

Date: 5th April, 2018

The Managing Director,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
India

The Managing Director,
National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400 051
India

Dear Sir/Madam,

Subject: Notice of Offer for Sale of equity shares of face value of Re. 1/- each (the “Equity Shares”) of Sona Koyo Steering Systems Limited (the “Company”) by its promoter, JTEKT Corporation (the “Seller”), through the stock exchange mechanism (the “Notice”)

We hereby notify you that JTEKT Corporation (the “Seller”) proposes to sell up to an aggregate of 35,14,879 Equity Shares (the “Offer Shares”) on 6th April, 2018 (for non-Retail Investors only) and on 9th April, 2018 (for Retail Investors and for non-Retail Investors who choose to carry forward their bids) through a separate, designated window of the BSE Limited (the “BSE”) and the National Stock Exchange of India Limited (“NSE”, and together with the BSE, the “Stock Exchanges”), in accordance with:

- (a) the “Comprehensive Guidelines on Offer for Sale (OFS) of Shares by Promoters through the Stock Exchange Mechanism” issued by the Securities and Exchange Board of India (the “SEBI”) through its circular no. CIR/MRD/DP/18/2012 dated July 18, 2012 (as amended up to June 27, 2017, pursuant to subsequent circulars issued by SEBI) (the “OFS Circular”), and section 21 of chapter 1 of the “Master Circular for Stock Exchange and Clearing Corporation” issued by SEBI through its circular no. SEBI/HO/MRD/DP/CIR/P/2016/135 dated December 16, 2016 (the “OFS Master Circular”, and together with the OFS Circular, the “SEBI OFS Circulars”);
- (b) the “Revised Comprehensive Modified Guidelines for Bidding in Offer for Sale (OFS) Segment” issued by the BSE through its notice no. 20160218-33 dated February 18, 2016, notice no. 20150702-28 dated July 2, 2015, and, to the extent applicable, the previous notices issued by the BSE in this regard, including notice no. 20150122-30 dated January 22, 2015, notice no. 20140902-33 dated September 2, 2014, notice no. 20130129-23 dated January 29, 2013, notice no. 20120727-26 dated July 27, 2012, notice no. 201202228-30 dated February 28, 2012 and notice no. 20120222-34 dated February 22, 2012; and
- (c) the “Revised Scheme – Offer for Sale through Exchange Platform” issued by the NSE through its circular no. 10/2016 dated February 19, 2016, circular no. 29/2015 dated June 30, 2015, and, to the extent applicable, the previous circulars issued by the NSE in this regard, including circular no. 6/2015 dated January 28, 2015, circular no. 44/2014 dated September 2, 2014, circular no. 52/2013 dated May 30, 2013, circular no. 0037/2013 dated January 31, 2013, circular no. 005/2013 dated January 30, 2013, circular no. 52/2012 dated August 2, 2012, circular no. 73/2012 dated February 24, 2012, and circular no. 2/2012 dated February 21, 2012,

(the “Offer”).



The Offer shall be undertaken exclusively through the Sellers' Brokers named below on a separate window provided by the Stock Exchanges for this purpose.

This notice is being issued to the Stock Exchanges pursuant to paragraph 5(b) of the OFS Circular to announce the Sellers intention to undertake the Offer, and contains important details in respect of the Offer, including certain information that is required to be disclosed by the SEBI OFS Circulars. The information included therein constitutes an integral part of the terms and conditions of the Offer. Prospective investors, as well as their brokers, are requested to read the entire contents of this Notice along with the SEBI OFS Circulars before participating in the Offer.

Sr. No.	Details required to be mentioned in the Notice	Particulars of the Offer
1.	Name of the Seller (Promoter)	JTEKT Corporation
2.	Name of the company whose shares are proposed to be sold and ISIN	Name: Sona Koyo Steering Systems Limited ISIN: INE643A01035
3.	Name of the stock exchange where orders shall be placed	BSE and NSE
4.	Name of the designated stock exchange	NSE
5.	Dates and time of the opening and closing of the Offer	The Offer shall take place over two trading days, as provided below:

For non-Retail Investors: 6th April, 2018 ("T day")

Only non-Retail Investors shall be allowed to place their bids on T day.

The Offer shall take place during trading hours on a separate window of the Stock Exchanges on T day, commencing at 9:15 a.m. (Indian Standard Time) and shall close on the same date at 3:30 p.m. (Indian Standard Time).

Non-Retail Investors may indicate their willingness to carry forward their bids to T+1 day (defined below).

For Retail Investors (defined below) and for non-Retail Investors who choose to carry forward their bids: 9th April, 2018 ("T+1 day")

The Offer shall continue during trading hours on a separate window of the Stock Exchanges on T+1 day, commencing at 9:15 a.m. (Indian Standard Time) and shall close on the same date at 3:30 p.m. (Indian Standard Time).



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		Please note that only Retail Investors (defined below) shall be allowed to place their bids on T+1 day. Further, those non-Retail Investors who have placed their bids on T day and have chosen to carry forward their bids to T+1 day, shall be allowed to revise their bids on T+1 day as per the SEBI OFS Circulars. (T day and T+1 day, collectively referred to as “Offer Dates”)
6.	Allocation methodology	The allocation shall be at or above the Floor Price (defined below) on a proportionate method basis at a single clearing process basis, in accordance with the SEBI OFS Circulars, except in case of Retail Investors (defined below), who shall have the option to bid at the Cut-Off Price (defined below). 10% of the Offer Size (defined below) shall be reserved for Retail Investors subject to the receipt of valid bids (the “Retail Category”). The Stock Exchanges will decide the quantity of shares eligible to be considered in the Retail Category, based on the Floor Price (defined below) declared by the Seller. Unsubscribed portion of the shares reserved for Retail Investors shall be allotted to the investors in the non-Retail Category choosing to carry forward their bids on T+1 day and who have not been allotted shares on T day. However, such investors are required to indicate their willingness to carry forward their bids. Bidders can bid under the Retail Category or the non-Retail Category. Indicative price for the non-retail category shall be displayed separately. There shall be no indicative price for the Retail Category. No single bidder other than mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended (“Mutual Funds”) and insurance companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999 as amended (“Insurance Companies”), shall be allocated more than 25% of the Offer Shares. Non-Retail Category allocation methodology Non-Retail Investors shall have an option to carry forward their bids from T day to T+1 day provided they indicate their willingness to carry forward their bids. Further, such Investors can also revise their bids on T+1 day in accordance with the SEBI OFS Circulars.



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The allocation to the non-Retail Investors shall be at a price equal to the Cut-off Price.

A minimum of 25% of the Offer Shares shall be reserved for Mutual Funds and Insurance Companies, subject to receipt of valid bids at or above the Floor Price (defined below). In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to other bidders in the non-Retail Category.

In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to other bidders in the non-Retail Category. In case of oversubscription in the non-Retail Category, the allocation for such bids will be done on a proportionate basis.

Retail Category allocation methodology

For the purpose of this Notice, "Retail Investor" shall mean an individual investor who places bids for Offer Shares of total value of not more than INR.2,00,000/- (Rupees Two Lakhs) aggregated across the Stock Exchanges ("Retail Investor").

A Retail Investor may bid at any price above the Floor Price and/or bid at a "Cut-Off Price". For this purpose, "Cut-Off Price" means the lowest price at which the Offer Shares are sold pursuant to the Offer, as determined on the basis of all valid bids received in the non-Retail Category on T day. Allocation to Retail Investors shall be made based on the Cut-Off Price.

In case of oversubscription in the Retail Category, all the bids in retail category till cut-off price shall receive proportionate allotment.

If Retail Category is not fully subscribed, the Price bids received in the Retail Category between the cut off price and discounted price, if any (price arrived after applying discount on cut off price) will also be eligible for allotment provided that these bids are equal to or above the floor price. Allotment to all such bids shall be done at the discounted price, if any (price arrived after applying discount on cut off price).

Any unsubscribed portion of the Retail Category shall, after allotment, be eligible for allocation to non-Retail Investors who have not been allotted Offer Shares on T day, and have chosen to carry forward their bids to T+1 day.



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7.	Total number of equity shares being offered in the Offer	Up to 35,14,879 equity shares of the Company of face value of Re. 1/- each, representing 1.77% of the total paid up equity share capital of the Company.
8.	Maximum number of shares the Seller may choose to sell over and above made at point 7 above	Nil
9.	Name of the broker(s) on behalf of the Seller (the "Seller's Brokers")	Axis Capital Limited;
10.	Floor Price	The floor price of the Offer shall be Rs. 85/- (Rupees eighty five only) per Equity Share. The Stock Exchanges are required to ensure that the Floor Price is immediately informed to the market.
11.	Retail Discount	Nil
12.	Conditions for withdrawal of the Offer	The Sellers reserve the right to not to proceed with the Offer at any time prior to the time of opening of the Offer on T day. In such a case, there shall be a cooling off period of 10 trading days from the date of withdrawal before another offer for sale through Stock Exchange mechanism is made. The Stock Exchanges shall suitably disseminate details of such withdrawal.
13.	Conditions for cancellation of the Offer	In the event (i) the aggregate number of orders received in the Offer at or above the Floor Price is less than the total number of Offer Shares; or (ii) of any default in settlement obligations, the Seller reserves the right to either conclude the Offer to the extent of valid bids or cancel the Offer in full. In such cases, the decision to either conclude or cancel the Offer shall be at the sole discretion of the Seller.
14.	Conditions for participating in the Offer	1. Non-institutional investors shall deposit 100% of the bid value in cash up-front with the clearing corporation at the time of placing bids for the Offer. 2. Institutional investors have an option of placing bids without any upfront payment. In case of institutional investors who place bids with 100% of the bid value deposited upfront, custodian confirmation shall be provided within trading hours. In case of institutional investors who place bids without depositing 100% of the bid value upfront, custodian confirmation shall be as per the existing rules for secondary market transactions and applicable SEBI circulars. 3. In respect of bids in the Retail Category, Clearing corporation shall collect margin to the extent of 100% of order value in cash or cash equivalents at the time of



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		placing bids. Pay-in and pay-out for bids by Retail Investors shall take place as per normal secondary market transactions. 4. Retail Investors may enter a price bid or opt for bidding at the Cut-Off Price. 5. The funds collected shall neither be utilized against any other obligation of the trading member nor co-mingled with other segments. 6. Individual Investors shall have the option to bid in the Retail Category and/ or the non-Retail Category. However, if the cumulative bid value by such an individual investor across both categories exceeds Rs. 2,00,000/- (Rupees Two Lakhs), the bids in the Retail Category will become ineligible. Further, if the cumulative bid value by an individual investor in the Retail Category across the Stock Exchanges exceeds Rs. 2,00,000/- (Rupees Two Lakh only), all bids by such investors shall be rejected. 7. Modification or cancellation of orders (a) Orders placed by institutional investors and by non-institutional investors, with 100% of the bid value deposited upfront: Such orders can be modified or cancelled any time during the trading hours; (b) Orders placed by institutional investors without depositing 100% of the bid value upfront: Such orders cannot be modified or cancelled by the investors or stock brokers, except for making upward revision in the price or quantity. (c) Bids carried forward by non-Retail Investors to T+1 day may be revised in accordance with the SEBI OFS Circulars. In case of any permitted modification or cancellation of the bid, the funds shall be released/ collected on a real-time basis by the clearing corporation. 8. Bidder shall also be liable to pay any other fees, as may be levied by the Stock Exchanges, including securities transaction tax. 9. Multiple orders from a single bidder shall be permitted, subject to the conditions prescribed under paragraph 6 above.



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		10. In case of default in pay-in by any bidder, an amount aggregating to 10% of the order value shall be charged as penalty from the investor and collected from the broker. This amount shall be credited to the Investor Protection Fund of the Stock Exchange. 11. The Equity Shares of the Company other than the Offer Shares shall continue trading in the normal market. However, in case of market closure due to incidence of breach of "Market wide index based circuit filter", the Offer shall also be halted.
15.	Settlement	Settlement shall take place on a trade for trade basis. For bids received from non-Retail Category on T day, non-institutional investors and institutional investors who place orders with 100% of the order value deposited upfront, settlement shall take place on T+1 day, in accordance with the SEBI OFS Circulars. In the case of institutional investors who place bids without depositing 100% of the order value upfront, settlement shall be as per the existing rules for secondary market transactions (i.e., on T+2). For the bids received on T+1 day, from the Retail Category and from the un-allotted non-Retail Investors who choose to carry forward their bid on T+1 day, the settlement shall take place on T+3 day. In case of non-institutional investors and institutional investors bidding with 100% margin upfront who chose to carry forward their un-allotted bids to T+1 day, the settlement shall take place on T+2 day.

IMPORTANT INFORMATION

The Offer is personal to each prospective bidder (including individuals, funds or otherwise) registered with the broker of the Stock Exchanges who makes a bid (each a "**Bidder**") and neither the Offer nor this Notice constitutes an offer to sell or invitation or solicitation of an offer to buy, to the public, or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted to or filed with any regulatory authority or to any other person or class of persons within or outside India.

The Offer is being made in reliance on the SEBI OFS Circulars and subject to the guidelines, circulars, rules and regulations of the Stock Exchanges. There will be no "public offer" of the Offer Shares in India under the applicable laws in India including the Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to notification of its various sections by the Ministry of Corporate Affairs, Government of India, and Companies Act, 1956, and the rules and clarifications issued thereunder, without reference to its provisions that have ceased to have effect, (the "**Companies Act**") or in any other jurisdiction. Accordingly, no documents have been or will be prepared, registered or submitted for approval as "prospectus" or an offer document with any registrar of companies in India



and/or SEBI and/or the Stock Exchanges or any other statutory/regulatory/listing authority in India or abroad under the applicable laws in India including the Companies Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and no such document will be circulated or distributed to any person in any jurisdiction, including in India.

Each Bidder acknowledges and agrees that any buy order or bid shall be made solely on the basis of publicly available information and any information available with SEBI or the Stock Exchanges, on the Company's website or otherwise in the public domain, together with the information contained in this Notice. Bidders should consult their own tax advisors regarding the tax implications to them of acquiring the equity shares.

The Offer is subject to further terms set forth in the contract note to be provided to the successful Bidders.

This Notice is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale securities, in any jurisdiction (collectively, "**Other Jurisdictions**") in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This Notice and the information contained herein are not for publication or distribution, directly or indirectly, in or to persons in any Other Jurisdictions unless permitted pursuant to an exemption under the relevant local law/s or regulation/s in any such jurisdiction. Prospective purchasers should seek appropriate legal advice prior to participating in the Offer.

The Offer Shares have not been and will not be registered under (a) the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state of the United States and may not be offered or sold in the United States. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance upon Regulation S under the Securities Act ("**Regulation S**").

By submitting a bid in connection with the Offer or receiving any Offer Shares, each Bidder will be deemed to have (a) read and understood this Notice in its entirety, (b) accepted and complied with the terms and conditions set out in this Notice, and (c) made the representations, warranties, agreements and acknowledgements set out below:

Persons Outside the United States

- It understands that the Offer Shares have not been and will not be registered under the Securities Act or under the securities laws of any state of the United States and are being offered and sold to it in offshore transactions in accordance with Regulation S;
- (a) It was outside the United States (within the meaning of Regulation S) at the time the offer of the Offer Shares was made to it and it was outside the United States when its purchase order for the Offer Shares was originated, and (b) if it is a broker-dealer outside the United States acting on behalf of its customers, each of its customers has confirmed to it that such customer was outside the United States at the time the offer of the Offer Shares was made to it and such customer was outside the United States when such customer's buy order for the Offer Shares was originated;
- It did not submit a bid for and will not be acquiring the Offer Shares as a result of any "directed selling efforts" (as defined in Regulation S);



- It is buying the Offer Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Offer Shares, it agrees that it will not offer, sell, pledge or otherwise transfer the Offer Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to another available exemption from registration requirements under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India;
- It is not an affiliate (as defined in Rule 405 under the Securities Act) of the Company or a person acting on behalf of an affiliate of the Company;
- Where it is submitting a bid as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein;
- Where it is submitting a bid for one or more managed accounts, it represents and warrants that it was authorised in writing by each such managed account to purchase the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, agreements and acknowledgements herein for and on behalf of each such account, reading the reference to "it" to include such accounts;
- The placing of orders for the purchase of the Offer Shares and resultant purchase on successful allocation is and will be lawful under the laws of the jurisdictions in which it places such orders to purchase Offer Shares, in which it is resident, and in which the sale and purchase of the Offer Shares is consummated, including under all applicable Indian laws, regulations and guidelines, including the OFS Guidelines;
- It will not hold or seek to hold the Sellers or the Sellers' Brokers or any of their respective affiliates responsible or liable for any misstatements in or omissions from any publicly available information concerning the Company or the Offer or otherwise responsible or liable in any manner whatsoever in respect of any losses incurred in connection with transactions entered into by the brokers acting on its behalf in connection with the purchase of the Offer Shares;
- It agrees to indemnify and hold the Sellers and the Sellers' Brokers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Offer Shares; and
- It acknowledges that the Sellers and the Sellers' Brokers and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements and agrees that if any of such representations, warranties, agreements and acknowledgements is no longer accurate it will promptly notify the Sellers.

Any resale or other transfer, or attempted resale or other transfer, of the Offer Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.



Any resale or other transfer, or attempted resale or other transfer, of the Offer Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

Thanking You,

Yours faithfully,

For and on behalf of JTEKT Corporation



上村 秀一

Name: Hidekazu Omura
Designation: Authorized Official