Statements of the Company are unqualified.
- b) The Internal Auditors of the Company make presentations to the Audit Committee on their reports.
- c) The Company has detailed Risk Management Policy and the Board periodically reviews the procedures for its effective management.
- d) The details of fees paid by the Company to the Statutory Auditors of the Company for the financial year 2024-25 are as follows:

Services	(Amount in INR/Lakh)
Statutory Audit Fee	70,00,000
Tax Audit Fee	3,00,000
Limited Review	30,00,000
Other Matters	
• Group Reporting	9,00,000
• PLI Certificates	9,45,000
• Hedge Certificates	76,250
Reimbursement of Expenses	9,17,500
Total	1,31,38,750

- e) Loans and advances in the nature of loans to firms/companies in which Directors are interested by name and amount: During the financial year 2024-25, the Company has not given any loans and advances in the nature of loans to firms/companies in which Directors are interested.
- f) Disclosure of agreements finding on listed entity: There is no agreement entered in by the parties as specified in clause 5A to Para A of Part A of Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- g) Particulars of Senior Management including changes: There have been following changes in senior management during the financial year 2024-25 :
 - Resignation of Mr. S. Senthil Kumar, Vice President of the Company, has submitted his resignation due to his personal reasons, effective from close of business hours of 31 August 2024.
 - Appointment of Mr. Jaydeep Kumar as Head-Production (as one of the Senior Managerial Personnel) effective from 1 September 2024.

SHAREHOLDERS

1) Disclosures regarding appointment or re-appointment of Directors

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Deepak Thukral, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The members of the Board of Directors of the Company, by way of circular resolution, on 27 August 2024, on the recommendation of the Nomination and Remuneration Committee, has appointed Mr. Deepak Thukral as an Additional Director in the capacity of Non-Executive Director (Nominee of MSIL) of the Company effective from 1 September 2024.

The appointment of the aforesaid director was approved by the shareholders, by way of Postal Ballot concluded on 16 October 2024.



The Board of Directors of the Company in its meeting held on 20 December 2024, on the recommendation of the Nomination and Remuneration Committee, has re-designated the position of Mr. Minoru Sugisawa from Wholetime Director to Chairman & Managing Director of the Company, effective from 1 January, 2025 for the remaining period of his existing tenure i.e. till 31 May, 2026, on the revised terms and conditions of his appointment.

Keeping in view of recommendations of the Nomination and Remuneration Committee the Company and the credentials and experience of Mr. Yosuke Fujiwara, the Board has appointed Mr. Yosuke Fujiwara as an Additional Director in the capacity of Wholetime Director, with remuneration, for a period of two years effective from 1 February 2025 to 31 January 2027.

The appointment of the aforesaid directors were approved by the shareholders of the Company, by way of Postal Ballot concluded on 11 March 2025.

The Board of Directors of the Company in its meeting held on 23 May 2025, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Rajiv Chanana as Wholetime Director for a period of one year effective from 1 June 2025.

The re-appointment of the aforesaid director shall be placed before the shareholders for their approval at the ensuing Annual General Meeting of the Company scheduled to be held on 28 August 2025.

As required, the brief profiles and other particulars of the Directors seeking appointment / re-appointment are given in the Notice of the 41 Annual General Meeting.

2) Credit Ratings

The Company had obtained the following Credit Ratings from ICRA, which has been reaffirmed by ICRA

Particulars	Rating	Remarks
Long term borrowings	AA	Reaffirmed
Short term borrowings	A1+	Reaffirmed

3) Communication to Shareholders

The financial results (quarterly, half-yearly and annual) of the Company were published in Business Standard (Hindi) and Business Standard (English) and also displayed at the Company's website www.jtekt.co.in. All official press releases, presentations made to analysts and institutional investors, if any, and other general information about the Company are also available on the Company's website.

4) Investor Grievances

As mentioned earlier in this section, the Company has constituted a Stakeholders Relationship Committee to look into various aspects of interest of shareholders including considering the investors' complaints. The status of complaints is reported to the Board of Directors in their meetings. Mr. Saurabh Agrawal, Company Secretary is the Compliance Officer of the Company.

5) Share Transfer

M/s. KFIN Technologies Limited (Formerly known as KFIN Technologies Private Limited) (hereinafter referred to as 'KFIN'), the Registrar and Transfer Agent of the Company. KFIN is registered with the SEBI as a Category-1 Registrar.

6) Details of Non-Compliance

During the last three years there has been no instance of non-compliance by the Company on any matter related to capital markets. However, the criteria of half of the Board being Independent, as stipulated under Regulation 17(1)(b) of Listing Regulations, was not fulfilled from 1 July 2021 till 10 November 2021 and hence National Stock Exchange of India Ltd. and BSE Ltd. had imposed penalties, which have been paid by the Company to the Stock Exchanges during FY 2022-23. The criteria was fulfilled on 11 November 2021 after the appointment of an Independent Director on the Board.

7) Other Disclosures

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations including other applicable mandatory requirements. The Corporate Governance Report of the Company for the Financial Year ended on 31 March 2025 is in compliance with the applicable requirements of SEBI as per Listing Regulations.

During the year ended on 31 March 2025, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

During the year 2024-25, the Company has not made or given any loans and advances in the nature of loan to Firm(s) / Company(ies) in which Directors are interested.

8) General Body Meeting

Details of the last three Annual General Meetings of the Company held in accordance with the applicable provisions of the Companies Act, 2013 and Listing Agreement (see Table 10).

Table 10: Date, time and venue of the last three Annual General Meetings

Financial Year (Ended)	Date	Time	Venue
31 March 2022	26 August 2022	10:00 A.M. (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
31 March 2023	11 August 2023	10:00 A.M. (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
31 March 2024	13 August 2024	11:30 A.M. (IST)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

9) Special Resolutions

In the ensuing 41 Annual General Meeting of the Company to be held on 28 August 2025, the shareholders' consent is being sought by way of Special Resolution for:

- Re-appointment of Mr. Rajiv Chanana as Wholetime Director of the Company, with remuneration for a period of one year effective from 1 June 2025, whose office is liable to retire by rotation.

The details of Special Resolutions passed in the previous three Annual General Meetings of the Company are as under

40 Annual General Meeting held on 13 August 2024

- Appointment of Mrs. Deepika Gera as an Independent Director, for a period of five years effective from 15 May 2024.
- Remuneration / Commission to Independent Directors for a period of five years commencing from 1 April 2024.

39 Annual General Meeting held on 11 August 2023

- Appointment of Mr. Minoru Sugisawa as Wholetime Director of the Company, for a period of three years effective from 1 June 2023, whose office is liable to retire by rotation.
- Payment of remuneration to Mr. Minoru Sugisawa, Wholetime Director of the Company.
- Re-appointment of Mrs. Hiroko Nose as Independent Woman Director, for the second term of five years effective from 11 August 2023.
- Appointment of Mr. Hiroshi Daikoku as an Independent Director, for a period of five years effective from 11 August 2023.
- Remuneration / Commission to Independent Directors period of five years commencing from 1 April 2023.

38 Annual General Meeting held on 26 August 2022

- Appointment of Mr. Satoshi Komeda as Director (Operations) of the Company, whose office is liable to retire by rotation.
- Payment of remuneration to Mr. Satoshi Komeda as Director (Operations) of the Company.
- Appointment of Mr. Rajiv Chanana as Director & CFO of the Company, whose office is liable to retire by rotation.
- Payment of remuneration to Mr. Rajiv Chanana as Director & CFO of the Company.
- Appointment of Mr. Masahiko Morimoto as Independent Director of the Company.

10) Postal Ballots

During the year, four Resolutions were passed through Postal Ballot – one resolution on 16 October 2024 and three resolutions on 11 March 2025 respectively. Ms. Pooja Jain, Practicing

Company Secretary (Membership No. F 11719 – C.P. No. 21372), was appointed as the Scrutinizer for Postal Ballots concluded on 16 October 2024 and 11 March 2025, to oversee the postal ballot voting process. The details of the aforesaid Postal Ballots are as follows:

Postal Ballot – 16 October 2024

1) Appointment of Mr. Deepak Thukral as Director of the Company.

Particulars	Number of Votes
Type of Resolution	Ordinary
Total Number of Equity Shares	25,42,80,483
No. of Votes Polled	18,88,63,000
• No. of Votes – In Favour	18,88,55,509
• No. of Votes – Against	7,491

Postal Ballot – 11 March 2025

1. To re-designate the position of Mr. Minoru Sugisawa (DIN : 10119891) from Wholetime Director to Chairman & Managing Director.

Particulars	Number of Votes
Type of Resolution	Special
Total Number of Equity Shares	25,42,80,483
No. of Votes Polled	21,52,23,634
• No. of Votes – In Favour	20,86,29,951
• No. of Votes – Against	65,93,683

2. Appointment of Mr. Yosuke Fujiwara (DIN : 09167191) as Wholetime Director of the Company.

Particulars	Number of Votes
Type of Resolution	Special
Total Number of Equity Shares	25,42,80,483
No. of Votes Polled	21,52,23,634
• No. of Votes – In Favour	21,52,02,501
• No. of Votes – Against	21,133

3. To approve payment of remuneration to Mr. Yosuke Fujiwara (DIN : 09167191) as Wholetime Director of the Company.

Particulars	Number of Votes
Type of Resolution	Special
Total Number of Equity Shares	25,42,80,483
No. of Votes Polled	21,52,23,624
• No. of Votes – In Favour	21,52,01,771
• No. of Votes – Against	21,853

The Company has complied with the procedures for the postal ballot in terms of Section 108 and Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

**11) Recommendations of Committees**

During the Financial Year ended on 31 March 2025, the Board of Directors had accepted all the recommendations of Committees of Directors of the Company.

and governance perspective, is available on the Company's website and can be accessed at the Company's website (web link: <https://jtekt.co.in/Menu/24d3e84c-e13d-11ee-a2ec-9418826e6379>).

12) Business Responsibility & Sustainability Report

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility & Sustainability Report describing the initiatives taken by the Company from an environmental, social

Place : Gurugram
Dated : 23 May 2025

For and on behalf of the Board

Minoru Sugisawa

Chairman and Managing Director
[DIN: 10119891]

ADDITIONAL SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING

Date	:	28 August 2025 (Thursday)
Venue	:	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Time	:	11.30 A.M.

FINANCIAL CALENDAR

Financial year	:	1 April 2025 to 31 March 2026
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For the year ending 31 March, 2026, results will be announced and published in 'Business Standard' (English) all India Editions and 'Business Standard (Hindi) Delhi Edition:

- First Quarter Financial Results : Tentatively in second week of August 2025
- Second Quarter and Half Yearly Financial Results : Tentatively in second week of November 2025
- Third Quarter Financial Results : Tentatively in second week of February 2026
- Fourth Quarter and Annual Financial Results : Tentatively in third / fourth week of May 2026

BOOK CLOSURE

The dates of book closure are from Saturday, 9 August 2025 to Thursday, the 28 August 2025 (both days inclusive).

DIVIDEND RATE

The Board of Directors of the Company, in their meeting held on 23 May 2025, has recommended the dividend of INR 0.70 per Equity Share of INR 1/- each for the year ended 31 March 2025. The dividend if approved by the Shareholders at the ensuing Annual General Meeting will be dispatched/credited within 30 days from the date of declaration. The dividend recommendation is in accordance with the Dividend Distribution Policy of the Company, which is available on the website of the Company at <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>.

LISTING AND STOCK CODE

The Company's Equity Shares are listed on BSE Limited and National Stock Exchange of India Limited.

Name and Address of the Stock Exchanges	Stock Code	Date of payment of listing fees
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	520057	25 April 2025
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051.	JTEKTINDIA	21 April 2025

The ISIN Number of the Company (or demat number) on both NSDL and CDSL is INE643A01035



STOCK DATA

Table 1 gives the monthly high and low prices and volumes of Equity Shares of the Company at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the year ended 31 March 2025.

Table 1: Monthly shares price* (In INR) data and volumes on BSE and NSE

Month and year	BSE			NSE		
	High	Low	Volumes	High	Low	Volumes
April 2024	185.00	152.10	895291	185.30	164.00	7761182
May 2024	176.20	158.45	330775	175.35	158.20	4343754
June 2024	221.10	149.70	1199879	221.25	148.80	16245030
July 2024	225.25	197.60	630735	225.70	197.70	6929698
August 2024	219.95	167.25	423716	220.00	167.31	8173795
September 2024	196.70	161.90	644761	186.59	162.12	7533059
October 2024	183.15	156.65	343874	182.76	155.72	4379342
November 2024	177.00	155.40	180209	175.60	155.55	2721867
December 2024	176.00	157.70	161354	176.00	157.47	1995342
January 2025	183.10	140.80	240899	183.80	141.00	4325055
February 2025	157.05	112.50	117570	156.89	112.33	1374149
March 2025	138.00	106.90	179651	138.30	106.06	3723764

Note: High and Low are in rupees per traded share. These are simple (un-weighted) average. Volume is the total monthly volume of trade (in number) in the Company's shares on the BSE & NSE.

*Face Value of the Company's Share is INR 1/- each.

Chart A: The movement of the Company's share price on BSE vis-à-vis BSE Sensex for the year 2024-25.

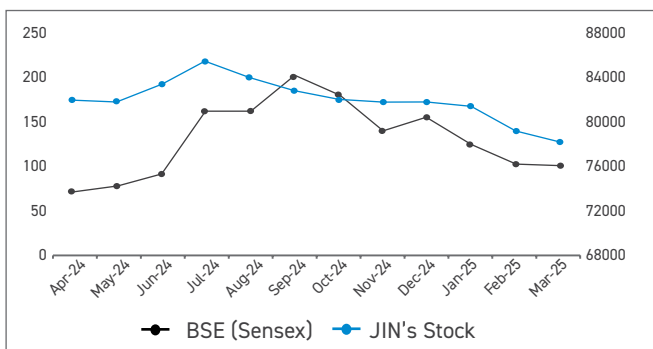
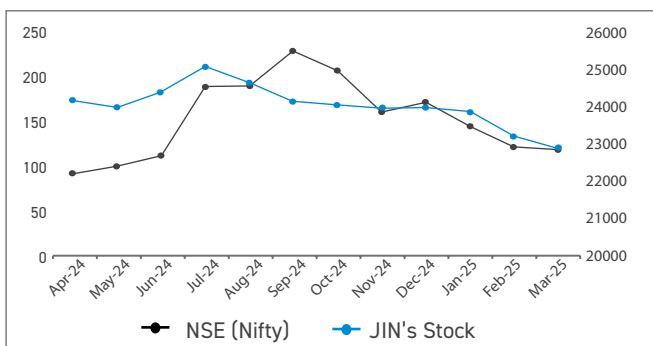


Chart B: The movement of the Company's share price on NSE vis-à-vis NSE Indices for the year 2024-25.



DISTRIBUTION OF SHAREHOLDING

For the distribution of shareholding and shareholding pattern of the Company as on 31 March 2025 see Table 2A and 2B respectively.

Table 2A : Distribution of Shareholding by size class as on 31 March 2025

Amount	Number of holders	Number of shares held	Shareholding (%)
Upto 5000	54,560	1,80,53,894	7.10
5001-10000	568	41,13,526	1.62
10001-20000	261	37,61,943	1.48
20001-30000	74	18,48,904	0.73
30001-40000	18	6,45,715	0.25
40001-50000	10	4,76,079	0.19
50001-100000	24	18,04,835	0.71
100001 & above	30	22,35,75,587	87.92
Total	55,545	25,42,80,483	100.00

Table 2B : Distribution of Shareholding by ownership as on 31 March 2025

Category	No. of Shareholders	No. of Shares held	Shareholding %
Foreign Body Corporate	2	17,68,59,997	69.55
Indian Company	1	1,38,00,000	5.43
Promoter & Promoter Group (A)	3	19,06,59,997	74.98
Bodies Corporate	395	26,13,952	1.03
Individuals	46,702	2,93,06,559	11.53
Non resident Indians	826	12,54,861	0.49
Key Managerial Personnel	1	3,002	0.00
Foreign Nationals	1	3,134	0.00
Mutual Funds	5	2,20,62,461	8.68
Foreign Portfolio Investors	32	11,46,834	0.45
Alternate Investment Funds	1	15,82,009	0.62
Trusts	3	18,851	0.01
HUF	888	12,31,491	0.48
IEPF	1	43,97,332	1.73
Public Shareholding (B)	48,855	6,36,20,486	25.02
Total (A+B)	48,858	25,42,80,483	100

SHARES HELD IN PHYSICAL AND DEMATERIALIZED FORM

Category of Shareholding as on 31st March, 2025:

Category	Number of Equity Shares	% to equity
Held in dematerialised form in CDSL	1,29,91,582	5.11
Held in dematerialised form in NSDL	24,05,67,477	94.61
Held in Physical form	7,21,424	0.28

The promoter and co-promoter owns 74.98% of equity shares in the Company, which are held in dematerialised form.

EQUITY SHARES IN THE UNCLAIMED SUSPENSE ACCOUNT / SUSPENSE ESCROW ACCOUNT

The Company does not have any securities in the Unclaimed Suspense Account. There are 800 shares lying in Suspense Escrow Account.

OUTSTANDING GDRS/ADRS/WARRANTS / CONVERTIBLE INSTRUMENTS AND THEIR IMPACT ON EQUITY

The Company has no outstanding GDRs, ADRs, Warrants or any Convertible Instruments.

DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS

The Company has not obtained any public funding in the last three years.

SHARE TRANSFER SYSTEM

All share transfers and related operations are conducted by M/s. KFIN Technologies Limited (Formerly known as KFIN Technologies Pvt. Ltd.), the Registrar and Transfer Agent of the Company, which is registered with the SEBI as a Category 1 Registrar.

The Company has constituted a Stakeholders Relationship Committee for redressing shareholders' and investors' complaints.

Shareholders / Investors should address their correspondence to:

<p>KFIN Technologies Limited Unit: JTEKT India Limited Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad 500 032 e-mail : einward.ris@kfintech.com</p>	<p>The Company Secretary JTEKT India Limited UGF-6, Indraprakash 21, Barakhamba Road New Delhi - 110 001. e-mail : investorgrievance@jtekt.co.in</p>
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All transfer, transmission or transposition of securities are conducted in accordance with the provisions of Regulation 40, Regulation 61 and Schedule VII of the SEBI Listing Regulations, read together with relevant SEBI Circulars.

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD_RTAMB/P/CIR/2022/8 dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processing the service request for issue of duplicate securities certificates, renewal/exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form.

Dispute Resolution Mechanism

SEBI has vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022, issued a Standard Operating Procedure ("SOP") for dispute resolution under the Stock Exchange

Arbitration Mechanism for disputes between a listed company and/or registrars to an issue and share transfer agents and its shareholder(s)/investor(s). The Company has complied with the same and is accessible on the website of the Company at the weblink is: <https://jtekt.co.in/Menu/67bc8619-a734-11ef-919a-9418826e6379>.

SCORES: A centralised web based complaints redress system 'SCORES' which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports by the concerned companies and online viewing by the investors of actions taken on complaints and its current status.

Online Dispute Resolution Portal ('ODR Portal'): A mechanism to streamline and strengthen the existing dispute resolution in the Indian Securities Market, SEBI vide Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 (updated as on December 20, 2023), introduced the ODR Portal. This mechanism enhanced the degree of regulatory supervision by SEBI over disputes between aggrieved parties and the ODR order is binding on both the parties to the dispute.

Pursuant to above-mentioned circulars, the aggrieved party can initiate the mechanism through the ODR portal, after exercising the primary options to resolve the issue directly with the Company and through the SCORES platform.

During the year, the Company had received one complained on the said portal, which was duly resolved by the Company.

UNCLAIMED DIVIDENDS

Under the Companies Act, 2013, dividends that are unclaimed for a period of seven years have to be transferred to the Investor Education and Protection Fund administered by the Central Government. Table 4A gives the date of dividend declaration or payment since 2018 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government. Table 4B gives the unclaimed dividend amount since 2018.

Table 4A : Date of transferring unclaimed dividend to the Central Government

Year	Type	Date of declaration	Date due for transfer to Central Government
2018	Final	10 August 2018	11 September 2025
2019	Final	9 August 2019	10 September 2026
2020	Final	23 September 2020	27 October 2027
2021	Final	16 September 2021	19 October 2028
2022	Final	26 August 2022	26 September 2029
2023	Final	11 August 2023	11 September 2030
2024	Final	13 August 2024	12 September 2031

During the financial year under review, the Company has transferred INR 26,21,799/- to Investor Education and Protection Fund towards unclaimed dividend pertaining to the year ended 31 March, 2017.





Table 4B : Unclaimed dividend as on 31 March 2025

Year	Amount of dividend declared (INR Lakhs)	Dividend unclaimed (INR Lakhs)
2018	993.82	20.16
2019	1955.84	30.22
2020	778.13	2.95
2021	331.91	1.37
2022	884.74	3.21
2023	1113.97	3.23
2024	1391.45	3.99

NUMBER AND NATURE OF COMPLAINTS REGARDING SHARES

Table 5 : Details of Investor complaints regarding shares for the year 2024-25.

Nature of complaint	Number of complaints
Investor complaints pending at the beginning of the year	0
Investor complaints received during the year	16
Investor complaints disposed off during the year	16
Investor complaints remained unresolved at the end of the year	0
Total	16

PLANTS' LOCATION

- 38/6, NH-8, Delhi-Jaipur Road, Gurugram-122001 (Haryana).
- Plot No. 32, Industrial Area Phase II, Dharuhera, Distt. Rewari (Haryana).
- Plot No. 19, Industrial Area, Dharuhera, Distt. Rewari (Haryana).
- 39/2/2, 3/2 4/2, 7,8 Village Malpura, Tehsil Dharuhera, Distt. Rewari (Haryana).
- Plot No. 26, Sector-5, Phase-II, Growth Centre, Bawal, Distt. Rewari-123501
- Plot No. 25, Sector-5, Phase-II, Growth Centre, Bawal, Distt. Rewari-123501
- P.O. Box 14, Chennai-Bangalore Highway, Sriperumbudur, Distt. Chinglepet, Tamil Nadu – 602 105.

REGISTERED OFFICE

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

For and on behalf of the Board

Minoru Sugisawa

Chairman and Managing Director

[DIN: 10119891]

Place : Gurugram

Dated : 23 May 2025

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

As required by Regulation 17(8) of the Listing Regulations, the CEO and CFO declaration is given below:

To
The Board of Directors
JTEKT India Limited
UGF-6 Indraprakash,
21, Barakhamba Road,
New Delhi-110001

We, Minoru Sugisawa, Chairman & Managing Director and Rajiv Chanana, Director & CFO of JTEKT India Limited (the Company), hereby certify to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31 March 2025 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **JTEKT India Limited**

Place: Gurugram
Dated: 23 May 2025

Rajiv Chanana
(Director & CFO)

Minoru Sugisawa
(Chairman and Managing Director)

DECLARATION OF THE CHIEF EXECUTIVE OFFICER

This is to certify that the Company had laid down Code of Conduct of the Board Members and the Senior Management Personnel of the Company and the same is uploaded on the website (<https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>).

Further certified that the Members of the Board of Directors and Senior Management Personnel have affirmed the compliance with the Code applicable to them during the year 31 March 2025.

For **JTEKT India Limited**

Place: Gurugram
Date : 23 May 2025

Minoru Sugisawa
Chairman and Managing Director



CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of JTEKT India Limited

UGF-6, Indraprakash,
21, Barakhamba Road
New Delhi-110001

Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance as per Chapter IV pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The accompanying Corporate Governance Report (the 'Report') contains details of compliance of conditions of Corporate Governance, as per regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') by JTEKT India Limited (the 'Company') for the year ended 31 March 2025. I have initialled the Report for identification purpose only.

Management's Responsibility for compliance with the conditions of Listing Regulations

1. The Management along with the Board of Directors is responsible for ensuring that the Company complies with the requirements of the Listing Regulations and for providing all relevant information to the Securities and Exchange Board of India.
2. The preparation of the accompanying Corporate Governance Report is the responsibility of the Management of the Company including the Board of Directors. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Report, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Responsibility of the Practicing Company Secretary

3. Pursuant to the requirements of Clause E of Schedule V of the Listing Regulations, it is my responsibility to obtain reasonable assurance and form an opinion as to whether the Company complies with the conditions of Corporate Governance.
4. I have examined the compliance of the conditions of Corporate Governance by 'the Company' for the year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D & E of Schedule V of "Listing Regulations".
5. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Opinion

6. Based on the examination above, in my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2025.

Restriction on Use

7. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

POOJA JAIN

Practicing Company Secretary

Membership No: F11719

COP No. : 21372

UDIN: F011719G000431919

Peer Review: 6020/2024

Place: New Delhi

Date: 23/05/2025

CERTIFICATION BY COMPANY SECRETARY IN PRACTICE

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
JTEKT India Limited
UGF-6 Indraprakash
21, Barakhamba Road,
New Delhi-110001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JTEKT India Limited having CIN: L29113DL1984PLC018415 and having registered office at UGF-6 Indraprakash, 21, Barakhamba Road, New Delhi-110001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31 March 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, New Delhi or any such other Statutory Authority.

S. No.	Name of Directors	DIN	Date of appointment in Company
1.	Mr. Hitoshi Mogi ^①	08741355	16/05/2020
2.	Mr. Rajiv Chanana	02630192	01/06/2022
3.	Mr. Minoru Sugisawa ^②	10119891	01/06/2023
4.	Mr. Yosuke Fujiwara ^③	09167191	01/02/2025
5.	Mr. Takumi Matsumoto ^④	09214828	01/07/2021
6.	Mr. Taku Sumino ^⑤	09608944	01/06/2022
7.	Mr. Deepak Thukral ^⑥	10742586	01/09/2024
8.	Mrs. Hiroko Nose	06389168	11/08/2018
9.	Mr. Inder Mohan Singh ^⑦	07114750	18/05/2019
10.	Lt.Gen.Praveen Bakshi (Retd.) ^⑧	08261443	18/05/2019
11.	Mr. Masahiko Morimoto	06933969	11/11/2021
12.	Mr. Hiroshi Daikoku	10006725	11/08/2023
13.	Mrs. Deepika Gera ^⑧	00145602	15/05/2024

Notes:

- ① Rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.
- ② Re-designated as Chairman & Managing Director effective from 1 January 2025, confirmed by shareholders via Postal Ballot concluded on 11 March 2025.
- ③ Appointed as an Additional Director, in the capacity of Wholetime Director, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.
- ④ Rescinded from the position of Director of the Company effective from 17 May 2024.
- ⑤ Nomination was withdrawn by Maruti Suzuki India Limited from the Board of the Company, effective from 21 August 2024.
- ⑥ Appointed as an Additional Director in the capacity of Non-Executive Director, as Nominee of Maruti Suzuki India Limited, effective from 1 September 2024; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 16 October, 2024.
- ⑦ Completed tenure as Independent Directors of the Company effective from the close of business hours of 17 May 2024.
- ⑧ Appointed as an Additional Director in the capacity of an Independent Director, effective from 15 May 2024, whose appointment was confirmed by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024.

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Arun Gupta & Associates**

Arun Kumar Gupta
Company Secretary
ACS: 21227
C.P. No. 8003
PR:1008/2020
UDIN :A021227G000395471

Dated : 23 May 2025

Place : New Delhi



BOARD'S REPORT

TO THE MEMBERS,

Your Directors have pleasure in presenting their 41 Annual Report together with audited accounts of the Company for the year ended 31 March 2025.

1) Financial Results

(Amount in INR /Lakhs)

Particulars	Current Year 31.03.2025	Previous Year 31.03.2024
Total Income	2,40,900.65	225,697.96
Profit before interest, depreciation & tax	19,523.90	23,401.59
- Interest	1,031.65	611.94
- Depreciation & write offs	8,257.85	8,144.38
Profit before share of profit of Associates	10,234.40	14,645.27
Profit before tax	10,234.40	14,645.27
Less : Provision for tax	2,789.55	3,976.39
Provision for deferred tax liability / (assets)	(81.46)	(17.55)
Profit after tax	7,526.31	10,686.43
Less : Share of profit transferred to minority	-	-
Profit for the year	7,526.31	10,686.43
Retained Earnings		
Balance at the beginning of the year	60,537.57	51,741.40
Add: Additions through business combination under common control		-
Profit for the year	7,526.31	10,686.43
Payment of Dividend on equity shares	(1,525.68)	(1,794.72)
OCI Transfer to Retained Earnings	(180.87)	(95.54)
Balance at the end of the year	66,357.33	60,537.57

2) State of Affairs of the Company

The Company achieved revenue from operations of INR 2,39,933.62 lakhs during the year; with an increase of 7% compared to revenue achieved in the previous year.

The Company reported profit after tax of INR 7,526.31 lakhs, a decrease of 30% compared to the previous year.

3) Capital Expenditure on tangible & intangible assets

This year, the Company has incurred a capital expenditure of INR 37,422.91 lakhs. This comprises:

- Building INR 4,214.79 lakhs.
- Plant and Machinery, jig & fixture etc. INR 33,107.43 lakhs.
- Office equipment and others INR 100.69 lakhs.

4) Dividend

Your directors are pleased to recommend a dividend of INR 0.70 per equity share of the face value of INR 1/- each (@ 70%) out of profit for Financial Year 2024-25 resulting into distribution of sum of INR 1,779.96 lakh towards dividend, payable to those shareholders whose name appear in the Register of Members as on the date of book closure.

During the previous Financial Year dividend was paid at the rate of 60% on the equity share capital of the Company.

No interim dividend was declared by the Board of Directors during Financial Year 2024-25.

5) Reserves

(Amount in INR /Lakhs)

Particulars	31 March 2025	31 March 2024
Balance as per last financial statements	60,537.57	51,741.40
Add: Profit for the year	7,526.31	10,686.43
Less: Appropriations		
Dividend paid	(1,525.68)	(1,794.72)
Less : OCI Transfer to Retained Earnings	(180.87)	(95.54)
Net surplus in the statement of Profit and loss account	66,357.33	60,537.57

6) Change of nature of Business

During the year there has been no change in the nature of business of the Company.

7) Share Capital**As on 31 March 2025 :**

- (a) the Authorized Share Capital of the Company is INR 99,10,00,000/- consisting of 99,10,00,000 nos. of Equity Shares of INR 1/- each; and
- (b) the Issued, Subscribed and Paid-up Share Capital of the Company is INR 25,42,80,483/- comprising of 25,42,80,483 equity shares of INR 1/- each.

As on 31 March 2025, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

For details of dividend and shares transferred to Investor Education and Protection Fund (IEPF), please refer Corporate Governance Report.

8) Significant and material Orders passed by the Regulators or Courts

There are no significant or material Orders passed by the Regulators or Courts that would impact the going concern status of the Company and its future operations.

9) Material changes and commitments, if any, affecting the financial position of the Company

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statements relate and the date of the report.

10) Details in respect of adequacy of internal controls

The internal controls are aligned to adhere to the local statutory requirements. The internal control systems are supported through, management reviews, verification by internal auditors, as well as verification by Statutory Auditors. Further, the Audit Committee of the Board reviews the internal audit plan, adequacy of internal control systems, significant audit observations and monitors the sustainability of remedial measures.

In addition to policies, procedures, and guidelines, the internal controls system is facilitated by an automated 'Compliance Manager Tool', which enables self-assessment by process owners on status of all applicable regulatory compliances and Internal Controls including, controls relating to adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. The status of each self-assessment is approved by an immediate superior. The status of self-assessment is periodically deliberated and reviewed by the Senior Management. Further, the accuracy of sample self-assessments is verified through periodic internal audits.

The aforesaid internal control systems provide high degree of assurance with respect to effectiveness and efficiency of operations, adequacy and adherence of internal financial controls and compliances with laws and regulations.

The Company has an effective and reliable internal control system commensurate with its size and operations.

11) Details and Performance of Subsidiary Company

The Company does not have any subsidiary company.

12) Extract of Annual Return

In accordance with the Companies Act, 2013, Annual Return in the prescribed format is available at

Company's website <https://jtekt.co.in/Menu/266604b5-e13d-11ee-a2ec-9418826e6379>.

13) Corporate Social Responsibility (CSR)

Your company considers CSR activities as an opportunity to make a long term positive impact on the society and forms this as an integral part of the philosophy and business activities of the Company. During the Financial Year 2024-25, the Company has contributed in the areas of quality education, healthcare including preventive healthcare and rural development.

The Company has always focussed to implement these projects in local areas after detailed assessment of the requirements of the community with the objective to derive maximum benefit from these activities. The Company has successfully implemented all the projects approved by the Corporate Social Responsibility Committee of Directors, within the current financial year and has spent an excess amount of INR 251/- in addition to statutory requirement of INR 2,13,18,565/-.

In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee and statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as **Annexure - I**.

14) Number of meetings of the Board of Directors

The Board of Directors met 7 (seven) times in the year ended 31 March 2025. The details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report.

15) Nomination & Remuneration Committee and its policy

The Board of Directors had constituted a Nomination & Remuneration Committee to review formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and such other ancillary functions as may be required.

The Company follows a policy on remuneration of directors and senior management employees. The policy is approved by the Nomination & Remuneration Committee and the Board and is available on Company's website www.jtekt.co.in.

For details of remuneration paid to Directors, please refer Corporate Governance Report.

16) Particulars of contracts or arrangements with related parties

The Company has entered into contracts / arrangements with the related parties in the ordinary course of business and on



arm's length basis. Thus, provisions of Section 188(1) of the Companies Act, 2013 are not applicable.

All related party transactions entered during the year were in the ordinary course of business and on arm's length basis. During the year under review, your Company had also entered into certain material related party transactions but these transactions too were in the ordinary course of business and were at arm's length basis. Details of these transactions, as required to be provided under section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2, appended as **Annexure - II** and forms part of this Annual Report.

However, in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), all transactions with related parties, which are of material in nature, are subject to the approval of the Members of the Company. The requisite resolutions in order to comply with the aforesaid requirements of Listing Regulations, were passed by the members of the Company at the last Annual General Meeting held on 13 August 2024. Considering the anticipated business growth, there is a proposal to seek shareholders' approval for material related party transactions outlined in the relevant resolutions, which are included in the Notice for the Company's 41 Annual General Meeting.

17) Auditors

(A) Statutory Auditors

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, BSR & Co. LLP, Chartered Accountants (Firm registration number 101248W/W-100022) ('BSR') was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 38 Annual General Meeting of the Company held on 26 August 2022 till the conclusion of the 43 Annual General Meeting.

(B) Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed Mr. Krishna Kumar Singh, proprietor of KKS and Associates, Company Secretaries in practice, as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2024-25. The Company provided all assistance and facilities to the Secretarial Auditors for conducting their audit. The Report of Secretarial Auditors for the FY 2024-25 is annexed to this report as **Annexure - III**. The report does not contain any qualification.

Further, in accordance with the recent amendment to Regulation 24A of the SEBI Listing Regulations, a listed entity is required to appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, subject to approval by the shareholders at the AGM. Accordingly, pursuant to the applicable provisions of the Act, and the SEBI Listing Regulations, and based on the recommendation of the Audit Committee, your Directors have approved the appointment of Mr. Krishna Kumar Singh, Practicing Company Secretary (Membership No. F8493, CP No. 9760, Peer Review No. 2105/2022), proprietor of KKS &

Associates, as the Secretarial Auditors of your Company for a period of five years, commencing from 1 April, 2025, until 31 March, 2030 to conduct Secretarial Audit of the Company from the financial year ended 31 March 2026 to the financial year ended 31 March 2030. A resolution seeking shareholders' approval for the appointment of Mr. Krishna Kumar Singh has been included in the Notice convening the 41 Annual General Meeting. Your Directors recommend the resolution for your approval.

(C) Audit Reports

1. The Statutory Auditor's Report for financial year 2024-25 does not contain any qualification, reservation or adverse remark.
2. The Secretarial Auditor's Report for financial year 2024-25 does not contain any qualification, reservation or adverse remark.
3. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), the Practicing Company Secretary's Certificate on corporate governance is enclosed to the Board's Report. The Practicing Company Secretary's Certificate for financial year 2024-25 does not contain any qualification, reservation or adverse remark.

18) Risk Management

The Board of Directors of the Company had constituted a Risk Management Committee to oversee the risk management process in the Company.

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and mitigate both business and non-business risks. The Risk Management Committee periodically reviews the risks and suggests the steps to be taken to identify and mitigate the same through a properly defined framework.

For details pertaining to Risk Management Committee, please refer to the Corporate Governance Report.

19) Corporate Governance

The Company has complied with the corporate governance requirements under the Companies Act, 2013 and as stipulated under the Listing Regulations. A separate section on corporate governance under the Listing Regulations, along with a certificate from the Practicing Company Secretary confirming the compliance, is annexed and forms part of this Annual Report.

20) Business Responsibility & Sustainability Report

Business Responsibility and Sustainability Report for the Financial Year 2025 describing the initiatives taken by the Company from an Environment, Social and Governance perspective as stipulated under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed as **Annexure - IV** and is also available on the Company's website at <https://jtek.co.in/Menu/24d3e84c-e13d-11ee-a2ec-9418826e6379>.

21) Vigil/Whistle Blower Mechanism

The Company has established a vigil/whistle blower mechanism for Directors and employees to report their genuine concerns. For details, please refer to the Corporate Governance Report attached to this Annual Report.

22) Listing

The Securities of your Company are listed at National Stock Exchange of India Limited and BSE Limited and the Company has paid the Listing Fee due to them.

23) Deposits

During the year the Company has no deposits covered under Chapter V of the Companies Act, 2013.

24) Loans, Guarantees and Investments

During the year under review, no loans, guarantees and investments were made by the Company under Section 186 of the Companies Act, 2013, hence the said provision is not applicable. For details pertaining to other loan given, guarantees provided, security provided and investment made please refer to the Financial Statement for financial year 2024-25.

25) Directors & Key Managerial Personnel

As on 31 March 2025, your Company has eight (8) Directors consisting of four (4) Independent Directors (including two Woman Directors), three (3) Executive Directors and one (1) Non-Executive Director.

During the year :

- Mr. Inder Mohan Singh and Lt.Gen. Praveen Bakshi (Retd.), completed the tenure as Independent Directors of the Company effective from the close of business hours of 17 May 2024.
- Mr. Takumi Matsumoto rescinded from the position of Director of the Company effective from 17 May 2024.
- Nomination of Mr. Taku Sumino was withdrawn by Maruti Suzuki India Limited from the Board of the Company, effective from 21 August 2024.
- Mr. Hitoshi Mogi rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.

Further, during the year :

- Mrs. Deepika Gera was appointed as an Additional Director in the capacity of an Independent Director, effective from 15 May 2024, whose appointment was confirmed by the shareholders of the Company at 40 Annual General Meeting held on 13 August 2024.
- Mr. Deepak Thukral was appointed as an Additional Director in the capacity of Non-Executive Director, as Nominee of Maruti Suzuki India Limited, effective from 1 September 2024; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 16 October, 2024.
- Mr. Minoru Sugisawa was re-designated as Chairman & Managing Director effective from 1 January 2025.

- Mr. Yosuke Fujiwara was appointed as an Additional Director, in the capacity of Wholetime Director, with remuneration, for a period of two years effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.

In terms of the definition of 'Independence' of Directors as prescribed under the Listing Regulations and Section 149(6) of the Companies Act, 2013 the Company has received declarations from the following Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and Listing Regulations:

- 1) Mrs. Hiroko Nose
- 2) Mr. Masahiko Morimoto
- 3) Mr. Hiroshi Daikoku
- 4) Mrs. Deepika Gera

Your Directors take this opportunity to place on record the appreciation of services rendered by Mr. Inder Mohan Singh, Lt.Gen. Praveen Bakshi (Retd.), as Independent Directors, Mr. Takumi Matsumoto, Mr. Taku Sumino, as Non-Executive Directors and Mr. Hitoshi Mogi as Chairman & Managing Director, during their association with the Company.

Pursuant to the provisions of Section 152(6) read with the Articles of Association of the Company, Mr. Deepak Thukral will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

For further details, pertaining to Board Meetings, please refer to the Corporate Governance Report.

As on March 31, 2025, following are the Key Managerial Persons (KMPs) of the Company:

1. Mr. Minoru Sugiwasa, Chairman & Managing Director
2. Mr. Rajiv Chanana, Director & CFO
3. Mr. Saurabh Agrawal, Company Secretary & Compliance Officer

26) Board Evaluation

The Company has devised a Policy for performance evaluation of Independent Directors, the Board, its Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The performance evaluation of the Board, its Committees and individual directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and self-evaluation.

Based on the questionnaire and feedback, the performance of every director was evaluated in the meeting of the Nomination and Remuneration Committee.

Further, in accordance to the Board Performance Evaluation Policy, the Board carried out annual performance evaluation of Independent Directors. The Independent Directors carried out annual performance evaluation of Non independent Directors and Board as a whole.



27) Committee of Directors

For composition and other details pertaining to the Committee of Directors, please refer to the Corporate Governance Report.

28) Directors' Responsibility Statement

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of the annual accounts for the financial year 2024-25, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2024-25 and of the profit of the Company for that period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors have prepared the annual accounts on a going concern basis;
- e) the directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- g) during the Financial Year, a report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, with respect to the Financial Year 2023-24.

29) Secretarial standards

The Company complies with all applicable secretarial standards.

30) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement containing the necessary information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be given pursuant to provisions of Section 134 of the Companies Act, 2013, read with the rules made thereunder is annexed as **Annexure - V** and forms part of this report.

31) Management's discussion and analysis

In terms of the provisions of Regulation 34 of the Listing Regulations, the Management's discussion and analysis is set out in this Annual Report.

32) Employees

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read

with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure - VI(a)** to this Report.

A statement showing the details of employees of the Company who are drawing salary as per the limits prescribed under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year 2024-25 or part thereof, is attached herewith as **Annexure - VI(b)** to this Report.

33) Disclosures pertaining to the Sexual Harassment of women at the work place (prevention, prohibition and redressal) Act, 2013

For details pertaining to the Sexual Harassment of women at the work place (prevention, prohibition and redressal) Act, 2013, please refer Corporate Governance Report.

34) General

During the year, there being no transactions with respect to following items during the year under review, no disclosure or reporting is required in respect of the same:

- a. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of your Company under any scheme.
- c. Neither the Managing Director nor the Wholetime Director of your Company receive any remuneration or commission from any of its subsidiaries.
- d. Buy-back of shares.
- e. No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- f. No settlements have been done with banks or financial institutions.

35) Acknowledgements

Your Directors acknowledge with gratitude the co-operation and support extended by the Company's customers namely Maruti Suzuki, Suzuki Motor Gujarat, Mahindra & Mahindra, Tata Motors, Honda Cars India, Stellantis (Fiat + PCA), Toyota Kirloskar, Club Car, E-z-go, Renault-Nissan, Isuzu, SML-Isuzu and Force Motors, Banks, and various agencies of the Government.

Your Directors also wish to place on record their sincere appreciation of the services rendered by all the employees of the Company and are thankful to the Shareholders for their continued patronage.

For and on behalf of the Board

Minoru Sugisawa

Chairman and Managing Director

[DIN: 10119891]

Place : Gurugram

Dated : 23 May 2025

Annual CSR Report for the Financial Year 2024-25

[Pursuant to Section 135 of the Companies Act, 2013]

1. Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.

The Company considers CSR activities as an opportunity to make a long term positive impact on the society and forms this as an integral part of the philosophy and business activities of the Company. The Company's CSR activities are guided by the CSR Committee and are primarily focussed in the area of healthcare, education and rural development. The Company has framed a CSR policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the company's website: www.jtekt.co.in

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Deepika Gera ^①	Chairperson (Independent Director)	0	0
2	Mr. Hiroshi Daikoku	Member (Independent Director)	1	1
3	Mr. Rajiv Chanana ^②	Member (Director & CFO)	0	0
4	Lt. Gen. Praveen Bakshi (Retd.) ^③	Chairman (Independent Director)	1	1
5	Mr. Minoru Sugisawa ^④	Member (Whole Time Director)	1	1

① Appointed as member w.e.f. 15 May, 2024

② Appointed as member w.e.f. 15 May, 2024

③ Ceased to be member w.e.f. 15 May 2024

④ Ceased to be member w.e.f. 15 May, 2024

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: www.jtekt.co.in
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable
5. (a) Average net profit of the company as per sub-section (5) of section 135.
INR 10,659.28 Lakhs
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135.
INR 213.18 Lakhs
- (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.
Nil
- (d) Amount required to be set off for the financial year, if any
Nil
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)].
INR 213.18 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)
INR 213.18 Lakhs
- (b) Amount spent in Administrative Overheads
Nil
- (c) Amount spent on Impact Assessment, if applicable
Not Applicable
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)].
INR 213.18 Lakhs



(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
21,318,816	Not Applicable	Not Applicable		Not Applicable	

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	21,318,565
(ii)	Total amount spent for the Financial Year	21,318,816
(iii)	Excess amount spent for the financial year [(ii)-(i)]	250
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL*

*The Company did not decide to set off the excess amount of INR 250 spent in the FY 2024-25.

7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in INR)	Amount spent in the reporting Financial Year (in INR)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
1.	2023-24	Nil	Nil	Nil	N.A.		Nil	N.A.
2.	2022-23	Nil	Nil	Nil	N.A.		Nil	N.A.
3.	2021-22#	12,50,193.86	Nil	Nil	N.A.		Nil	N.A.

Unspent CSR amount of FY 2021-22 was fully utilised in FY 2022-23 towards ongoing projects.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year. No

If Yes, enter the number of Capital assets created/ acquired.

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s)[including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	Amount of CSR amount Spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
					Not Applicable		

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135:

Not Applicable

Place: New Delhi

Date : 9 May 2025

Deepika Gera
Independent Director
(Chairperson – CSR Committee)
DIN - 00145602

Form AOC-2

[Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis -

There were no contracts or arrangements or transactions entered into during the year ended 31 March 2025, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis -

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31 March 2025 are as follows :

S. No.	Name(s) of the Related Party & Nature of relationship	Nature of transactions	Transaction value (INR/Lakhs)	Amount paid in advance (INR/Lakhs)	Duration of transactions	Salient terms of transactions	Date of approval by the board
1	JTEKT Corporation (Holding Company)	Dividend Paid	1,002.36	Nil	April 2024 - March 2025	The related party transaction (RPTs) entered during the year were in the ordinary course of business and on arms length basis.	The said Related Party Transactions (RPT's) were approved by the Audit Committee and Board of Directors of the Company and are within the limits as approved by the Members by way of ordinary resolution at 40th Annual General Meeting held on 13th August 2024.
		Corporate guarantee on loans from bank	4,498.18				
		Guarantee Fee Paid	13.66				
		Purchase of Capital Goods	2,085.07				
		Purchase of Goods	12,779.89				
		Receiving of Services	113.15				
		Reimbursement of Expenses Paid	1,340.56				
		Reimbursement of Expenses Recovered	29.14				
		Royalty	4,129.62				
		Sale of goods (Net of Warranty)	89.12				
		Sale of Services	30.50				
		Technical Support Fee	212.41				
	Total	26,323.67					
2	Maruti Suzuki India Limited (Other Related Party)	Advance Received	76.12	Nil			
		Cash Discount Paid	0.19				
		Director Sitting Fee	3.45				
		Dividend Paid	82.80				
		Interest Income	0.19				
		Purchase of Goods	89.69				
		Sale of Goods (Net of Warranty)	156,262.90				
	Total	156,515.34					

For and on behalf of the Board of Directors of
JTEKT India Limited

Minoru Sugisawa
Chairman and Managing Director
DIN 10119891

Rajiv Chanana
Director and Chief Financial Officer
DIN 02630192

Hiroko Nose
Independent Director
DIN 06389168

Saurabh Agrawal
Company Secretary
Membership no.: 36163

Place : Gurugram
Date : 23 May 2025



FORM No. MR-3

Secretarial Audit Report

For the Financial Year ended on March 31, 2025

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements), Regulations, 2015]

To,
The Members,
JTEKT India Limited,
UGF-6, Indraprakash,
21, Barakhamba Road, New Delhi-110001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JTEKT India Limited** (CIN: L29113DL1984PLC018415) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **JTEKT India Limited** for the financial year ended on 31st March, 2025, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments from time to time;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(Not applicable to the Company during the audit period);**
 - (d) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015;
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period);**
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period);** and
 - (j) Securities and Exchange Board of India (Depositories and Participant) Regulation, 2018.
- (vi) Other laws applicable specifically to the Company namely:-
 - a) The Industries (Development and Regulation) Act, 1951 and rules/ regulations framed there under;
 - b) Goods and Service Tax Act, 2017;
 - c) The Water (Prevention and Control of Pollution) Act, 1974 and rules/ regulations framed there under;
 - d) The Contract Labour (Regulation & Abolition) Act, 1970;
 - e) The Minimum Wages Act, 1948;
 - f) The Payment of Gratuity Act, 1972;
 - g) The Industrial Employment Standing Orders Act, 1946;
 - h) The Equal Remuneration Act, 1976;

- i) The Maternity Benefit Act; 1961;
 - j) Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013;
 - k) State (Shop & Establishment) Act;
 - l) Industrial Dispute Act, 1947;
 - m) National & Festival Holidays Act, 1963;
 - n) The Payment of Bonus Act, 1965;
 - o) The Payment of Wages Act, 1936;
 - p) The Employees' Compensation Act, 1923;
 - q) The Employees State Insurance Act, 1948;
 - r) The Employees' Provident Fund & Miscellaneous Provisions Act, 1952;
 - s) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959;
 - t) The Hazardous Waste (Management, Handling & Transboundary Movement) Rules, 2008;
 - u) The State Labour Welfare Fund Act;
 - v) The Factories Act, 1948;
 - w) The Environment Protection Act, 1986 and rules/regulation framed thereunder;
 - x) The local land policies and guidelines of State Industrial and Infrastructure Corporation Limited.
- (vii) We have also examined compliance with the applicable clauses of the following:
- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.
 - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 hereinafter referred to as "Listing Regulations" and Listing agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director(s). The changes (appointment or otherwise) in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) All the decisions have been carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items during the Financial Year under review.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs, except explained above.

For **KKS & Associates**
Company Secretaries

Krishna Kumar Singh
Practicing Company Secretary
FCS No: 8493
COP No: 9760
Peer Review: 2105/2022
UDIN: F008493G000420366

Place: New Delhi
Date: 23.05.2025

This Report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

**Annexure-A**

To,
The Members,
JTEKT India Limited,
UGF-6, Indraprakash,
21, Barakhamba Road, New Delhi-110001

Our Secretarial Audit Report (MR-3) of even date is to be read along with this letter.

- a. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- d. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- e. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **KKS & Associates**
Company Secretaries

Krishna Kumar Singh
Practicing Company Secretary
FCS No: 8493
COP No: 9760
Peer Review: 2105/2022
UDIN: F008493G000420366

Place: New Delhi
Date: 23.05.2025

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L29113DL1984PLC018415
2. Name of the Listed Entity	JTEKT India Limited
3. Year of incorporation	1984
4. Registered office address	UGF-6 Indraprakash, 21, Barakhamba Road, New Delhi 110001.
5. Corporate address	38/6, NH-8, Delhi-Jaipur Road, Gurugram 122001, Haryana.
6. E-mail	investorgrievance@jtekt.co.in
7. Telephone	+91 (11) 2331 1924, 2332 7205
8. Website	www.jtekt.co.in
9. Financial year for which reporting is being done	2024-25
10. Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11. Paid-up Capital	INR 25,42,80,483/-
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Saurabh Agrawal, Company Secretary Email: saurabh.agrawal@jtekt.co.in Contact Number: (+91) 0124-4685000
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Disclosures made in this report are on a standalone basis.
14. Name of assessment or assurance Provider	Not Applicable
15. Type of assessment or assurance obtained	Not Applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover)

S.No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Manufacturing and assembling of automotive components	99.09%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

S.No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Automotive components	29301	99.09%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	7	1	8
International	0	0	0

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	3

b. What is the contribution of exports as a percentage of the total turnover of the entity

2.60%



c. A brief on types of customers

Revenues of the Company are largely on a Business-to-Business basis to OEM customers as a tier 1 supplier. The Company manufactures innovative products such as steering systems, driveline components etc. that satisfies the customers all over the world. Company is supplying automotive products to OEM's like Maruti Suzuki, TATA Motors, Honda, Toyota Kirloskar, Renault Nissan, Mahindra & Mahindra, Stellantis, E-Z-Go Textron, USA, Trenton Pressing LLC, USA, Jtekt Brasil LTDA, Brasil, PT. Jtekt Indonesia-Indonesia, for commercial vehicles, passenger vehicles.

IV. Employees

20. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

Sl.No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	1,042	1,004	96.35%	38	3.65%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total employees (D + E)	1,042	1,004	96.35%	38	3.65%
WORKERS						
4.	Permanent (F)	599	586	97.83%	13	2.17%
5.	Other than Permanent (G)	1,798	1,752	97.44%	46	2.56%
6.	Total workers (F + G)	2,397	2,338	97.54%	59	2.46%

b. Differently abled Employees and workers:

During the Financial Year 2024-25, the Company did not have any differently abled employees/workers.

21. Participation/Inclusion/Representation of women

	Total	No. and percentage of females	
	(A)	No.(B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	3	0	0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY-2024-25 (Turnover rate in current FY)			FY-2023-24 (Turnover rate in previous FY)			FY-2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	7.97%	0.80%	8.77%	10.13%	0.50%	10.63%	14.33%	1.19%
Permanent Workers	16.63%	0.87%	17.50%	22.60%	0.34%	22.94%	39.40%	0.88%	40.28%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the Holding / Subsidiary / Associate Companies / Joint Ventures (A)	Indicate whether Holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	JTEKT Corporation, Japan	Holding Company	-	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover (in INR) : 23,99,33,61,769.60

(iii) Net worth (in INR) : 879,87,88,821.79

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (if Yes, then provide web-link for grievance redress policy)	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes https://jtekt.co.in/Menu/Contact/Contact%20Us	-	-	-	-	-	-
Investors (other than shareholders)	Not Applicable	We have no investor other than shareholders					
Shareholders	Yes https://jtekt.co.in/Menu/2905b20a-e13d-11ee-a2ec-9418826e6379	16	-	-	13	-	-
Employees and workers	Yes https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379	2	1	Pending case is under investigation, decision on the same is expected in next quarter	-	-	-
Customers		3	-	-	3	-	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	GHG Emissions from Operations	Risk and Opportunity	<p>Risk</p> <ul style="list-style-type: none"> Regulatory pressure to reduce emissions Targets for carbon neutrality by 2050 <p>Opportunity</p> <ul style="list-style-type: none"> Reduction in Green house emission Reduce in energy costs Alignment with ESG goals 	<ul style="list-style-type: none"> Shift to renewable energy (open access, group captive) Energy efficiency initiatives Carbon accounting & offset planning 	<p>Negative Impact</p> <ul style="list-style-type: none"> Higher upfront costs due to renewable energy capex investment <p>Positive impact</p> <ul style="list-style-type: none"> Reduction in Operating cost



Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Consumption in Production	Risk and Opportunity	<p>Risk</p> <ul style="list-style-type: none"> Water stress in some operational areas increased regulatory scrutiny on industrial water usage <p>Opportunity</p> <ul style="list-style-type: none"> Reduction in consumption in our processes 	<ul style="list-style-type: none"> Installation of rainwater harvesting, water meters, water recycling/reuse systems 	<p>Negative Impact</p> <ul style="list-style-type: none"> Moderate increase in capex cost initially <p>Positive Impact</p> <ul style="list-style-type: none"> Reduction in Operating cost
3	Industrial Waste Management	Risk and Opportunity	<p>Risk</p> <ul style="list-style-type: none"> Non compliance to disposal requirements Rising disposal costs due to stricter EPR (Extended Producer Responsibility) regulations <p>Opportunity</p> <ul style="list-style-type: none"> Reduce-Recycle-Reuse 	<ul style="list-style-type: none"> Implement waste segregation, increase recycling & reuse Tie-ups with authorized vendors 	<p>Negative Impact:</p> <ul style="list-style-type: none"> Legal action / penalization from govt. bodies, if non compliant <p>Positive Impact:</p> <ul style="list-style-type: none"> Reducing waste management costs
4	Occupational Health & Safety and Employee Well being	Risk and Opportunity	<p>Risk</p> <ul style="list-style-type: none"> Legal and reputational risks from workplace incidents Fundamental moral responsibility for organization <p>Opportunity</p> <ul style="list-style-type: none"> To align our SHE Policy with global best practices in health and safety Safe and healthy work environments Enhances morale, reduce absenteeism and increase productivity Better market reputation, risk control 	<ul style="list-style-type: none"> Conduct regular safety trainings, risk assessments and implement robust SHE management system Promote mental health, ergonomic improvements, awareness drives 	<p>Positive Impact:</p> <ul style="list-style-type: none"> Reduced accident related costs Lower Insurance Premiums Avoidance of regulatory penalties Reduction in absenteeism leads to better output and cost efficiency
5	Compliance with SHE Regulations	Risk and opportunity	<p>Risk</p> <ul style="list-style-type: none"> Evolving regulations (e.g. CPCB, SPCB, MoEF&CC), legal non-compliance may lead to penalties <p>Opportunity</p> <ul style="list-style-type: none"> Adherence to Safety, Health, and Environmental regulations builds stakeholder trust 	<ul style="list-style-type: none"> External Audits, Internal audits, legal register updates, regular trainings, and third-party reviews 	<p>Negative Impact:</p> <ul style="list-style-type: none"> Legal action / penalization from govt. bodies, if non compliant <p>Positive Impact</p> <ul style="list-style-type: none"> Compliance promotes efficient, safe and low-waste operations.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	High Attrition Rate	Risk and opportunity	<p>Risk:</p> <ul style="list-style-type: none"> Standard of work may suffer due to exit of experienced employee High turnover disrupts workflow and decrease overall productivity Challenging to complete task within allotted timeframe <p>Opportunity:</p> <ul style="list-style-type: none"> Greater innovation facilitated by the involvement of younger generations. Recruiting young individuals to inject fresh, innovative ideas into the organization 	<ul style="list-style-type: none"> Robust Succession Planning for all critical roles Proper Arrangement for providing Induction at time of joining in order to ensure the quality of work 	<p>Negative Impact:</p> <ul style="list-style-type: none"> High Cost associated with recruiting, hiring, and training new employees <p>Positive Impact:</p> <ul style="list-style-type: none"> Hiring of young talents with new ideas create a vibrant culture. The new talent will help find ideas to save cost and improve efficiency

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine Principles referred as P1-P9 as given below:

- P1 - Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
- P2 - Businesses should provide goods and services in a manner that is sustainable and safe
- P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains
- P4 - Businesses should respect the interests of and be responsive towards all its stakeholders
- P5 - Businesses should respect and promote human rights
- P6 - Businesses should respect, protect and make efforts to restore the environment
- P7 - Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- P8 - Businesses should promote inclusive growth and equitable development
- P9 - Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://jtekt.co.in/Menu/23a83a30-e13d-11ee-a2ec-9418826e6379								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001:2015 (Environment Management System Certification) ISO 45001:2018 (Occupational Health and Safety certification) IATF 16949:2016 (QMS Certification for Automotive Parts)								





<p>5. Specific commitments, goals and targets set by the entity with defined timelines, if any.</p>	<p>JTEKT India is committed to achieve excellence in Environment, Health and Safety (EHS) performance. As part of its long-term environmental vision, the company aims to attain carbon neutrality by FY 2050.</p> <p>In the area of health and safety, JTEKT India adopts a zero-accident approach, ensuring 100% EHS training coverage for all employees and contractors.</p>
<p>6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.</p>	<p>JTEKT India is committed to achieving excellence in Environment, Health, and Safety (EHS) performance. As part of its long-term environmental vision, the company aims to attain carbon neutrality by FY 2050. Key initiatives supporting this goal include increasing the share of renewable energy, enhancing rainwater harvesting systems, ensuring effective waste segregation, and maintaining safe and compliant disposal of hazardous waste.</p> <p>In the area of health and safety, JTEKT India adopts a zero-accident approach, ensuring 100% EHS training coverage for all employees and contractors. The company also conducts regular safety drills and periodic health check-ups to promote a safe and healthy work environment. All targets and initiatives are monitored and reviewed regularly to ensure consistent progress and regulatory compliance.</p>
<p>Governance, leadership and oversight</p>	
<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) –</p>	<p>At JTEKT India Ltd., we recognize that long-term business success is inseparable from environmental stewardship, social responsibility, and strong governance. Our ESG (Environmental, Social, and Governance) commitment is deeply integrated into our corporate philosophy, guiding our actions as we strive to create value for all stakeholders while building a sustainable future.</p> <p>Over the past year, we have made meaningful progress on several ESG fronts. We have implemented structured energy and water conservation programs across all manufacturing locations, strengthened our occupational health and safety practices, and enhanced employee engagement and community development initiatives. Our achievements include improved water recycling rates, increased use of renewable energy, and enhanced safety metrics across plants.</p> <p>Despite this progress, we continue to face challenges. Reducing our carbon footprint amidst growing production demands, aligning all suppliers with responsible sourcing standards, and driving employee awareness on ESG issues remain ongoing areas of focus. In particular, the shift to low-carbon operations and climate resilience requires long-term capital investments and close collaboration with value chain partners.</p> <p>Looking ahead, we have set ambitious ESG targets. These include achieving carbon neutrality by 2050, increasing renewable energy share in our total energy mix, expanding Zero Liquid Discharge (ZLD) coverage, and continuing to reduce water consumption per unit of production. Socially, we aim to further improve workplace diversity, skill development, and community outreach, while strengthening governance through enhanced transparency and stakeholder engagement.</p>
<p>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).</p>	<p>Mr. Minoru Sugisawa, Chairman & Managing Director DIN: 10119891</p>

<p>9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</p>	<p>Mr. Minoru Sugisawa, Chairman & Managing Director oversees the Sustainability function directly. The Board / Committees oversee areas as defined in their terms of reference. The Audit Committee reviews functioning of the whistle blower mechanism, prevention of fraud etc., the CSR Committee ensures effective implementation of CSR projects for communities and the Risk Management Committee oversees formulation of the Risk Management Policy covering related risks.</p>
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10. Details of Review of NGRBCs by the Company

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half Yearly / Quarterly / Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, BR policies of the Company are reviewed periodically or on a need basis by department heads, Division heads and Top Management. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the applicable statutory requirements. It has various committees in place to ensure compliance with the statutory requirements. The Audit Committee oversee the Company's financial reporting process to ensure the financial statements are correct, the CSR Committee ensures effective implementation and monitoring of the CSR activities and the Company has Complaint Committee and Internal Committee to ensure resolution of various grievances.																	

<p>11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.</p>	<p>The processes and compliances, are subject to scrutiny by internal auditors and regulatory agencies, as applicable. The Policies on Quality, Safety, Health and Environment are subject to internal and external audits as part of the ISO Systems certification process and ongoing periodic assessments. Other policies are periodically evaluated and updated by various department heads, Division heads and approved by the management or Board. Name of external audit agency is "TUV India Pvt Ltd." for Quality, Safety, Health and Environment</p>
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12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable since the policies of the Company cover all Principles on NGRBCs.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									





SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year

The Company believes in its own set of principles named JTEKT basic principles, which is the base of work of JTEKT group. Its principles focus on:

1. For the Earth Society and Customers
2. Participation and Ownership
3. Continuous Improvement (Kaizen)
4. Communication
5. Passion

To complement its principles company has a suite of policies related to ethics, transparency and accountability. The Company has a Code of Conduct (Code) which defines the professional and ethical standards that employees and Directors need to adhere to in compliance with all applicable statutory laws, regulations and internal policies. The Company regularly conducts awareness campaigns through face-to-face/online workshops and various training sessions to familiarize employees/directors with the various policies to ensure adherence to the highest standards of ethical behaviour. Apart from this, company also organizes the training sessions for new employees / workmen and provide online certifications for the training taken from online mode.

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	11	Familiarization/ awareness program for the Board of Directors/ KMPs of the Company is done periodically. The topics cover business, regulations, code of business conduct and ethics and economy. In addition, frequent updates are shared with all the Board members/KMPs apprising them on developments in the Company, key regulatory changes, risks, compliances, and legal cases.	100%
Key Managerial Personnel	11		100%
Employees other than BOD and KMPs	89	Trainings conducted on: JTEKT Principles, PO-KE-TE-NA-SHI, HORENSO, POSH, Whistle Blower, Confidential Control Policy, Anti-Trust, Anti Bribery etc.	92.00%
Workers	82		70.38%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website).

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred (Yes/No)
Penalty / Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies / judicial institutions	Brief of the Case	Has an appeal been preferred (Yes/No)	
Imprisonment	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies / judicial institutions
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Company has an anti corruption and anti bribery policy. The main purpose is to ensure fair competition and compliance within business transactions by preventing Company' employees from taking part in any activity related to Corruption and Bribery for the purpose of acquiring wrongful gain in the business.

This Policy is based on the minimal common standards for anti-corruption and anti bribery underlying the Company's Internal Regulations for Anti-Corruption and customized to reflect the Laws in India.

The company takes a zero-tolerance approach to any Corruption and Bribery and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships, wherever we operate and towards implementing and enforcing effective systems to counter Corruption and Bribery. The policy is available on company's website at: <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption

	FY 2024-25	FY 2023-24
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest.

	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	-	-	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	-	-	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable*365)/Cost of goods/services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days of accounts payables	56 days	61 days



9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	5.74%	1.28%
	b. Number of trading houses where purchases are made from	696	98
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	58.85%	87.29%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers/ distributors	-	-
Share of RPTs in	a. Purchases(Purchases with related parties / Total Purchases)	14.77%	15.18%
	b. Sales (Sales to related parties / Total Sales)	51.10%	62.80%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	-	-

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Company at time of vendor empanelment ensures that our vendors understand our Code of Conduct and Business Ethics as part of our terms of contract with them.

Total number of awareness programmes held	Topics / Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Business Principles, Environment Principles, Human Rights and Workplace Practices	80%

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the entity has processes in place to avoid/manage conflict of interests involving members of the Board.

- Company has policy of Code of Conduct of Directors, which clearly states that every director representing the company shall endeavor to avoid conflict of interest and is expected to act in the best interests of Company. The Directors, on an annual basis, provide an affirmation that they have complied with the framework for the financial year and that there were no instances of Conflict of Interest during the year.
- Every Director of the Company is required to disclose his interest in any concern or in any transaction directly affecting the company at the beginning of every year. The details of the aforesaid transactions are also entered into a register prescribed for the purpose under the Companies Act, 2013 and placed before the board for noting. The Rules of the Board stipulate that Directors with an interest in a resolution of the Board shall not participate in such resolution. It is expected to deal fairly with all stakeholders and report all violations to the Chairman of the Board and Company Secretary.
- The Company has established a tradition of best practices in managing conflict of interest through adoption of a strong corporate governance framework. The governance framework adopted by the Company includes independent Board, the separation of the Board's supervisory role from the exclusive management and the constitution of Committees of the Board, generally comprising of Independent Directors to oversee critical areas.

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

- 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current Financial Year	Current Financial Year	Details of improvements in environmental and social impacts
R & D	-	-	
Capex	8.14%	5.37%	<p>JTEKT India has made key upgrades to improve environmental performance and workplace safety.</p> <ul style="list-style-type: none"> Water treatment systems like STP, ETP, and Ultra Filtration have been upgraded to boost water reuse and reduce pollution. Energy-efficient LED lights and displays have been installed to cut power use and emissions. Fire safety has been strengthened with better pumps, valves, and coatings. Equipment upgrades and improved earthing help reduce faults and waste. On the social front, safer work conditions have been created through ergonomic tools, sprinkler systems, and strong scaffolding. Certified contractors and better installation practices ensure safer, higher-quality work. Backup power, improved lighting, and drainage upgrades also enhance employee comfort and plant reliability.

- 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, Company practices responsible sourcing with respect to environment, safety, human rights and ethics, apart from economic considerations. It has a code of conduct for its supplier which specifies that they have to follow best possible business practices taking into consideration social, ethical and environmental factor. It has a Green Procurement Guideline with a dedicated Environment Declaration. The Company’s supplier selection, assessment and evaluation process includes elements of sustainability. This includes initial supplier survey, continuous risk assessments and periodic audits.

- b. If yes, what percentage of inputs were sourced sustainably?**

Approximately 52% of inputs were sourced sustainably.

- 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable, the Company directly supplies products to OEM customers as a B2B tier 1 supplier and its products are integrated into automobile being produced by its customers, which cannot be reclaimed separately at the end of the life.

- 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, Extended Producer Responsibility (EPR) is applicable to JTEKT India and complies with all relevant statutory laws. Regarding ISO 14001:2015, we adhere to all applicable statutory and regulatory compliances. Additionally, the company maintains Operational Control Procedures (OCPs) for all types of waste handling. Regular tracking, documentation and engagement with authorized recyclers are maintained to ensure full compliance.

Leadership Indicators

- 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

Yes, the entity has conducted Life Cycle Perspective/Assessment for its products

NIC Code	Name of Product / Service	% of total turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No) If yes, provide the web-link
29301	Automotive components	99.09%	Cradle to gate	Yes	No



2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Company's products don't present any significant social or environmental risks.

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable	Not Applicable	Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Aluminium used at Aluminium die casting plant (DHR-3)	1.15%	1.06%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastic (including packaging)	Not Applicable, Company directly supplies products to OEM customers as a B2B tier 1 supplier and its products are integrated into automobile being produced by its customers which cannot be reclaimed separately at the end of the life.					
E-waste						
Hazardous waste						
Other waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable, Company directly supplies products to OEM customers as a B2B tier 1 supplier and its products are integrated into automobile being produced by its customers which cannot be reclaimed separately at the end of the life	

PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

The company is giving maternity benefit to its eligible female employees / workers in accordance to the Maternity Benefit Act 1961. In addition to this, company is also paying onetime reimbursement towards medical expenses on maternity to its permanent employees / workmen (Maximum upto the birth of 2 children) amounting to INR 25,000/- in case of normal Delivery or INR 50,000/- in case of C-Section.

Category	% of employees covered by										
	Total	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	(A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,004	1,004	100%	1,004	100%	N.A.	N.A.	1,004	100%	1,004	100%
Female	38	38	100%	38	100%	38	100%	N.A.	N.A.	38	100%
Total	1,042	1,042	100%	1,042	100%	38	100%	1,004	100%	1,042	100%
Other than Permanent Employees											
Male	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	0	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

b. Details of measures for the well-being of workers.

Category	% of workers covered by										
	Total	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
	(A)	Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	586	586	100%	586	100%	N.A.	N.A.	586	100%	586	100%
Female	13	13	100%	13	100%	13	100%	N.A.	N.A.	13	100%
Total	599	599	100%	599	100%	13	100%	586	100%	599	100%
Other than Permanent workers											
Male	1,752	1,752	100%	1,752	100%	NA	NA	1,752	100%	1,752	100%
Female	46	46	100%	46	100%	46	100%	NA	NA	46	100%
Total	1,798	1,798	100%	1,798	100%	46	100%	1,752	100%	1,798	100%

- Company has child birth policy for all its permanent employees & workers wherein, company gives the monetary benefits on the birth of first two children.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format -

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Cost incurred on well- being measures as a % of total revenue of the Company	0.95%	0.83%

2. Details of retirement benefits for Current FY and Previous Financial Year.

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	N.A.	100%	Y	N.A.	100%	Y
Others – Please specify-NPS	12.86%	N.A.	Y	13.8%	N.A.	Y

* Provided to all the eligible workers.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Not Applicable. However, most of the offices / workplace are well equipped for accessibility to differently abled persons at selected areas.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company believes in equal opportunity for all its employees, wherein the Company is committed to provide an inclusive work culture and an environment, free from any discrimination. The Company has in place “**Human Right Policy**” available at <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>. The said policy provides as under: “JTEKT India is committed to a policy of equal employment opportunity and prohibits discrimination or harassment against an employee or applicant based on gender, race, colour, religion, sexual orientation, age, disability, national origin, or any other protected status by applicable laws and regulations. It ensures facilities for the well-being of its employees **including those with special needs** and continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. Equal treatment of all employees is one of Company’s fundamental principles.



5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes / No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, there are various mechanisms in the Company to register the grievances and redress the same. We have a practice of an open-door policy for employees and senior management whereby all employees, irrespective of their role or grade in the organization, have access to senior management.</p> <p>We have an embedded Whistle-Blower Policy as a formal platform for the confidential sharing and consequent investigation of grievances. Further, the Company has a policy on prevention, prohibition, and redressal of sexual harassment at the workplace. The Company also educate its employees on the prevention of sexual harassment at the workplace through awareness programmes. Company marks the month of December as a dedicated month to conduct various awareness sessions for prevention of harassment for all its employees with the help of external agencies including renowned lawyers close to this subject.</p> <p>The employees can raise their concern related to:</p> <p>(a) Whistle Blower</p> <p>(i) To the Whistle Blower Committee or Chairperson of Audit Committee of Directors of the Company either by phone; written letter; in face to face meeting; email.</p> <p>(ii) Through External Hotline Report Desk.</p> <p>(b) POSH</p> <p>(i) Through a formal letter to any member of Internal Complaints Committee (ICC) formed under the POSH (Prevention, Prohibition and Redressal) Act, 2013, for grievances pertaining to sexual harassment.</p> <p>Contact Details including email address and phone number of committee members is displayed at all prominent places in our offices and also available on the website of the Company i.e. www.jtekt.co.in</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity.

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	1,042	0	0.00%	1,018	0	0.00%
- Male	1,004	0	0.00%	978	0	0.00%
- Female	38	0	0.00%	40	0	0.00%
Total Permanent Workers	599	114	19.03%	574	129	22.47%
- Male	586	114	19.45%	559	129	23.08%
- Female	13	0	0.00%	15	0	0.00%

8. Details of training given to employees and workers.

Category	FY 2024-25					FY 2023-24				
	Total	On Health and Safety measures		On Skill upgradation		Total	On Health and Safety measures		On Skill upgradation	
	(A)	No. (B)	% (B/A)	No. (C)	% (C/A)	(D)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	1,004	760	75.70%	997	99.30%	978	664	67.89%	951	97.24%
Female	38	28	73.68%	34	89.47%	40	28	70.00%	33	82.50%
Total	1,042	788	75.62%	1,031	98.94%	1,018	692	67.98%	984	96.66%
Workers										
Male	2,338	1,498	64.07%	1,436	61.4%	2,196	1,386	63.11%	1,237	56.33%
Female	59	47	79.66%	37	62.7%	50	39	78.00%	27	54.00%
Total	2,397	1,545	64.46%	1,473	61.4%	2,246	1,425	63.45%	1,264	56.28%

9. Details of performance and career development reviews of employees and worker.

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,004	894	89.04%	978	813	83.13%
Female	38	29	76.32%	40	32	80.00%
Total	1,042	923	88.58%	1,018	845	83.00%
Workers						
Male	586	185	31.57%	559	204	36.49%
Female	13	1	7.69%	15	3	20.00%
Total	599	186	31.05%	574	207	36.06%

10. Health and safety management system.

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

All JTEKT India plants are certified under ISO 45001:2018 for Occupational Health and Safety. The company follows safety standards that go beyond legal requirements and tracks key safety indicators (KPIs) monthly to reduce incidents.

JTEKT India follows a “Zero Accident” approach based on:

1. Safety comes first
2. Strong commitment to zero accidents
3. Taking action to achieve it

The safety system focuses on:

- **Safe Workplace:** Organized work areas (1S & 2S), continuous improvement (Kaizen), risk-free equipment and standard procedures.
- **Safe People:** Promoting a safety-first mindset, standard work practices, strong leadership, teamwork (TEAM – Together Everyone Achieves More) and a culture of responsibility.
- Regular ergonomic assessments are done to ensure workstations and tasks don't harm worker health. Based on findings, adjustments are made to improve **safety and efficiency**.

This system is embedded across the organization, creating a safe and trusted environment for employees and their families.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

JTEKT India Ltd. adopts a structured and proactive approach to hazard identification and risk assessment, ensuring safety in both routine and non-routine operations. The process is embedded within its Occupational Health and Safety Management System and aligned with best practices to support its vision of zero accidents.

Risk Assessment and Kiken Yochi (danger prediction) are carried out systematically across all operations. These assessments are designed to identify potential hazards—be it mechanical, chemical, electrical, or ergonomic—and evaluate their associated risks. Special emphasis is given to non-routine tasks such as maintenance activities, new equipment installation, or process changes, where specific risk evaluations are mandatory before work begins.

Routine safety observations and periodic safety patrols form a critical part of day-to-day operations. Supervisors and line managers conduct regular walkthroughs to monitor workplace conditions and worker behavior. Additionally, senior management participates in monthly safety patrols, demonstrating top-down leadership commitment and promoting a strong safety culture across all levels of the organization.

Kaizen and continuous improvement initiatives play a vital role in hazard identification. Employees at all levels are encouraged to report unsafe conditions and suggest practical improvements. Through these structured improvement activities, the organization fosters a proactive mindset towards safety and risk mitigation.

Incident and near-miss reporting mechanisms are firmly established and are followed by detailed investigations to identify root causes. Using techniques like the Why-Why Analysis, corrective and preventive actions are implemented to ensure recurrence is avoided and systemic gaps are addressed.

Kiken Yochi or Danger Predictions are an essential requirement for any non-routine or one-time tasks. These assessments are conducted in advance to identify specific hazards related to the task at hand, and suitable control measures are defined and communicated to the concerned teams before execution begins.

Ergonomic risk assessments are also periodically conducted to ensure that workplace design, manual handling tasks, and repetitive activities do not adversely impact worker health. These assessments help in making necessary modifications to workstations, tools, and procedures to enhance both safety and productivity.

Finally, compliance with legal and regulatory requirements is ensured through internal audits and regular safety reviews. The organization maintains updated records of statutory obligations and ensures all necessary risk assessments, control measures, and documentation are in place as per applicable laws and standards.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes, The company has the appropriate mechanisms in place to guarantee that the employees' safety is not jeopardized and they are encouraged to talk about any hazards and health concerns related to their employment.

Safety committees with equal employee and worker representation are present at every site of the Company. Workplace hazards are found through a joint audit of the section safety committees, and countermeasures are designed to eradicate them.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees/workers are covered under the Company's health insurance and personal accidental policy.

11. Details of safety related incidents, in the following format.

Safety Incident / Number	Category*	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.39	0.27
Total recordable work-related injuries	Employees	0	0
	Workers	3	1
No. of Fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

At JTEKT India, safety and health are core to our culture, not just compliance. We believe every employee deserves a workplace free from harm and proactively designed to prevent incidents. Our commitment is embedded in our leadership, systems, and daily operations, driven by the belief that our people are family.

We conduct monthly Safety, Health & Environment (SHE) meetings across all plants to tackle challenges, share best practices, and generate new ideas. Through the YOKOTEN approach, we adopt proven safety measures from across JTEKT group companies to prevent recurrence of incidents.



To build awareness, we regularly conduct e-KYT (Kiken Yochi Training) for all employees, fostering hazard prediction skills and continuous improvement through evaluation and shared insights. New employees receive structured induction, including PO-KE-TE-NA-SHI pedestrian safety and safety mindset training.

Our Safety Minded People Evaluation assesses employee awareness, with targeted training for those below threshold. Near-miss reports are tracked and shared using YOKOTEN, promoting a learning culture. Leadership actively participates through monthly safety patrols, ensuring accountability and follow-up on safety improvements.

We empower our frontline teams to co-lead safety patrols and encourage suggestions, nurturing ownership. Machine safety is ensured through structured risk assessments, with red-level risks mitigated by clear actions.

An annual Safety Month celebrates our values through leadership messages, ceremonies, and inter-plant KYT competitions. Our efforts extend beyond the shop floor—canteen safety audits and mist monitoring help protect long-term health.

At JTEKT India, safety is a shared responsibility and a reflection of our deep care for our people. We go beyond compliance to build a workplace where every individual feels safe, supported, and valued.

13. Number of Complaints on the following made by employees and workers.

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year.

	% of your Plants and Offices that were assessed (by entities or statutory authorities or third parties)
Health and Safety Practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

To address safety-related incidents and mitigate significant risks identified through assessments, a series of corrective actions have been implemented. Comprehensive safety training programs have been conducted focusing on safety mindset, outsourced work management. The safety patrol checklist has been revised at a micro level to strengthen hazard identification. Electronic KY (e-KY) tools have been introduced to enhance danger prediction and awareness.

A rule has been established requiring supervisor presence when a new employee performs work for the first time, ensuring proper oversight and guidance. Standardized procedures for machine disassembly and measures to promote safe footing have been developed and deployed. Physical improvements such as the application of anti-slip tape at high-risk areas have been implemented, and targeted training on the correct use of safety shoes has been delivered. Additionally, relevant Operational Control Procedures (OCPs), including those related to horticulture and walking safety, have been revised to reflect current best practices.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

- (A) Employees -- Yes
- (B) Workers -- Yes

All employees and workers working in the company are covered with **Group Life Term Insurance Policy**, which provides the financial coverage to employees & workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues as applicable to the transactions within its limit are deducted and deposited in accordance with extant regulations. This activity is also reviewed as part of the internal and statutory audit. The Company expects its value chain partners to uphold business responsibility principles and values of transparency and accountability.



3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	0	0	Not Applicable	Not Applicable
Workers	0	0	Not Applicable	Not Applicable

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Company provides various levels of transitional support for continued employability and general transition out of employment. Post retirement, company has a 'Retired Employee Deployment Policy' to rehire them as 'Advisors'. Skill development and on job training have always been a part of the Company's HR policy. Ample opportunities and exposures are given during the course of employment for all employees to upskill themselves through domain, skills and leadership trainings. The Company ensured there was no job loss on account of pandemic amongst our workforce.

5. Details on assessment of value chain partners.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	80%
Working Conditions	80%

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Company constantly evaluate its suppliers to make sure they maintain appropriate working conditions as well as health and safety standards.

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Key Stakeholders are identified on the basis of the material influence they have on the Company or on how they are materially influenced by the Company's corporate decisions and the consequences of those decisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key Topics and concerns raised During such engagement
Employees	No	Written & Verbal Communication (training, issuing guidelines, meetings, email, notice board, website, internal HR software, newsletter, intranet portal, learning modules)	Regular; Need basis	Safety, enhancing efficiency and productivity, professional growth of employees, feedback, training and awareness through regular programs, increasing awareness of all aspects of the business, codes, values etc.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly / Quarterly / others - please specify)	Purpose and scope of engagement including key Topics and concerns raised During such engagement
Customers	No	Written and Verbal Communication (meetings, events, technology show, online portals, Email, website, newsletter)	As and when required	Promote and grow business, sharing details about the product, services and new initiatives (if any). Understanding their expectations about products and services and ways to improve, fulfil transactions involved for doing business. Brand Satisfaction Survey, current and future business management, sustainable improvements, offers, etc.
Local communities	No	Written and Verbal Communication, on site community meetings, CSR report, local community engagements	As and when opportunity is identified	Promote education, rural development and healthcare CSR interventions.
Vendors/ Suppliers/	No	Written and Verbal Communication (Meetings, events, website, email, vendor meet, Contracts, SOPs, guidelines, training, supplier portal, survey).	As and when required	Communicating mutual expectations and obligations clearly. Ensuring compliance of laws by vendors / suppliers / contractors.
Investors/ Funders/ Shareholders	No	Quarterly Results publication to Stock Exchange, Annual Report, Investor and Analyst presentations, Quarterly Financial Follow up reports, Annual Credit Monitoring Arrangement reports and Annual Covenant compliance to Financiers.	Quarterly, Need basis	Discuss Company's financial performance and strategic priorities. Pursuant to Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company's website: https://jtekt.co.in/Menu/23a83a30-e13d-11ee-a2ec-9418826e6379 contains a dedicated functional segment 'INVESTORS' where all the information meant for the shareholders is available, including information on directors, financial statements, annual reports, codes, and policies, etc.
Legal/ Auditors/ Consultants/ other third party	No	Written and Verbal Communication	As and when required	Compliance to legal requirements, advice on statutory laws related issues.
Regulatory bodies/ Government/ Industry Associations	No	Written and Verbal Communication	As and when required	Compliance related like filing of periodic returns, reports, payment of taxes, etc.
Management/ Board	No	Written Communication (reports, data submission, policies)	Board Meetings with defined frequency. Regular Periodic Review Meetings.	To meet the highest standards of governance. Guidance on smooth operations, improving efficiency and productivity.





Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Consultation with the respective stakeholder groups is done, as and when required, by the relevant business and functional heads. Feedback from such consultations, if any, is shared with the Board from time to time.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Company has always maintained a regular and proactive engagement with the Company's key stakeholders, allowing it to effectively work on its ESG strategies and be transparent about the outcomes. In response to current regulations and interactions with stakeholders, the Company performs periodic evaluations to update and re-issue policies as needed.

Company has a scheme whereby employees are motivated to share the suggestions on monthly basis. In addition to this, Company roll out employee satisfaction survey every year wherein all the social and environmental parameters are covered. Their submissions are evaluated by the company to identify material issues, as a result, Company improves and revises the policies and activities to better address the key issues.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Community: Although none of the stakeholder group is identified as vulnerable/marginalized, the Company engages with some stakeholder groups to understand their needs and provide the support to the extent possible e.g. the Company implement several CSR programs in the areas of education, rural development and healthcare.

PRINCIPLE 5 - Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024 -25			FY 2023-24		
	Total (A)	No. of Employees / Workers covered (B)	% (B/A)	Total (C)	No. of Employees / Workers covered (D)	% (D/C)
Employees						
Permanent	1,042	995	95.49%	1018	778	76.42%
Other than Permanent	-	N.A.	N.A.	-	N.A.	N.A.
Total Employees	1,042	995	95.49%	1,018	778	76.42%
Workers						
Permanent	599	352	58.76%	574	291	50.70%
Other than Permanent	1,798	1,115	62.01%	1,672	948	56.70%
Total Workers	2,397	1,467	61.20%	2,246	1239	55.16%

2. Details of minimum wages paid to employees and workers, in the following format.

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,042	N.A.	N.A.	1,042	100%	1,018	N.A.	N.A.	1,018	100%
Male	1,004	N.A.	N.A.	1,004	100%	978	N.A.	N.A.	978	100%
Female	38	N.A.	N.A.	38	100%	40	N.A.	N.A.	40	100%
Other than Permanent	0	N.A.	N.A.	N.A.	N.A.	0	N.A.	N.A.	N.A.	N.A.
Male	0	N.A.	N.A.	N.A.	N.A.	0	N.A.	N.A.	N.A.	N.A.
Female	0	N.A.	N.A.	N.A.	N.A.	0	N.A.	N.A.	N.A.	N.A.
Workers										
Permanent	599	N.A.	N.A.	599	100%	574	N.A.	N.A.	574	100%
Male	586	N.A.	N.A.	586	100%	559	N.A.	N.A.	559	100%
Female	13	N.A.	N.A.	13	100%	15	N.A.	N.A.	15	100%
Other than Permanent	1,798	893	49.67%	905	50.33%	1,672	589	35.23%	1,083	64.77%
Male	1,752	872	49.77%	880	50.23%	1,637	589	35.98%	1,048	64.02%
Female	46	21	45.65%	25	54.35%	35	0	0	35	100%

3. Details of remuneration/salary/wages

(a) Median remuneration/wages:

	Male		Female	
	Number	Median remuneration / salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BOD)	6	19,12,500	2	20,19,853
Key Managerial Personnel	3	74,60,156	0	N.A.
Employees other than BOD and KMP	1,000	7,03,026	38	6,00,000
Workers	586	2,95,800	13	2,26,476

(b) Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages	2.67%	2.66%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the company have the focal point responsible for addressing human rights impacts or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has framed a committee for addressing and administration of grievances related to human rights or harassment. The committee comprises off Senior Management, whereby grievance(s) / complaint(s) can be raised directly to chairperson/any member of the committee through phone; written letter; in face to face meeting; by mail or can be registered confidentially through external hotline link / reporting desk. Management has exhibited these links at all prominent places and available on the website of the Company i.e. www.jtekt.co.in. For grievances pertaining to sexual harassment, the Internal Complaints Committee (ICC) is constituted in line with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to investigate the case.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	2	1	Pending case is under investigation, decision on the same is expected in next quarter	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour / Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, prohibition and Redressal) Act, 2013 (POSH)	2	0
Complaints on POSH as a % of female employees/ workers	2.06%	0
Complaints on POSH upheld	Pending case is under investigation, decision on the same is expected in next quarter	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company provides protection against discrimination to employees who makes disclosure or raises a concern under the whistle blower policy where the employee discloses his/her identity.

Para 10 of the Company's Whistle Blower Policy, which is available www.jtekt.co.in, strictly prohibits any attempt of retaliation by anyone against complainant or take any other measures against his or her interest. An employee acting in violation of this clause is subjected to disciplinary measures in accordance with the internal employee regulations.

Cases related to prevention of sexual harassment at work place are treated with utmost sensitivity and confidentially in line with the guidelines of the Sexual Harassment of Women at Work Place (prevention, prohibition and redressal) Act 2013.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments for the year (2024-25).

	% of your Plants and Offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100% assessment was done by the entity in respect of all the parameters
Forced / Involuntary Labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

The Company continually assesses its internal processes time to time and update as per new requirements. Any third party or statutory auditor has not reported any violations and no claims has been received from any authority in past many years.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company has not received any grievance / complaints with respect to any human right violations during the year. However, the Company is committed to modify and adopt business process to redress the issues as per legal requirements and to meet the necessity of the situation. Company has also Introduced and deployed whistle blower policy, enabled external Hotline number to maintain complete confidentiality of the complainant.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

The company regularly carry out complete necessary due diligence and for this purpose, a variety of approaches and processes are available to meet the necessary requirements. We have various working group committees to address issues related to health & Safety, Sexual Harassment, Grievance handling, Canteen, Welfare & union management committee.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Most of the offices/workplace are well equipped for accessibility to differently abled persons at selected areas.



4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	80%
Discrimination at workplace	
Child Labor	
Forced / Involuntary Labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

In all of our dealings, the Company expects its value chain partners to uphold the same values, beliefs, and business ethics as the Company. Declaration of adherence to the Supplier Code of Conduct on the above is obtained from the value chain partners on yearly basis, however no formal examination of value chain partners has been conducted.

PRINCIPLE 6 - Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	15,393 GJ	17,893 GJ
Total fuel consumption (B)	0 GJ	0 GJ
Energy consumption through other sources (C)	0 GJ	0 GJ
Total energy consumed from renewable sources (A+B+C)	15,393 GJ	17,893 GJ
From non-renewable sources		
Total electricity consumption (D)	98,894 GJ	95,551 GJ
Total fuel consumption (E)	13,435 GJ	14,508 GJ
Energy consumption through other sources (F)	0 GJ	0 GJ
Total energy consumed from non-renewable sources (D+E+F)	1,12,329 GJ	1,10,059 GJ
Total energy consumed (A+B+C+D+E+F)	1,27,722 GJ	1,27,952 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000053 GJ/INR	0.0000057 GJ/INR
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)# <i>(Total energy consumed/Revenue from operations adjusted for PPP)</i>	0.00011	0.00013
Energy intensity in terms of physical output	0.0199 GJ/Nos.	0.0179 GJ/Nos.
Energy intensity <i>(optional)</i> – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

The figures has been updated as per the rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No



3. Provide details of the following disclosures related to water, in the following format.

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	89,804	83,982
(iii) Third party water	36,872	33,527
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,26,676	1,17,509
Total volume of water consumption (in kilolitres)	1,26,676	1,17,509
Water intensity per rupee of turnover (Total Water consumption / Revenue from Operations)	0.0000053	0.0000052
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [#] (Total water consumption/Revenue from operations adjusted for PPP)	0.00011	0.00012
Water intensity in terms of physical output	0.0197 KL/Nos.	0.0164 KL/Nos.
Water intensity (optional) – the relevant metric may be selected by the entity	--	--

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

The figures has been updated as per the rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others [HSIIDC]		
- No treatment	7,190	7,716
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	7,190	7,716

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

Note :- Our Bawal plants are discharging untreated sewage water into the HSIIDC (Haryana State Industrial & Infrastructure Development Corporation) infrastructure in full compliance.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Company has established waste water treatment system in most of the locations where waste water is produced. The waste water is then transported to an Effluent Treatment Plant (ETP) or Sewage Treatment Plant (STP) for treatment and reuse. Water is used inside the company's office buildings that is repurposed for landscaping and toilet flushing. In order to achieve Zero Liquid Discharge (ZLD), the company additionally makes sure that no untreated water is released into the ground or into drains.

Two plants channel their wastewater to HSIIDC for additional treatment via appropriate drainage systems.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Gurugram

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		Process Stack [Furnace]	Process Stack [Furnace]
NOx	mg/NM ³	25.50	29.75
Sox	mg/NM ³	<5	<5
Particulate matter (PM)	mg/NM ³	18.10	15.05
CO ₂ (Carbon Dioxide)	%	not measured	not measured
Others – HC		--	--

Yes, independent assessment has been done by external agency Environment Testing Lab, Dharuhera in F.Y. 2023-24 and by EPA Labs Private Limited, Bhiwadi, Rajasthan in F.Y. 2024-25

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	PNG Genset
NOx	gm/kwh	0.26	0.42
Sox	gm/kwh	0.10	0.02
Particulate matter (PM)	gm/kwh	0.01	0.03
CO (Carbon Monoxide)	gm/kwh	0.01	0.29
Others – HC	gm/kwh	0.00	not measured

Yes, independent assessment has been done by external agency Environment Testing Lab, Dharuhera in F.Y. 2023-24 and by EPA Labs Private Limited, Bhiwadi, Rajasthan in F.Y. 2024-25

Dharuhera-1

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	PNG Genset
NOx	gm/kwh	0.02	0.02
Sox	gm/kwh	0.02	0.01
Particulate matter (PM)	gm/kwh	0.01	0.01
CO (Carbon Monoxide)	gm/kwh	0.00	0.00
Others – HC	gm/kwh	0.01	0.00

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Dharuhera-2

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		Process Stack	Process Stack
NOx	mg/Nm ³	18.27	14.50
Sox	mg/Nm ³	10.43	6.77
Particulate matter (PM)	mg/Nm ³	31.90	28.07
CO (Carbon Monoxide)	%	<0.01	<0.01
Others		--	--

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan



Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	PNG Genset
NOx	gm/Kwh	0.03	0.03
Sox	gm/Kwh	0.02	0.02
Particulate matter (PM)	gm/Kwh	0.01	0.01
CO (Carbon Monoxide)	gm/Kwh	0.00	0.00
Others – HC	gm/Kwh	0.01	0.00

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Dharuhera-3

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	PNG Genset
NOx	gm/Kwh	0.29	0.28
Sox	gm/Kwh	0.02	0.02
Particulate matter (PM)	gm/kwh	0.02	0.02
CO (Carbon Monoxide)	gm/kwh	0.00	0.00
Others – HC	gm/Kwh	0.01	0.01

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		Process Stack	Process Stack
NOx	mg/Nm ³	19.20	21.80
Sox	mg/Nm ³	10.10	10.70
Particulate matter (PM)	mg/Nm ³	25.40	25.30
CO (Carbon Monoxide)	%	0.01	0.00

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Chennai

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		Process Stack	Process Stack
NOx	mg/NM ³	62.00	45.00
Sox	mg/NM ³	<5	<5
Particulate matter (PM)	mg/NM ³	15.00	23.00
CO (Carbon Monoxide)	%	<0.2	<0.2
Others – please specify	--	--	--

Yes, independent assessment has been done by external agency named Eco Services India Pvt. Limited, Guindy, Chennai

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		Diesel Genset	Diesel Genset
NOx	mg/NM ³	286.50	136.00
Sox	mg/NM ³	<5	5.95
Particulate matter (PM)	mg/NM ³	36.00	39.00
CO (Carbon Monoxide)	%	<0.2	<0.2
Others – please specify	--	--	--

Yes, independent assessment has been done by external agency named Eco Services India Pvt. Limited, Guindy, Chennai

Bawal-1

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	Diesel Genset
NOx	gm/kwh	0.13	0.12
Sox	mg/NM ³	--	6.80
Sox	gm/kwh	0.08	--
Particulate matter (PM)	gm/kwh	0.01	0.04
CO (Carbon Monoxide)	gm/kwh	0.01	0.02
Others – HC	gm/kwh	0.01	0.01

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Bawal-2

Parameter	Please specify unit	FY 24-25	FY 23-24
		(Current Financial Year)	(Previous Financial Year)
		PNG Genset	PNG Genset
NOx	gm/kwh	0.21	0.04
Sox	gm/kwh	0.02	Not measured
Particulate matter (PM)	gm/kwh	0.02	0.02
CO (Carbon Monoxide)	gm/kwh	0.01	0.06
Others – HC	gm/kwh	0.01	0.01

Yes, independent assessment has been done by external agency named EPA Labs Private Limited, Bhiwadi, Rajasthan

Note: Figures are rounded off up to 2 decimals.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,021	1,991
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	19,669	19,004
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	Metric tonnes of CO2 equivalent	0.00000090	0.00000093
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operation adjusted for PPP)#		0.000019	0.000021
Total Scope 1 and Scope 2 emission intensity terms of physical output		0.00338 Metric tonnes/Nos.	0.00293 Metric tonnes/Nos.
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

The figures has been updated as per the rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

JTEKT India Ltd. is committed to reducing its environmental footprint and progressing toward its long-term goal of carbon neutrality by 2050. In alignment with this vision, the company has initiated multiple measures aimed at lowering greenhouse gas (GHG) emissions across its manufacturing operations. Some of the common approaches are:

- **Renewable Energy:** JTEKT India is currently in the process of procuring renewable electricity through open access and group captive models. Once implemented, this initiative is expected to significantly reduce reliance on grid electricity generated from fossil fuels and help lower Scope 2 emissions.



- **Energy Efficiency Improvements:** Implementing energy-efficient technologies such as LED lighting, installing high-efficiency motors and Variable Frequency Drives (VFDs) and optimizing HVAC and compressed air systems. These actions have resulted in measurable improvements in energy consumption and corresponding reductions in emissions.
- **Green Building Practices:** All new facility constructions at JTEKT India are being designed with a sustainability focus, incorporating green building practices such as solar rooftop readiness, energy-efficient designs, and water conservation systems like rainwater harvesting.
- **Emissions Monitoring & Accountability:** The company actively monitors its Scope 1 and Scope 2 emissions and uses this data to evaluate its performance against internal benchmarks.
- **Employee Engagement:** Employee training and awareness programs are regularly conducted to promote energy-conscious behavior and foster a culture of environmental responsibility.

Through these structured efforts, JTEKT India continues to strengthen its contribution to climate action and sustainable industrial development.

Please also refer Energy Saving data in Board Report.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	111	118
E-waste (B)	14	20
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	238	214
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	N.A.	N.A.
Total (A+B+C+D+E+F+G+H)	363	352
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.00000015	0.00000016
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) [#] (Total waste generated/Revenue from operations adjusted for PPP)	0.00000031	0.00000037
Waste intensity in terms of physical output	0.000057 Metric tonnes/Nos.	0.000049 Metric tonnes/Nos.
Waste intensity (optional)-the relevant metric may be selected by the entity	-	--
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	N.A.	N.A.
(ii) Re-used	N.A.	N.A.
(iii) Other recovery Operations	N.A.	N.A.
Total	N.A.	N.A.
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	N.A.	N.A.
(ii) Landfilling	N.A.	N.A.
(iii) Other disposal operations (disposed off to the authorized recycler)	363	352
Total	363	352

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No Independent assessment/evaluation/assurance has been carried out by an external agency.

[#] The figures has been updated as per the rate available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

JTEKT India Ltd. has established well-defined waste management practices across all its manufacturing locations, ensuring compliance with applicable environmental regulations.

Waste is systematically segregated into hazardous, non-hazardous, and recyclable categories at the source. Hazardous waste is safely stored and disposed of through authorized and certified agencies, while non-hazardous waste such as metal scrap, packaging material, and general waste is reused internally or sent to authorized recyclers. To minimize overall waste generation, the company promotes process optimization, Kaizen activities and use of returnable packaging systems.

In addition to waste management, JTEKT India is actively working to reduce the usage of hazardous and toxic substances, particularly Substances of Concern (SoC), in its products and processes. The company regularly evaluates materials and substitutes SoC with safer alternatives wherever technically and economically viable. Compliance with RoHS, ELV, and customer-specific chemical restrictions is strictly maintained. Safe chemical handling, storage, and emergency response protocols are reinforced through regular employee training and internal audits.

These initiatives are part of JTEKT India’s broader commitment to sustainability, workplace safety, and environmental protection, with continuous monitoring and improvement forming the core of its operational strategy.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sl. No.	Location of Operations / Offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
N.A.	N.A.	N.A.	N.A.

None of the Company’s Plants are around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

13. Is the entity compliant with the applicable environmental law/regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
N.A.	N.A.	N.A.	N.A.	N.A.

The Company does adhere to all regulations. According to the legal register of the respective Plant locations of the Company, all statutory compliances are fulfilled in accordance with the Air/Water/Environment Act and Rules, and the legal register is regularly monitored.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres).

For each Facility / Plant located in areas of water stress, provide the following information:

- i) Name of the area: Gurugram, Dharuhera and Bawal
- ii) Nature of operations: Manufacturing of Automotive components
- iii) Water withdrawal, consumption and discharge in the following format:





Gurugram

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	25,120	23,672
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	25,120	23,672
Total volume of water consumption (in kilolitres)	25,120	23,672
Water intensity per rupee of turnover (<i>Water consumed / turnover</i>)	0.0000010	0.0000011
Water intensity (<i>optional</i>) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not applicable, since we have implemented a mechanism for Zero Discharge supported by water treatment systems such as ETP (Effluent Treatment Plants) and STP (Sewage Treatment Plants) that enable its recovery and make it re-usable.	
- No treatment		
- With treatment- please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment- please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment- please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment- please specify level of treatment		
(v) Others		
- No treatment		
- With treatment- please specify level of treatment		
Total water discharged (in kilolitres)		

Dharuhera

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(i) Surface water	0	0
(ii) Groundwater	70,002	66,204
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	70,002	66,204
Total volume of water consumption (in kilolitres)	70,002	66,204
Water intensity per rupee of turnover (<i>Water consumed / turnover</i>)	0.0000077	0.0000112
Water intensity (<i>optional</i>) – the relevant metric may be selected by the entity		

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment- please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment- please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment- please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment- please specify level of treatment		
(v) Others		
- No treatment		
- With treatment- please specify level of treatment		
Total water discharged (in kilolitres)		

Not applicable, since we have implemented a mechanism for Zero Discharge supported by water treatment systems such as ETP (Effluent Treatment Plants) and STP (Sewage Treatment Plants) that enable its recovery and make it re-usable.

Bawal

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	10,881	11,509
(iii) Third party water	11,752	9,855
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres)	22,633	21,364
Total volume of water consumption (in kilolitres)	22,633	21,364
Water intensity per rupee of turnover (<i>Water consumed / turnover</i>)	0.0000019	0.0000018
Water intensity (<i>optional</i>) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment- please specify level of treatment	0	0
(v) Others [HSIIDC]		
- No treatment	7,190	7,716
- With treatment- please specify level of treatment	0	0
Total water discharged (in kilolitres)	7,190	7,716

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 3 emissions per rupee of turnover		The Company is not measuring Scope 3 emissions	
Total Scope 3 emission intensity (<i>optional</i>) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No independent assessment/evaluation/assurance has been carried out by an external agency.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable, as the company doesn't have any operations in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Water Treatment Upgrade	Upgraded STP, ETP, and Ultra Filtration systems	Better wastewater treatment and reuse
2	Energy Saving Lights	Used LED lights and smart display panels	Reduced power use, better lighting
3	Fire Safety Setup	Used good quality pipes, valves, pumps, and coatings	Improved fire safety and longer life of systems
4	Electrical System Upgrade	Upgraded cables, trays, tanks, and earthing	Safer, more reliable systems
5	Easy & Safe Pumping System	Installed electric pumps and sprinklers	Safer and easier operations
6	Fire Protection System	Added sprinklers, valves, pumps, alarm panels	Better fire response and safety
7	Safe Installation Practices	Quality civil work, proper mounting by contractors	Safer and standardized setup
8	Sustainable Packaging	Use of returnable packaging for components to reduce single-use material consumption.	Reduced packaging waste and environmental footprint.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

JTEKT India Ltd. maintains a robust Business Continuity and Disaster Management Plan aligned with ISO 14001, ISO 45001, and IATF 16949 standards.

This structured approach ensures operational resilience through proactive risk identification, emergency preparedness and contingency planning for events such as natural disasters, fires, chemical spills, and IT outages.

Key components include:

- Comprehensive risk assessments and defined roles and responsibilities
- Established communication protocols and recovery mechanisms
- Integration of emergency response procedures within the overall management system

To ensure readiness and compliance:

- Regular safety drills and mock exercises are conducted quarterly or as per the preparedness plan
- Employees and emergency response teams receive ongoing training and participate in awareness programs
- Periodic audits and reviews are held to strengthen response capabilities and improve resilience

This commitment to emergency preparedness reflects JTEKT India's strong focus on protecting human health, safety, and the environment—core pillars of its ESG strategy.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NIL

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

80%

8. How many green credits have been generated or procured by the entity.

NIL

PRINCIPLE 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

3 Affiliations

b. List the top 10 trade and industry chambers / associations (determined based on the total members of such body) the entity is a member of / affiliated to:

Sl.No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Society of Indian Automobile Manufacturers	National
2.	Confederation of Indian Industry	National
3.	Gurgaon Industrial Association	State

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

There are no current adverse orders from regulatory authorities and therefore no corrective action is taken or underway at this time

Name of Authority	Brief of the Case	Corrective Action Taken
	Not Applicable	

Leadership Indicators

1. Details of public policy positions advocated by the entity.

The Company does not conduct public policy advocacy. We do not support any specific political party of any jurisdiction and do not have any political affiliation. Company's advocacy efforts are largely routed through collective forums like various industry bodies, associations and committees, of which it is a member.

Sl.No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review by Board (Annually / Half Yearly / Quarterly / Others - please specify)	Web Link, if available
			Not Applicable		

PRINCIPLE 8 – Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

There are no Social Impact Assessments applicable for the reporting year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
			Not Applicable		

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

There are no projects ongoing for which Rehabilitation and Resettlement are being undertaken in the reporting year.

Sl.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
				Not Applicable		





3. Describe the mechanisms to receive and redress grievances of the community.

The Company has CSR Team(s) to monitor the CSR Projects regularly, which continuously interacts with the concerned communities in the areas of operation. The grievances as and when they arise are timely addressed & resolved by the CSR Team(s).

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directly sourced from MSMEs / small producers	18%	17%
Directly from within India	90%	74%

5. Job creation in smaller towns-Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost.

Location	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Rural	-	-
Semi-urban	51.23%	49.10%
Urban	-	-
Metropolitan	48.77%	50.90%

(Place to be categorized as per RBI Classification System-rural/semi-urban/urban/metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sl.No.	State	Aspirational District	Amount Spent (In INR)
Nil			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

No, the Company does not discriminate on any basis while selecting its suppliers and provide equal opportunities for engagement to all potential suppliers. The Company encourages working with local suppliers or suppliers that are close to its facilities (including small-scale industries). However, the Company has not specifically considered marginalized/ vulnerable groups in its supplier qualifying criteria.

(b) From which marginalized / vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sl.No.	Intellectual Property based on traditional knowledge	Owned / Acquired (Yes / No)	Benefit Shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects.

The Company actively interacts with the community and performs need based assessment for implementation of CSR activities. The details of all CSR activities undertaken by the Company during the Financial year 2024-25, can be accessed in the Annual Report on CSR forming part of Directors' Report.

Sl. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Renewal of contract of Computer Teacher at Govt. Sr. Sec. School, Banipur Village	250	100%
2.	Additional Books for Library at Govt. Sr. Secondary School, Bithwana, Rewari	710	100%
3.	Educational Partnership with CHIRAG Foundation	145	100%
4.	Establishment of Computer lab at Assam Engineering Institute	795	74%
5.	Infrastructural facilities at S.D. Modern Sr. Secondary School, Gurugram	65	100%
6.	English speaking training program at S.D. Modern Sr. Secondary School, Gurugram	409	100%
7.	Steel Almirahs at Captain Chandan Lal Special School for blinds, Gurugram	105	100%
8.	Skill Development Facility Govt. Polytechnic College, Lisana, Rewari, Haryana	820	83%
9.	Installation of Solar System with Power Bank-2Kw at Govt. Primary School, Malpura	120	89%
10.	Repair & Maintenance of Water RO System installed at Govt. Primary School, Malpura	120	89%
11.	Educational & Infrastructural facilities at Panchayat Union Middle School Pondhur, Chennai	91	100%
12.	Equipment at Vivekanand Arogya Kendra, Gurugram	As the machine was delivered at the end of March 2025, there was no utilisation during the financial year 2024-25.	
13.	Providing of Water coolers along with RO facility to 2 Anganwadi Center's at Malpura Village	110	68%
14.	Additional improvement facilities at Maternity Ward	354	100%
15.	Contribution to Prime Minister National Relief Fund	N.A.	N.A.
16.	Installation of Gym at Community Park at Below Poverty Line (BPL) area, Village Malpura	290	82%
17.	Repair & Maintenance of Water RO System installed at Police Station, Dharuhera	215	100%
18.	Development of Pond for Rain Water Harvesting System, Village-Jaurashi, Nuh, Rewari, Haryana	11252	100%
19.	Contribution to Mother Teresa Charitable Trust for occupants of Mother Teresa Joy Home	60	100%

PRINCIPLE 9 - Businesses should engage with and provide value to their consumers in a responsible manner.
Essential Indicators
1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

JTEKT India is a B2B company and sells its products predominantly to large OEMs. It ensures on time delivery in full to all its customers based upon the schedules shared by them. In case of any complaints, customers can raise the complaint with the company single point of contact or send their complaints in mail to the company.

Once a customer complaint is received, it is communicated to all the concerned departments and root cause of the problem is analyzed and corrective actions are taken. We keep our customer at top most priority and make sure their grievance are taken care and resolved at the earliest.



2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	N.A.
Safe and responsible usage	N.A.
Recycling and/or safe disposal	N.A.

Since JTEKT India is a B2B company, it sells its products predominantly to large OEMs and its products are integrated into automobile being produced by its customers. There is no specific requirement of mentioning of any label to identify the above relations. However, the Company inform our customers through online declaration that it is not using any substance, which are prohibited and have significant impact on environment.

3. Number of consumer complaints in respect of the following.

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of the year		Received during the year	Pending resolution at end of the year	
Data Privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-Security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other-Customer Complaints	3	0	-	3	0	-

4. Details of instances of product recalls on account of safety issues:

	Numbers	Reasons for recall
Voluntary Recalls	0	Not Applicable
Forced Recalls	5,540	Manual Steering Gears of the YOM (Alto) model were recalled due to a steering jam caused by a broken rack bar tooth

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has defined framework for Cyber security Risk and Information Security Risk in the "Risk Management Policy" uploaded on its website i.e. <https://jtekt.co.in/Menu/2bc8c63b-e13d-11ee-a2ec-9418826e6379>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches.

- a. Number of instances of data breaches : Nil
- b. Percentage of data breaches involving personally identifiable information of customers : Nil
- c. Impact, if any, of the data breaches : Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

All information is accessible on the company's website: <https://jtekt.co.in/Menu/2139fe3f-e13d-11ee-a2ec-9418826e6379>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Since the products of the Company are directly supplied to the OEMs who assemble and send the end product to the end user, it has limited scope for informing and educating the end consumer about the safe and responsible usage of its products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

**4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)
If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not Applicable

For and on behalf of the Board

Place : Gurugram
Dated : 23 May 2025

Minoru Sugisawa
Chairman and Managing Director
[DIN : 101198910]





FORM - A: PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Power and Fuel Consumption			2024-2025							
State Electricity Board			Gurgaon ^①	Chennai ^②	Dharuhera-1 ^③	Sanand	Dharuhera-2 ^④	Dharuhera-3 ^⑤	Bawal-1 ^⑥	Bawal-2 ^⑦
1	Power Units purchased (KWH)	(Units)	38,85,205	3,679,476	37,00,965	1,22,928	69,20,201	56,01,500	27,01,485	10,07,459
	Total Amount	INR	3,30,24,245	3,68,80,642	2,97,46,517	10,44,891	5,52,03,977	44,99,60,43	2,30,83,987	88,45,548
	Rate per unit	INR	8.50	10.02	8.03	8.50	7.98	8.03	8.54	8.78
2	Captive Generation	(Units)	-	1,09,967	-	-	-	-	-	-
	DG Set (KWH)									
	Amount	INR	-	31,89,170	-	-	-	-	-	-
	Rate per unit	INR	-	29.00	-	-	-	-	-	-
	Fixed Cost	INR	-	3,45,343	-	-	-	-	-	-
3	Diesel consumption	(Litres)	-	34,428	-	-	-	-	-	-
	Total Amount	INR	-	31,89,170	-	-	-	-	-	-
	Rate per litre	INR	-	92.63	-	-	-	-	-	-
	Litre per unit	INR	-	0.31	-	-	-	-	-	-
4	Solar Power	(Units)	4,86,856	5,84,035	5,49,935	-	7,05,208	10,16,111	5,12,656	4,39,668
	Total Amount	INR	25,41,390	26,08,884	36,47,806	-	43,84,321	63,93,886	13,55,627	13,36,357
	Rate per unit	INR	5.22	4.47	6.63	-	6.22	6.29	2.60 *	3.04 **
5	Captive Generation GG Set (KWH)	(Units)	10,275	-	86,720	-	1,51,120	1,75,089	69,268	47,757
	Total Amount	INR	2,29,757	-	18,65,547	-	37,90,193	43,09,780	14,53,188	11,15,636
	Rate per unit	INR/unit	22.36	-	21.51	-	25	24.61	20.97	23.24
6	GG set PNG Consumption	(SCM)	4,230.47	-	34,522.84	-	76,456	79,375	26,880	20,637
	Total Amount	INR	2,29,757	-	18,65,547	-	37,90,193	39,60,080	14,53,188	11,15,636
	Rate per SCM	INR/SCM	54.31	-	54.4	-	49.57	49.89	54.06	54.06
	SCM per unit	SCM/Unit	0.41	-	0.39	-	0.50	0.45	0.38	0.43
7	Furnace PNG- SCM		-	-	-	-	-	42,5270	-	-
	Total Amount	INR	-	-	-	-	-	2,19,80,846	-	-
	Rate per SCM	INR/SCM	-	-	-	-	-	51.69	-	-

Power and Fuel Consumption			2023-2024							
State Electricity Board			Gurgaon	Chennai	Dharuhera-1	Sanand	Dharuhera-2	Dharuhera-3	Bawal-1	Bawal-2
1	Power Units purchased (KWH)	(Units)	39,63,276	33,50,363	37,54,335	25,640	59,03,640	48,03,380	27,62,445	10,54,518
	Total Amount	INR	3,38,06,740	3,25,86,547	3,02,50,830	9,68,203	4,78,19,918	3,84,03,762	2,35,42,341	91,13,431
	Rate per unit	INR	8.53	9.73	8.06	37.76 #	8.10	8.00	8.52	8.64
2	Captive Generation DG Set (KWH)	(Units)	70,517	1,21,170					22,301	
	Amount	INR	19,61,778	36,97,418					6,25,353	
	Rate per unit	INR	27.82	30.51					28.35	
	Fixed Cost	INR	0	0					0	
3	Diesel consumption	(Litres)	20,610	39,148					7,051	
	Total Amount	INR	19,61,778	36,97,418					6,25,353	
	Rate per litre	INR	95.19	94.45					88.69	
	Litre per unit	INR	0.29	0.32					0.316	
4	Solar Power	(Units)	5,17,822	622,966	5,80,031		9,97,286	12,04,488	5,49,462	5,05,677
	Total Amount	INR	26,77,141	27,88,631	33,52,873		52,96,954	65,77,725	14,38,500	13,38,386
	Rate per unit	INR	5.17	4.48	5.78		5.31	5.46	2.61*	2.64**
5	Captive Generation GG Set (KWH)	(Units)	1047		32,927		42,010	63,521	23,794	26,052
	Total Amount	INR	47,000		8,38,512		10,85,075	16,59,387	6,44,970	7,62,060
	Rate per unit	INR/unit	44.89		25.47		25.83	26.12	27.11	29.25
6	GG set PNG Consumption	(SCM)	827.51		15,040		21,375	28,419	11,050	13,742.77
	Total Amount	INR	47,000		8,35,248		10,85,075	16,59,387	6,44,970	7,62,060
	Rate per SCM	INR/SCM	56.80		55.53		50.76	58.39	58.36	54.86
	SCM per unit	SCM/Unit	0.79		2.18		0.51	0.45	0.46	0.52
7	Furnace PNG- SCM							5,04,768		
	Total Amount	INR						2,83,54,330		
	Rate per SCM	INR/SCM						56.17		

* In Bawal unit a 420 KW Solar Power Plants is owned by the company & 80 KW SOLAR Plant on PPA hence the Per unit cost is low.

** In Bawal-2 unit a few Solar Power Plants are owned by the company hence the per unit cost is low.

① **Total saving achieved at Gurgaon Plant during financial year 2024-25 – INR 0.58 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Replaced old air compressor with new air-cooled VFD base air compressor 110 KW (saving of INR 0.28 Mn.)
- 2) Installed energy efficient FDV in place of old FDV (saving of INR 0.06 Mn.)
- 3) Removed exhaust blower (saving of INR 0.15 Mn.)
- 4) Reduced 2 nos. of wet solar module cleaning and started the dry solar module cleaning (saving of INR 0.006 Mn.)
- 5) Installed 1600 KVA Transformer in place of 2500 KVA Transformer (saving of INR 0.07 Mn.)
- 6) Hydraulics power pack motor to be stopped during ideal running (saving of INR 0.01 Mn.)

② **Total saving achieved at Chennai Plant during financial year 2024-25 – INR 1.23 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Solar street lights for plant peripheral area (saved 18000 units = INR 0.18 Mn.)
- 2) New AHU Unit (VRV System) (saved 10400 units = INR 0.12 Mn.)
- 3) BLDC Based Fan for office area (saved 1956 units = INR 0.019 Mn.)
- 4) Column Assembly - Stamping machine power consumption through reduction in Motor capacity from 10kw to 7.5kw (saved 7600 units = INR 0.91 Mn.)

③ **Total saving achieved at Dharuhera-1 Plant during financial year 2024-25 – INR 1.36 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Installed VRV based AC by updating existing AC
- 2) Replacement of IE-1 Pump with IE-5 pumps in Cooling Tower
- 3) Reduced frequency in FDV from 50 Hz to 30 Hz
- 4) Replaced office lights of 36 watts with 28 watts PIR sensor lights
- 5) Changed the mode of cooling tower fan motor to auto from manual by using temp. sensor

④ **Total saving achieved at Dharuhera-2 Plant during financial year 2024-25 – INR 0.24 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Provided energy efficient hydraulic power pack on various machines (saving of INR 0.24 Mn.)

⑤ **Total saving achieved at Dharuhera-3 Plant during financial year 2024-25 – INR 1.02 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Conversion of holding furnace from crucible type to direct top heating type (saving of INR 0.61 Mn.)
- 2) Energy consumption reduction by installation of VRV AC (saving of INR 0.32 Mn.)
- 3) Timer and motion sensor installation on lights (saving of INR 0.002 Mn.)
- 4) Air receiver tank installation (saving of INR 0.032 Mn.)
- 5) Air leakage arresting, Air pressure optimization & m/c spindle leakage interlocked (saving of INR 0.007 Mn.)
- 6) Installation of Energy efficient coolant pumps and stop idle running (saving of INR 0.004 Mn.)
- 7) Reduced idle running of holding furnace in weekdays (saving of INR 0.01 Mn.)
- 8) Stopped PDC machine Chiller idle running (saving of INR 0.034 Mn.)

⑥ **Total saving achieved at Bawal-1 Plant during financial year 2024-25 – INR 0.085 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Installed energy efficient AC (VRV) in UPS Room (saving of INR 0.050 Mn.)
- 2) Installed energy efficient mist collector N=3 (saving of INR 0.035 Mn.)

⑦ **Total saving achieved at Bawal-2 Plant during financial year 2024-25 – INR 0.28 Mn.**

Above saving achieved by taking the following initiatives:

- 1) Installed VFD on high capacity hydraulic motor (saving of INR 0.11 Mn.)
- 2) Installed energy efficient pump in pump house (saving of INR 0.17 Mn.)





Form - B : Particulars with respect to Technology Absorption

A. Technology Absorption	
1. Efforts in brief towards Technology Absorption and Innovation	<p>a) Development of CEPS with enhanced response and compact architecture. Implementation currently underway across new Platforms.</p> <p>b) Considering new Government regulation for Commercial Vehicle to be also equipped with angle sensor on steering, development and validation completed. Mass production is underway from current Financial Year.</p> <p>c) New CVJ Joint developed with improved durability and reduced weight. Implementation currently underway across new platforms.</p> <p>d) Newly developed HUB bearings designed to withstand higher loads.</p>
2. Benefits derived as a results of above efforts e.g. Product Improvement, Cost Reduction, Product Development, Import Substitution etc.	<p>a) Developed CEPS is with enhanced robustness and improved market competitiveness.</p> <p>b) Incorporated angle sensor in commercial manual column to meet regulatory requirements.</p> <p>c) Newly developed CVJ joint designed to cater to additional vehicle categories.</p> <p>d) Newly developed HUB bearings offer enhanced robustness, contributing to improved customer satisfaction and stronger market presence.</p>
3. Information regarding imported technology (Imported during last three years), if any	Not Applicable
a) Details of technology imported	--
b) Technology import from	--
c) Year of import	--
d) Whether the technology been fully absorbed	--
e) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	--
B. Research and Development	
1. Specific areas in which R & D carried out by the Company.	a) Not Applicable
2. Benefits derived as a result of the above R & D.	a) Not Applicable
3. Expenditure on R & D	<p>a) Capital Expenditure of INR Nil lakhs.</p> <p>b) Revenue expenditure of INR 4.61 lakhs.</p>

Form - C : Foreign Exchange Earning and Outgo

During the year the Company's export sales amounted to INR 6,238.53 lakhs. Foreign Exchange outflow on account of import of raw material, spares and tools during the year was INR 29,136.43 lakhs.

For and on behalf of the Board

Place : Gurugram
Dated : 23 May 2025

Minoru Sugisawa
Chairman and Managing Director
[DIN : 101198910]

DETAILS PERTAINING TO REMUNERATION

AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there under, in respect of employees of the Company, as follows:-

(a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year

Directors	Ratio to Median Remuneration
Mr. Hitoshi Mogi, Chairman & Managing Director ^①	12.49%
Mr. Minoru Sugisawa, Chairman & Managing Director ^②	13.08%
Mr. Rajiv Chanana, Director & CFO	18.61%
Mr. Yosuke Fujiwara, Wholetime Director ^③	02.64%

- ① Mr. Hitoshi Mogi, rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.
- ② Mr. Minoru Sugisawa was re-designated as Chairman & Managing Director of the Company effective from 1 January 2025; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025; and
- ③ Mr. Yosuke Fujiwara was appointed as an Additional Director, in the capacity of Wholetime Director of the Company, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.

(b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

Name of Person	% Increase in remuneration
Mr. Hitoshi Mogi, Chairman & Managing Director ^①	0.00%
Mr. Minoru Sugisawa, Chairman & Managing Director ^②	22.04%
Mr. Rajiv Chanana, Director & CFO	0.00%
Mr. Yosuke Fujiwara ^③	0.00%
Mr. Saurabh Agrawal	12.35%

- ① Mr. Hitoshi Mogi, rescinded from the position of Chairman & Managing Director of the Company effective from 1 January 2025.
- ② Mr. Minoru Sugisawa was re-designated as Chairman & Managing Director of the Company effective from 1 January 2025; whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025; and
- ③ Mr. Yosuke Fujiwara was appointed as an Additional Director, in the capacity of Wholetime Director of the Company, with remuneration, effective from 1 February 2025, whose appointment was confirmed by the shareholders of the Company by way of Postal Ballot concluded on 11 March 2025.

(c) the percentage increase in the median remuneration of employees in the financial year

6.14%

(d) the number of permanent employees on the rolls of Company:

1641

(e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration (CS, DIRECTOR, MD)

The average increase in cost of employees other than managerial personnel in 2024-25 was 10.47% Percentage increase (+) / decrease (-) in the managerial remuneration for the year was (12.35%).



(f) affirmation that the remuneration is as per the remuneration policy of the Company;

The Company's remuneration policy is driven by the success and performance of the individual employees and the Company. Through its compensation package, the Company endeavours to attract, retain, develop and motivate a high performance staff. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The Company affirms remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board

Minoru Sugisawa

Chairman and Managing Director

[DIN : 101198910]

Place : Gurugram

Dated : 23 May 2025

STATEMENT OF PARTICULARS OF EMPLOYEES

PURSUANT TO PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Employee Name	Age	Designation / Nature of Employment	Remuneration (INR)	Qualification	Experience	Date of Employment	Last Employment	% of shares held in the Co.	Whether related to any director
1	Mr. Tomohira Sakuma	57	Senior Vice President	19,242,900	Graduate	34	28-Feb-23	JTEKT Corporation, Japan	0.00%	No
2	Mr. Yasushi Shidahara	54	Sr. Vice President	17,604,235	Graduate	28	25-Mar-22	JTEKT Corporation, Japan	0.00%	No
3	Mr. Miharuru Tabata	55	Sr. Vice President	16,923,690	Graduate	33	20-Jun-22	JTEKT Corporation, Japan	0.00%	No
4	Mr. Yasuki Doi	46	Senior Vice President	16,572,664	Graduate	25	27-Mar-23	JTEKT Corporation, Japan	0.00%	No
5	Mr. Eiji Maekawa	55	Sr. Vice President	16,634,798	Graduate	31	30-Mar-21	JTEKT Corporation, Japan	0.00%	No
6	Mr. Takahiro Yukimura	45	Vice President	16,611,046	Graduate	24	22-Mar-23	JTEKT Corporation, Japan	0.00%	No
7	Mr. Masaru Takahashi *	55	Senior Vice President	14,530,871	Graduate	33	23-Jan-23	JTEKT Corporation, Japan	0.00%	No
8	Mr. Shinji Yamakawa *	58	Sr. Vice President	13,334,135	Graduate	32	07-Oct-20	JTEKT Corporation, Japan	0.00%	No
9	Mr. Rajiv Chanana	59	Director & CFO	10,576,380	Chartered Accountant	31	25-Mar-09	Deutsche Postbank Home Finance Ltd.	0.00%	No
10	Mr. Masato Mizuhara	46	Vice President	19,251,943	Graduate	27	13-Mar-23	JTEKT Corporation, Japan	0.00%	No
11	Mr. Hironori Suzuki	46	Vice President	15,949,490	Graduate	25	22-Mar-23	JTEKT Corporation, Japan	0.00%	No
12	Mr. Masaki Yoshimura	39	General Manager	16,967,144	Graduate	15	24-Mar-23	JTEKT Corporation, Japan	0.00%	No
13	Mr. Masaki Ito	48	General Manager	16,041,868	Graduate	24	08-Jan-24	JTEKT Corporation, Japan	0.00%	No
14	Mr. Terumitsu Kuwana	47	General Manager	15,848,017	Graduate	25	18-Mar-24	JTEKT Corporation, Japan	0.00%	No
15	Mr. Tetusya Maegawa	43	General Manager	14,596,790	Graduate	19	06-Nov-23	JTEKT Corporation, Japan	0.00%	No
16	Mr. Yutaka Shibahiraki	44	General Manager	13,512,087	Graduate	21	19-Mar-24	JTEKT Corporation, Japan	0.00%	No
17	Mr. Yoshiya Funakoshi	35	General Manager	11,662,594	Graduate	16	07-Oct-20	JTEKT Corporation, Japan	0.00%	No

Note

* Indicates earnings for part of the financial year 2024-25.

Remuneration received includes salary, allowances, commission, payment in respect of rent / furnished accommodation, Company's contribution to provident fund and superannuation fund / National Pension Scheme, LTA.

For and on behalf of the Board

Place : Gurugram
Dated : 23 May 2025

Minoru Sugisawa
Chairman and Managing Director
[DIN : 101198910]

INDEPENDENT AUDITOR'S REPORT

To the Members of JTEKT India Limited Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JTEKT India Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities

under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Revenue Recognition

See Note 2.3 (i) to financial statements

The key audit matter

The Company's revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Company and its external stakeholders focus on revenue as a key performance metric.

Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.

How the matter was addressed in our audit

In view of the significance of the matter we applied the following audit procedures in this area, to obtain sufficient appropriate audit evidence:

- We assessed the appropriateness of the Company's accounting policies for revenue recognition by comparing with applicable accounting standards.
- We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.
- On a sample basis, we tested the revenue transactions recorded during the year by verifying the underlying documents to assess whether revenue is recognised appropriately when control is transferred.
- We tested, on a sample basis specific revenue transactions recorded before and after the financial year-end date to assess whether revenue is recognised in the correct financial period in which control is transferred.
- We scrutinized journal entries related to revenue recognised during the year based upon specified risk-based criteria, to identify unusual or irregular items; and
- We considered the adequacy of the disclosures in accordance with the relevant accounting standard.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report



unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 38B to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 47(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 44 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all the relevant transactions recorded in the software except in respect of the accounting software used

for maintaining the books of account relating to revenue, trade receivables, purchases, trade payables, property, plant and equipment, inventory, general ledger and other records, the feature of audit trail (edit log) facility was not enabled for certain tables/ fields for the period from 1 April 2024 to 17 February 2025.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention from the date of audit trail enablement.

during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors

Place: Gurugram
Date: 23 May 2025

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Manish Kapoor
Partner
Membership No.: 510688
ICAI UDIN:25510688BMOXID5758

Annexure A to the Independent Auditor's Report on the Financial Statements of JTEKT India Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified twice a year. In accordance with this programme, all of the property, plant and equipment were verified during the
- year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No significant discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (INR lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company.
Land at Gujarat	4,192.37	Sona Steering Systems Limited	No	2015-17	The title deed for the aforesaid land is in the erstwhile name of the Company i.e. 'Sona Steering Systems Limited'. The Company is in the process of getting the name changed to JTEKT India Limited, which is pending as at 31 March 2025.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit, subsequent evidence of receipts and delivery have been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security
- of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in, or provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured interest free loans to its employees during the year, in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to its employees as below:

Particulars	Loans (Amount in INR Lakhs)
Aggregate amount during the year - Others (Employees)	7.83
Balance outstanding as at balance sheet date - Others (Employees)	5.42

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are

of the opinion that the terms and conditions of the grant of loans are not prejudicial to the interest of the company. The Company has not made any investments or provided any guarantee or security or granted any advances in the nature of loans to any party during the year.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. There is no interest charged by the Company on loans given to its employees. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delay in one case of Goods and Service Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

Also refer note 38B, wherein, it is explained that on account of the uncertainty with respect to the applicability of the Hon'ble Supreme Court Judgement on the provident fund matter, management has not recognized and deposited any additional provident fund amount with respect to the previous years ended 31 March 2019.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of dues	Amount (INR in lakhs) (including interest)	Amount paid under protest (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service tax	9.53	-	2009-10	Commissioner of Appeals (Service Tax)
Central Excise Act, 1944	Excise Duty	6.77	-	2007-08 & 2008-09	Commissioner of Appeals (Central Excise)
Central Excise Act, 1944	Excise Duty	490.00	8.36	2007-08 to 2011-12	CESTAT, New Delhi (Central Excise)
Central Excise Act, 1944	Excise Duty	0.50	-	2010-11	Commissioner of Appeals (Central Excise)

Name of the Statute	Nature of dues	Amount (INR in lakhs) (including interest)	Amount paid under protest (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	273.85	8.19	2012-13 to 2015-16	CESTAT, Chandigarh (Central Excise)
Goods and Services Act, 2017	Goods and Services Tax	32.62	-	2017-18	Commissioner of Appeals (GST)
Goods and Services Act, 2017	Interest and penalty	255.85	-	2017-18 to 2019-20	Commissioner of Appeals (GST)
Goods and Services Act, 2017	Goods and Services Tax	285.54	-	2020-21	Commissioner of Appeals (GST)
Goods and Services Act, 2017	Goods and Services Tax, interest and penalty thereon	5,527.88	-	2017-22	Commissioner of Appeals (GST)
Goods and Services Act, 2017	Goods and Services Tax, interest and penalty thereon	106.01	-	2017-22	Joint commissioner, GST
Income Tax Act, 1961	Disallowance under Section 14A	44.78	43.91	2015-16	Commissioner of Appeals (Income Tax)
Income Tax Act, 1961	Interest under section 234	8.81	8.81	2017-18	Commissioner of Appeals (Income Tax)
Income Tax Act, 1961	Disallowance of royalty and other expenses	738.41	122.08	2019-20	Commissioner of Appeals (Income Tax)
Income Tax Act, 1961	Disallowance of royalty, other expenses and deduction	645.72	116.98	2020-21	Commissioner of Appeals (Income Tax)
Income Tax Act, 1961	Disallowance of royalty and other expenses	806.95	-	2021-22	Commissioner of Appeals (Income Tax)
Income Tax Act, 1961	Disallowance of TDS and deductions	246.14	-	2022-23	CPC - Income tax
The Customs Act, 1962	Custom Duty	54.94	0.90	2015-16	Commissioner of Appeals (Customs)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

- (b) A report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Manish Kapoor

Partner

Membership No.: 510688

ICAI UDIN:25510688BMOXID5758

Place: Gurugram

Date: 23 May 2025

Annexure B to the Independent Auditor's Report on the financial statements of JTEKT India Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of JTEKT India Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Manish Kapoor

Partner

Place: Gurugram

Date: 23 May 2025

Membership No.: 510688

ICAI UDIN:25510688BMOXID5758

BALANCE SHEET

AS AT 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment	3A	56,243.10	47,783.47
Capital work-in-progress	3A	30,171.71	9,305.65
Investment property	3B	-	469.68
Right-of-use assets	3D	270.89	165.29
Other Intangible assets	3C	1,557.57	1,897.38
Intangible assets under development	3C	112.66	-
Financial assets			
(i) Loans	4	1.78	2.02
(ii) Other financial assets	5	454.46	376.06
Deferred tax assets (net)	19	1,265.94	1,184.48
Other tax assets (net)	6	497.99	497.67
Other non-current assets	7	999.34	3,300.43
Total non-current assets		91,575.44	64,982.13
Current assets			
Inventories	8	18,904.25	20,114.21
Financial assets			
(i) Trade receivables	9	32,294.09	33,035.44
(ii) Cash and cash equivalents	10	1,630.82	7,536.45
(iii) Loans	4	3.64	4.40
(iv) Other financial assets	5	31.62	25.16
Other current assets	11	1,830.54	1,778.59
Total current assets		54,694.96	62,494.25
Total assets		1,46,270.40	1,27,476.38
Equity and Liabilities			
Equity			
Equity share capital	13	2,542.80	2,542.80
Other equity	14	85,445.03	79,625.27
Total equity		87,987.83	82,168.07
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15A	7,681.63	5,955.11
(ii) Lease liability	16	217.11	550.51
Provisions	18	1,041.96	941.44
Total non-current liabilities		8,940.70	7,447.06
Current liabilities			
Financial liabilities			
(i) Borrowings	15B	7,640.05	5,004.25
(ii) Lease liability	16	63.92	29.25
(iii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises; and		809.54	1,139.82
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		26,006.51	25,572.95
(iv) Other financial liabilities	17	9,776.39	2,824.96
Other current liabilities	21	2,768.75	2,058.90
Provisions	18	1,830.95	994.21
Current tax liabilities (net)	22	445.76	236.91
Total current liabilities		49,341.87	37,861.25
Total liabilities		58,282.57	45,308.31
Total equity and liabilities		1,46,270.40	1,27,476.38
Material accounting policies	2		

The accompanying notes are an integral part of these Financial Statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration no. : 101248W/W-100022

Manish Kapoor

Partner

Membership no. : 510688

For and on behalf of the Board of Directors of

JTEKT India Limited

Minoru Sugisawa

Chairman and Managing Director

DIN 10119891

Rajiv Chanana

Director and Chief Financial Officer

DIN 02630192

Hiroko Nose

Independent Director

DIN 06389168

Saurabh Agrawal

Company Secretary

Membership no.: 36163

Place : Gurugram
Date : 23 May 2025

Place : Gurugram
Date : 23 May 2025

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations	23	2,39,933.62	2,24,548.62
Other income	24	967.03	1,149.34
Total income (I)		2,40,900.65	2,25,697.96
Expenses			
Cost of materials consumed	25	1,71,875.27	1,60,468.92
Purchases of stock-in-trade	26	2,066.60	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	27	95.60	(822.54)
Employee benefit expenses	28	24,707.16	22,601.87
Finance costs	29	1,031.65	611.94
Depreciation and amortisation expense	30	8,257.85	8,144.38
Other expenses	31	22,705.90	20,787.38
Total expenses (II)		2,30,740.03	2,11,791.95
Profit before exceptional items and tax (III = I - II)		10,160.62	13,906.01
Exceptional items (gain) (IV)	32	(73.78)	(739.26)
Profit before tax (V=III-IV)		10,234.40	14,645.27
Tax expense			
- Current tax		2,789.55	3,976.39
- Deferred tax credit		(81.46)	(17.55)
Total tax expense (VI)	33	2,708.09	3,958.84
Profit for the year (VII = V - VI)		7,526.31	10,686.43
Other comprehensive loss			
Items that will not be reclassified to profit or loss			
Loss on remeasurement of defined benefit obligation		(241.70)	(127.67)
Income tax relating to items that will not be reclassified to profit or loss		60.83	32.13
Total other comprehensive loss for the year (net of tax) (VIII)		(180.87)	(95.54)
Total comprehensive income for the year (IX = VII + VIII) (Comprising Profit and Other Comprehensive loss for the year)		7,345.44	10,590.89
Earnings per equity share :	34		
Basic - Par value of INR 1 per share		2.96	4.20
Diluted - Par value of INR 1 per share		2.96	4.20
Material accounting policies	2		

The accompanying notes are an integral part of these Financial Statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. : 101248W/W-100022

Manish Kapoor
Partner
Membership no. : 510688

For and on behalf of the Board of Directors of
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Minoru Sugisawa
Chairman and Managing Director
DIN 10119891
Rajiv Chanana
Director and Chief Financial Officer
DIN 02630192

Hiroko Nose
Independent Director
DIN 06389168
Saurabh Agrawal
Company Secretary
Membership no. : 36163

Place : Gurugram
Date : 23 May 2025

Place : Gurugram
Date : 23 May 2025

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
1 Profit before tax	10,234.40	14,645.27
2 Adjustments for:		
Depreciation and amortisation expense	8,257.85	8,144.38
Interest income	(478.93)	(442.93)
(Profit) on disposal of property, plant and equipment (net)	(197.19)	(853.56)
Provision on obsolescence of inventory	259.94	38.63
Interest expenses	1,031.65	611.94
Advance tax recoverable written off	-	56.17
Debtors written off	-	771.20
Unrealized foreign exchange (gain)	(122.12)	(25.14)
3 Operating profit before changes in following assets and liabilities (1+2)	18,985.60	22,945.96
4 Changes in operating assets and liabilities		
Decrease / (Increase) in loans	1.00	(0.07)
Decrease / (Increase) in inventories	950.02	(1,390.40)
(Increase) / Decrease in other financial assets	(92.58)	20.10
Decrease in other assets	(83.84)	(18.54)
Decrease / (Increase) in trade receivables	742.70	(5,755.17)
(Decrease) / Increase in other financial liabilities	(113.60)	299.79
Increase in other liabilities	709.85	619.94
Increase in trade payables	189.92	4,791.32
Increase / (Decrease) in provisions	695.56	(159.27)
5 Cash generated from operating activities (3+4)	21,984.63	21,353.66
6 Income tax paid (net of refunds)	(2,535.90)	(4,105.38)
7 Net cash flow generated from operating activities (5-6)	19,448.73	17,248.28
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, capital work-in-progress and capital advances and capital payables	(27,506.28)	(18,948.25)
Proceeds from disposal of property, plant and equipment	301.48	939.29
Purchase of other intangible assets and intangible assets under development	(438.58)	(598.07)
Proceeds from redemption of deposit with original maturity more than 3 months	-	1,000.00
Interest received	486.65	436.13
Net cash (used) in investing activities	(27,156.73)	(17,170.90)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	5,900.00	5,900.00
Repayment of long term borrowings	(2,818.67)	(1,817.18)
Proceeds of short-term borrowings (net) (with original maturity less than three months)	1,284.69	1,093.88
Dividend paid	(1,549.04)	(1,821.49)
Interest paid	(939.54)	(486.98)
Payment of lease liabilities including interest	(75.07)	(69.09)
Net cash generated from financing activities	1,802.37	2,799.14
D Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	(5,905.63)	2,876.52
Cash and cash equivalents at the beginning of the year	7,536.45	4,659.93
Cash and cash equivalents at the end of the year	1,630.82	7,536.45

Particulars	As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents include :		
Balances with banks:		
- In current accounts	98.03	83.86
- In cash credit accounts	265.66	11.80
- In dividend accounts [#]	65.13	88.49
- Bank deposits with original maturity less than 3 months	1,202.00	7,352.00
Cash on hand	-	0.30
Cash and cash equivalents at the end of the year	1,630.82	7,536.45

[#] INR 65.13 lakhs (31 March 2024 : INR 88.49 lakhs) has restricted use.



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Change in liabilities arising from financing activities :

Particulars	As at 31 March 2025	As at 31 March 2024
Long-term borrowing as at the beginning of the year	8,714.79	4,631.97
Cash flows during the year		
- Repayment of long-term borrowings	(2,818.67)	(1,817.18)
- Proceeds from long-term borrowings	5,900.00	5,900.00
Long-term borrowings as at the end of the year	11,796.12	8,714.79
Short-term borrowing as at the beginning of the year	2,244.57	1,139.03
Cash flows during the year		
- Proceeds from long-term borrowings (net)	1,284.69	1,093.88
- Unrealised exchange (gain) / loss	(3.70)	11.66
Short-term borrowings as at the end of the year	3,525.56	2,244.57
Interest Accrued on borrowings at the beginning of the year	42.63	13.69
Cash flows during the year		
- Interest on term loans and cash credit facilities		
- Interest to banks	962.29	493.60
- Bank charges	17.47	22.32
- Interest paid	(939.54)	(486.98)
Interest Accrued on borrowings at the end of the year	82.85	42.63
Lease liabilities at the beginning of the year	579.76	405.36
Cash flows during the year		
- Payment of Lease liabilities including interest	(75.07)	(69.09)
- Reversal of lease liabilities	(412.29)	-
Non-cash changes due to		
- New lease taken	152.45	192.35
- Interest accrued	36.18	51.14
Lease liabilities at the end of the year	281.03	579.76

Redemption/(investment in fixed deposit) (having maturity of more than 3 months) (net) :

Particulars	As at 31 March 2025	As at 31 March 2024
- Redemption of fixed deposit - having maturity of more than 3 months	-	1,000.00
Net movement	-	1,000.00

Notes:

- The cash flow statement has been prepared in accordance with "Indirect Method" as set out in Indian Accounting Standard -7 on "Statement on Cash Flows".
- Refer note 2 for material accounting policies.
- The Company paid INR 213.19 lakhs for the year ended 31 March 2025 and INR 133.43 lakhs for the year ended 31 March 2024 towards Corporate Social Responsibility (CSR) expenditure (refer note 35)
- Dividend paid amount includes amount transferred to Investor Education & Protection Fund.

The accompanying notes are an integral part of these Financial Statements.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. : 101248W/W-100022

Manish Kapoor
Partner
Membership no. : 510688

For and on behalf of the Board of Directors of
JTEKT India Limited

Minoru Sugisawa
Chairman and Managing Director
DIN 10119891
Rajiv Chanana
Director and Chief Financial Officer
DIN 02630192

Hiroko Nose
Independent Director
DIN 06389168
Saurabh Agrawal
Company Secretary
Membership no.: 36163

Place : Gurugram
Date : 23 May 2025

Place : Gurugram
Date : 23 May 2025

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

A Equity share capital

Particulars	Note	Equity Shares	
		No. of shares in Lakhs	Amount
Balance as at 1 April 2023	13	2,444.80	2,444.80
Issued during the year		98.00	98.00
Balance as at 31 March 2024		2,542.80	2,542.80
Issued during the year		-	-
Balance as at 31 March 2025		2,542.80	2,542.80

B Other equity

Particulars	Reserves and surplus						Total
	Capital reserve	Securities Premium	General reserve	Share pending issuance *	Retained earnings	Remeasurement of employee benefit obligations	
Balance as at 31 March 2023 (restated)*	2,826.23	8,070.76	8,190.71	98.00	51,741.40	-	70,927.10
Profit for the year	-	-	-	-	10,686.43	-	10,686.43
Other comprehensive loss (net of tax)	-	-	-	-	-	(95.54)	(95.54)
Total comprehensive income for the year	2,826.23	8,070.76	8,190.71	98.00	62,427.83	(95.54)	81,517.99
Transferred to retained earnings	-	-	-	-	(95.54)	95.54	-
Shares issued during the year	-	-	-	(98.00)	-	-	(98.00)
Contribution by and distribution to owner							
Dividend on equity shares	-	-	-	-	(1,794.72)	-	(1,794.72)
Balance as at 31 March 2024	2,826.23	8,070.76	8,190.71	-	60,537.57	-	79,625.27
Profit for the year	-	-	-	-	7,526.31	-	7,526.31
Other comprehensive loss (net of tax)	-	-	-	-	-	(180.87)	(180.87)
Total comprehensive income for the year	2,826.23	8,070.76	8,190.71	-	68,063.88	(180.87)	86,970.71
Transferred to retained earnings	-	-	-	-	(180.87)	180.87	-
Shares issued during the year	-	-	-	-	-	-	-
Contribution by and distribution to owner							
Dividend on equity shares	-	-	-	-	(1,525.68)	-	(1,525.68)
Balance as at 31 March 2025	2,826.23	8,070.76	8,190.71	-	66,357.33	-	85,445.03

* Refer note 37

Notes:

- During the year ended 31 March 2025 and 31 March 2024, the Company has paid dividend to its shareholders.
- Refer note 14 for nature and purpose of other equity.

The accompanying notes are an integral part of these Financial Statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration no. : 101248W/W-100022

Manish Kapoor

Partner

Membership no. : 510688

For and on behalf of the Board of Directors of

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Chairman and Managing Director

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Rajiv Chanana

Director and Chief Financial Officer

DIN 02630192

Hiroko Nose

Independent Director

DIN 06389168

Saurabh Agrawal

Company Secretary

Membership no.: 36163

Place : Gurugram

Date : 23 May 2025

Place : Gurugram

Date : 23 May 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, except share data, per share data and unless otherwise stated)

1. Corporate Information

JTEKT India Limited ("the Company") is a Public Limited Company incorporated and domiciled in India having CIN Number CIN: L29113DL1984PLC018415 and having its registered office at UGF-6, Indraprakash 21, Barakhamba Road, New Delhi, 110001. The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Company is engaged in the business of manufacturing steering systems & other auto components for passenger car and utility vehicle manufacturers in the automobile sector.

2. Material accounting policies information and Basis of preparation

2.1 Basis of preparation

(i) Statement of compliance

These Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act"), Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

The Financial Statements of the Company for the year ended 31 March 2025 are approved for issue by the Company's Audit Committee and the Board of Directors on 23 May 2025.

(ii) Functional and presentation currency

These Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

(iii) Basis of measurement

The Financial Statements have been prepared on the historical cost basis except for the following items which have been measured at fair value amount –

Items	Measurement basis
Certain financial assets and financial liability (including derivative instrument)	Fair value
Net defined benefit plan (asset)/ liability	Fair value of plan assets less present value of defined benefit obligation.

(iv) Use of estimates and judgements

In preparation of these Financial Statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the following notes.

Judgements

- Lease classification – Note 41

Estimates

- Recognition and estimation of tax expense including deferred tax– Note 33
- Estimated impairment of financial assets and non-financial assets – Note 2.3(r) and (f)
- Assessment of useful life of property, plant and equipment and intangible asset – Note 2.3(a) and (b)
- Estimation of obligations relating to employee benefits: key actuarial assumptions – Note 39
- Valuation of Inventories – Note 2.3(g)
- Recognition and measurement of provision and contingency: Key assumption about the likelihood and magnitude of an outflow of resources – Note 38

(v) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification. An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current. A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, except share data, per share data and unless otherwise stated)

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current- non-current classification of assets and liabilities.

(vi) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 46 – Financial instrument.

2.2 Changes in material accounting policies

There are no significant changes in the material accounting policies during the year.

2.3 Summary of material accounting policies information.

a) Property, plant and equipment

Recognition and measurement

Freehold land is carried at historical cost less any accumulated impairment losses, if any. All other items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. Refer to note 2.1 (iv) regarding significant accounting judgements, estimates and assumptions.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

A property, plant and equipment is eliminated from the Financial Statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising from disposal of property, plant and equipment is recognized in the Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.



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Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably

Depreciation

Depreciation on property, plant and equipment is calculated on a straight-line basis to allocate their cost, net of their estimated residual values, over the estimated useful lives and is recognized in the Statement of Profit and Loss. The identified components are depreciated over their useful life; the remaining asset is depreciated over the life of the principal asset. Leasehold improvements are depreciated over the primary lease period or the estimated useful life of leasehold improvements, whichever is shorter. Freehold land is not depreciated. The Company has used the following rates to provide depreciation on its property, plant and equipment: -

Asset category	Category under which Asset is disclosed	Management estimate of useful life (in years)	Life as per Schedule II of the Companies Act (in years)
Building	Building	30 Years	30 Years
Roads	Building	5 Years	5 Years
Sheds	Building	3 Years	3 Years
Plant and machinery	Plant & Machinery	4-15 Years	10-15 Years
Jigs and fixtures	Jigs & Fixture	10 Years	10 Years
Electrical installations	Electrical installation	10 Years	10 Years
Furniture and fixtures	Furniture & Fixture	10 Years	10 Years
Office equipment	Office equipment	5 Years	5 Years
IT equipment	Office equipment	6 Years	6 Years
Computers	Office equipment	3 Years	3 Years
Vehicles	Vehicles	5.3 Years	8 Years

The management has considered lives as indicated in Schedule II of the Act except for certain class of assets where the life is estimated based on internal technical assessment made by the management and has not followed the scheduled II. Also, assets costing Rs 5,000 or less are depreciated at the rate of 100%.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of

useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

b) Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in Statement of Profit and Loss as incurred and the cost of the item can be measured reliably.

Amortisation

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

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- Software

Softwares purchased by the Company are amortized on a straight-line basis in 6 years.

- New product development

Amounts paid towards technical know-how fees and other expenses for specifically identified projects/products being development expenditure is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 6 years on straight line basis based on past trends, commencing from the month of commencement of commercial production.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Amortization method, useful lives and residual lives are reviewed at the end of each financial year and adjusted, if appropriate.

- Transition to Ind AS

The cost of property, plant and equipment at 1 April 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

c) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings and computers. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 1 April 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

The Company has applied the practical expedient to grandfather the definition of a lease on transition. This means that it has applied Ind AS 116 to all the contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

d) Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition, including transaction costs. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs

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are recognised in profit or loss as incurred. Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the carrying value at the date of change in use. Subsequent measurement (depreciation and useful lives) Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets as follows:

Asset Category	Estimated useful life (in years)	Estimated useful life as per Schedule II to the Companies Act, 2013 (in years)
Building	30 years	30 years
Plant & Machinery	10 years	10 years

Leasehold land (ROU assets) is amortized over the lease period.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year and adjusted prospectively. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model acceptable internationally.

De-recognition

Investment properties are de-recognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit or loss in the period of de-recognition.

e) Borrowing Costs

Borrowing cost includes interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs), amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its

intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

In regard to assets for which impairment loss has been recognized in prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

g) Inventories

Inventories which includes raw materials, components, stores and spares, work in progress, finished goods and loose tools are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, components, stock in trade, stores and spares, and loose tools: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. The Cost of raw materials, components, stores and spares and loose tools is determined on weighted average basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases when a decline in the price of materials indicates that the cost of the finished products shall exceed the net realisable value.

The comparison of cost and net realizable value is made on an item-by-item basis.

h) Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company at functional currency spot rates at the date the transaction first qualifies for recognition or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the Statement of Profit and Loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

i) Revenue from contracts with customers

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and

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the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

However, Goods and Services Tax (GST) is not received by the Company on its own account. Rather, it is a tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

Sale of goods

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer. Transfer of control coincides with the terms agreed with the customer i.e. either on dispatch or when the goods are delivered and have been accepted by the customer at their premises.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in the contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts, and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specifications and requirements. The Company reviews modifications to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation,

or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Rendering of services (including business support income)

Revenue from services is recognized on rendering of services to customer in accordance with the terms of contract with the customer.

j) Income tax

Income tax expense comprises current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

The Company has determined that uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the Balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that:

- is not a business combination; and
- at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

k) Recognition of Interest income

Interest income or expense is recognized using the effective interest method ('EIR').

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset (when the asset is not credit-impaired). When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

l) Government grants

The Company is entitled for export incentives which are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. These are presented as other operating revenue in the Statement of Profit and Loss.

m) Recognition of interest expense

Interest expense is recognized using effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortized cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to the amortized cost of the liability.

n) Segment reporting

Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is primarily engaged in the manufacturing of auto components of four wheeler industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risks and returns hence CODM reviews as one balance sheet component.

o) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year attributable to

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the shareholders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except where the results will be anti-dilutive.

p) Provisions (Other than employee benefits)

General Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for.

Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Warranty provisions

Provision for warranty related costs are recognized when the product is sold or service provided and is based on historical experience. The provision is based on technical evaluation/ historical warranty data and after weighting of all possible outcomes by their associated probabilities. The estimate of such warranty related costs is revised annually. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

Contingent asset

Contingent asset is not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

q) Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund, superannuation fund scheme, National Pension Scheme and employee state insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

iii. Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to LIC of India. There are no other obligations other than the contribution payable to the respective trust.

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment

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to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate determined by reference to market yields at the end of the reporting period on government bonds. This rate is applied on the net defined benefit liability (asset), both as determined at the start of the annual reporting period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

iv. Other long term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment or during the course of employment in certain grade of employees. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that

increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Further, a certain portion of compensated absence obligation is classified as current liability based on the independent actuarial valuation.

r) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- fair value through other comprehensive income (FVOCI) – debt investment;
- fair value through other comprehensive income (FVOCI) – equity investment, or
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium

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on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade and other receivables. Company has recognized financial assets viz. security deposit, trade receivables, employee advances at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is re-classified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular

interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

- contingent events that would change the amounts or timings of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non - recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may

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also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset

expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Company uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit and loss.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVOCI – debt instruments.

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At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

For recognition of impairment loss on financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to Statement of the Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

Impairment of financial instruments

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for the measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortized cost e.g., deposits and advances
- b. Trade receivables that result from transactions that are within the scope of Ind AS 115
- c. Financial guarantee contracts that are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in

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the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The allowance for expected credit losses for trade receivables and contract assets are calculated at individual level when there is an indication of impairment.

s) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks, cash on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

t) Cash dividend and non-cash distribution to equity holders of the parent

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

u) Corporate Social Responsibility ("CSR") expenditure:

CSR expenditure incurred by the Company is charged to the Statement of the Profit and Loss.

v) Research and development:

Expenditure on research and development activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are aggregated.

x) Exceptional items

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly, disclosed in the financial statements.

y) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 7 May 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments define currency exchangeability, provide guidance on estimating spot exchange rates when a currency is not exchangeable and include related disclosure requirements. The Company does not expect this amendment to have any significant impact in its financial statements.

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3A. Property, plant and equipment

Particulars Description	Gross carrying value				Accumulated depreciation				Net block	
	As at 1 April 2024	Additions	Sales/ Disposals	As at 31 March 2025	As at 1 April 2024	Depreciation for the year	Sales/ Disposals	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Freehold land#	6,252.38	1,736.76	-	7,989.14	-	-	-	-	7,989.14	6,252.38
Building*#	19,745.56	482.80	271.15	19,957.21	6,012.78	810.85	266.24	6,557.39	13,399.82	13,732.78
Plant & Machinery	63,927.48	12,394.06	1,378.18	74,943.36	39,313.01	5,823.95	1,355.43	43,781.53	31,161.83	24,614.47
Jigs & Fixtures	1,687.78	139.50	26.13	1,801.15	795.02	229.23	26.01	998.24	802.91	892.76
Electric installations	3,095.15	233.62	104.33	3,224.44	2,140.47	164.46	104.33	2,200.60	1,023.84	954.68
Furniture & Fixtures	403.62	15.14	15.08	403.68	311.36	26.12	15.08	322.40	81.28	92.26
Office equipment	2,980.81	682.42	62.64	3,600.59	2,282.36	284.92	56.60	2,510.68	1,089.91	698.45
Vehicles	1,028.60	367.50	284.74	1,111.36	496.76	176.33	245.49	427.60	683.76	531.84
R&D-Plant & Machinery	162.57	-	19.84	142.73	148.87	3.09	19.84	132.12	10.61	13.70
R&D-Office Equipment	13.09	-	-	13.09	12.94	0.15	-	13.09	-	0.15
Total	99,297.04	16,051.80	2,162.09	1,13,186.75	51,513.57	7,519.10	2,089.02	56,943.65	56,243.10	47,783.47

3A. Capital work-in-progress

Particulars	As at 1 April 2024	Additions	Capitalised	Other adjustments	As at 31 March 2025
Total	9,305.65	36,984.34	16,051.80	66.48	30,171.71

CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress [§]	26,551.20	3,460.11	160.37	0.02	30,171.71
Projects temporarily suspended	-	-	-	-	-

*Schedule for Capital work in progress, whose completion is overdue as compared to its original plan as at 31 March 2025

CWIP Projects in progress	To be completed in				Total	Remarks
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Project-1	2,755.15	-	-	-	2,755.15	Installation of Plant & Machinery and related spares and tools have exceeded their planned completion date due to delay in the plan to start the production of relevant vehicle by the Original equipment manufacturer. The revised expected completion date of the project is July 2025.
Project-2	50.88	-	-	-	50.88	Installation of Plant & Machinery and related spares and tools have exceeded their planned completion date due to delay in the plan to start the production of relevant vehicle by the Original equipment manufacturer. The revised expected completion date of the project is July 2025.
Common plant & machinery upgradation	1,128.49	-	-	-	1,128.49	Installation of Plant & Machinery, related spares and tools have exceeded their planned completion date due to delay in the civil work or delay in original project. The revised expected completion date of the project is July 2025.

3A. Property, plant and equipment

Particulars Description	Gross carrying value				Accumulated depreciation				Net block	
	As at 1 April 2023	Additions	Sales/ Disposals	As at 31 March 2024	As at 1 April 2023	Depreciation for the year	Sales/ Disposals	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Freehold land#	6,252.38	-	-	6,252.38	-	-	-	-	6,252.38	6,252.38
Building*#	19,317.45	436.76	8.65	19,745.56	5,045.73	972.75	5.70	6,012.78	13,732.78	14,271.72
Lease hold improvements	14.19	-	14.19	-	14.19	-	14.19	-	-	-
Plant & Machinery	56,934.23	8,184.70	1,191.45	63,927.48	35,311.64	5,165.57	1,164.20	39,313.01	24,614.47	21,622.59
Jigs & Fixtures	1,508.72	185.04	5.98	1,687.78	626.47	174.53	5.98	795.02	892.76	882.25
Electric installations	2,903.70	205.75	14.30	3,095.15	1,989.69	165.08	14.30	2,140.47	954.68	914.01
Furniture & Fixtures	405.03	10.38	11.79	403.62	298.67	24.41	11.72	311.36	92.26	106.36
Office equipment	2,679.06	385.81	84.06	2,980.81	2,049.07	316.79	83.50	2,282.36	698.45	629.99
Vehicles	916.55	270.33	158.28	1,028.60	459.40	161.87	124.51	496.76	531.84	457.15
R&D-Plant & Machinery	162.57	-	-	162.57	145.51	3.36	-	148.87	13.70	17.06
R&D-Office Equipment	13.09	-	-	13.09	12.60	0.34	-	12.94	0.15	0.49
Total	91,106.97	9,678.77	1,488.70	99,297.04	45,952.97	6,984.70	1,424.10	51,513.57	47,783.47	45,154.00

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3A. Capital work-in-progress

Particulars	As at 1 April 2023	Additions	Capitalised	Other adjustments/ transfer	As at 31 March 2024
Total	2,511.60	16,472.82	9,678.77	-	9,305.65

CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress [§]	8,930.56	337.29	34.73	3.07	9305.65
Projects temporarily suspended	-	-	-	-	-

[§] Schedule for Capital work in progress, whose completion is overdue as compared to its original plan as at 31 March 2024

CWIP	To be completed in				Total	Remarks
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	336.80	-	-	-	336.80	Installation of Plant & Machinery, related spares and tools have exceeded their planned completion date due to delay in the civil work in relation to the Plant & Machinery. The revised expected completion date of the project is July 2024.
Common plant & machinery upgradation	336.80	-	-	-	336.80	

Notes:-

[§] There are no projects in capital-work-in progress as at 31 March 2025 and 31 March 2024, whose cost has exceeded in comparison to its original plan.

#Title deed of immovable property as at 31 March 2025

Relevant line item in the Balance Sheet	Description of Property	Gross carrying value as at 31 March 2025	Title deeds held in name of	Whether promoter, director of their relative or employee	Period held since which date	Reason for not being held in the name of the Company
Freehold land	Freehold land include land in gujarat	4,192.37	Sona Steering Systems Limited	No	2015-17	The title deed for the aforesaid land is in the erstwhile name of the Company i.e. 'Sona Steering Systems Limited'. The Company is in the process of getting the name changed to JTEKT India Limited, which is pending as at 31 March 2025.

#Title deed of immovable property as at 31 March 2024

Relevant line item in the Balance Sheet	Description of Property	Gross carrying value as at 31 March 2024	Title deeds held in name of	Whether promoter, director of their relative or employee	Period held since which date	Reason for not being held in the name of the Company
Freehold land	Factory Land - Plot no. 26, Sector-5, Phase-II, Bawal Industrial Growth Centre, Bawal, Haryana - 123501, India	1,120.69	JTEKT Sona Automotive India Limited	No	2018-19	The deed of conveyance is in the name of the erstwhile JTEKT Sona Automotive India Limited, erstwhile an associate company, which had amalgamated with the Company during the financial year ended 31 March 2019. Accordingly, the process of mutation of name is pending as at 31 March 2024.
Building	Factory Buliding - Plot no. 26, Sector-5, Phase-II, Bawal Industrial Growth Centre, Bawal, Haryana - 123501, India	2,469.98	JTEKT Sona Automotive India Limited	No	2018-19	The deed of conveyance is in the name of the erstwhile JTEKT Sona Automotive India Limited, erstwhile an associate company, which had amalgamated with the Company during the financial year ended 31 March 2019. Accordingly, the process of mutation of name is pending as at 31 March 2024.
Freehold land**	Freehold land include land in gujarat	0.00	Sona Steering Systems Limited	No	1991-92	The title deed for the aforesaid land is in the erstwhile name of the Company i.e. 'Sona Steering Systems Limited'. The Company is in the process of getting the name changed to JTEKT India Limited, which is pending as at 31 March 2024.

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Relevant line item in the Balance Sheet	Description of Property	Gross carrying value as at 31 March 2024	Title deeds held in name of	Whether promoter, director of their relative or employee	Period held since which date	Reason for not being held in the name of the Company
Freehold land	Freehold land include land in gujarat	2,641.09	Sona Steering Systems Limited	No	2015-17	The title deed for the aforesaid land is in the erstwhile name of the Company i.e. 'Sona Steering Systems Limited'. The Company is in the process of getting the name changed to JTEKT India Limited, which is pending as at 31 March 2024.
Building	Sector-5, Plot No-25, Industrial Growth Centre, Bawal, Rewari, Haryana, 123501	562.70	JTEKT Fuji Kiko Automotive India Limited	No	2023-24	The deed of conveyance is in the name of the erstwhile JTEKT Fuji Kiko Automotive India Limited, erstwhile a subsidiary company, which had amalgamated with the Company during the financial year ended 31 March 2024. Accordingly, the process of mutation of name is pending as at 31 March 2024.
Freehold land	Sector-5, Plot No-25, Industrial Growth Centre, Bawal, Rewari, Haryana, 123501	1,142.68	JTEKT Fuji Kiko Automotive India Limited	No	2023-24	The deed of conveyance is in the name of the erstwhile JTEKT Fuji Kiko Automotive India Limited, erstwhile a subsidiary company, which had amalgamated with the Company during the financial year ended 31 March 2024. Accordingly, the process of mutation of name is pending as at 31 March 2024.

** The gross block and net block as at 31 March 2025 and 31 March 2024 of the said land is INR 1.00

- Contractual obligations : refer note 38A for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Property, plant and equipment other than immovable property at Chennai, Malpura, Sanand and Bawal have been pledged as security for liabilities, for details refer note 12.

3B. Investment property

Particulars	Gross carrying value				Accumulated depreciation				Net block		
	As at 1 April 2024	Additions	Sales/ Disposals	As at 31 March 2025	As at 1 April 2024	Additions	Depreciation for the year	Sales/ Disposals	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Leasehold land (ROU assets)	106.81	-	106.81	-	21.20	-	2.12	23.32	-	-	85.61
Building	1,374.04	-	1,374.04	-	989.97	-	24.05	1,014.02	-	-	384.07
Plant & Machinery	56.12	-	56.12	-	56.12	-	-	56.12	-	-	-
Total	1,536.97	-	1,536.97	-	1,067.29	-	26.17	1,093.46	-	-	469.68

3B. Investment property

Particulars	Gross carrying value				Accumulated depreciation				Net block		
	As at 1 April 2023	Additions	Sales/ Disposals	As at 31 March 2024	As at 1 April 2023	Additions	Depreciation for the year	Sales/ Disposals	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Leasehold land (ROU assets)	106.81	-	-	106.81	16.96	-	4.24	-	21.20	85.61	89.85
Building	1,374.04	-	-	1,374.04	920.56	-	69.41	-	989.97	384.07	453.48
Plant & Machinery	56.12	-	-	56.12	56.12	-	-	-	56.12	-	-
Total	1,536.97	-	-	1,536.97	993.64	-	73.65	-	1,067.29	469.68	543.33

Notes:-

- Refer note 41 for disclosure of leases under Ind AS 116
- There is no Restrictions on the realisability of investment property or the remittance of income and proceeds of disposal for the year ended 31 March 2024.
- There are no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.
- The Company's investment property consist of Land, building and plant and machinery situated at Sanand, Gujarat. The fair value of the Investment property as at 31 March 2024 is Rs. 609.69 lakhs (previous year : Rs 628.52 lakhs) respectively, as per the valuations performed by external property valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. Valuations performed by the valuer were based on future expected cash inflows based on the active market prices, adjusted for any difference in the nature, location or condition of the specific property.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

- 5) During the year ended 31 March 2025, the Company has decided to surrender its vacant leasehold land at Sanand to the lessor. Owing to the said decision, the written down value of the Investment property amounting to Rs 443.51 Lakhs has been derecognised and corresponding lease liability amounting to Rs 412.29 Lakhs has been reversed to profit and loss account. Additionally, amount recovered for the scrap value of the building amounting to Rs. 105.00 lakhs has been credited to the profit and loss account. Accordingly, the Company has recorded the net gain of Rs. 73.78 lakhs on above adjustments as "Exceptional item" (refer note 32).
- 6) Information with respect to the amounts recognised in the statement of profit and loss for:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rental income from investment property	-	-
Direct operating expenses (including repairs and maintenance) arising from investment property	-	-

3C. Other Intangible assets

Particulars Description	Gross carrying value			Amortisation			Net block			
	As at 1 April 2024	Additions	Sales/ Disposals	As at 31 March 2025	As at 1 April 2024	Amortisation for the year	Sales/ Disposals	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
R&D-Computer softwares	50.34	-	-	50.34	45.01	4.21	-	49.22	1.12	5.33
Computer softwares	2,694.48	224.52	-	2,919.00	2,404.77	188.81	-	2,593.58	325.42	289.71
New product development	5,503.23	101.40	-	5,604.63	3,900.89	472.71	-	4,373.60	1,231.03	1,602.34
Total	8,248.05	325.92	-	8,573.97	6,350.67	665.73	-	7,016.40	1,557.57	1,897.38

3C. Intangible assets under development

Particulars	As at 1 April 2024	Additions	Capitalised	As at 31 March 2025
Total	-	438.58	325.92	112.66

Intangible assets under development aging schedule

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	112.66	-	-	-	112.66

3C. Other Intangible assets

Particulars Description	Gross carrying value			Amortisation			Net block			
	As at 1 April 2023	Additions	Sales/ Disposals	As at 31 March 2024	As at 1 April 2023	Amortisation for the year	Sales/ Disposals	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
R&D-Computer softwares	50.34	-	-	50.34	40.41	4.60	-	45.01	5.33	9.93
Computer softwares	2,617.37	77.26	0.15	2,694.48	1,956.89	448.03	0.15	2,404.77	289.71	660.48
New product development	5,010.66	520.81	28.24	5,503.23	3,322.80	606.34	28.25	3,900.89	1,602.34	1,687.86
Total	7,678.37	598.07	28.39	8,248.05	5,320.10	1,058.97	28.40	6,350.67	1,897.38	2,358.27

3C. Intangible assets under development

Particulars	As at 1 April 2023	Additions	Capitalised	As at 31 March 2024
Total	-	598.07	598.07	-

Intangible assets under development aging schedule

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress [®]	-	-	-	-	-

Notes:-

[®] There are no projects in intangible asset under development as at 31 March 2025 and 31 March 2024, whose cost has exceeded in comparison to its original plan or which completion is overdue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

3D. Right-of-use assets

Particulars	Gross carrying value			Accumulated depreciation			Net block			
	As at 1 April 2024	Additions	Sales/ Disposals	As at 31 March 2025	As at 1 April 2024	Depreciation for the year	Sales/ Disposals	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Computer	192.35	152.45	-	344.80	27.06	46.85	-	73.91	270.89	165.29
Total	192.35	152.45	-	344.80	27.06	46.85	-	73.91	270.89	165.29

3D. Right-of-use assets

Particulars	Gross carrying value			Accumulated depreciation			Net block			
	As at 1 April 2023	Additions	Sales/ Disposals	As at 31 March 2024	As at 1 April 2023	Depreciation for the year	Sales/ Disposals	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Computer	-	192.35	-	192.35	-	27.06	-	27.06	165.29	-
Total	-	192.35	-	192.35	-	27.06	-	27.06	165.29	-

4. Loans

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
<i>(Unsecured considered good, unless stated otherwise)</i>				
Loans to employees	3.64	1.78	4.40	2.02
Total	3.64	1.78	4.40	2.02

5. Other financial assets

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
Security deposits	25.26	454.46	16.87	376.06
Interest accrued but not due on deposits	0.53	-	8.25	-
Advance to employees	5.83	-	0.04	-
Total	31.62	454.46	25.16	376.06

6. Other tax assets (net)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
Advance income tax and tax deducted at source [net of provisions INR 7,269.48 lakhs (31 March 2024 INR 7,269.81 lakhs)]	497.99	-	497.67	-
Total	497.99	-	497.67	-

7. Other non-current assets

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
<i>(Unsecured considered good, unless stated otherwise)</i>				
Capital advances	915.15	-	3,248.13	-
Prepaid expenses	84.19	-	52.30	-
Total	999.34	-	3,300.43	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

8. Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
<i>(Valued at lower of cost and net realisable value)</i>		
Raw materials and components *	8,748.30	10,102.44
Work-in-progress **	1,795.26	1,250.60
Finished goods ***	4,504.62	5,267.49
Stock-in-trade	122.69	0.08
Stores and spares	1,793.92	1,486.89
Loose tools and consumables	2,448.91	2,456.39
Total	19,413.70	20,563.89
Less: Provision on inventory obsolescence	(509.45)	(449.68)
Total	18,904.25	20,114.21

* Includes material in transit INR 847.19 lakhs (31 March 2024 INR 878.78 lakhs)

** Includes material with the vendors sent for job work INR 50.84 lakhs (31 March 2024 INR 89.77 lakhs)

*** Includes goods in transit INR 1,889.84 lakhs (31 March 2024 INR 2,451.00 lakhs)

Notes:

- Inventories have been pledged as security for liabilities, for details refer note 12.
- During the year Company has recorded write-downs of Rs 259.94 lakhs (previous year Rs 38.63 lakhs). These adjustment were included in other expenses as a results of the write-down. There are no reversals of write-downs during the current year and previous year.

9. Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
<i>(unsecured and considered good, unless otherwise stated)</i>		
Trade receivables	32,294.09	33,035.44
Less: Loss allowance	-	-
Total	32,294.09	33,035.44
Dues from related parties (refer note 40)	15,048.90	11,228.03

Trade Receivables ageing schedule as at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	29,746.12	2,255.25	288.31	0.68	3.73	-	32,294.09
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Trade Receivables ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	29,287.67	3,599.76	142.97	5.04	-	-	33,035.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Notes :

- (i) Trade receivables have been pledged as security for liabilities, for details refer note 12.
(ii) For explanations on the company's exposure to credit, currency and liquidity risk, refer note 48.

10. Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks		
- in current accounts	98.03	83.86
- in cash credit accounts	265.66	11.80
- in dividend accounts [#]	65.13	88.49
- bank deposits with original maturity less than 3 months	1,202.00	7,352.00
Cash on hand	-	0.30
Total	1,630.82	7,536.45

Notes :

- (i) Cash and cash equivalents have been pledged as security for liabilities, for details refer note 12.
(ii) There are no repatriation restrictions with respect to cash and bank balances as at the end of the reporting year and comparative years.

[#] Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed dividends or unpaid dividend.

11. Other current assets

Particulars	As at 31 March 2025	As at 31 March 2024
<i>(Unsecured considered good, unless stated otherwise)</i>		
Advance to suppliers	42.75	100.31
Balances with statutory/government authorities	811.21	687.54
Prepaid expenses	848.03	878.97
Net defined benefit asset - gratuity plan	-	17.85
Export incentive receivable	20.10	37.56
Other receivable	108.45	56.36
Total	1,830.54	1,778.59

Note :

- (i) Other current assets have been pledged as security for liabilities, for details refer note 12.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

12. Assets pledged as security

Particulars	As at 31 March 2025	As at 31 March 2024
Current assets		
Financial assets		
Pari-passu charge		
- Trade receivables	32,294.09	33,035.44
- Cash and cash equivalents	1,630.82	7,536.45
- Loans	3.64	4.40
- Other financial assets	31.62	25.16
Inventories	18,904.25	20,114.21
Other current assets	1,830.54	1,778.59
Total current assets pledged as security	54,694.96	62,494.25
Non-current assets		
Pari-passu charge		
- Property, plant and equipment	42,458.26	35,493.56
- Capital work-in-progress	30,171.71	9,305.65
- Intangible assets	1,557.57	1,897.38
- Loans	1.78	2.02
- Other financial assets	454.46	376.06
- Income tax assets	497.99	497.67
- Other non-current assets	999.34	3,300.43
Total non-current assets pledged as security	76,141.11	50,872.77
Total assets pledged as security	1,30,836.07	1,13,367.02

13. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised capital		
991,000,000 (31 March 2024 : 991,000,000) Equity Shares of INR 1/- each	9,910.00	9,910.00
	9,910.00	9,910.00
Issued, subscribed and fully paid up equity share capital		
254,280,483 (31 March 2024 : 254,280,483) Equity Shares of INR 1/- each fully paid up	2,542.80	2,542.80
	2,542.80	2,542.80

a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares at the beginning of the year	25,42,80,483	2,542.80	24,44,80,469	2,444.80
Issued during the year (refer note 37)	-	-	98,00,014	98.00
Equity shares at the end of the year	25,42,80,483	2,542.80	25,42,80,483	2,542.80

During the previous year ended 31 March 2024, in terms of Scheme of Amalgamation of JTEKT Fuji Kiko Automotive India Limited with the Company, the Company had allotted 98,00,014 Ordinary (Equity) shares of Re 1 each to the shareholders of JTEKT Fuji Kiko Automotive India Limited other than JTEKT India Limited, in the ratio of 200 (two hundred) Ordinary (Equity) Shares of Re 1 each fully paid-up in the capital of the Company for every 100 (one hundred) fully paid-up Equity Shares of Rs 10 each held in JTEKT Fuji Kiko Automotive India Limited.

The Company has not issued any other equity share capital for consideration other than cash for last five years.

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 1 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

c) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of INR 1/- each fully paid up				
JTEKT Corporation, Japan	16,70,59,997	65.70%	16,70,59,997	65.70%
Maruti Suzuki India Ltd.	1,38,00,000	5.43%	1,38,00,000	5.43%
Nippon Life India Trustee Ltd – A/c Nippon India Small CAP Fund	1,44,29,132	5.67%	1,44,29,132	5.67%

d) Details of shares held by Ultimate Holding Company/ Holding Company and/ or their Subsidiaries/ Associates

Name of shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of shares	% holding	No. of shares	% holding
Equity shares of INR 1/- each fully paid up				
JTEKT Corporation, Japan	16,70,59,997	65.70%	16,70,59,997	65.70%
JTEKT Column Systems Corporation (formely known as Fuji Kiko Co. Ltd.)	98,00,000	3.85%	98,00,000	3.85%

e) Promoters holding as on 31 March 2025 and 31 March 2024

Shares held by promoters at the end of year Promoters Name	As at 31 March 2025		As at 31 March 2024		Change during the year	Change during the previous year
	No. of shares	% holding	No. of shares	% holding		
JTEKT Corporation, Japan	16,70,59,997	65.70%	16,70,59,997	65.70%	0.00%	-1.03%
Maruti Suzuki India Ltd.	1,38,00,000	5.43%	1,38,00,000	5.43%	0.00%	0.00%
JTEKT Column Systems Corporation (formely known as Fuji Kiko Co. Ltd.)	98,00,000	3.85%	98,00,000	3.85%	0.00%	100.00%

f) For the period of five years immediately preceding the date at which Balance Sheet is prepared

-The Company has not allotted fully paid up shares by way of Bonus shares; and

-The Company has not bought back shares.

14. Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium		
Balance at the beginning and end of the year	8,070.76	8,070.76
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provision of the Companies Act, 2013.		
General reserve		
Balance at the beginning and end of the year	8,190.71	8,190.71
The general reserve is created from time to time on transfer of profit from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to Statement of Profit and Loss.		
Surplus in the Statement of Profit and Loss		
Opening balance	60,537.57	51,741.40
Add: profit for the year	7,526.31	10,686.43
Less: dividend on equity shares [refer note 49(ii)]	(1,525.68)	(1,794.72)
Add: transferred from OCI (remeasurement of employee benefit obligations)	(180.87)	(95.54)
Closing balance	66,357.33	60,537.57
Capital reserve		
Balance at the beginning and end of the year	2,826.23	2,826.23

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

The capital reserve is the accumulated surplus not available for distribution of dividend and expected to remain invested permanently.

Particulars	As at 31 March 2025	As at 31 March 2024
Share pending issuance*		
Opening balance	-	98.00
Shares issued during the year	-	(98.00)
Balance at the beginning and end of the year	-	-
Items of other comprehensive income, net of tax		
Remeasurement of employee benefit obligations		
Balance as at the beginning of the year	-	-
Recognised during the period	(180.87)	(95.54)
Less: transferred to retained earnings	180.87	95.54
Closing balance	-	-
The remeasurements of defined benefit obligation comprises actuarial gains and losses.		
Total	85,445.03	79,625.27

* Refer note 37

15. Borrowings

15A. Non-current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured loan		
Term loans		
Indian rupee loans from banks	11,796.12	8,714.79
Less: Current maturities of long term borrowings (refer note 15B):		
Indian rupee loans from banks	4,114.49	2,759.68
Total borrowings (excluding current maturities)	7,681.63	5,955.11

Notes:

1. Refer note 48 - Financial risk management for liquidity risk.
2. Refer note 12 - Assets pledged as security.

15B. Current borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Working capital facility and bill discounting from banks	2,500.00	857.69
Total secured current borrowings	2,500.00	857.69
Unsecured		
Cash credit, packing credit and bill discounting from banks	1,025.56	1,386.88
Current maturities of long-term borrowings (refer note no 15A)	4,114.49	2,759.68
Total unsecured current borrowings	5,140.05	4,146.56
Total current borrowings	7,640.05	5,004.25

Notes:

Refer note 48 - Financial risk management for liquidity risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Repayment terms of non current borrowings as specified in note 15A (including current maturities) and security disclosure for the outstanding non current borrowings as on balance sheet date :

Sl. No.	Particulars	Repayment & Interest Rate details	Nature of securities of Non-current borrowings	As at 31 March 2025	As at 31 March 2024
Unsecured Indian rupee loan from bank					
1	MUFG Bank -1	Repayable in 17 quarterly installments with 12 months moratorium (repayment starting from December-2021) - 01 installment of INR 87.20 lakhs, - 01 installment of INR 259.52 lakh, - 15 installments of INR 277.44 lakh each, Loan carries fixed interest rate ranging between 6.00% to 7.00% p.a. based on the drawdown date.	Unsecured, Corporate Guarantee given by parent company "JTEKT Corporation, Japan"	832.32	1,942.08
2	Sumitomo Mitsui Banking Corporation -1(a)	Repayable in 17 quarterly installments with 12 months moratorium (repayment starting from December-2022) - 2 installments of INR 41.44 lakhs each, - 14 installments of INR 108.10 lakhs each, - 1 installment of INR 66.67 lakhs The loan carries interest rate ranging from 9.00% p.a. to 9.85% p.a.	Unsecured, Corporate Guarantee given by parent company "JTEKT Corporation, Japan"	715.30	1,147.71
3	Sumitomo Mitsui Banking Corporation -1(b)	Repayable in 12 quarterly installments (repayment starting from January-2024) - 12 installments of INR 275.00 lakhs each, Loan carries fixed interest rate of 8.80% p.a.	Unsecured, Corporate Guarantee given by parent company "JTEKT Corporation, Japan"	1,925.00	3,025.00
4	MUFG Bank -2	Repayable in 17 quarterly installments with 12 months moratorium (repayment starting from March-2025) - 1 installment of INR 176 lakhs - 16 installments of INR 239.00 lakhs each, Loan carries fixed interest rate ranging between 8.50% to 8.60% p.a. based on the drawdown date.	Unsecured	3,823.50	2,000.00
5	Sumitomo Mitsui Banking Corporation -2	Repayable in 16 quarterly installments with 12 months moratorium (repayment starting from Jun-2025) - 16 installments of INR 281.25 lakhs each Loan carries fixed interest rate ranging between 8.55% to 8.60% p.a. based on the drawdown date.	Unsecured	4,500.00	600.00
			Total borrowings	11,796.12	8,714.79

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Security disclosure for the outstanding current borrowings as specified in note 15B as on balance sheet date :

Sl. No.	Particulars	Nature of securities of Current borrowings and Interest Rate	As at 31 March 2025	As at 31 March 2024
Secured short-term loans from banks				
1.	State Bank of India - Working capital facility and bill discounting from banks	Primary : First Pari-passu hypothecation charges on Stocks & Book Debts. Collateral : Second Pari-Passu charge on the entire movable fixed assets of the Company and equitable mortgage of land situated at 38/6, NH-8 Delhi Jaipur road Gurgaon-122001, immovable property land situated at Plot no-32 Dharuhera industrial area, Phase-II, Dharuhera District Rewari (Haryana) and Plot no-19 Dharuhera industrial area, Phase-II, Dharuhera District Rewari (Haryana) (Interest Rate :- 6 months MCLR + 0.15%)	2,500.00	857.69
			2,500.00	857.69
Unsecured short-term loan from bank				
1.	Sumitomo Mitsui Banking Corporation - Packing Credit	Unsecured, Corporate Guarantee given by parent company "JTEKT Corporation, Japan" Loan carries fixed interest rate ranging between 5.50% to 5.57% p.a.	1,025.56	1,386.88
			1,025.56	1,386.88
		Total borrowings	3,525.56	2,244.57

Notes:

- (i) Quarterly returns/statements filed by the Company with the Banks or Financial Institution are in agreement with the Book of Accounts.
- (ii) The loans were utilized for the purpose they were availed.
- (iii) The loan arrangements outstanding as at 31 March 2025 and 31 March 2024 does not specify any financial covenants.

16. Lease liability

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
Lease liability (refer note no 41)	63.92	217.11	29.25	550.51
Total	63.92	217.11	29.25	550.51

The Company's exposure to liquidity risks related to the above financial liabilities is disclosed in note 48.

17. Other financial liabilities - current

Particulars	As at 31 March 2025	As at 31 March 2024
	Current	Current
Interest accrued but not due on borrowings	82.85	42.63
Security deposit payables	23.60	21.60
Unclaimed dividends #	65.13	88.49
Derivatives liabilities -Forward exchange contracts used for hedging*	106.02	138.68
Employee related dues	1,290.59	1,406.19
Creditors for capital goods		
Total outstanding dues of micro enterprises and small enterprises®	1,103.64	313.12
Total outstanding dues of creditors other than micro enterprises and small enterprises®	7,104.56	814.25
Total	9,776.39	2,824.96

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Creditors for capital goods ageing schedule as at 31 March 2025

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,103.64	-	-	-	-	1,103.64
(ii) Others	6,410.48	690.46	3.62	-	-	7,104.56
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Creditors for capital goods ageing schedule as at 31 March 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	313.12	-	-	-	-	313.12
(ii) Others	760.31	46.02	5.48	2.44	-	814.25
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

There are no amount due for payment to the Investor Education & Protection Fund under Section 125 of the Companies Act, 2013.

The Company's exposure to currency and liquidity risks related to the above financial liabilities is disclosed in note 48.

* Derivative instruments at fair value through profit or loss reflect the change in fair value of those forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for external currency borrowings.

@ There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the year end. The information as required to be disclosed in relation to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company (refer note 20).

18. Provisions

Particulars	As at 31 March 2025		As at 31 March 2024	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
Gratuity (refer note no 39)	245.23	-	-	-
Compensated absences (refer note no 39)	489.12	1,007.91	239.01	913.42
Others				
Provision for warranties*	452.30	34.05	110.90	28.02
Provision for contingencies*	644.30	-	644.30	-
Total	1,830.95	1,041.96	994.21	941.44

*Movement in provision during the year :

Particulars	Provision for warranties		Provision for contingencies	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
At the beginning of the year	138.92	172.43	644.30	644.30
Additions during the year	818.24	118.18	-	-
Utilised during the year	(470.81)	(151.69)	-	-
At the end of the year	486.35	138.92	644.30	644.30

a) The provision for warranties relates mainly to inventories sold during the year ended 31 March 2025 and 31 March 2024. The provision is based on estimates made from historical warranty data associated with similar products and also includes specific warranty claim received by the Company from its customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

- b) Pursuant to a recent judgement by the Hon'ble Supreme Court on a statutory matter, the management has assessed and recognised provision for contingency amounting to INR 644.30 lakhs. As the matter is pending with authorities, there is an uncertainty involved on the outcome of the matter.

19. Deferred tax assets/(liabilities) (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liability arising on account of :		
i) Amount of payments made during the year and allowed for tax purposes on payment basis but to be charged to the Statement of Profit and Loss in the subsequent year.	71.45	112.38
ii) Discounting of long term warranty	1.94	1.51
Total deferred tax liability	73.39	113.89
Deferred tax asset arising on account of :		
i) Property, plant and equipment and intangible assets	541.43	497.79
ii) Effect of expenditure debited to Statement of Profit and Loss account but allowed for tax purposes in subsequent years when actually paid	576.81	490.76
iii) Provision of inventory obsolescence	120.05	113.17
iv) Adjustments for derivatives recognised through fair value hedge	29.57	15.48
v) Impact of Ind AS 116 *	3.23	79.57
vi) Employee Seperation Cost	40.56	64.70
vii) Merger related expenses allowed over 5 Years for tax purpose	27.68	36.90
Total deferred tax asset	1,339.33	1,298.37
Net deferred tax asset	1,265.94	1,184.48
* Impact of Ind AS 116		
- Right of use assets	(68.18)	(63.15)
- Lease liabilities	71.41	142.72
	3.23	79.57

Movement in deferred tax assets / (liability) for the year ended 31 March 2025

Particulars	As at 1 April 2024	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at 31 March 2025
Deferred tax assets / (liability) :				
Property, plant and equipment, investment property and intangible assets	497.79	-	43.64	541.43
Amount of payments made during the year and allowed for tax purposes on payment basis but to be charged to the Statement of Profit and Loss in the subsequent year.	(112.38)	-	40.93	(71.45)
Discounting of long term warranty	(1.51)	-	(0.43)	(1.94)
Effect of expenditure debited to Statement of Profit and Loss account but allowed for tax purposes in subsequent years when actually paid	490.76	-	86.05	576.81
Provision of inventory obsolescence	113.17	-	6.88	120.05
Adjustments for derivatives recognised through fair value hedge	15.48	-	14.09	29.57
Impact of Ind AS 116	79.57	-	(76.34)	3.23
Employee Seperation Cost	64.70	-	(24.14)	40.56
Merger related expenses allowed over 5 Years for tax purpose	36.90	-	(9.22)	27.68
Total	1,184.48	-	81.46	1,265.94

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FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Movement in deferred tax asset / (liability) for the year ended 31 March 2024

Particulars	As at 1 April 2023	Recognised in other comprehensive income	Recognised in Statement of Profit and Loss	As at 31 March 2024
Deferred tax assets / (liability) :				
Property, plant and equipment, investment property and intangible assets	408.00	-	89.79	497.79
Amount of payments made during the year and allowed for tax purposes on payment basis but to be charged to the Statement of Profit and Loss in the subsequent year.	(109.38)	-	(3.00)	(112.38)
Adjustment of unrealized gain / loss	(2.41)	-	2.41	-
Discounting of long term warranty	(1.38)	-	(0.13)	(1.51)
Effect of expenditure debited to Statement of Profit and Loss account but allowed for tax purposes in subsequent years when actually paid	471.98	-	18.76	490.76
Provision of inventory obsolescence	147.45	-	(34.28)	113.17
Adjustments for derivatives recognised through fair value hedge	14.41	-	1.07	15.48
Impact of Ind AS 116	77.27	-	2.30	79.57
Employee Separation Cost	88.85	-	(24.15)	64.70
Merger related expenses allowed over 5 Years for tax purpose	-	-	36.90	36.90
Long term capital loss balance carried forward	60.13	-	(60.13)	-
Effect of difference in book value of assets held for sale and value for tax purpose	11.99	-	(11.99)	-
Total	1,166.91	-	17.55	1,184.48

20. Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises [#]	809.54	1,139.82
Total outstanding dues of creditors other than micro enterprises and small enterprises [#]	26,006.51	25,572.95
Total	26,816.05	26,712.77
Dues to related parties (refer note 40)	9,112.98	7,815.20

Trade Payables ageing schedule as at 31 March 2025

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	809.54	-	-	-	-	809.54
(ii) Others	2,831.95	22,960.75	192.08	-	1.73	20.00	26,006.51
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

Trade Payables ageing schedule as at 31 March 2024

Particulars	Unbilled dues	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	1,139.82	-	-	-	-	1,139.82
(ii) Others	3,002.26	22,476.98	49.32	11.20	23.60	9.59	25,572.95
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-

[#] There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the year end. The information as required to be disclosed in relation to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Total outstanding dues of micro enterprises and small enterprises including capital creditors:-

Particulars	As at 31 March 2025	As at 31 March 2024
i) The principal amount remaining unpaid to any supplier as at the year end.	1,913.18	1,452.94
ii) The interest due on principal amount remaining unpaid to any supplier as at the end of the year	-	-
iii) The amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure as per the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006)	-	-
Total	1,913.18	1,452.94

The company exposure to currency and liquidity risk related to trade payables is disclosed in note 48.

21. Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advance from customers	672.55	282.58
Deferred Income	31.50	-
Statutory dues*	2,064.70	1,776.32
Total	2,768.75	2,058.90

* Taxes payable includes withholding tax, Goods and Service Tax, Provident Fund etc.

22. Current tax liabilities (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for income tax (net of advance tax and TDS INR 6,239.73 lakh) (31 March 2024 : INR 3,704.46 lakh)	445.76	236.91
Total	445.76	236.91

23. Revenue from operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contracts with customers		
Sale of products	2,37,745.84	2,22,710.09
Sale of services	323.27	96.86
Other operating revenues		
-Scrap sale	1,712.22	1,543.96
-Export incentives	152.29	197.71
Total	2,39,933.62	2,24,548.62

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

a) Disaggregated revenue information

The Company earns its revenue from contracts with automotive customers for sale of steering & drive line products and allied products and rendering of services. The revenue has been diagggregated by major product lines, geographical market (refer segment note no 42) and timing of revenue recognition.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products - Manufacturing		
-Steering product	2,25,423.05	2,12,908.05
-Drive line product	9,978.32	9,802.04
Sale of products - Trading		
-Steering product	2,344.47	-
-Drive line product	-	-
Sale of services	323.27	96.86
Other operating revenues		
-Scrap sale	1,712.22	1,543.96
-Export incentives	152.29	197.71
Total	2,39,933.62	2,24,548.62

b) Performance obligation

The Company's contracts with customers includes promises to transfer products and rendering of services to the customer. The Company assesses the products/ services promised and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The Company uses judgement to determine an appropriate selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative selling price of each distinct product or service promised in the contract. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits of significant risks and who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer etc. Based on the above assessment performance obligation is satisfied at point in time. Company have payment terms of 32 days to 90 days in case of domestic customers and 130 days in case of export customers.

c) Contract balance

The following table provides information about receivables, contract assets and liabilities from contract with Customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract assets	-	-
Contract liabilities		
Advance from customer	672.55	282.58
Deferred income	31.50	-
Total contract liabilities	704.05	282.58
Receivables		
Trade receivables	32,294.09	33,035.44
Total receivables	32,294.09	33,035.44

Contract assets is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

d) Significant changes in the contract liabilities balance during the year are as follows:

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Contract Liabilities		Contract Liabilities	
	Advance from customer	Other deferred income	Advance from customer	Other deferred income
Opening balance	282.58	-	230.14	-
Add: Net addition during the year	454.33	31.50	282.58	-
Less: Revenue recognised during the year from opening liability	64.36	-	230.14	-
Closing balance	672.55	31.50	282.58	-

e) The Company has allocated transaction price of INR Nil (previous year INR Nil) to unsatisfied performance obligation which will be satisfied in next years.

f) Reconciliation of revenue from sales of products with contract revenue :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Contract revenue	2,37,745.92	2,22,710.24
Adjustment for:		
Discounts and incentives	(0.08)	(0.15)
Revenue from sale of products	2,37,745.84	2,22,710.09

24. Other income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income under the effective method on :		
-Cash and cash equivalents and other bank balance	362.86	432.86
-Others	116.07	10.07
Other non operating income :		
Rental income	34.70	31.98
Gain on sale of property, plant & equipment (net)	123.41	114.30
Foreign exchange gain including mark to market valuation (net)	34.66	209.52
Business support income	270.53	267.98
Miscellaneous income	24.80	82.63
Total	967.03	1,149.34

25. Cost of materials consumed

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	10,102.44	10,241.69
Add: purchases during the year	1,70,521.13	1,60,329.67
Less: inventory at the end of the year	8,748.30	10,102.44
Total	1,71,875.27	1,60,468.92

26. Purchases of stock-in-trade

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Purchases of stock-in-trade	2,066.60	-
Total	2,066.60	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

27. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening inventories		
Work-in-progress	1,250.60	1,501.20
Finished goods	5,267.49	4,194.35
Stock-in-trade	0.08	0.08
Closing inventories		
Work-in-progress	1,795.26	1,250.60
Finished goods	4,504.62	5,267.49
Stock-in-trade	122.69	0.08
Net decrease/ (increase)	95.60	(822.54)

28. Employee benefit expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries wages and bonus	20,741.42	19,251.49
Contribution to provident and other funds (refer note 39)	1,294.54	1,143.39
Staff welfare expenses	2,671.20	2,206.99
Total	24,707.16	22,601.87

29. Finance costs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense on financial liabilities measured at amortised cost		
-Interest to banks	962.29	493.60
-Interest expense on lease liabilities (refer note 41)	36.18	51.14
-Interest to others	15.71	44.88
Bank charges	17.47	22.32
Total	1,031.65	611.94

30. Depreciation and amortisation expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on property, plant and equipment (refer note 3A)	7,519.10	6,984.70
Depreciation on investment property (refer note 3B)	26.17	73.65
Amortisation on intangible assets (refer note 3C)	665.73	1,058.97
Depreciation on right-of-use assets (refer note 3D & 41)	46.85	27.06
Total	8,257.85	8,144.38

31. Other expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	3,151.31	2,879.62
Loose tools consumed	2,983.76	2,579.65
Power and fuel	2,695.66	2,506.37
Repairs and maintenance		
-Plant & machinery	1,163.82	946.50
-Buildings	195.54	135.44
-Others	1,230.92	1,172.05
Royalty	4,290.71	3,837.63
Rent (refer note 41)	166.76	184.05

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(All amount are in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rates and taxes	46.03	90.11
Insurance	315.37	283.26
Travelling, conveyance and vehicle expenses	506.05	469.46
Communication and stationery expenses	111.13	121.98
Legal and professional charges	642.44	718.63
Security charges	349.68	306.62
Selling expenses	3,090.21	2,273.88
Packing material	784.49	825.41
Expenditure on Corporate Social Responsibility (refer note 35)	213.19	133.43
Debtors written off (refer note 43)	-	771.20
Provision on obsolescence of inventory (refer note 8)	259.94	38.63
Advance tax recoverable written off	-	56.17
Director's fees, allowances and expenses	105.75	163.50
Payments to auditors		
As Auditor		
Statutory audit fee	70.00	60.00
Tax audit fee	3.00	3.00
Limited review of quarterly results	30.00	27.00
In other capacity		
Other matters	19.21	13.29
Reimbursement of expenses	9.18	8.92
Miscellaneous expenses	271.75	181.58
Total	22,705.90	20,787.38

32. Exceptional items

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Gain on sale of land**	(73.78)	(739.26)
Total	(73.78)	(739.26)

**During the year ended 31 March 2024, the Company has sold the land parcel at a consideration of INR 780.00 lakhs having net book value of Rs. 21.14 lakhs. Consequently, gain on the sale of land amounting to INR 739.26 lakhs (after netting off related selling expenses of Rs 19.60 lakhs) has been recognized as an 'Exceptional item'.

**During the current year ended 31 March 2025, the Company has decided to surrender its vacant leasehold land at Sanand to the lessor. Owing to the said decision, the written down value of the Investment property amounting to Rs 443.51 Lakhs has been charged to profit and loss account and corresponding lease liability amounting to Rs 412.29 Lakhs has been reversed to profit and loss account. Additionally, amount recovered for the scrap value of the building amounting to Rs. 105.00 lakhs has been credited to the profit and loss account. Accordingly, the Company has recorded the net gain of Rs. 73.78 lakhs on above adjustments as ""Exceptional item"".

33. Tax expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income tax recognised in the statement of profit or loss:		
Current income tax		
- In respect of the current year	2,763.81	3,939.50
- In respect of the prior years	25.74	36.89
Deferred tax		
- Relating to origination and reversal of temporary differences	(81.46)	(17.55)
Income tax expenses reported in the statement of profit or loss	2,708.09	3,958.84

NOTES TO THE FINANCIAL STATEMENTS

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(All amount are in INR lakhs, unless otherwise stated)

Reconciliation of effective tax rate :

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of at 25.168% and the reported tax expense in Statement of Profit and Loss are as follows:

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
Profit for the year	10,234.40		14,645.27	
Other than LTCG	10,234.40		13,906.00	
LTCG	-		739.27	
Statutory income tax rate	25.17%	2,575.79	25.17%	3,499.86
Statutory income tax rate on LTCG	22.88%	-	22.88%	169.14
Additional deduction allowed in Income tax Act for certain expenditure	0.04%	4.43	0.00%	-
Expenditure for which deduction is not allowed under income tax Act	1.00%	102.13	1.73%	252.95
Tax pertaining to earlier years	0.25%	25.74	0.25%	36.89
Effective tax rate	26.46%	2,708.09	27.03%	3,958.84

Income tax recognised in Other Comprehensive Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax related to items recognised in OCI during the year:		
Loss on remeasurement of defined benefit obligation	60.83	32.13
Income tax expenses reported in Other Comprehensive Income	60.83	32.13

34. Earnings per equity share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit attributable to equity shareholders	7,526.31	10,686.43
Basic average number of equity shares outstanding during the year (Nos.)*	25,42,80,483	25,42,80,483
Weighted average number of equity shares outstanding during the year (Nos.)*	25,42,80,483	25,42,80,483
Nominal value of equity shares in INR	1.00	1.00
Earnings per equity share in INR		
Basic	2.96	4.20
Diluted	2.96	4.20

*Shares issued as part of consideration transferred in common control business combination are included in the weightage average number of shares from the acquisition date (also refer note 37).

35. Expenditure on Corporate Social Responsibility (CSR)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
i) Amount required to be spent by the company during the year	213.19	133.32
ii) Amount approved by the Board to be spent during the year	213.19	133.32
iii) Amount of expenditure incurred	213.19	133.43
iv) Shortfall at the end of the year	-	-
v) Total of pervious years shortfall	-	-
vi) Reason for shortfall :-		
vii) Details of related party transactions	-	-
viii) Nature of CSR activities :- Company has on going projects such as Promoting Healthcare including preventive health care, Promoting Education, Promoting Sanitation and Rural Development Projects		-

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(All amount are in INR lakhs, unless otherwise stated)

36. Research and development expenses (R&D expenses)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and allowances	4.61	26.10
Total	4.61	26.10

37. Merger information

The Board of Directors of the Company, based on the recommendation of Audit Committee, in its meeting held on 6 July 2022, have considered and approved the Scheme of Amalgamation ("Scheme") for merger of its subsidiary company namely JTEKT Fuji Kiko Automotive India Limited ("Amalgamating Company") with the Company, pursuant to Sections 230 to 232 of the Companies Act, 2013, with effect from Appointed Date i.e. 1 April 2022. The Scheme was filed with National Company Law Tribunal ("NCLT") on 26 November 2022 and was approved by NCLT on 12 December 2023. A certified copy of the Order was filed with the Registrar of Companies on 1 January 2024 and the scheme became effective. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of amalgamating company have been vested in the Company with effect from 1 April 2022 at the carrying values in financial statements of amalgamated company in accordance with Appendix C of IND AS 103.

The details of the Company and the merger of the amalgamating company with the Company are as below:

Name of the transferor company	JTEKT Fuji Kiko Automotive India Limited
General nature of business	Manufacturing of C-EPS Steering columns and other auto components for the passenger car automobile segment in India
Appointed Date of the Scheme	01 April 2022
Description and number of shares issued	9,800,014 Ordinary (Equity) shares of INR 1 each
% of Company's equity shares exchanged	3.85%

(a) Accounting treatment :-

- (1) Upon the Scheme being effective, the Amalgamated Company has accounted for the amalgamation at carrying value in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard 103 on Business Combination and other Indian Accounting Standards, as applicable and notified under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- (2) All assets and liabilities of the Amalgamating Company have been transferred to and vested in Amalgamated Company pursuant to the Scheme and have been recorded by Amalgamated Company at their carrying values as appearing in the books of the Amalgamating Company.
- (3) The identity of the reserves has been preserved and the Amalgamated Company has recorded the reserves of the Amalgamating Company at the carrying amount as appearing in the books of the Amalgamating Company.
- (4) The Company has issued 98,00,014 Ordinary (Equity) shares of Re 1 each to the shareholders of JTEKT Fuji Kiko Automotive India Limited other than JTEKT India Limited, in the ratio of 200 (two hundred) Ordinary (Equity) Shares of Re 1 each fully paid-up in the capital of the Company for every 100 (one hundred) fully paid-up Equity Shares of Rs 10 each held in JTEKT Fuji Kiko Automotive India Limited.
- (5) The value of the investments in the shares of the Amalgamating Company held by the Amalgamated Company inter-se shall stand cancelled without further act or deed.
- (6) The inter-company balances between the Amalgamated Company and the Amalgamating Company appearing in the books of accounts of either the Amalgamated Company or the Amalgamating Company if any, stand cancelled.
- (7) The difference arising after taking the effect of above has been transferred to "Capital Reserve Account" in the financial statements of the Amalgamated Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

(b) Summary of assets and liabilities acquired as a results of scheme is as given below :-

Particulars	Amount	Amount
A) Assets acquired on 01 April 2022		
Property, plant and equipment	2,774.13	
Capital work-in-progress	327.93	
Intangible assets	396.52	
Intangible assets under development	-	
Non-current financial assets :		
i) Loans	-	
ii) Other financial assets	7.80	
Income tax assets	6.90	
Other non-current assets	64.46	
Inventories	754.25	
Current financial assets :		
i) Trade receivable	1,242.69	
ii) Cash and cash equivalents	229.78	
iii) Other bank balances	1,658.00	
iv) Loans	-	
v) Other financial assets	32.92	
Other current assets	48.88	7,544.26
B) Liabilities assumed on 01 April 2022		
Other equity	4,968.44	
Non-current provisions	64.00	
Deferred tax liabilities (net)	98.24	
Current financial liabilities		
i) Trade payables	1,127.03	
ii) Other financial liabilities	96.34	
Current provisions	20.59	
Other current liabilities	153.15	
Income tax liabilities	16.47	6,544.26
Net assets acquired (A-B)		1,000.00
Less : Value of investment cancelled		(510.00)
Less : Equity Shares issued		(98.00)
Net assets acquired transferred to capital reserve		392.00

Notes:-

- Pursuant to the Order, the difference between the book value of the assets and liabilities and reserves transferred to the Company and the Carrying amount of investments in amalgamating company and Share Capital issued to the shareholder of amalgamating company has been transferred to "capital reserve".
- The financial information in the financial statement of year ended 31 March 2024 including notes and disclosure in respect of prior periods (i.e. period as at 31 March 2023 and prior to that) have been restated as if the business combination had occurred from the beginning of the preceding period presented in those financial statements in accordance with Appendix C of Indian Accounting Standard 103 on Business Combination.

38. Contingent liabilities and commitments (to the extent not provided for)

A. Capital commitments

Particulars	As at 31 March 2025	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account(net of advances) and not provided for	15,546.99	15,314.10
Total	15,546.99	15,314.10

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

B. Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Contingent liabilities, not acknowledged as debt (including estimated interest):		
1. Claims against the Company not acknowledged as debt on account of (also refer "#" and "*" below)		
(a) Excise duty matters		
Cases pending before Appellate authorities in respect of which the company has filed appeals.	763.85	729.04
(b) Service tax matters		
Show cause notices received and pending with Adjudication Authority	7.25	-
(c) Income tax matters		
Cases pending before Appellate Authorities in respect of which the Company has filed appeal	210.58	193.14
(d) Goods and Service Tax		
Show cause notices received and pending with Adjudication Authority	-	25.65
Cases pending before Appellate authorities in respect of which the company has filed appeals.	1,747.68	-
	1,747.68	25.65
(e) Custom Duty		
Show Cause notice received and pending with Adjudication Authority	24.23	24.23
Total	2,753.60	972.06

Notes:-

(i) Contribution to provident fund

Pursuant to judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognised any provision for the previous years ended 31 March 2019. Further, management also believes that the impact of the same on the Company will not be material

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required.

* Additionally, the Company is involved in other disputes, lawsuits, claims and/or regulatory inspections including commercial matters that arise from time to time in ordinary course of business. The Company believes that none of these matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statements.

(ii) Cases where the management expects remote possibility of any unfavourable settlement

Particulars	As at 31 March 2025	As at 31 March 2024
(a) VAT matters		
Local Area Development Tax (LADT) levied by Assessing Authority Gurgaon. The Constitutional bench of the Supreme Court in its order dated 11.11.2016 has given certain guidelines relating to power of States to levy tax on entry of goods into local area.	2,293.31	2,168.36
(b) Excise duty matters		
Cases pending before Appellate authorities in respect of which the company has filed appeals.	7.32	306.95
(c) Service tax matters		
Show cause notices received and pending with Adjudication Authority	63.80	67.64

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(All amount are in INR lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Cases pending before Appellate authorities in respect of which the company has filed appeals.	9.53	9.17
	73.33	76.81
(d) Income tax matters		
Cases pending before Appellate Authorities in respect of which the Company has filed appeal	2,280.25	1,130.49
(e) Goods and Service Tax		
Show cause notices received and pending with Adjudication Authority	-	1,466.03
Cases pending before Appellate authorities in respect of which the company has filed appeals.	3,816.68	30.89
	3,816.68	1,496.92
(f) Custom Duty		
Show Cause notice received and pending with Adjudication Authority	4.17	28.55
Custom Tariff issue on import of Reduction Gear by the company (case pending before Appellate authorities)	30.71	-
	34.88	28.55
Total	8,505.77	5,208.08

39 Employee benefit obligations

A Defined Contribution Plan

The Company makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund, Punjab Labour Welfare Fund (PLWF), Employee State Insurance scheme ('ESI') and National Pension Scheme (NPS) which are collectively defined as defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrued. The amount recognized as an expense includes following:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Employer's contribution to Provident Fund	821.46	752.89
b) Employer's contribution to Employee State Insurance Corporation	28.65	25.77
c) Punjab labour welfare fund (PLWF)	10.46	10.19
d) Employer's contribution to National Pension Scheme (NPS)	154.88	145.10
	1,015.45	933.95

B Defined benefit plan

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Company to following risks:

Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase

Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

(i) Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets:

Description	As at 31 March 2025	As at 31 March 2024
Liability for gratuity	4,515.06	4,174.62
Plan assets for gratuity	4,269.83	4,192.47
Net defined benefit liability / (asset)	245.23	(17.85)

(ii) Amount recognised in the Statement of Profit and Loss is as under:

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Current service cost *	268.92	239.37
Net interest cost	(1.25)	(4.09)
Past service cost	-	-
Decrease in unrecognised assets	-	-
Expense recognised in the Statement of Profit and Loss	267.67	235.28
Actuarial loss recognised during the year	241.70	127.67
Amount recognised in the total comprehensive income	509.37	362.95

* Current service cost includes contribution of LIC premium / charges amounting to INR 17.08 lakhs (previous year INR 10.74 lakhs).

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Description	As at 31 March 2025	As at 31 March 2024
Present value of defined benefit obligation as at the start of the year	4,174.62	3,935.93
Additions through business combination under common control	-	-
Current service cost	268.92	239.37
Interest cost	292.22	275.16
Past service cost	-	-
Actuarial loss on obligation	263.72	153.41
Benefits paid	(484.43)	(429.25)
Present value of defined benefit obligation as at the end of the year	4,515.06	4,174.62

(iv) Movement in the plan assets recognised in the balance sheet is as under:

Description	As at 31 March 2025	As at 31 March 2024
Fair Value of plan assets at start of the year	4,192.47	4,024.51
Additions through business combination under common control	-	-
Interest income	293.47	279.25
Employer contribution	246.29	292.22
Benefit Paid	(484.43)	(429.25)
Actuarial gain on plan assets	22.02	25.74
Fair Value of plan assets at the end of the year	4,269.83	4,192.47

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

(v) Remeasurement recognised in other comprehensive loss is as under:

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial loss on defined benefit obligation	263.72	153.41
Return on plan assets excluding interest income	(22.02)	(25.74)
Amount recognised in Other Comprehensive loss	241.70	127.67

(vi) Bifurcation of actuarial loss on defined benefit obligation:

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
Actuarial gain from change in financial assumption	106.22	58.72
Actuarial loss from experience adjustment	157.50	94.69
Amount recognised in the Other Comprehensive Income	263.72	153.41

(vii) Actuarial assumptions

a. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company :

Description	As at 31 March 2025	As at 31 March 2024
Discount rate	6.5% p.a.	7.0% p.a.
Rate of increase in compensation level	6.0% p.a.	6.0% p.a.

b. Demographic assumptions

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Description	As at 31 March 2025	As at 31 March 2024
Mortality table	IALM (2012-14)	IALM (20012-14)
Retirement age		
- Others	58	58
Attrition rate		
- Up to 30 years	9.80%	9.80%
- 31 to 44 years	9.80%	9.80%
- Above 44 years	9.80%	9.80%

(viii) Sensitivity analysis for gratuity liability

Description	As at 31 March 2025	As at 31 March 2024
Impact of the change in discount rate		
Present value of obligation at the end of the year	4,515.06	4,174.62
- Impact due to increase of 1 %	(208.07)	(189.36)
- Impact due to decrease of 1 %	229.82	208.74
Impact of the change in salary increase		
Present value of obligation at the end of the year	4,515.06	4,174.62
- Impact due to increase of 1 %	228.69	208.74
- Impact due to decrease of 1 %	(210.90)	(192.79)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant.

Sensevities due to mortality and withdrawals are not material and hence impact of change is not calculated. Sensivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy not applicable being a lump sum benefit on retirement.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(ix) Maturity profile of defined benefit obligation

Description	As at 31 March 2025	As at 31 March 2024
(i) Weighted Average duration of the defined benefit obligation	7 Yrs	7 Yrs
(ii) Duration of defined benefit payments		
Duration (Years)		
1	782.59	779.02
2	725.57	652.17
3	680.11	572.50
4	712.70	569.05
5	501.90	595.93
Above 5	3188.73	3093.67
Total	6591.60	6262.33

(x) Enterprise best estimate of contribution during next year is INR 250.78 lakhs (previous year INR 280.03 lakhs).

(xi) Plan Assets

The fair value of Company's gratuity plan assets as of 31 March 2025 and 31 March 2024 by category as follows:

Asset Category:	As at 31 March 2025	As at 31 March 2024
Deposits with Insurance company	100.00%	100.00%

C Other long-term employee benefits

During the year ended 31 March 2025, the Company has created provision for compensated absences towards earned leave amounting to INR 498.92 lakhs (previous year expense of INR 220.11 lakhs). The Company has reversed provision towards sick leave amounting to INR Nil (previous year INR 8.27 lakhs). The Company determines the expense for compensated absences basis the actuarial valuation of present value of the obligation, using the Projected Unit Credit Method.

40. Related party disclosures

For the purpose of these financial statements, parties are considered to be related to the Company, if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

i) Holding Company:

Name of party	Period
1. JTEKT Corporation, Japan	Full year

ii) Key management personnel:

Name	Period	Designation
1. Mr. Hitoshi Mogi	Up to 01 January 2025	Chairman and Managing Director
2. Mr. Minoru Sugisawa	W.e.f. 01 June 2023	Director (Operations)
	W.e.f. 01 January 2025	Chairman and Managing Director

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(All amount are in INR lakhs, unless otherwise stated)

Name	Period	Designation
3. Mr. Rajiv Chanana	Full year	Director and CFO
4. Mr. Takumi Matsumoto	Up to 17 May 2024	Director
5. Mr. Yosuke Fujiwara	W.e.f. 01 February 2025	Director
6. Mr. Taku Sumino	Up to 21 August 2024	Nominee of Maruti Suzuki India Limited
7. Ms. Hiroko Nose	Full year	Independent Woman Director
8. Mr. Masahiko Morimoto	Full year	Independent Director
9. Mr. Hiroshi Daikoku	Full year	Independent Director
10. Mr. Saurabh Agarwal	Full year	Company Secretary
11. Mr. Hidehito Araki	Up to 10 August 2023	Independent Director
12. Mr. Inder Mohan Singh	Up to 17 May 2024	Independent Director
13. Lt. Gen. Praveen Bakshi (Retd)	Up to 17 May 2024	Independent Director
14. Mr. Ashish Srivastava	Up to 05 April 2023	Company Secretary
15. Mr. Deepak Thukral	W.e.f. 01 September 2024	Director (Nominee of Maruti Suzuki India Limited)
16. Mrs. Deepika Gera	W.e.f. 15 May 2024	Independent Director

iii) Other related parties with whom transactions have undertaken during the year:

Fellow subsidiaries and enterprises over which key management personnel are able to exercise significant influence

Name of party	Period
1. JTEKT Bearings India Private Limited (formerly known as Koyo Bearings India Private Limited)	Full year
2. Maruti Suzuki India Limited	Full year
3. JTEKT Thailand Co Limited	Full year
4. JTEKT Automotive (Thailand) Co Limited	Full year
5. JTEKT Machine Systems (Thailand) Co. Limited (formerly known as Koyo Joint (Thailand) Co Limited)	Full year
6. JTEKT Machine Systems Corporation (formerly known as Koyo Machine Industries Co Limited)	Full year
7. JTEKT Micromatic Machinery India Pvt Limited (formerly known as Toyoda Micromatic Machinery India Pvt Limited)	Full year
8. JTEKT Column Systems Sweden Ab (formerly known as Fuji Auto AB Sweden)	Full year
9. JTEKT Column Systems France S.A.S (formerly known as Fuji Autotech France)	Full year
10. JTEKT Electronics India Pvt Limited (formerly known as Koyo Electronics India Pvt Limited)*	Full year
11. JTEKT Column Systems Corporation (formaly known as Fuji Kiko Company Limited)	Full year
12. JTEKT Column Systems (Thailand) Co Limited (formerly known as Fuji Autotech Thailand Company Limited)	Full year
13. PT JTEKT Indonesia	Full year
14. JTEKT Machinery (Dalian) Co., Ltd- China	Full year
15. JTEKT Asia Pacific Co Limited	Full year
16. JTEKT Brasil Limited	Full year
17. JTEKT Sales Corporation (formerly known as Koyo Kowa Co Limited)	Full year
18. JTEKT Europe (formerly known as JTEKT Automotive Lyon)	Full year
19. JTEKT Philippines Corporation	Full year
20. JTEKT Bearing Romania S.A.	Full year
21. JTEKT Automotive (Wuxi) Co. Ltd	Full year
22. JTEKT (China) Company Ltd	Full year

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Transactions with the above parties:

Particulars	Holding Company		Key management personnel		Other related parties		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	Advance Paid	-	-	-	-	-	79.00	-
Advance Received	-	-	-	-	76.12	215.85	76.12	215.85
Business Support Income (including taxes)	-	-	-	-	183.85	188.88	183.85	188.88
Cash Discount Paid	-	-	-	-	0.19	0.19	0.19	0.19
Commission to Non Executive Directors	-	-	80.00	140.00	-	-	80.00	140.00
Debtors written off (refer note 43)	-	-	-	-	-	771.20	-	771.20
Director Sitting Fee	-	-	22.75	22.00	3.45	1.77	26.20	23.77
Dividend Paid	1,002.36	835.30	0.02	0.02	141.60	641.32	1,143.98	1,476.64
Loans from bank against Corporate Gaurantee*	4,498.18	7,501.67	-	-	-	-	4,498.18	7,501.67
Guarantee Fee Paid	13.66	13.45	-	-	-	-	13.66	13.45
Interest Income	-	-	-	-	0.19	-	0.19	-
Purchase of Capital Goods (Including Tax)	2,085.07	590.60	-	-	1,192.14	430.62	3,277.21	1,021.22
Purchase of Goods (Including Tax)	12,779.89	11,840.84	-	-	13,431.66	12,494.77	26,211.56	24,335.61
Receiving of Services (Including Taxes)	113.15	210.88	-	-	215.52	336.99	328.67	547.87
Reimbursement of Expenses Paid (Including Taxes)	1,340.56	1,291.90	-	-	83.27	114.33	1,423.83	1,406.23
Reimbursement of Expenses Recovered (Including Taxes)	29.14	17.20	-	-	12.03	2.31	41.16	19.51
Rental Income (Including Taxes)	-	-	-	-	40.95	37.73	40.95	37.73
Royalty	4,129.62	3,666.73	-	-	161.09	170.89	4,290.71	3,837.63
Sale of goods (Including Taxes) (Net of Warranty)#	89.12	257.39	-	-	1,56,377.96	1,39,601.82	1,56,467.08	1,39,859.21
Sale of Services (Including Taxes)	30.50	37.60	-	-	-	-	30.50	37.60
Post employment benefits	-	-	6.55	3.55	-	-	6.55	3.55
Short-term employee benefits	-	-	287.18	276.14	-	-	287.18	276.14
Technical Support Fee	212.41	197.03	-	-	40.65	-	253.06	197.03
Outstanding balances	Holding Company		Key management personnel		Other related parties		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Outstanding Balance (Debit)	9.70	164.56	-	-	15,039.20	11,063.47	15,048.90	11,228.03
Outstanding Balance (Credit)	7,119.87	6,257.34	88.69	140.00	2,288.20	1,962.87	9,496.76	8,360.21
Investments (Debit)	-	-	-	-	-	-	-	-
Post employment benefits (Credit)	-	-	53.49	46.95	-	-	53.49	46.95
Loans from bank against Corporate Gaurantee (Credit)	4,498.18	7,501.67	-	-	-	-	4,498.18	7,501.67

Details of significant transactions are given below:

Particulars	Party Name	Nature of relationship	Total	
			Current Year	Previous Year
Loans from bank against Corporate Gaurantee*	JTEKT Corporation, Japan	Holding Company	4,498.18	7,501.67
Purchase of Goods (Including Tax)	JTEKT Corporation, Japan	Holding Company	12,779.89	11,840.84
	JTEKT Bearings India Pvt Limited (formerly known as Koyo Bearings India Limited)	Other related parties	6,513.87	5,628.52
	JTEKT Column Systems Thailand Co. Ltd.	Other related parties	2,108.01	2,323.54
	JTEKT Machine Systems (Thailand) Co. Limited (formerly known as Koyo Joint (Thailand) Co Limited)	Other related parties	1,678.00	1,653.32
	JTEKT Column Systems Corporation (formaly known as Fuji Kiko Company Limited)	Other related parties	1,337.13	1,352.32

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FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Particulars	Party Name	Nature of relationship	Total	
			Current Year	Previous Year
Purchase of Capital	JTEKT Machinery (Dalian) Co., Ltd- China	Other related parties	405.40	-
Goods (Including Tax)	JTEKT Sales Corporation	Other related parties	275.81	342.24
	(formerly known as Koyo Kowa Co Limited)			
	JTEKT Micromatic Machinery India Pvt Limited	Other related parties	325.00	68.08
	(formerly known as Toyoda Micromatic Machinery India Pvt Ltd)			
Royalty	JTEKT Corporation, Japan	Holding Company	4,129.62	3,666.73
	JTEKT Column Systems Corporation.	Other related parties	161.09	170.89
Sale of goods (Net of Warranty)	Maruti Suzuki India Limited	Other related parties	1,56,262.90	1,39,501.42

*Loans of INR 4,498.18 lakhs (31 March 2024: INR 7,501.67 lakhs) against the corporate guarantee given by the holding company, JTEKT Corporation, Japan.

Net of warranty claims INR 290.66 Lakhs (Previous Year INR 20.29 lakhs)

All transactions with these related parties are priced on an arm's length basis

41 Lease related disclosures

The Company has leases for land, office buildings, warehouses and related facilities, cars and other office equipments. With the exception of short-term leases, leases of low-value underlying assets and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and other premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company is required to pay maintenance fees in accordance with the lease contracts.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March 2025	31 March 2024
Short-term leases	128.38	157.83
Leases of low value assets	38.38	26.22
Variable lease payments	-	-
Total	166.76	184.05

B Lease under Ind AS 116

The Details of the right-of-use assets held by the Company is as follows:

Particulars	Depreciation charge for the year ended 31 March 2025	Net carrying amount as on 31 March 2025	Depreciation charge for the year ended 31 March 2024	Net carrying amount as on 31 March 2024
Leasehold land	2.12	-	4.24	85.61
Computer	46.85	270.89	27.06	165.29
Total	48.97	270.89	31.30	250.90

NOTES TO THE FINANCIAL STATEMENTS

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(All amount are in INR lakhs, unless otherwise stated)

C Amount recognised in Statements of Profit & Loss:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation on right-of-use assets	48.97	31.30
Interest on lease liabilities	36.18	51.14
Rental expenses relating to short term leases	128.38	157.83
Rental expenses relating to leases of low value assets	38.38	26.22
Total	251.91	266.49

D Amount recognised in Statements of cash flows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Total Cash out flow for long-term leases	75.07	69.09
Total Cash out flow for short-term leases	166.76	184.05

E The weighted average incremental borrowing rate applied to lease liabilities is 9.10%.

F Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March 2025	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	83.44	83.44	83.44	50.37	26.41	-	327.10
Interest expense	19.53	14.17	8.35	3.29	0.73	-	46.07
Net present values	63.91	69.27	75.09	47.08	25.68	-	281.03

31 March 2024	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	83.05	83.05	83.05	83.05	60.98	861.65	1,254.83
Interest expense	53.80	51.29	48.57	45.62	43.19	432.60	675.07
Net present values	29.25	31.76	34.48	37.43	17.79	429.05	579.76

G Lease liabilities movement at the beginning of the year to end of the year (refer the table of lease liability movement under Cash Flow Statement).

42 Segment information

The Company is engaged in the business of manufacturing and assembling of automotive components. The Board of Directors being the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments' operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component. Further, the economic environment in which the company operates is significantly similar and not subject to materially different risk and rewards. The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

Geographical information

The Company's revenue from operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

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FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Revenue from Operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from external customers (net of taxes)		
India	2,33,695.09	2,16,548.50
USA	6,005.51	7,659.50
France	72.39	82.06
Japan	123.33	244.33
Brazil	19.94	14.23
Indonesia	17.36	-
Total	2,39,933.62	2,24,548.62

Non current assets

Particulars	As at 31 March 2025	As at 31 March 2024
India	91,575.44	64,982.13
Outside India	-	-
Total	91,575.44	64,982.13

Major customer

Company drives revenue from the following customer which amounts to 10 per cent or more of the entity's revenue:

Name of Customer	As at 31 March 2025	As at 31 March 2024
Maruti Suzuki India Limited (including applicable taxes)	1,56,262.90	1,39,501.42
Toyota Kirloskar Motor Pvt. Ltd. (including applicable taxes)	37,249.89	35,131.54

43 Debtors written off

During the previous year ended 31 March 2024, management have identified some unusual adjustments posted to Trade receivables account by an employee. These entries were appearing in Trade receivables from prior period and were not recoverable. Accordingly, the amount of INR 771.20 lakhs has been charged to Statement of Profit and Loss as "Other expenses". Management has performed an independent investigation through an external consultant and does not expect any further impact on the financial statements for the year ended 31 March 2024. During the year ended 31 March 2025, the Management has taken necessary actions and implemented appropriate controls to prevent the re-occurrence of such events.

44 Dividend

The board of directors of the Company in its meeting held on 23 May 2025, proposed a dividend of INR 1,779.96 lakhs (INR 0.70 per share) {previous year INR 1,525.68 lakhs (INR 0.60 per share) to the equity shareholders of JTEKT India Limited}. The dividend will be remitted post the approval of shareholders in the ensuing Annual General Meeting ('AGM').

45 Remittances by the Company in foreign currency for dividend for JTEKT India Limited

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Dividend remitted (gross) (Rupees)	1061.22	835.30
Number of non resident shareholders	3	2
Number of shares held	17,68,69,997	16,70,69,997
Year to which dividend relates	2023-24	2022-23

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Remittances by the Company in foreign currency for dividend for JTEKT Fuji Kiko Automotive India Limited (now merged with JTEKT India Limited)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Dividend remitted (gross) (Rupees)	-	572.37
Number of non resident shareholders	-	1
Number of shares held	-	49,00,000
Year to which dividend relates	-	2022-23

46 Fair value disclosures

i) Fair values hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial statements that are

(a) recognised and measured at fair value and

(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard.

All financial instruments for which fair value is recognised or disclosed are categorised with in the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

ii) Financial instruments by category & fair value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Particulars	Note	Level of hierarchy	As at 31 March 2025				As at 31 March 2024			
			Carrying amount	FVTPL	FVOCI	Amortised cost	Carrying amount	FVTPL	FVOCI	Amortised cost
Financial assets										
Non current										
Loans										
- Loan to employees	b		1.78	-	-	1.78	2.02	-	-	2.02
Other financial assets										
- Security deposits	b		454.46	-	-	454.46	376.06	-	-	376.06
Current										
Trade receivables	a		32,294.09	-	-	32,294.09	33,035.44	-	-	33,035.44
Cash and cash equivalents	a		1,630.82	-	-	1,630.82	7,536.45	-	-	7,536.45
Loans										
- Loan to employees	a		3.64	-	-	3.64	4.40	-	-	4.40
Other financial assets										
- Security deposits	a		25.26	-	-	25.26	16.87	-	-	16.87
- Interest accrued but not due on deposits	a		0.53	-	-	0.53	8.25	-	-	8.25
- Advance to employees	a		5.83	-	-	5.83	0.04	-	-	0.04
Total			34,416.41	-	-	34,416.41	40,979.53	-	-	40,979.53

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Particulars	Note	Level of hierarchy	As at 31 March 2025				As at 31 March 2024			
			Carrying amount	FVTPL	FVOCI	Amortised cost	Carrying amount	FVTPL	FVOCI	Amortised cost
Financial liabilities										
Non current										
Borrowings	c		7,681.63	-	-	7,681.63	5,955.11	-	-	5,955.11
Lease liability	c		217.11	-	-	217.11	550.51	-	-	550.51
Current										
Borrowings	c		7,640.05	-	-	7,640.05	5,004.25	-	-	5,004.25
Lease liability	c		63.92	-	-	63.92	29.25	-	-	29.25
Trade payable										
- Total outstanding dues of micro enterprises and small enterprises	a		809.54	-	-	809.54	1,139.82	-	-	1,139.82
- Total outstanding dues of creditors other than micro enterprises and small enterprises	a		26,006.51	-	-	26,006.51	25,572.95	-	-	25,572.95
Other financial liabilities										
- Interest accrued but not due on borrowings	a		82.85	-	-	82.85	42.63	-	-	42.63
- Security deposits	a		23.60	-	-	23.60	21.60	-	-	21.60
- Unclaimed dividends	a		65.13	-	-	65.13	88.49	-	-	88.49
- Forward exchange contracts used for hedging	d	2	106.02	106.02	-	-	138.68	138.68	-	-
- Employee dues	a		1,290.59	-	-	1,290.59	1,406.19	-	-	1,406.19
- Creditors for capital goods	a		8,208.20	-	-	8,208.20	1,127.37	-	-	1,127.37
Total			52,195.15	106.02	-	52,089.13	41,076.85	138.68	-	40,938.17

- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- Fair value of non-current financial assets and liabilities have not been disclosed as there is no significant differences between carrying value and fair value.
- Fair value of borrowing is considered to be the same as its carrying value, as there is an no change or are at the market rates.
- Fair value of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The model incorporate various inputs include the credit quality of counter-parties and foreign exchange forward rates.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2025 and 31 March 2024.

47 Other Statutory Information

- No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder
- The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

NOTES TO THE FINANCIAL STATEMENTS

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(All amount are in INR lakhs, unless otherwise stated)

- iii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- vii) The Company does not have any such transaction which are not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- viii) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- ix) The Company has complied with the number of layers for its holding in downstream companies prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- x) The Company has not revalued its Property, Plant and equipments and intangible assets and Investment property including Right-of-use assets.
- xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year, other than the scheme of amalgamation between JTEKT India Limited and its subsidiary company namely JTEKT Fuji Kiko Automotive India Limited (also refer note 37).
- xii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- xiii) **Key analytical ratios**

S. No.	Ratio	Numerator	Denominator	Current year	Previous year	% variance	Reasons for variance (where variance is more than 25%)
(a)	Current Ratio (in times)	Current assets	Current liabilities	1.11	1.65	-32.84%	The ratio has decreased due to utilization of surplus cash funds for meeting capital expenditure. Also, there is an increase in current liabilities due to higher capital creditors and current maturities Long Term Borrowings.
(b)	Debt-Equity Ratio (in times)	Total debt	Shareholder's equity	0.18	0.14	26.66%	The ratio has increased due to new long term borrowings for meeting capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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(c)	Debt Service Coverage Ratio (in times)	Earnings available for debt service	Debt service (Interest & Lease Payment + Principal Repayments of Long term loans + Lease Payment)	4.32	7.95	-45.61%	The ratio has decreased due to increase in servicing obligations for increased level of borrowings availed for meeting capital expenditure. In addition there is decline in profitability for the year.
(d)	Return on Equity Ratio (in %)	Net Profits after taxes less preference dividend (if any)	Average shareholder's equity	8.85%	13.74%	-35.62%	Ratio has decreased due to lower profits earned by the Company in the current year.
(e)	Inventory turnover ratio (in times)	Cost of goods sold	Average inventory	8.92	8.21	8.66%	-
(f)	Trade Receivables turnover ratio (in times)	Net credit sales	Average accounts receivable	7.35	7.35	-0.06%	-
(g)	Trade payables turnover ratio (in times)	Net credit purchases	Average trade payables	6.45	6.58	-2.00%	-
(h)	Net capital turnover ratio (in times)	Net sales	Working capital	44.82	9.12	391.69%	The ratio has improved due to reduction in working capital. This change has happened due to utilization of surplus cash funds for meeting capital expenditure. Also, there is an increase in current liabilities due to higher capital creditors and current maturities Long Term Borrowings.
(i)	Net profit ratio (in %)	Net profit	Net sales	3.14%	4.76%	-34.09%	Ratio has decreased due to lower profits earned by the Company in the current year.
(j)	Return on Capital employed (in %)	Earning before interest and taxes	Capital employed	10.88%	16.28%	-33.20%	Ratio has decreased due to lower earnings by the Company in the current year.
(k)	Return on investment	Not applicable	Not applicable	-	-	-	The Company has no investment during the current year and previous year since the only subsidiary company has amalgamated with the company. (refer note 37)

48 Financial risk management

The Company's risk management is carried out by a central treasury department (of the Company) under policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The Company is primarily engaged in the manufacturing of steering systems and other auto components for passenger and utility vehicle manufactures. The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to support the Company's operations. The Company's principal financial assets include investments in equity, trade and other receivables, security deposits, cash and employee advances that derive directly from its operations. The Company also enters into derivative transactions viz. Cross Currency Interest Rate Swap and Principal and Interest Swaps as required.

NOTES TO THE FINANCIAL STATEMENTS

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(All amount are in INR lakhs, unless otherwise stated)

The Company has exposure to the following risks arising from financial instruments

- Credit risk (see (A));
- Liquidity risk (see (B); and .
- Market risk (see (C)).

Risk Management Framework

The Company's activities makes it susceptible to various risks. The company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Company's senior management oversee the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The board provides assurance to the shareholders that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements

Risk	Exposure arising from	Measurement	Management of risk
Credit Risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis, Credit ratings	Diversification of bank deposits, credit limits and letter of credit.
Liquidity Risk	Borrowings and liabilities	Cash flow forecasting, sensitivity analysis	Availability of borrowing facilities, forward contracts, CCIRS.
Market risk - foreign currency risk	Future commercial transactions, recognised financial liabilities not denominated in Indian Rupee (INR)	Cash flow forecasting, sensitivity analysis	Forward contracts
Market risk – interest rate risk	Long-term borrowings at variable rates	Sensitivity analysis	Maintaining the variable rate borrowings to acceptable levels

A) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), including foreign exchange transactions and other financial instruments

Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of balance sheet position whether a financial asset or a company of financial assets is impaired. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected



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credit losses are measured at an amount equal to the 12 months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Company's exposure to customers is diversified and more than 90% revenue is recognised from OEM's. However there was no default on account of these customers in the history of Company.

Before accepting any new customer, the Company assesses the potential customer's credit quality and defines credit limits to customer. Limits and scoring attributed to customers are reviewed on periodic basis.

The Company performs credit assessment for customers on an annual basis and recognizes credit risk, on the basis lifetime expected losses.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(a) Financials assets for which allowance is measured using 12 months expected credit losses.

Particulars	As at 31 March 2025	As at 31 March 2024
Loans	5.42	6.42
Other financials assets	486.08	401.22

(b) The ageing analysis of trade receivables for which loss allowance is measured using Life time expected credit losses as at the reporting data is as follows:

Particulars	As at 31 March 2025	0-6 months	6-12 months	More than 12 months
Gross carrying amount	32,294.09	32,001.37	288.31	4.41
Expected credit loss (Loss allowance provision)	-	-	-	-
Carrying amount of trade receivables	32,294.09	32,001.37	288.31	4.41

Particulars	As at 31 March 2024	0-6 months	6-12 months	More than 12 months
Gross carrying amount	33,035.44	32,887.43	142.97	5.04
Expected credit loss (Loss allowance provision)	-	-	-	-
Carrying amount of trade receivables	33,035.44	32,887.43	142.97	5.04

The movement in the loss allowance for trade receivables during the year is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	-
Loss allowance for the year	-	771.20
Amount written off	-	(771.20)
Closing balance	-	-

(c) The Company's exposure to credit risk for trade receivable by geographic region is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
India	32,050.64	32,360.21
USA	234.18	534.47
France	-	13.48
Japan	9.27	127.28
Total	32,294.09	33,035.44

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FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Corporate finance department in accordance with the Company's policy. Investments of surplus funds are made only in schemes of alternate investment fund/or other appropriate avenues including term and recurring deposits with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company places its cash and cash equivalents and term deposits with banks with high investment grade ratings, limits the amount of credit exposure with any one bank and conducts ongoing evaluation of the credit worthiness of the banks with which it does business. Given the high credit ratings of these banks, the Company does not expect these banks to fail in meeting their obligations. The maximum exposure to credit risk for the components of the balance sheet at 31 March 2025 and 31 March 2024 is represented by the carrying amount of each financial asset.

B) Liquidity risk

Liquidity risk refers to the risk that the company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, buyers credit and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments

31 March 2025	Contractual cash flows				
	Carrying value as at 31 March 2025	Less than 1 year	1-2 year	2-3 year	More than 3 years
Non derivative financial liabilities					
Borrowings (including interest accrued but not due on borrowings)	15,404.53	7,722.90	3,188.88	2,081.00	2,411.75
Trade payables	26,816.05	26,816.05	-	-	-
Lease liability	281.03	83.44	83.44	83.44	76.78
Other financial liabilities					
- Security deposits	23.60	23.60	-	-	-
- Unclaimed dividends	65.13	65.13	-	-	-
- Employee dues	1,290.59	1,290.59	-	-	-
- Creditors for capital goods	8,208.20	8,208.20	-	-	-
Derivative financial liabilities					
Other financial liabilities					
- Forward exchange contracts used for hedging	106.02	106.02	-	-	-
Total	52,195.15	44,315.93	3,272.32	2,164.44	2,488.53

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(All amount are in INR lakhs, unless otherwise stated)

31 March 2024	Contractual cash flows				
	Carrying value as at 31 March 2024	Less than 1 year	1-2 year	2-3 year	More than 3 years
Non derivative financial liabilities					
Borrowings (including interest accrued but not due on borrowings)	11,001.99	5,046.87	2,984.74	1,727.88	1,242.50
Trade payables	26,712.77	26,712.77	-	-	-
Lease liability	579.76	83.05	83.05	83.05	1,005.68
Other financial liabilities					
- Security deposits	21.60	21.60	-	-	-
- Unclaimed dividends	88.49	88.49	-	-	-
- Employee dues	1,406.19	1,406.19	-	-	-
- Creditors for capital goods	1,127.37	1,127.37	-	-	-
Derivative financial liabilities					
Other financial liabilities					
- Forward exchange contracts used for hedging	138.68	138.68	-	-	-
Total	41,076.85	34,625.02	3,067.79	1,810.93	2,248.18

C) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises following types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include loans and borrowings, deposits, advances and derivative financial instruments

The sensitivity analysis in the following sections relate to the position as at 31 March 2025 and 31 March 2024. The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of floating to fixed interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant in place at 31 March 2024

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2025 and 31 March 2024.

a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency)

The Company manages its foreign currency risk by entering into derivatives. When a derivative is entered into for the purpose of hedging, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

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(i) **Foreign currency risk exposure**

Details of unhedged foreign currency exposures is as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Foreign currency	Rupee INR	Foreign currency	Rupee INR
Financial assets				
Receivables (trade & others)				
USD	2.75	234.18	6.44	534.47
EURO	-	-	0.15	13.48
JPY	16.43	9.27	233.40	127.28
Financial liabilities				
Payables (trade & other)				
USD	0.49	41.82	1.82	152.33
EURO	0.01	0.91	0.11	10.35
JPY	1,004.44	579.97	2,584.28	1,437.89
SEK	-	-	-	-
Borrowings - others				
USD	11.93	1,025.56	16.55	1,386.88

The outstanding forward exchange contracts as at the end of the year entered by the Company for the purpose of hedging its foreign currency exposures are as follows:

Particulars	As at 31 March 2025		As at 31 March 2024	
	Foreign currency	Rupee INR	Foreign currency	Rupee INR
Financial liabilities				
Payables (trade & other)				
USD	10.11	868.98	11.98	1,003.97
JPY	11,021.00	6,363.52	8,656.26	4,816.35
EURO	0.04	3.37	-	-

The following significant exchange rates were applied at the year end:

Particulars	Year end rates	
	As at 31 March 2025	As at 31 March 2024
Financial assets		
Receivables (trade & others)		
USD / INR	85.10	82.93
EURO / INR	-	89.13
JPY / INR	0.56	0.55
Financial liabilities		
Payables (trade & other)		
USD / INR	85.95	83.78
EURO / INR	94.35	91.33
JPY / INR	0.58	0.56
Borrowings		
USD / INR	85.95	83.78

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Sensitivity analysis

Any changes in the exchange rate of foreign currency against INR is not expected to have significant impact on the Company's profit due to the short credit period. Accordingly, a 1% appreciation/depreciation of the INR as indicated below, against the foreign currencies would have increased/reduced profit by the amounts shown below. This analysis is based on the foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variable remains constant.

Particulars	Statement of profit and loss or Other comprehensive income	Currency	Exchange rate increase by 1%		Exchange rate decrease by 1%	
			As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Receivables (trade & others)	Statement of profit and loss	USD	2.34	5.34	(2.34)	(5.34)
	Statement of profit and loss	EURO	-	0.13	-	(0.13)
	Statement of profit and loss	JPY	0.09	1.27	(0.09)	(1.27)
Payables (trade & other)	Statement of profit and loss	USD	(0.42)	(1.52)	0.42	1.52
	Statement of profit and loss	EURO	(0.01)	(0.10)	0.01	0.10
	Statement of profit and loss	JPY	(5.80)	(14.38)	5.80	14.38
	Statement of profit and loss	SEK	-	-	-	-
Borrowings - others	Statement of profit and loss	USD	(10.26)	(13.87)	10.26	13.87

(ii) Foreign exchange derivative contracts

The Company tries to mitigate foreign exchange risk by entering into appropriate hedging instruments as considered necessary from time to time. Depending on the future outlook on currencies, the Company may keep the exposures unhedged or hedged only as a part of the total exposure. The Company does not enter into a foreign exchange derivative transactions for speculative purposes.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Category of derivative instrument	Purpose of derivative instrument	Currency	Outstanding principal (in Foreign currency) As at 31 March 2025	Outstanding principal (in Foreign currency) As at 31 March 2024
Forward contracts	Hedge taken for the purpose of hedging its foreign currency exposures in trade payables	USD	10.11	11.98
Forward contracts	Hedge taken for the purpose of hedging its foreign currency exposures in trade payables	JPY	11,021.00	8,656.26
Forward contracts	Hedge taken for the purpose of hedging its foreign currency exposures in trade payables	EURO	0.04	-

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with fixed interest rates.

(i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2025, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in Fixed Deposits are all at fixed interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowing	4,240.86	3,392.28
Fixed rate borrowing	11,080.82	7,567.08
Total borrowings	15,321.68	10,959.36

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Interest sensitivity*		
Interest rates – increase by 50 bps basis points	21.20	16.96
Interest rates – decrease by 50 bps basis points	(21.20)	(16.96)

* Holding all other variables constant

(ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

49. Capital management

i) The Company's capital management objectives are

The Board policy is to maintain a strong capital base so as to maintain the confidence of investor, creditor and market and to sustain future development of the business. The Board of Directors monitors the return on capital employed, as well as the level of dividends to equity shareholders. The Company manages capital risk by maintaining sound/optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio on a monthly basis and implements capital structure improvement plan when necessary. The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Particulars	As at 31 March 2025	As at 31 March 2024
Total borrowings (includes Non-Current borrowings, current borrowings and current maturities of non current borrowings)	15,321.68	10,959.36
Less : cash and cash equivalent	(1,630.82)	(7,536.45)
Net debt	13,690.86	3,422.91
Total equity	87,987.83	82,168.07
Debt ratio	0.16	0.04

ii) Dividend

Particulars	As at 31 March 2025	As at 31 March 2024
Dividend not recognised at the end of the reporting period:	1,779.96	1,525.68
Proposed final dividend per share INR 0.70 per share (31 March 2024: INR 0.60 per share to the equity shareholders of JTEKT India Limited.)		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

(All amount are in INR lakhs, unless otherwise stated)

50. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

51. Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. The Company is in the process of updating the documentation of the international transactions entered into with the associated enterprises from April 2023 and expects such records to be in existence latest by October 2025 as required by law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration no. : 101248W/W-100022

Manish Kapoor
Partner
Membership no. : 510688

Place : Gurugram
Date : 23 May 2025

For and on behalf of the Board of Directors of
JTEKT India Limited

Minoru Sugisawa
Chairman and Managing Director
DIN 10119891

Rajiv Chanana
Director and Chief Financial Officer
DIN 02630192

Place : Gurugram
Date : 23 May 2025

Hiroko Nose
Independent Director
DIN 06389168

Saurabh Agrawal
Company Secretary
Membership no.: 36163



JTEKT BASIC PRINCIPLE



JTEKT INDIA LIMITED

(CIN : L29113DL1984PLC018415)

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