



**JTEKT INDIA LIMITED**

15<sup>th</sup> July, 2025

**BSE Limited**  
Corporate Services,  
Piroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400 001  
**Scrip Code: 520057**

**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra Kurla Complex,  
Bandra (East), Mumbai 400051  
**Symbol : JTEKTINDIA**

**Sub: Proposed Rights Issue of the Fully Paid-up Equity Shares of JTEKT India Limited (“the Company”).**

Dear Sir/Madam,

Further to our earlier announcement dated July 15, 2025, and with regard to the captioned subject, please note that the Company has proposed a Rights Issue of Fully Paid-up Equity Shares of face value of Rs. 1/- each for an amount not exceeding Rs. 250 Crores on Rights basis to the eligible shareholders of the Company.

In this regard, please find enclosed the soft copy of the Draft Letter of Offer dated July 15, 2025

You are requested to kindly take the same on records.

Thanking you,  
For **JTEKT India Limited**

**Saurabh Agrawal**  
**Company Secretary**

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**Regd.Office :** UGF-6, Indra Prakash, 21, Barakhamba Road, New Delhi – 110 001, India.

**Tel :** +91 11 23311924 / 2332 7205

**CIN :** L29113DL1984PLC018415, Website : [www.jtekt.co.in](http://www.jtekt.co.in)

**Email :** [investorgrievance@jtekt.co.in](mailto:investorgrievance@jtekt.co.in)

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

**Tel :** +91 124 468 5000

# JTEKT

## JTEKT INDIA LIMITED

**JTEKT India Limited** (“Company” or “Issuer”) was originally incorporated as ‘Sona Steering Systems Limited’ on June 14, 1984, as a public limited company under the Companies Act, 1956 and was granted certificate of incorporation dated June 14, 1984 and certificate of commencement of business dated September 20, 1985, respectively, by the Registrar of Companies, Delhi and Haryana at New Delhi (“RoC”). Subsequently, the name of our Company was changed to Sona Koyo Steering Systems Limited vide certificate of incorporation dated September 18, 1988. Thereafter, the name of our Company was changed to JTEKT India Limited and a fresh certificate of incorporation consequent upon change of name was issued to our Company by RoC on April 7, 2018. For details in relation to the changes in name and registered office of our Company, see “General Information” beginning on page 33.

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

**Corporate Office:** 38/6, Delhi Jaipur Road, NH-48 Gurugram 122 001 Haryana **Tel:** 011-2331 1924; **Contact Person:** Saurabh Agrawal

**E-mail:** [investorgrievance@jtekt.co.in](mailto:investorgrievance@jtekt.co.in) **Corporate Identity Number:** L29113DL1984PLC018415

### PROMOTERS OF OUR COMPANY: JTEKT CORPORATION, JTEKT COLUMN SYSTEMS CORPORATION AND MARUTI SUZUKI INDIA LIMITED

#### FOR PRIVATE CIRCULATION TO ELIGIBLE EQUITY SHAREHOLDERS OF JTEKT INDIA LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY

**ISSUE OF UP TO [●]\* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹1 EACH OF OUR COMPANY (THE “RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹[●] PER RIGHTS EQUITY SHARE (INCLUDING A PREMIUM OF ₹[●] PER RIGHTS EQUITY SHARE) (“ISSUE PRICE”) AGGREGATING UP TO 25,000.00 LAKHS\* ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [●] ([●]) RIGHTS EQUITY SHARE FOR EVERY [●] ([●]) FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [●] (“RECORD DATE”) (THE “ISSUE”). FOR FURTHER DETAILS, SEE “TERMS OF THE ISSUE” BEGINNING ON PAGE 66.**

*\*Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.*

#### WILFUL DEFAULTERS OR FRAUDULENT BORROWERS

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

#### GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Specific attention of investors is invited to the section “Risk Factors” beginning on page 19.

#### COMPANY’S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

#### LISTING

The existing Equity Shares of our Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), and together with BSE, the “Stock Exchanges”). Our Company has received “in-principle” approvals from BSE and NSE for listing the Rights Equity Shares through their letters dated [●] and [●], respectively. Our Company will also make applications to BSE and NSE to obtain trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular. For the purposes of the Issue, the Designated Stock Exchange is BSE.

#### REGISTRAR TO THE ISSUE

##### KFIN Technologies Limited

Selenium Building, Tower B, Plot Nos. 31 & 32, Financial District,  
Nanakramguda, Serilingampally, Hyderabad - 500032, Rangareddy, Telangana, India

**Telephone:** 91-40-67162222/18003094001

**Email:** [jtektindia.rights@kfintech.com](mailto:jtektindia.rights@kfintech.com) ; **Investor grievance email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Website:** [www.kfintech.com](http://www.kfintech.com) ; **Contact Person:** M Murali Krishna

**SEBI registration no.:** INR000000221



#### ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS*	[●]
ISSUE CLOSING DATE**	[●]
DATE OF FINALISATION OF BASIS OF ALLOTMENT	[●]
DATE OF ALLOTMENT	[●]
DATE OF CREDIT OF RIGHTS EQUITY SHARES	[●]
DATE OF LISTING	[●]

\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat accounts of the Renouncees on or prior to the Issue Closing Date.

\*\*Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

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## TABLE OF CONTENTS

<b>SECTION I – GENERAL .....</b>	<b>1</b>
DEFINITIONS AND ABBREVIATIONS .....	1
NOTICE TO INVESTORS .....	9
PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION.....	12
FORWARD LOOKING STATEMENTS .....	14
SUMMARY OF THIS DRAFT LETTER OF OFFER .....	16
<b>SECTION II: RISK FACTORS .....</b>	<b>19</b>
<b>SECTION III: INTRODUCTION.....</b>	<b>32</b>
THE ISSUE .....	32
GENERAL INFORMATION .....	33
CAPITAL STRUCTURE .....	37
OBJECTS OF THE ISSUE .....	39
STATEMENT OF SPECIAL TAX BENEFITS .....	49
OUR MANAGEMENT .....	54
<b>SECTION IV: FINANCIAL INFORMATION.....</b>	<b>57</b>
FINANCIAL STATEMENTS .....	57
FINANCIAL INFORMATION .....	58
GOVERNMENT APPROVALS .....	61
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	62
<b>SECTION V: ISSUE INFORMATION .....</b>	<b>66</b>
TERMS OF THE ISSUE .....	66
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	92
RESTRICTIONS ON PURCHASES AND REALES .....	93
<b>SECTION VI: OTHER INFORMATION.....</b>	<b>96</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	96
DECLARATION .....	98

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates, or implies or unless otherwise specified, shall have the meaning as provided below.*

*References to any legislation, act, regulation, rule, guideline, clarification or policy shall be to such legislation, act, regulation, rule, guideline or policy as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision. The words and expressions used in this Draft Letter of Offer, but not defined herein shall have the meaning ascribed to such terms under the SEBI ICDR Regulations, the SEBI LODR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.*

*The following list of capitalised terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective investor only and is not exhaustive. However, terms used in the sections entitled “Summary of this Draft Letter of Offer”, “Risk Factors”, “Financial Statements”, “Statement of Special Tax Benefits”, “Terms of the Issue” on pages 16, 19, 57, 49, and 66 respectively, shall, unless indicated otherwise, have the meanings ascribed to such terms in the respective sections/ chapters.*

#### General Terms

Term	Description
“Company”, “our Company”, “the Company”, “the Issuer” or “JTEKT India Limited” or “JTEKT”	JTEKT India Limited, a public limited company, incorporated under the Companies Act, 1956, and having its registered office at New Delhi.

#### Company Related Terms

Term	Description
“Articles of Association” or “Articles”	Articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Board
“Auditor” or “Statutory Auditor”	The current statutory auditor of our Company, B S R & Co. LLP
“Board of Directors” or “Board” or “our Board”	The board of directors of our Company. For details, see “Our Management – Board of Directors” on page 54
“Chairman” or “Managing Director” or “CMD”	The chairman and Managing Director of the Board of our Company, Minoru Sugisawa. For details, see “Our Management - Board of Directors” on page 54
“Chief Financial Officer” or “CFO”	The chief financial officer of our Company, Vikas Goel.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, Saurabh Agrawal, appointed to perform the functions of a “company secretary” under Section 203 of the Companies Act, 2013. For details, see “General Information – Company Secretary and Compliance Officer” on page 33 and “Other Regulatory and Statutory Disclosures – Mechanism for Redressal of Investor Grievances – Company Secretary & Compliance Officer” on page 64, respectively.
Corporate Office	The corporate office of our Company is located at 38/6, Delhi Jaipur Road, NH-48 Gurugram 122 001, Haryana
CVJ	Constant velocity joints
Directors	The directors on our Board, as may be appointed from time to time. For details, see “Our Management – Board of Directors” on page 54
Equity Shares	Equity shares of face value of ₹1 each of our Company
Executive Director(s)	The executive Director(s) of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our executive director(s), see “Our Management – Board of Directors” on page 54

Term	Description
“Fiscal 2025 Audited Financial Results” or “Audited Financial Results”	The audited financial results of our Company, as at and for Fiscal 2025, have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act read with rule 3 of the companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India
Independent Chartered Accountant	Manish Malhotra & Co., Chartered Accountants
Independent Director(s)	The non-executive, independent Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Independent Directors, see “ <i>Our Management – Board of Directors</i> ” on page 54
JCS	JTEKT Column Systems Corporation
JBIN	JTEKT Bearings India Private Limited
Key Managerial Personnel	Key managerial personnel of our Company determined in accordance with Regulation 2(1)(bb) of the SEBI ICDR Regulations
Materiality Threshold	An amount equivalent to 5% of the average of absolute value of profit or loss after tax for the last three Fiscals ended 2025, 2024 and 2023 as per the Fiscal 2025 Audited Financial Results, Fiscal 2024 Audited Financial Results and Fiscal 2023 Audited Financial Results, which is determined to be ₹ 448.74 lakhs, being the lower of (i) 5% of average of absolute value of profit or loss after tax for the last three Fiscals ended 2025, 2024 and 2023 as per the Fiscal 2025 Audited Financial Results, Fiscal 2024 Audited Financial Results and Fiscal 2023 Audited Financial Results, (ii) 2% of turnover as per the Fiscal 2025 Audited Financial Results, and (iii) 2% of the net worth, as per the Audited Financial Results of our Company for the Fiscal 2025, adopted by our Board <i>vide</i> their resolution dated August 10, 2023 for the purposes of disclosures in this Draft Letter of Offer, where applicable, in conformity with the ‘ <i>Policy for Determination of Materiality of Disclosures</i> ’ framed in accordance with Regulation 30 of the SEBI LODR Regulations and adopted by our Board
“Memorandum of Association” or “Memorandum”	Memorandum of association of our Company, as amended from time to time
MSIL	Maruti Suzuki India Limited
Nomination and Remuneration Committee	Nomination and remuneration committee of our Board of Directors
Non-Executive Director(s)	The non-executive Directors of our Company, appointed as per the Companies Act, 2013 and the SEBI LODR Regulations. For details of our Non-Executive Directors, see “ <i>Our Management – Board of Directors</i> ” on page 54
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
“Promoters”	The promoters of our Company being, JTEKT Corporation, Maruti Suzuki India Limited and JTEKT Column Systems Corporation
Registered Office	The registered office of our Company is located at UGF-6, Indraprakash 21, Barakhamba Road, New Delhi 110 001
Rights Issue Committee	The rights issue committee, being the sub-committee of our Board of Directors, consisting of Yosuke Fujiwara, whole-time director (chairperson); Deepika Gera, independent director (member); and Rajiv Chanana, whole-time director (member)
Senior Management	Senior management personnel of our Company determined in accordance with Regulation 2(1)(bbbb) of the SEBI ICDR Regulations
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of our Board of Directors
Whole-time Directors	The whole-time directors of our Company. For details, please see “ <i>Our Management – Board of Directors</i> ” on page 54

## Issue Related Terms

Term	Description
Additional Rights Equity Shares	The Rights Equity Shares applied for or allotted under this Issue in addition to the Rights Entitlement
Allotment Account Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Allotment Accounts will be opened, in this case being, Axis Bank Limited

Term	Description
Allotment Account(s)	The account(s) opened with the Banker(s) to the Issue, into which the Application Money, with respect to successful Applicants will be transferred on the Transfer Date in accordance with Section 40(3) of the Companies Act, 2013, as amended
Allotment Advice	The note or advice or intimation of Allotment sent to each successful Applicant who has been or is to be Allotted the Rights Equity Shares pursuant to the Issue after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made pursuant to the Issue
“Allotment” or “Allot” or “Allotted”	Allotment of Rights Equity Shares pursuant to the Issue
Allottee(s)	Person(s) to whom the Rights Equity Shares are Allotted pursuant to the Issue
“Applicant(s)” or “Investor(s)”	Eligible Equity Shareholder(s) and/or Renouncee(s), to the extent applicable under the applicable law, who are entitled to make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer
Application	Application made through submission of the Application Form or plain paper application to the Designated Branch(es) of the SCSBs or online/ electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, to subscribe to the Rights Equity Shares at the Issue Price
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in the Issue
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied for in the Issue at the Issue Price
Application Supported by Blocked Amount or ASBA	Application (whether physical or electronic) used by Applicant(s) to make an application authorizing the SCSB to block the Application Money in a specified bank account maintained with the SCSB
ASBA Account	An account maintained with SCSBs and as specified in the Application Form or plain paper Application, as the case may be, by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper Application
ASBA Circulars	Collectively, SEBI circular bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009, SEBI circular bearing reference number CIR/CFD/DIL/1/2011 dated April 29, 2011, SEBI ICDR Master Circular (to the extent it pertains to the rights issue process) and any other circular issued by SEBI in this regard and any subsequent circulars or notifications issued by SEBI in this regard
Banker to the Issue	Collectively, Escrow Collection Bank, Allotment Account Bank and the Refund Bank, which is Axis Bank Limited
Banker to the Issue Agreement	Agreement dated July 15, 2025, entered into by and among our Company, the Registrar to the Issue, and the Banker to the Issue for among other things, collection of the Application Money from Applicants/Investors and transfer of funds to the Allotment Account, on the terms and conditions thereof.
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful applicants in consultation with the Designated Stock Exchange in this Issue, as described in “ <i>Terms of the Issue</i> ” beginning on page 66
“Controlling Branches” or “Controlling Branches of the SCSBs”	Such branches of the SCSBs the Registrar to the Issue and the Stock Exchanges, a list of which is available on SEBI’s website, updated from time to time, or at such other website(s) as may be prescribed by the SEBI from time to time
Demographic Details	Details of Investors including the Investor’s address, PAN, DP ID, Client ID, bank account details and occupation, where applicable
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996
Designated Branch(es)	Such branches of the SCSBs which shall collect the Applications, used by the ASBA Investors and a list of which is available on the website of SEBI and/or such other website(s) as may be prescribed by the SEBI from time to time
Designated Stock Exchange	BSE Limited

Term	Description
Eligible Equity Shareholder(s)	Equity Shareholders as on the Record Date. Please note that only those Equity Shareholders who have provided an Indian address to our Company are eligible to participate in the Issue. For further details, see “ <i>Notice to Investors</i> ” and “ <i>Restrictions on Purchases and Resales</i> ” beginning on pages 9 and 93, respectively
“Equity Shareholder(s)” or “Shareholders”	Holder(s) of the Equity Shares of our Company
Fraudulent Borrower	Fraudulent Borrower(s) as defined under Regulations 2(1)(III) of the SEBI ICDR Regulations
Gross Proceeds	The gross proceeds raised through the Issue
Issue	This issue of up to [●] Rights Equity Shares for cash at a price of ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹25,000.00* lakhs on a rights basis to the Eligible Equity Shareholders of our Company in the ratio of [●] ([●]) Rights Equity Share for every [●] ([●]) Equity Shares held by the Eligible Equity Shareholders on the Record Date * <i>Assuming full subscription in the Issue. Subject to finalization of the Basis of Allotment.</i>
Issue Closing Date	[●]
Issue Materials	Collectively, this Draft Letter of Offer, the Letter of Offer, the Application Form, the Rights Entitlement Letter and any other material relating to the Issue
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their Applications, in accordance with the SEBI ICDR Regulations
Issue Price	₹[●] per Rights Equity Share
Issue Proceeds	The gross proceeds raised through the Issue
Issue Size	The issue of up to [●] Rights Equity Shares aggregating up to ₹25,000.00* lakhs * <i>Assuming full subscription in the Issue subject to finalization of the Basis of Allotment.</i>
“Letter of Offer” or “LOF”	The final letter of offer to be filed with the Stock Exchanges
Listing Agreements	The uniform listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI LODR Regulations
Monitoring Agency	Brickwork Ratings India Private Limited
Monitoring Agency Agreement	Agreement dated July 15, 2025 between our Company and the Monitoring Agency in relation to monitoring of Gross Proceeds
Multiple Application Forms	More than one application form submitted by an Eligible Equity Shareholder/Renouncee in respect of the same Rights Entitlement available in their demat account. However, additional applications in relation to Additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple applications
Net Proceeds	Issue Proceeds less the estimated Issue related expenses. For further details, see “ <i>Objects of the Issue</i> ” beginning on page 39
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring its Rights Entitlements through off market transfer through a depository participant in accordance with the SEBI ICDR Master Circular, circulars issued by the Depositories from time to time and other applicable laws. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading its Rights Entitlements over the secondary market platform of the Stock Exchanges through a registered stock broker in accordance with the SEBI ICDR Master Circular, circulars issued by the Stock Exchanges from time to time and other applicable laws, on or before [●], 2025
“Qualified Institutional Buyers” or “QIBs”	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Record Date	Designated date for the purpose of determining the Equity Shareholders who would be eligible to apply for the Rights Equity Shares in the Issue subject to terms and conditions



Term	Description
	set out in the Issue Materials, to be decided prior to the filing of the Letter of Offer, being [●]
Refund Bank	The Banker to the Issue with whom the refund account will be opened, in this case being Axis Bank Limited
Registrar Agreement	Agreement dated July 15, 2025 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to this Issue.
“Registrar” or “Registrar to the Issue” or “Registrar or Share Transfer Agent”	Kfin Technologies Limited
Renouncee(s)	Person(s) who has/have acquired Rights Entitlements from the Eligible Equity Shareholders on renunciation in accordance with the SEBI ICDR Master Circular.
Renunciation Period	The period during which the Eligible Equity Shareholders can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee on or prior to the Issue Closing Date
Rights Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders. The details of Rights Entitlements are also accessible on the website of our Company
Rights Entitlement(s)	Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by the Eligible Equity Shareholder on the Record Date, in this case being [●] ([●]) Rights Equity Share for every [●] ([●]) Equity Shares held by an Eligible Equity Shareholder on the Record Date.
Rights Equity Shareholders	Holder of the Rights Equity Shares pursuant to this Issue
Rights Equity Shares	Equity Shares of our Company to be Allotted pursuant to this Issue, on a fully paid-up basis on Allotment
SCSB(s)	Self-certified syndicate banks registered with SEBI, which acts as a banker to the Issue and which offers the facility of ASBA. A list of all SCSBs is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or such other website as updated from time to time
Specific Investor(s)	Regulation 77B of the SEBI ICDR Regulations defines specific investor(s) as any investor who is eligible to participate in the Issue (a) whose name has been disclosed by the Company in terms of regulation 84(1)(f)(i) of the SEBI ICDR Regulations; or (b) whose name has been disclosed by the Company in terms of sub-clause 84(1)(f)(ii) of the SEBI ICDR Regulations
Stock Exchanges	Stock exchanges where the Equity Shares are presently listed i.e. BSE and NSE
Transfer Date	The date on which the Application Money blocked in the ASBA Account will be transferred to the Allotment Account(s) in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Underwriter	Systematix Corporate Services Limited
Underwriting Agreement	Agreement dated July 15, 2025, entered into by and between our Company and the Underwriter
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Days	All days on which commercial banks in New Delhi and Chennai are open for business. Further, in respect of the Issue Period, working day means all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in New Delhi and Chennai are open for business. Furthermore, in respect of the time period between the Issue Closing Date and the listing of Equity Shares on the Stock Exchanges, working day means all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

## Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/ Full Form
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupee
Aadhaar	Aadhaar card
AGM	Annual general meeting of the Shareholders of our Company.
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Basic EPS	Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares outstanding during the year
BSE	BSE Limited
Calendar Year	Calendar year ending December 31
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
CBDT	Central Board of Direct Taxes, Government of India
CDSL	Central Depository Services (India) Limited
Central Government	Central Government of India
CIN	Corporate identity number
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	The Companies Act, 1956 along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, as amended along with the relevant rules made thereunder
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director identification number
DP ID	Depository participant’s identification number
“DP” or “Depository Participant”	Depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion)
EGM	Extraordinary general meeting
EPS	Earnings per share
FCNR	Foreign Currency Non-Resident.
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by DPIIT through notification dated October 28, 2020 issued by DPIIT, effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
“Financial Year” or “Fiscal Year” or “Fiscal” or “FY”	Period of 12 months ending March 31 of that particular year
FPI	Foreign portfolio investors as defined and registered under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAP	Generally Accepted Accounting Principles in India
GOI	Government of India
Government	Central Government and/ or the State Government, as applicable

Term/Abbreviation	Description/ Full Form
GST	Goods and services tax
HFC	Housing Finance Companies
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board
Income-Tax Act	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as specified under section 133 of the Companies Act 2013, as amended read with Companies (Indian Accounting Standards) Rules 2015
“Ind AS” or “Accounting Standards”	Accounting standards issued by the ICAI
India	Republic of India
ISIN	International securities identification number
IST	Indian standard time
IT	Information technology
LTV	Loan to value ratio
MCA	Ministry of Corporate Affairs, Government of India
Mutual Fund	Mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NACH	National Automated Clearing House
NEFT	National electronic fund transfer
Net Asset Value per Equity Share	Net Worth/ number of Equity Shares issued, subscribed and fully paid outstanding as at the end of the financial year
Net Worth	Net worth as defined under Regulation 2(1)(hh) of the SEBI ICDR Regulations, i.e., the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Net worth for our Company is paid up share capital and all reserves excluding capital reserve, amalgamation reserve, revaluation reserve and other comprehensive income
NR	Non-resident or person(s) resident outside India, as defined under the FEMA
NRE	Non-resident external
NRE Account	Non-resident external account
NRI	A person resident outside India, who is a citizen of India and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2016
NRO	Non-resident ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCBs” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
OCI	Overseas citizen of India
PAN	Permanent account number
RBI	Reserve Bank of India

Term/Abbreviation	Description/ Full Form
RBI Master Directions	Master Directions as applicable to Non-Banking Financial Company, as amended, and applicable from time to time
Regulation S	Regulation S under the U.S. Securities Act
“Return on Net Worth” or “RoNW”	Net Profit for the year attributable to owners of our Company/average net worth
RoC	Registrar of Companies, Delhi and Haryana at New Delhi
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Master Circular	SEBI master circular (SEBI/HO/CFD/PoD-1/P/CIR/2024/0154) dated November 11, 2024
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI LODR Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 201, as amended.
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, amended and as repealed and replaced by the SEBI AIF Regulations.
State Government	Government of a state of India
TPAP	Third party application provider
“U.S.” or “USA” or “United States”	United States of America, its territories or possessions, any state of the United States, and the District of Columbia
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
UPI	Unified Payment Interface
US GAAP	Generally accepted accounting principles in the U.S.
USD	United States Dollar
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be.

## NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, the Letter of Offer, Application Form and Rights Entitlement Letter and any other offering material (collectively, the “**Issue Materials**”) and issue of Rights Entitlement as well as Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or Application Form may come or who receive Rights Entitlement and propose to renounce or apply for Rights Equity Shares in the Issue are required to inform themselves about and observe such restrictions. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 93.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. In case such Eligible Equity Shareholders, have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e- mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Issue Materials will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders, who do not update our records with their Indian address or the address of their duly authorised representative in India, prior to the date on which we propose to dispatch the Issue Materials, shall not be sent any of the Issue Materials.

The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 93.

Investors can also access this Draft Letter of Offer, the Letter of Offer, and the Application Form from the websites of our Company, the Registrar, and the Stock Exchanges.

Our Company, and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders, available with the Registrar in their records.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchanges. Accordingly, the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in whole or in part, in (i) the United States, or (ii) any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India). In addition, each purchaser or seller of Rights Entitlements and the Rights Equity Shares will be deemed to make the representations, warranties, acknowledgments and agreements set forth in the “*Restrictions on Purchases and Resales*” section beginning on page 93.

Our Company, in consultation with the Registrar, reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

Neither the receipt of this Draft Letter of Offer nor any sale of Rights Equity Shares hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or the date of such information. The contents of this Draft Letter of Offer should not be construed as legal, tax, business, financial or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of the offer of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of the Rights Equity Shares or Rights Entitlements. In addition, our Company is not making any representation to any offeree or purchaser of the Rights Equity Shares regarding the legality of an investment in the Rights Entitlements or the Rights Equity Shares by such offeree or purchaser under any applicable laws or regulations.

Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by any regulatory authority, nor has any regulatory authority passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in certain jurisdictions.

The Issue Materials are supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

#### **NO OFFER IN THE UNITED STATES**

THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD IN "OFFSHORE TRANSACTIONS" AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS, LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS DRAFT LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer or where any action would be required to be taken to permit the Issue. Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders, and will dispatch this Draft Letter of Offer and Application Form only to Eligible Equity Shareholders, who have provided an Indian address to our Company. Any person who purchases or sells Rights

Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

The Rights Entitlements and the Rights Equity Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission, any U.S. federal or state securities commission or any other regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Rights Equity Shares or the accuracy or adequacy of this Draft Letter of Offer. Any representation to the contrary is a criminal offence in the United States.

In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved.

## PRESENTATION OF FINANCIAL INFORMATION AND OTHER INFORMATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Letter of Offer to (i) the 'US' or 'U.S.' or the 'United States' are to the United States of America, its territories and possessions, any state of the United States, and the District of Columbia; (ii) 'India' are to the Republic of India and its territories and possessions; and (iii) the 'Government' or 'GoI' or the 'Central Government' or the 'State Government' are to the Government of India, Central or State, as applicable.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in IST. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to the Calendar Year. Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer. In this Draft Letter of Offer, unless otherwise specified or if the context requires otherwise, references to the singular also refer to the plural and one gender also refers to any other gender, where applicable.

### Financial Data

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Audited Financial Results. The Fiscal 2025 Audited Financial Results were audited by our Statutory Auditor.

Our Company's Financial Year commences on April 1 of each Calendar Year and ends on March 31 of the following Calendar Year. Unless otherwise stated, references in this Draft Letter of Offer to a particular 'Financial Year' or 'Fiscal Year' or 'Fiscal' are to the financial year ended March 31 of that year. For details of the financial statements, see "*Financial Statements*" beginning on page 57.

Our Company prepares its financial results in accordance with Ind AS, Companies Act and other applicable statutory and/or regulatory requirements. Our Company publishes its financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Letter of Offer should accordingly be limited.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Unless stated otherwise, throughout this Draft Letter of Offer, all figures have been expressed in Rupees, in lakhs.

### Non-GAAP Measures

We have included certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance (collectively "**Non-GAAP Financial Measures**", and each, a "**Non-GAAP Financial Measure**") in this Draft Letter of Offer, which are Net Worth, Return on Net Worth, Net Asset Value per Equity Share. These Non-GAAP Financial Measures are not required by or presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of other companies in our industry. Further, these Non-GAAP Financial Measures are not a measurement of our financial performance or liquidity under Ind AS, GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, GAAP, IFRS or US GAAP. Other companies may calculate these Non-GAAP Financial Measures differently from us, limiting its usefulness as a comparative measure. However, these Non-GAAP Financial Measures may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. Accordingly, such Non-GAAP Financial Measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our financial position or results of operations as reported under GAAP.



## Currency of Presentation

All references to:

- ‘INR’, ‘₹’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of the Republic of India;
- ‘Yen’, and ‘¥’ are to the legal currency of Japan;
- ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. Dollars’ are to the legal currency of the United States of America;

Please note:

- One lakh is equal to 100,000.

## Conversion Rates for Foreign Currency:

The conversion rate for the following foreign currencies is as follows:

Sr. No.	Currency	As of March 31, 2025 (in ₹)	As of March 31, 2024 (in ₹)	As of March 31, 2023 (in ₹)
1.	100 YEN	56.75	55.09	61.80
2.	1 USD	85.58	83.37	82.21

Source: [www.fbil.org.in](http://www.fbil.org.in)

*Note: In the event that any of the abovementioned dates of any of the respective financial years is a public holiday, the previous calendar day not being a public holiday has been considered.*

## FORWARD LOOKING STATEMENTS

Certain statements contained in this Draft Letter of Offer that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'would', or other words or phrases of similar import. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our Company's expected financial conditions, result of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our Company's business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), new business and other matters discussed in this Draft Letter of Offer that are not historical facts. These forward-looking statements contained in this Draft Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company's expectations include, among others:

- Any adverse development affecting our manufacturing facilities and the regions where such facilities are located.
- We are significantly dependent on a select group of customers for our revenue from operations.
- Ability to obtain, retain and renew approvals and licenses required in the ordinary course of business and to comply with the applicable rules and regulations.
- Ability to comply with quality standards.
- Ability to comply with stringent environmental, health and safety laws, regulations and standards.
- Ability to avail adequate and uninterrupted supply of electricity and fuel.
- Our manufacturing process is subject to usual accidents including fire which may result into injury to our employees.
- Under-utilization of our manufacturing capacities and inability to effectively utilize our facilities.
- We are dependent on the expertise of our employees including key managerial personnel, and senior management, as well as our ability to attract, train, and retain skilled employees.
- Ability to achieve the desired production efficiencies through manufacturing rationalization and other cost saving efforts.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the sections entitled "*Risk Factors*" beginning on page 19.

The forward-looking statements contained in this Draft Letter of Offer are based on the beliefs of our Company's management, as well as the assumptions made by, and information currently available to, the management of our Company. Whilst our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Draft Letter of Offer or the respective dates indicated in this Draft Letter of Offer, and our Company undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated

or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI and Stock Exchange requirements, our Company will ensure that the Eligible Equity Shareholders are informed of material developments until the time of the grant of listing and trading permissions for the Rights Equity Shares by the Stock Exchanges.

## SUMMARY OF THIS DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including, the sections entitled “*Risk Factors*”, “*Capital Structure*”, “*Objects of the Issue*”, and “*Financial Statements*” beginning on pages 19, 37, 39, and 57, respectively.

### Summary of the Business

Established in 1984, our Company is a subsidiary of JTEKT Corporation, Japan and is engaged in the manufacturing of steering systems and other advanced automotive components for the passenger car and utility vehicle market in India. The Company gets its technology from JTEKT Corporation, Japan (formally known as Koyo Seiko Co. Ltd.). Our Company’s customer base includes major vehicle manufactures in India and overseas.

We have seven strategically placed manufacturing facilities located at (i) Gurgaon, Haryana; (ii) Bawal, Haryana; (iii) Dharuhera, Haryana; and (iv) Sriperumbudur, Chennai from where we serve the major auto clusters and important customers in India. The product portfolio of the company includes high performance rack and pinion manual steering gear, hydraulic power steering system, recirculating ball screw assembly, column type electric power steering, tilt and telescopic steering column, intermediate shaft, advanced column and telescopic intermediate shaft, and driveline products which include propeller shaft, case differential and newly launched driveshaft constant velocity joints (“*CVJ*”). Introduction of constant velocity joints in Indian market is a step towards our aspiration to increase our product portfolio and gain share of important driveline segment of the auto component market. The Company has set up a complete CVJ machining and assembly facility at its existing facility at Dharuhera, Haryana.

JTEKT Corporation, our holding company, previously known as Koyo Seiko Co. Ltd., a steering manufacturer, merged on January 1, 2006, with Toyoda Machine Works, Ltd., a machine tool manufacturer. With support from our parent company, our Company is continuously improving the capabilities of in-house technical centre. The main objective of this initiative is to become self-reliant in development of reliable products in India which in turn will help speed up local development, become cost competitive, adopt new technologies and ensure quick response to field issues. The Company has achieved significant progress in this direction. Our testing facility is equipped to carry out performance, strength and durability tests for manual steer gear, hydraulic power steering, and manual column. We are in the process to develop testing facility to become self-reliant for all the products manufactured in India.

In addition to product testing, the Company is also in the process of expanding facilities in the technical centre for prototype assembly as well as designing. Our engineers on regular basis are deputed to our parent company in Japan to learn product designing and other technical aspect of manufacturing.

For financial information of the Company, please see to “*Financial Statements*” and “*Financial Information*” on pages 57 and 58.

**Intention and extent of participation by our Promoter and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s).**

As on date of the draft letter of offer, JTEKT Corporation (“**JTEKT**”), JTEKT Column Systems Corporation (“**JCS**”) and Maruti Suzuki India Limited (“**MSIL**”) are the Promoters of our Company holding 65.70%, 3.85% and 5.43%, respectively, of the total equity paid up share capital. In addition to the Promoters, JTEKT Bearings India Private Limited (“**JBIN**”), a promoter group entity, holds 0.004 % of the total equity paid up share capital of our Company.

One of our Promoters, JTEKT Corporation has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue and shall also apply for, in full, of the shares renounced to it subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. Accordingly, JTEKT Corporation does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). Further, JTEKT does not have any intention to subscribe to additional Equity Shares.

One of our Promoters, JCS has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue or renounce, in full, its Rights Entitlement in favour of any promoter or promoter group entity subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. Accordingly, JCS does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). Further, JCS does not have any intention to subscribe to additional Equity Shares.

One of our Promoters, MSIL (holding only 5.43% of the total shareholding of the Company), *vide* its letter dated May 13, 2025, has confirmed that it will decide on subscribing, to its Rights Entitlements, in the Issue only post receipt of approval from its board of directors. In case, MSIL, is not subscribing to its Rights Entitlements, in full, it may renounce its entitlements in favour of a promoter group entity in discussion with the Company.

One of our Promoter Group entity, JBIN has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue and shall also apply for, in full, of the Equity Shares renounced to it. Accordingly, JBIN does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). In the event any Promoters or members of the Promoter Group, including MSIL, fails to subscribe or otherwise renounce its rights entitlement, JBIN, shall apply for such shares which are not subscribed / renounced by Promoters or other members of the Promoter Group subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. However, the total investment by the JBIN shall not exceed 10% of the Rights Issue of JTEKT India Limited.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

#### **Allotment of the under-subscribed portion of the Issue**

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s). For details regarding Underwriting Agreement, please see “*General Information - Underwriting Agreement*” on page 36.

#### **Details of our Company, Promoter and Directors being Wilful Defaulters or a Fraudulent Borrower**

Neither our Company, nor our Promoter or Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

#### **Summary of Outstanding Litigations and Defaults**

As on the date of this Draft Letter of Offer, neither our Company nor our Promoter or Directors have been issued any show cause notice(s) by SEBI or the Adjudicating Officer in proceeding for imposition of penalty, nor have any prosecution proceedings been initiated against them by SEBI.

A summary of outstanding legal proceedings involving our Company as on the date of this Draft Letter of Offer is set forth in the table below:

*(amounts in ₹ lakhs, unless otherwise specified)*

(amounts in ₹ lakhs, unless otherwise specified)					
Sr. No.	Type of Proceedings	By the Company		Against the Company	
		Number of cases	Amount involved (to the extent quantifiable)	Number of cases	Amount involved (to the extent quantifiable)
Litigation involving our Company					
A.	Criminal	2*	4.09	NIL	NIL
B.	Proceedings involving material violations of statutory regulations by our Company	NIL	NIL	NIL	NIL
C.	Matters involving economic offences where proceedings have been initiated against our Company	NIL	NIL	NIL	NIL

D.	Civil proceedings where the amount involved is equivalent to or in excess of the Materiality Threshold	NIL	NIL	NIL	NIL
E.	Material direct and indirect tax litigations where the amount involved is equivalent to or in excess of the Materiality Threshold	NIL	NIL	6	9,852.31
F.	Any other pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company	NIL	NIL	NIL	NIL

*\*These include litigations in the nature of default in payments to be made by the borrowers filed by our Company against borrowers.*

#### Other confirmations

Except as disclosed below, our Company has been in compliance with the Listing Agreement and the SEBI LODR Regulations, during the three years immediately preceding the date of this Draft Letter of Offer:

Sr. No.	ISIN	Stock Exchange	Amount of penalty (in ₹ including GST)	Reason for penalty imposition	Status
1	INE643A01035	BSE Limited & NSE	13,27,500	BSE Limited and NSE had levied fine of ₹13.27 lakhs, collectively, through their email/letter dated January 10, 2023 and July 12, 2022, respectively for non-compliance with the requirements of Regulation 17(1)(b) of the SEBI LODR Regulations, as the board did not have half of the members as Independent Directors from July 01, 2021, to November 10, 2021.	Our Company has paid the penalty amount.

## SECTION II: RISK FACTORS

*An investment in equity shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including the uncertainties described below, before making an investment in the Equity Shares. You should read this section together with “Summary of Draft Letter of Offer”, “Financial Statements”, and “Financial Information” on pages 16, 57 and 58 of this Draft Letter of Offer.*

*The risks described below are those that we consider to be most significant to our business, cash flows, results of operations and financial conditions as of the date of this Draft Letter of Offer. However, they may not be exhaustive or are not the only risks relevant to us or the Equity Shares or the industry in which we currently operate. The risks and uncertainties described below are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also materially affect our business, results of operations and financial condition. If any or some combination of the following risks, or other risks that we do not currently know about or don't believe to be material, actually occur, our business, results of operations and financial condition could suffer, the trading price of, and the value of your investment in our Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved.*

*This Draft Letter of Offer contains certain forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. For further information, see “Forward Looking Statements” on page 14. Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Annual Financial Statements. For further information, see “Financial Statements” on page 57. Our financial year ends on March 31 of each year, and references to a ‘Financial Year’ are to the twelve months ended March 31 of that year.*

### RISKS RELATING TO OUR BUSINESS AND INDUSTRY

- 1. We rely on our manufacturing facilities for our business operations and any adverse developments affecting our manufacturing facilities and the regions where such facilities are located could have an adverse effect on our business, results of operations and financial condition.***

We have seven strategically placed manufacturing facilities located at (i) Gurugram, Haryana; (ii) Bawal, Haryana; (iii) Dharuhera, Haryana; and (iv) Sriperumbudur, Chennai from where we serve the major auto clusters and important customers in India. Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, labour disputes, strikes, environmental issues, lockouts, non-availability of services of our external contractors etc.

Further, any significant malfunction or breakdown of our machinery or equipment at the manufacturing facilities may entail significant repair and maintenance costs and cause delays in our operations. In the event that we are forced to shut down our manufacturing facilities for a significant period of time, it would have a material adverse effect on our earnings, our results of operations and our financial condition as a whole.

Our business is dependent on our ability to manage our manufacturing facilities, including productivity of our workforce, compliance with regulatory requirements and certain conditions beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions and natural disasters. Our inability to effectively respond to any slowdown or shutdown and to rectify any disruption, in a timely manner and at an acceptable cost, could also lead to an inability to comply with our customers' requirements and would result in us breaching our contractual obligations. Any disruption to the operations at our manufacturing facilities may result in an adverse effect on our business, results of operations and financial condition. In addition, any significant social, political or economic disruption, or natural calamities or civil disruptions or breakdown of services and utilities in the region where manufacturing facilities are located, or changes in the policies of the state or local governments of such region, may require us to incur significant capital expenditure, or change our business structure or strategy, which could have an adverse effect on our business, results of operations and financial condition.

2. ***Our Company is subject to customer concentration risk as a select group of our customers contribute significantly to our revenues and failure to retain one or more of them will have an adverse effect on our business, financial performance and results of operations.***

During Fiscal 2025, our top four customers contributed more than 80% of our total revenue from operations in Fiscal 2025 and our top customer contributed around 60% of our total revenue in Fiscal 2025. Any adverse effect on business from such customers may lead to a decrease in the number of orders placed by them with us, thereby adversely affecting our revenue from operations.

Our revenues may be adversely affected if there is an adverse change in any of our customer's supply chain strategies or a reduction in their outsourcing of logistics, storage operations, or if our customers decide to choose our competitors over us or if there is a significant reduction in the volume of our business with such clients.

Our business from our customers is dependent on our continuing relationship with such customers, the quality of our services, competitive pricing and our ability to timely deliver on their orders, and there can be no assurance that such customers will continue to do business with us in the future on commercially acceptable terms or at all. While we believe we have maintained long-term relationships with our customers, there can be no assurance that we will continue to have such long-term relationship with them. Significant dependence on a select group of customers may increase the potential volatility of our results of operations and exposure to individual contract risks. Further any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations.

A loss of any of our significant customers, a decrease in the volume of work our customers outsource to us or a decline in our prices may materially and adversely affect our business, operations, financial condition, results of operations and prospects.

3. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business and failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, in a timely manner or at all may adversely affect our operation.***

Our operations are subject to certain government regulations, and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business and for our manufacturing facilities. As on the date of this Draft Letter of Offer, our Company has all requisite registrations to run its business operations.

Such permits and approvals are granted for a fixed period of time and need renewal from time to time. Any inability to renew these approvals may have an adverse effect on our operations. We cannot assure you that such approvals will be issued or granted to us. If we fail to obtain or retain any of these approvals or licenses or renewals thereof, in a timely manner, our business operations may be adversely affected. The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If we fail to comply with the applicable regulations or if the regulations governing our business operations are amended, we may incur increased costs, be subjected to penalties, have our approvals and permits revoked or suffer from disruption in our operations, any of which could adversely affect our business operations.

4. ***We are subject to strict quality requirements, regular inspections and audits, and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance and expose us to warranty claims, including the cancellation of existing and future orders.***

Most of our products and manufacturing processes are subject to stringent quality standards and specifications as specified by our customers in terms of the various contractual arrangements entered into with them. As a result, any failure on our part to maintain applicable standards and manufacture products according to prescribed quality specifications, may lead to loss of reputation and goodwill, cancellation of orders, loss of customers, rejection of the products, which will require us to incur additional cost, that



may not be borne by the customers, which in turn could have an adverse impact on our business prospects and financial performance. Additionally, it could expose us to pecuniary liability and/or litigation.

Our business also requires obtaining and maintaining quality certifications and accreditations from independent certification entities. Our Company has obtained various manufacturing certifications such as IATF-16949 for its manufacturing facilities and ISO 14001:2015 and ISO 45001:2018 for environmental management systems and occupational health and safety management systems respectively. Such specifications and standards of quality are an important factor in the success and wide acceptability of our products. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our manufacturing, or if we are otherwise unable to obtain such quality accreditations in the future, within time or at all, our business prospects and financial performance will be materially and adversely affected. We have had a quality defect manual steering gear which was supplied to one of our customers in the month of June, 2024. The customer contacted the affected vehicle owners for inspection and replacement of the part, free of cost. Our Company had made relevant provisions in its books of accounts to meet the cost of replacement covering part cost, labour cost and other incidental expenses.

Our customers may periodically undertake audits of our manufacturing facilities and processes. The occurrence of quality defects due to errors and omissions could damage our reputation and result in the loss of customers, adversely affecting our business, operations, cash flows, and financial condition. Failure to meet the quality standards of our products and processes can lead to serious consequences, including product rejection, requiring us to incur additional costs for replacement, withdrawal of product approval, and loss of customers, which could negatively impact our reputation, business, and financial condition. This could result in customers cancelling present or future purchases of our products. Although these incidents may not materially impact our operations, we have implemented stringent quality checks. However, there is no assurance that our products will always meet customer specifications.

Rejection of a large volume of products in the future could adversely affect our operations. The quality of our products is critical to the success of our business, and quality depends on the effectiveness of our quality control system, which, in turn, depends on a number of factors, including the design of our system, our quality control training program, and the implementation and application of our quality control policies and guidelines. Any significant failure or deterioration of our quality control system could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. As a result, our reputation, business, results of operations and financial condition could be materially and adversely affected.

**5. *We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations to our manufacturing operations may adversely affect our business, results of operations and financial condition.***

We are subject to a wide range of laws and government regulations, including in relation to safety, health, labour and environmental protection. These safety, health, labour and environmental protection laws and regulations impose controls on air and water release or discharge, noise levels, storage handling, treatment and processing, along with other aspects of our manufacturing operations.

Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, emissions management to comply with environmental standards, which may involve significant compliance costs and also result in delays.

Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits or shutdown of our manufacturing facility. The occurrence of any of these events could have an adverse effect on our business, results of operations and financial condition.

- 6. *Our manufacturing facility is dependent on an adequate and uninterrupted supply of electricity and fuel. Any shortage or disruption in electricity or fuel supply may lead to disruption in operations, higher operating cost and consequent decline in our operating margins.***

Our production operations require an adequate supply of electricity and fuel, the shortage or non-availability of which may adversely affect our operations. Our manufacturing facilities source their power from state electricity board. In addition, PNG (petroleum natural gas) is sourced from state agencies for running our generators in case of disruption in supply of electricity by the state electricity board. In addition, Company has set up Solar power generation capacity of 4391 KWp. Inadequate electricity could result in interruption or suspension of our production operations. Any failure on our part to obtain alternate sources of electricity and fuel in a timely manner, and at an acceptable cost, may cause a slowdown or interruption to our production process and have an adverse effect on our business, financial condition and results of operations. Further, the recent increase in the prices of fuel and electricity may result in an increase in our electricity and fuel expenses which may increase our operating cost in general and may have an adverse impact on our business, financial condition and results of operations.

- 7. *Our manufacturing process is subject to usual accidents including fire which may result into injury to our employees. In the event of any accidents, our Company may be held liable for damages and penalties which may impact the financials of our Company.***

Our employees/ workers may be required to work under potentially dangerous circumstances in the operation of our manufacturing facilities associated with the handling, storage, movement and production of our products, as well as accidents such as fire. Any mishandling of our equipment and machinery could also lead to serious and sometimes fatal accidents. These accidents can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities.

We have taken workmen compensation insurance, group medical insurance, group personal accident insurance and group term life insurance covering our employees working at our manufacturing unit. We believe that the insurance coverage maintained by us would be reasonably adequate to cover the normal risks associated with such accidents. In case we suffer loss or damage for accidents for which our insurance is inadequate or which exceeds our insurance coverage, the loss would have to be borne by us. Such accidents have the potential to adversely impact our financial position, our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance.

- 8. *Under-utilization of our manufacturing capacities and inability to effectively utilize our facilities could have an adverse effect on our business, results of operations and financial condition.***

We have seven strategically placed manufacturing facilities located at (i) Gurugram, Haryana; (ii) Bawal, Haryana; (iii) Dharuhera, Haryana; and (iv) Sriperumbudur, Chennai from where we serve the major auto clusters and important customers in India. The level of our capacity utilization at each of the manufacturing facilities can impact our operating results.

High-capacity utilization allows us to spread our fixed costs, resulting in a higher gross profit margin. Our product mix also affects the capacity utilization of our manufacturing facilities, and the demand and supply balance and the average selling prices of our products, would in turn affect our gross profit margin. Our capacity utilization is affected by the availability of raw materials, industry/market conditions as well as by the product requirements of, and procurement practice followed by, our customers. In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our manufacturing facilities, resulting in operational inefficiencies, which could have a material adverse effect on our business prospects and financial performance. Further, if our customers place orders of less than the anticipated volume or cancel existing orders or change their policies resulting in reduced quantities being supplied by us, it could result in under-utilization of our manufacturing capacity.

Further, the changes in demand of our customers for their products could reduce our ability to accurately estimate future customer requirements, make it difficult to schedule production and lead to over production or under-utilization of our manufacturing capacity for a particular product. Any such

mismatch leading to over or under utilization of our manufacturing facility could adversely affect our business, results of operations, financial condition and cash flows.

**9. *The success of our business relies on the expertise of our employees including key managerial personnel, and senior management, as well as our ability to attract, train, and retain skilled employees.***

The success of our business operations is largely driven by the expertise of our employees. We believe their experience has been key to our consistent growth and profitability. Our ability to sustain this growth depends on attracting and retaining top talent, developing managerial skills to address emerging business challenges, and maintaining high customer service standards.

If we fail to attract or retain skilled employees, our ability to expand could be hindered, and revenue may decline. We would need to recruit and train new hires while also ensuring existing employees adhere to internal controls and risk management procedures. Failure to properly train and motivate our workforce could lead to higher attrition, reduced customer service quality, and increased hiring costs, potentially diverting management resources and increasing exposure to high-risk credit. The loss of key management or failure to retain talented personnel could have a negative impact on our business and future financial performance. Any strike, agitation, or labour unrest involving our employees could disrupt our operations and negatively affect our business. Such actions may lead to decreased productivity, delays in services, and increased costs related to resolving labor disputes. If prolonged, they could also harm our reputation, employee morale, and relationships with customers. Additionally, labour disruptions could affect our ability to meet operational targets, attract and retain key talent, and impact our financial performance. While we strive to maintain a positive work environment and address employee concerns proactively, there can be no assurance that we will be able to prevent or quickly resolve any such disputes

**10. *We may not be successful in achieving desired production efficiencies through manufacturing rationalization and other cost saving efforts.***

As part of our strategies, we are implementing a production rationalization roadmap aimed at optimizing our manufacturing processes. This roadmap is being executed in phases, however, there is no assurance that the planned benefits, such as improved operational efficiency and cost savings, will be fully realized upon completion. Delays in implementation, unforeseen challenges during the transition, or a failure to achieve the intended synergies could hinder our ability to improve productivity and manage costs effectively. If we are unable to successfully execute this roadmap and achieve the anticipated outcomes, our operational efficiency and financial performance could be adversely affected.

**11. *We rely on third-party vendors for certain outsourced operations. If these parties fail to meet their obligations, it could negatively impact our business and result in financial losses.***

For uninterrupted manufacturing operations, the availability of raw material and components from our vendors is a prerequisite. Any failure by such vendors to maintain expected service standards, adhere to regulatory requirements, or act in a professional and ethical manner could lead to disruption of production and thereby result in customer dissatisfaction and reputational harm to our Company. If these vendors fail to meet our quality standards or perform inadequately, it could lead to operational and credit losses, affecting our profitability and reputation. While we have a vendor onboarding and monitoring process to identify and replace underperforming vendors, we cannot guarantee that these controls will fully prevent future losses. Additionally, any failure on our part to comply with the terms of our agreements with these vendors could result in premature termination of contracts, as well as claims, disputes, or litigation.

Over the years, our Company has made efforts to internalize manufacturing processes such as sheet metal, aluminum die casting and several machining processes. However, we are dependent on the vendors for several outsourced operations. Any disruptions in regular supplies by our vendors with whom certain manufacturing processes have been outsourced, could lead to disruption in manufacturing at our Company with its consequential negative impacts.

**12. *We enter into certain related party transactions in the ordinary course of our business, and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.***

In the ordinary course of business, we have entered into transactions with related parties in the past and from time to time, we may enter into related party transactions in the future. These transactions principally include purchase of goods and services, sale of goods and services, Key Management Personnel compensation, Directors' sitting fee, etc. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions, there can be no assurance that we could not have achieved more favourable terms if such transactions had not been entered into with related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future.

Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company, and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects.

**13. Any downgrade in our credit ratings could increase borrowing costs and adversely affect our access to capital and debt markets and could also affect our business, results of operations and financial condition.**

The cost and availability of capital depends in part on our short-term and long-term credit ratings. Credit ratings reflect the opinions of ratings agencies on our financial strength, operating performance, strategic position and ability to meet our obligations. Certain factors that influence our credit ratings may relate to the nature of our business and may be outside of our control. Our present credit ratings are set forth below:

Agency	Facility	Amount (Rs. in lakh)	Rating
ICRA Limited	Long Term Loans	21,110.00	ICRA AA
ICRA Limited	Short Term Loans	12,150.00	ICRA A1+

While the ratings for long term bank facilities and short term bank facilities are currently positive, any future downgrades could result in higher borrowing costs, reduced access to capital, and unfavourable financing terms, thereby adversely affecting our business operations, cash flows, and financial condition.

**14. Our insurance coverage may not adequately protect us against losses.**

We maintain insurance coverage that we believe is adequate for our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances, and are subject to certain deductibles, exclusions and limits on coverage. We cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us, or that such coverage will continue to be available on reasonable terms, or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, results of operations and financial condition.

**15. Weaknesses in our internal financial controls related to information technology and other business operations could impact the reliability of our financial reporting and expose us to risks.**

Our Company has implemented an automated compliance tool to monitor all external and internal compliances. The Company also invested in a software to implement audit trail as per current legal requirements. Despite these efforts, the Company may face failure of internal control framework due to human errors and non-adherence to desired level of efficiency and discipline.

Further, our operations rely on information technology systems, and the integrity and security of these systems are critical. Any technical failure that causes an interruption in service or availability of our systems could adversely affect operations or delay the collection of revenue or cause interruptions in our business operations.

**16. We are exposed to risks related to cyber threats and the cyber security preparedness of our strategic suppliers, which could disrupt our operations and impact our supply chain.**

In an increasingly digital environment, we face inherent risks from cyber threats. While we have been strengthening our cyber security mechanisms through initiatives like deploying EDR (endpoint detection and response) and XDR (extended detection and response) systems and implementing third-party risk intelligence platforms, sophisticated cyber-attacks are constantly evolving.

Furthermore, our reliance on strategic suppliers exposes us to risks within our supply chain if their cyber security preparedness is inadequate. We have conducted assessments of our strategic suppliers' cyber security preparedness, but we cannot guarantee that these measures will be sufficient to prevent all potential breaches or disruptions originating from third parties. A successful cyber-attack on our systems or those of our key suppliers could lead to data breaches, operational downtime, financial losses, and reputational harm, any of which could materially and adversely affect our business and results of operations.

***17. Our operations outside of India could be impacted by civil and economic instability, trade restrictions like custom tariffs, and other geopolitical factors including wars which may adversely affect our operating results and financial position***

The Indian market and economy are influenced by economic and market conditions in other countries. Tensions in regions such as the Red Sea and ongoing conflicts like those between Iran and Israel have significantly aggravated global trade networks, leading to supply chain disruptions and rising inflationary pressures. These geopolitical factors, coupled with global macroeconomic headwinds, pose ongoing hurdles for our operations. While we strive to maintain resilience, there is no assurance that these external factors will not have a material adverse effect on our business, including but not limited to, increased costs of raw materials, disruptions in the supply of components, and reduced demand for our products, thereby impacting our results of operations and financial condition.

Other factors that could negatively affect the Indian economy and our business include a scarcity of credit, volatility in stock market activity, changes in fiscal or monetary policies, political instability, terrorism, military conflict, natural disasters, and health crises. Any future global economic developments, or concerns about their potential occurrence, could continue to affect global economic conditions and the stability of markets. Additionally, civil unrest and other social or economic challenges in India could dampen economic activity and adversely impact our business, financial condition, cash flows, and results of operations, while potentially lowering the price of our equity shares

***18. There is no assurance that our Company will be able to pay dividends in the future. Our ability to do so will depend on various factors, including regulatory requirements, future earnings, financial condition, cash flows, working capital needs, capital expenditures, and the terms of our financing agreements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements and capital expenditure. We may decide to retain all of our earnings to finance the development and expansion of our businesses and, therefore, may not declare dividends on the Equity Shares. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, our ability to pay dividends may also be restricted by the terms of financing arrangements that we may enter into. We cannot assure you that we will be able to pay dividends in the future.

***19. Our Company is party to certain legal proceedings. Any adverse decision in such proceedings may have an adverse effect on our business, results of operations and financial condition.***

Our Company is party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts, tribunals and forums. There can be no assurance that these litigations will be decided in our favour and consequently it may divert the attention of our management and strain our corporate resources and we may incur significant expenses in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against us, there could be an adverse effect on our reputation, business, financial condition and results of operations. For the details of the cases filed by and against our

Company, see “*Summary of this Draft Letter of Offer – Summary of Outstanding Litigation and Defaults*” on page 17 of this Draft Letter of Offer.

**20. *Our inability to protect or effectively utilize our intellectual property rights could negatively impact our business.***

Our brand name and trademarks are crucial to our business and operations. Unauthorized use of our name or logo by third parties could harm our reputation, potentially impacting our financial performance.

**21. *Any slowdown in the automobile Industry in India could significantly decrease the demand for our products.***

The demand for our products is dependent, among other things, on the conditions of the global economy and in particular, the Indian economy. The demand for our products is significantly affected by the automobile industry. A decline in economic activity in India or in international markets may have an adverse effect on consumer and industrial demand for new vehicles. Sales of new vehicles in India are affected by the time of year, weather, interest rates, fuel prices and the overall economic environment. If industrial or consumer demand for new vehicles decreases, it would have a corresponding impact on the demand for our products and may materially and adversely affect our business, financial condition, results of operations, cash flows and business prospects.

**22. *Our Company has approved a significant capital investment for setting up a new manufacturing facility in Gujarat, which may pose execution, operational, and financial risks.***

The Board of Directors have approved the setting up of a manufacturing facility, including the operational commencement and associated strategic and funding plans. While this project is expected to strengthen our manufacturing footprint and long-term growth, it is subject to a range of execution risks.

These include potential delays in vendor finalization, supply chain disruptions, regulatory approvals and construction timelines. Any delay in execution may result in cost overruns, deferment of revenue generation, and adverse cash flow impact. Further, we will utilize certain portions of the Net Proceeds from the Issue for setting up the infrastructure for the proposed manufacturing facility. For details, see “*Objects of the Issue*” on page 39.

Additionally, post-commissioning, the Company may face challenges in stabilizing plant operations, achieving desired productivity, and maintaining quality and cost efficiencies. Any such operational deviation may adversely impact the Company’s profitability, financial condition, and reputation.

**23. *Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For details, see “*Objects of the Issue*” on page 39. However, the deployment of the Gross Proceeds will be monitored by the Monitoring Agency, Brickwork Ratings India Private Limited in accordance with Regulation 82 of the SEBI ICDR Regulations and the Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations which will be uploaded on the website of our Company and will also be intimated on the websites of the Stock Exchanges.

## **RISKS RELATING TO THE ISSUE**

**1. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.***

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail

(or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements. For details, see “*Terms of the Issue*” on page 66 of this Draft Letter of Offer.

**2. *No market for the Right Entitlements may develop and the price of the Right Entitlements may be volatile.***

No assurance can be given that an active trading market for the Rights Entitlements will develop on the Stock Exchanges during the Renunciation Period or that there will be sufficient liquidity in Rights Entitlements trading during this period. The trading price of the Rights Entitlements will not only depend on supply and demand for the Rights Entitlements, which may be affected by factors unrelated to the trading in the Equity Shares, but also on the quoted price of the Equity Shares, amongst others. Factors affecting the volatility of the price of the Equity Shares, as described herein, may magnify the volatility of the trading price of the Rights Entitlements, and a decline in the price of the Equity Shares will have an adverse impact on the trading price of the Rights Entitlements.

**3. *The Equity Shares may experience price and volume fluctuations or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares may fluctuate after this Issue as a result of several factors, including volatility in the Indian and global securities markets, the results of our operations, the performance of our competitors, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India’s economic liberalization and deregulation policies, inclusion or exclusion of our Company in indices, significant developments in India’s fiscal regulations and any other political or economic factors. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Further, the price at which the Equity Shares are initially traded may not correspond to the prices at which the Equity Shares will trade in the market subsequently. General or industry specific market conditions or stock performance or domestic or international macroeconomic and geopolitical factors unrelated to our performance also affect the price of the Rights Equity Shares. In particular, the stock market as a whole recently experienced extreme price and volume fluctuations that have affected the market price of many companies in ways that may have been unrelated to the companies’ operating performances. For these reasons, investors should not rely on recent trends to predict future share prices, results of operations or cash flow and financial condition.

**4. *The Rights Entitlement of Eligible Equity Shareholders may lapse in case they fail to furnish the details of their demat account to the Registrar.***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form.

Our Company has opened a separate demat suspense escrow account and would credit Rights Entitlements on the basis of the Equity Shares which of the Eligible Equity Shareholder whose: (a) demat accounts are frozen or (b) where the Equity Shares are lying in the unclaimed/ suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or (c) details of which are unavailable with our Company or with the Registrar on the Record Date or (d) where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (e) where credit of the Rights Entitlements have returned/reversed/failed for any

reason; or (f) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (g) such other cases where our Company is unable to credit Rights Entitlements for any other reasons.

Our Company shall credit the Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are required to provide relevant details / documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner and such lapsing of Rights Entitlement may dilute and adverse impact the interest of certain Eligible Equity Shareholders. For details, please see “*Terms of the Issue*” on page 66.

Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders.

**5. *We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the trading price of our Equity Shares.***

Any future equity issuances by us, may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of shares may occur, may lead to dilution of your shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the major shareholders will not dispose of, pledge or otherwise encumber their shares.

**6. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

In terms of the SEBI ICDR Regulations, Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operations or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of our Equity Shares will not decline below the Issue Price. To the extent the market price for our Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Rights Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the



shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

**7. *We will not distribute this Draft Letter of Offer, the Application Form and the Rights Entitlement Letter to certain categories of overseas shareholders.***

In the case that Eligible Equity Shareholders have provided their valid e-mail address our Company will send this Draft Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material ("Issue Material") only to their valid e-mail address and in the case that such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Other than as indicated above, the Issue materials will not be distributed to addresses outside India on account of restrictions that apply to circulation of such materials in overseas jurisdictions.

However, the Companies Act, 2013 requires companies to serve documents at any address, which may be provided by the members as well as through e-mail. Presently, there is lack of clarity under the Companies Act, 2013 and the rules made thereunder with respect to distribution of the Issue materials in overseas jurisdictions where such distribution may be prohibited under the applicable laws of such jurisdictions. However, we cannot assure you that the regulator or authorities would not adopt a different view with respect to compliance with the Companies Act, 2013 and may subject us to fines or penalties.

**8. *Investors may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares and Rights Entitlements.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long-term capital gains tax in India if securities transaction tax ("STT") was paid on the sale transaction. However, tax is now payable on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while unrealized capital gains earned up to January 31, 2018 on such Equity Shares are exempted.

Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, in addition to payment of STT. Capital gains arising from the sale of our Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares and Rights Entitlements. Further, the Finance Act, 2020, has, amongst others things, notified changes and provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident, and are subject to tax deduction at source.

**9. *Investors will be subject to market risks until our Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading our Equity Shares Allotted to them only after they have been credited to an investor's demat account, are listed and permitted to trade. Since our Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for our Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that our Equity Shares allocated to an investor will be timely credited to the investor's demat account or that trading in such Equity Shares will commence in a timely manner.

**10. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of our Equity Shares.***

Foreign investment in Indian securities is subject to regulation by Indian regulatory authorities. Under the FDI Policy, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, foreign investment up to 100% is permitted in our sector, subject to satisfaction of certain conditions. Also, under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are permitted (subject to certain exceptions) if they comply with, among other things, the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares does not comply with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate any such foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

**11. *Overseas shareholders may not be able to participate in our Company's proposed rights offerings or certain other equity issues.***

If our Company offers or causes to be offered to holders of its Equity Shares rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in making such rights available to overseas holders of the Equity Shares or in disposing of such rights for the benefit of such holders and making the net proceeds available to such holders. For instance, our Company may not offer such rights to the holders of Equity Shares who have a registered address in the United States unless: (i) a registration statement is in effect, if a registration statement under the U.S. Securities Act is required in order for our Company to offer such rights to holders and sell the securities represented by such rights; or (ii) the offering and sale of such rights or the underlying securities to such holders are exempt from registration under the provisions of the U.S. Securities Act. Our Company has no obligation to prepare or file any registration statement. Accordingly, shareholders who have a registered address in the United States may be unable to participate in future rights offerings and may experience a dilution in their holdings as a result.

**12. *Holders of our Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer holders of its equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by the Company. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, you may suffer future dilution of your ownership position and your proportional interests in us would be reduced.

**13. *SEBI operates an index-based market-wide circuit breaker. Any operation of a circuit breaker may adversely affect a shareholder's ability to sell, or the price at which it can sell, our Equity Shares at a particular point in time.***

We are subject to an index-based market-wide circuit breaker generally imposed by SEBI on Indian stock exchanges. This may be triggered by an extremely high degree of volatility in the market activity (among other things). Due to the existence of this circuit breaker, there can be no assurance that shareholders will be able to sell our Equity Shares at their preferred price or at all at any particular point in time.

**14. *Rights of shareholders under Indian law may differ or may be more limited than under the laws of other jurisdictions.***

The Companies Act and rules made thereunder, the rules and regulations issued by SEBI and other regulatory authorities, the Memorandum of Association, and the Articles of Association govern the corporate affairs of our Company. Indian legal principles relating to these matters and the validity of corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. In accordance with the provisions of the Companies Act the voting rights of an equity shareholder in a company shall be in proportion to the share of a person in the paid-up equity share capital of that company. Further, Section 106(1) of the Companies Act read with the Articles of Association specifically provides that no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid.

## SECTION III: INTRODUCTION

### THE ISSUE

The Issue has been authorized by way of resolution passed by our Board on July 15, 2025 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board at its meeting held on [●], 2025.

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the section entitled “*Terms of the Issue*” beginning on page 66.

<b>Rights Equity Shares being offered by our Company</b>	Up to [●] Rights Equity Shares
<b>Rights Entitlement for the Rights Equity Shares</b>	[●] Rights Equity Share for every [●] Equity Shares held on the Record Date
<b>Record Date</b>	[●]
<b>Face Value per Equity Share</b>	₹1 each
<b>Issue Price</b>	₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share)
<b>Dividend</b>	Such dividend, as may be recommended by our Board and declared by our Shareholders, in accordance with applicable law <sup>^</sup>
<b>Issue Size</b>	25,000.00 lakhs* *Assuming full subscription in the Issue subject to finalization of the Basis of Allotment.
<b>Equity Shares issued, subscribed, paid-up and outstanding prior to the Issue</b>	254,280,483 Equity Shares. For details, see “ <i>Capital Structure</i> ” beginning on page 37.
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlement)</b>	[●]** Equity Shares
<b>Security Codes for the Equity Shares</b>	ISIN for Equity Shares: INE643A01035 BSE: 520057 NSE: JTEKTINDIA
<b>ISIN for Rights Entitlements</b>	[●]
<b>Terms of the Issue</b>	For further information, see “ <i>Terms of the Issue</i> ” beginning on page 66.
<b>Use of Issue Proceeds</b>	For further information, see “ <i>Objects of the Issue</i> ” beginning on page 39.

\*\* To be updated on finalization of the Issue Price.

<sup>^</sup>Our Board, in their meeting held on May 23, 2025, have recommended a dividend of ₹0.70 per Equity Share of face value of ₹1 each for the Financial Year ended March 31, 2025, subject to approval of the Shareholders in the AGM to be held on August 28, 2025. For the purpose of dividend payment, the record date has been set as August 9, 2025.

For details in relation to fractional entitlements, see “*Terms of the Issue – Basis for this Issue and Terms of this Issue – Fractional Entitlements*” on page 83.

### Terms of Payment

<b>Due Date</b>	<b>Face Value (₹)</b>	<b>Premium (₹)</b>	<b>Total amount payable per Rights Equity Share (including premium)(₹)</b>
On Application (i.e., along with the Application Form)	1	[●]	[●]

## GENERAL INFORMATION

Our Company was originally incorporated as Sona Steering Systems Limited on June 14, 1984 as a limited company under the Companies Act, 1956 and was granted certificate of incorporation and certificate of commencement of business dated June 14, 1984 and September 20, 1985, respectively by the RoC. Subsequently, the name of our Company was changed to Sona Koyo Steering Systems Limited vide certificate of incorporation dated September 18, 1998, and thereafter, it was changed to JTEKT India Limited and a fresh certificate of incorporation consequent upon change of name was granted to our Company by RoC on April 7, 2018.

### Registered Office

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

### Corporate Office

38/6, Delhi Jaipur Road,  
NH-48, Gurugram 122 001, Haryana

### Changes in the registered office of our Company

Except as disclosed below, there has been no change in the registered office of our Company since its incorporation:

Date of change	Details of change in the registered office	Reasons for change of registered office
October 1, 1987	The address of the registered office of our company was changed from Allahabad Bank Building, 17, Parliament Street, New Delhi to Chiranjiv Tower, 43, Nehru Place, New Delhi.	Administrative convenience
July 1, 1990	The address of the registered office of our company was changed from 15 <sup>th</sup> floor, Chiranjiv Tower, 43, Nehru Place, New Delhi – 110 001 to 12th Floor, Indraprakash Building, 21, Barakhamba Road, New Delhi 110 001.	
May 21, 2002	The address of the registered office of our company was changed from 12th Floor, Indraprakash Building, 21, Barakhamba Road, New Delhi 110 001 to UGF-6, Indraprakash, 21, Barakhamba Road, New Delhi 110 001.	

### Address of the RoC

Our Company is registered with the RoC, which is at the following address:

### Registrar of Companies, Delhi and Haryana at New Delhi

Registrar of Companies  
4th Floor, IFCI Tower,  
61, Nehru Place,  
New Delhi – 110 019

### Company Secretary and Compliance Officer

Saurabh Agrawal is the Company Secretary and Compliance Officer of our Company. His details are as follows:

### Saurabh Agrawal

38/6, Delhi Jaipur Road, NH-48  
Gurugram 122 001, Haryana  
**Tel:** 011-23311924, 23327205  
**E-mail:** [investorgrievance@jtekt.co.in](mailto:investorgrievance@jtekt.co.in)

### Statutory Auditor of our Company

**B S R & Co. LLP**, Chartered Accountants  
**Address:** Building No. 10, 12th Floor, Tower C, DLF

Cyber City, Phase-II, Gurugram- 122 002  
**Tel:** +911247191000  
**E-mail:** mkapoor@bsraffiliates.com  
**Firm Registration Number:** 101248W/W-100022  
**Peer Review Certificate Number:** 014196

#### **Banker to the Issue**

##### **Axis Bank Limited**

Axis Bank Limited  
Corporate Branch Banking  
Plot No 25, 3rd Floor, Pusa Road  
Karol Bagh, New Delhi - 110005  
**Tel:** 011-47396617  
**E-mail:** CBBNewDelhi.Branchhead@axisbank.com  
**Website:** www.axisbank.com  
**Contact Person:** Pooja Agarwal/Supriya Gopi  
**SEBI Registration No.:** INBI00000017  
**CIN:** L65110GJ1993PLC020769

#### **Registrar to the Issue**

##### **KFIN Technologies Limited**

Selenium Tower B, Plot No. 31 & 32 Financial District,  
Nanakramguda Serilingampally  
Hyderabad 500 032, Rangareddy,  
Telangana, India  
**Tel:** +91-40-67162222/18003094001  
**E-mail:** [jtektindia.rights@kfintech.com](mailto:jtektindia.rights@kfintech.com)  
**Investor grievance email:** einward.ris@kfintech.com  
**Website:** www.kfintech.com;  
**Contact Person:** M Murali Krishna

#### **Advisor to the Issue**

##### **Systematix Corporate Services Limited**

The Capital, A-Wing,  
No. 603-606, 6th Floor, Plot No. C-70,  
G-Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051, Maharashtra  
**Tel:** +91-22-6704 8000  
**Contact Person:** Hanishi Shah  
**Website:** www.systematixgroup.in  
**E-mail:** steernova@systematixgroup.in

#### **Legal Counsel to the Issue**

##### **Saraf and Partners**

2402, Tower 2,  
One International Centre,  
Senapati Bapat Marg,  
Prabhadevi West, Mumbai – 200 013,  
Maharashtra, India  
**Tel:** +91 (22) 4405 0600  
**Contact Person:** Mathew Thomas  
**Website:** <https://sarafpartners.com/>  
**E-mail:** project\_steernova@sarafpartners.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar

to the Issue, with a copy to the SCSB giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the Application Forms, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, see “*Terms of the Issue*” beginning on page 66.

## **Experts**

Our Company has received written consent from the Statutory Auditor, namely B S R & Co. LLP, through their letter dated July 10, 2025, to include their name in this Draft Letter of Offer, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of and inclusion of (i) the Fiscal 2025 Audited Financial Results; (ii) its audit report dated May 23, 2025 in respect of the Fiscal 2025 Audited Financial Results and (iii) statement of possible special tax benefits dated and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

Our Company has received a written consent letter dated July 9, 2025, and July 10, 2025 from Manish Malhotra & Co., Chartered Accountants, Independent Chartered Accountants, to include their name in this Draft Letter of Offer, and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in their capacity as an Independent Chartered Accountant to our Company, in relation to their certificate on repayment of loan dated July 9, 2025 and certificate on objects dated Jul 10, 2025, respectively.

Our Company has received written consent from CREDO architects, interior designers, independent architect to include their name in this Draft Letter of Offer and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate dated July 11, 2025 issued in relation to construction of infrastructure proposed to be funded through net proceeds.

The term “expert” and “consent” does not represent an “expert” or “consent” within the meaning under the U.S. Securities Act.

## **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34) and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

## **Credit Rating**

As the Issue is of Equity Shares, there is no credit rating required for the Issue.

## **Debenture Trustee**

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

## **Monitoring Agency**

Our Company has appointed Brickwork Ratings India Private Limited to monitor the utilization of the Gross Proceeds in terms of Regulation 82 of the SEBI ICDR Regulations.

### **Brickwork Ratings India Private Limited**

3rd Floor, Raj Alkaa Park,

Kalena Agrahara,

Bannerghatta Road, Bangalore 560 076, Karnataka

**Telephone number:** 080 – 4040 9940/ 080-4040 9999

**E-mail:** [rakesh.singh@brickworkratings.com](mailto:rakesh.singh@brickworkratings.com)

**Website:** [www.brickworkratings.com](http://www.brickworkratings.com)

## **Book Building Process**

As the Issue is a rights issue, the Issue shall not be made through the book building process.

### **Underwriting**

Our Company has entered into an underwriting agreement dated July 15, 2025 with Systematix Corporate Services Limited for underwriting, in full, the under-subscribed portion of the Rights Entitlement in the public category of Eligible Shareholders.

#### ***Details of the Underwriter***

##### **Systematix Corporate Services Limited**

**Address:** The Capital, A-Wing, No. 603-606, 6<sup>th</sup> Floor, Plot No. C-70, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India

**Telephone no.:** 91-22-6704 8000

**Email:** [steernova@systematixgroup.in](mailto:steernova@systematixgroup.in)

Our Board of Directors have confirmed that the Underwriter has sufficient resources to enable them to discharge its underwriting obligations in full.

### **Filing**

This Draft Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.



## CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Letter of Offer and the details of the Rights Equity Shares proposed to be issued in the Issue, and the issued, subscribed and paid-up share capital after the Issue is as set forth below:

(In ₹ lakhs, except share data)

	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price*
<b>A</b>	<b>AUTHORISED SHARE CAPITAL</b>		
	99,10,00,000 Equity Shares of ₹ 1 each	99,10,00,000	[●]
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	25,42,80,483 Equity Shares of ₹ 1 each	25,42,80,483	[●]
<b>C</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT LETTER OF OFFER</b>		
	Up to [●]* Rights Equity Shares <sup>(1)</sup> of ₹ 1 each	Up to [●]*	Up to [●]*
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE<sup>(3)</sup></b>		
	[●]* Equity Shares	[●]*	[●]
<b>SECURITIES PREMIUM ACCOUNT</b>		<i>(in ₹ lakhs)</i>	
	Before the Issue <sup>(2)</sup>		8070.76
	After the Issue <sup>(3)</sup>		[●]

<sup>(1)</sup>To be updated upon finalisation of the Issue Price.

<sup>(2)</sup>The Issue has been authorised by our Board pursuant to a resolution dated July 15, 2025. The terms of the Issue including the Record Date and Rights Entitlement ratio have been approved by our Board pursuant to a resolution dated [●].

<sup>(3)</sup>As on date of this Draft Letter of Offer.

<sup>(4)</sup>Assuming full subscription in the Issue. Subject to finalisation of Basis of Allotment.

### Notes to the Capital Structure

#### 1. Shareholding pattern of our Company as per the last filing with the Stock Exchanges in compliance with the provisions of the SEBI LODR Regulations

- a) The shareholding pattern of our Company as on June 30, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/stock-share-price/jtekt-india-ltd/jtektindia/520057/qtrid/126.01/shareholding-pattern/Jun-2025/> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=JTEKTINDIA&tabIndex=equity>.
- b) The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, if any, as on June 30, 2025, can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=520057&qtrid=126.01&QtrName=30-Jun-25> and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=JTEKTINDIA&tabIndex=equity>.
- c) The statement showing holding of Equity Shares of persons belonging to the category “Public” including Equity Shareholders holding more than 1% of the total number of Equity Shares as on June 30, 2025, as well as details of shares which remain unclaimed for public can be accessed on the website of BSE at <https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=520057&qtrid=126.01&QtrName=30-Jun-25>

[.00&QtrName=Jun-25](https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=JTEKTINDIA&tabIndex=equity) and NSE at <https://www.nseindia.com/companies-listing/corporate-filings-shareholding-pattern?symbol=JTEKTINDIA&tabIndex=equity>.

2. Except as disclosed below, no Equity Shares have been acquired by our Promoters or members of our Promoter Group in the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange:

JTEKT Bearings India Private Limited, one of the Promoter Group Members, has acquired 10,000 Equity Shares from the open market in the last one year immediately preceding the date of filing of the Draft Letter of Offer with the designated stock exchange

3. Our Company has not made any issuances of Equity Shares for consideration other than cash in the last one year immediately preceding the date of this Draft Letter of Offer.
4. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Draft Letter of Offer.
5. The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●] per Equity Share.
6. All Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer. Further, the Rights Equity Shares allotted pursuant to the Issue, shall be fully paid-up.
7. Details of the Equity Shareholders holding more than 1% of the paid-up and subscribed share capital of the Company:

The table below sets forth details of Equity Shareholders holding more than 1% of the paid-up and subscribed share capital of our Company, as of June 30, 2025:

Sr. No	Name of the Equity Shareholders	Number of Equity Shares held	Percentage of Equity Shares held (%)
1.	JTEKT Corporation	16,70,59,997	65.70
2.	Nippon Life India Trustee Ltd – A/c Nippon India Small Cap Fund	1,83,52,763	7.22
3.	Maruti Suzuki India Limited	1,38,00,000	5.43
4.	JTEKT Column Systems Corporation	98,00,000	3.85
5.	Baroda BNP Paribas Mid Cap Fund	71,02,251	2.79
6.	Investor Education and Protection Fund Authority	43,83,432	1.72

## OBJECTS OF THE ISSUE

The Issue comprises up to [●] Rights Equity Shares of face value of ₹ 1 each for a cash price at ₹ [●] per Rights Equity Share (including a premium of ₹ [●] per Rights Equity Share) aggregating up to ₹ 25,000.00 lakhs\*. For further details, see “*Summary of this Draft Letter of Offer*” and “*The Issue*” on pages 16 and 32, respectively.

\*Assuming full subscription in the Issue subject to finalization of the Basis of Allotment.

Our Company intends to utilize the Net Proceeds from the Issue towards funding of the following objects:

1. Construction of infrastructure for setting up a production facility in Gujarat;
2. Capital expenditure towards purchase of equipment and machinery for the Dharuhera, Haryana plant;
3. Repayment of certain borrowings availed by our Company; and
4. General Corporate Purposes

(collectively, referred to herein as the “**Objects**”)

The main objects and objects incidental and ancillary to the main objects set out in our Memorandum of Association enable our Company: (i) to undertake our existing business activities and other activities set out therein; (ii) to undertake the activities proposed to be funded from the Net Proceeds; (iii) the activities towards which the loans proposed to be repaid from the Net Proceeds were utilized.

### Issue Proceeds

The details of the proceeds from the Issue are provided in the following table:

Particulars	Estimated amount (in ₹ lakhs)
Gross proceeds from the Issue*	Up to 25,000.00
(Less) Issue related expenses	[●]
Net Proceeds	[●]

\*Assuming full subscription in the Issue and subject to the finalization of the Basis of Allotment and to be adjusted as per the Rights Entitlement Ratio.

### Requirements of funds and utilization of Net Proceeds

The Net Proceeds are proposed to be utilized in accordance with the details provided in the following table:

Particulars	Estimated amount (in ₹ lakhs)
Construction of infrastructure for setting up a production facility in Gujarat	11,350.86
Capital expenditure towards purchase of equipment and machinery for the Dharuhera, Haryana	5,536.67
Repayment of certain borrowings availed by our Company	2,400.00
General Corporate Purposes*#	[●]
Net Proceeds#	[●]

\*The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds.

#Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

Pursuant to a resolution passed by our Board of Directors dated July 15, 2025, our Company has approved the utilization of the Net Proceeds for the Objects, in accordance with the schedule of deployment and implementation. For further details, see “*Material Contracts and Documents for Inspection*” on page 96.

### Proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount proposed to be deployed from the Net Proceeds (in ₹ lakhs)	Estimated Deployment of the Net Proceeds in the Financial Year ending March 31,		
		2026 (in ₹ lakhs)	2027 (in ₹ lakhs)	2028 (in ₹ lakhs)
Construction of infrastructure for setting up a production facility in Gujarat	11,350.86	5,675.42	4,540.34	1,135.10
Capital expenditure towards purchase of equipment and machinery for the Dharuhera, Haryana plant	5,536.67	4,542.90	993.77	-
Repayment of certain borrowings availed by our Company	2,400.00	2,400.00	-	-
General Corporate Purposes**	[●]	[●]	[●]	[●]
Net Proceeds#	[●]	[●]	[●]	[●]

\*The amount to be utilized for General corporate purposes will not exceed 25.00% of the Gross Proceeds.

#Assuming full subscription in the Issue and subject to finalization of the Basis of Allotment and to be adjusted per the Rights Entitlement ratio.

The funding requirements and deployment of the Net Proceeds as described herein are based on various factors including but not limited to our current business plan, management estimates, other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution or any external agency. See “Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.” on page 26. We may have to revise our funding requirements and deployment of the Net Proceeds from time to time on account of various factors, such as financial and market conditions, business and strategy, regulatory related delays, competitive environment and interest or exchange rate fluctuations, incremental preoperative expenses, taxes and duties, interest and finance charges, regulatory costs, and other external factors such as changes in the business environment or regulatory climate which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable laws.

Subject to applicable laws, in case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purpose for which funds are being raised in the Issue in accordance with the applicable laws including the SEBI ICDR Regulations. In the event that the estimated utilization of the Net Proceeds in a scheduled Financial Year is not completely met, due to the reasons stated above, the same shall be utilized in the next Fiscal Year, as may be determined by our Company in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations.

### Means of finance

The Objects set out above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue and existing identifiable accruals, as prescribed under the SEBI ICDR Regulations.

### Details of the Objects

## 1. Construction of infrastructure for setting up a production facility in Gujarat

We are engaged in the business of manufacturing automotive components and operate seven strategically placed manufacturing facilities located at (i) Gurgaon, Haryana; (ii) Bawal, Haryana; (iii) Dharuhera, Haryana; and (iv) Sriperumbudur, Chennai from where we serve the major auto clusters and important customers in India. The demand for our products has been increasing in the western region of India, however, currently we do not have a production facility in the western region. The products are supplied from our production facilities located in Haryana. To capitalize on the expanding market in western India and with a view to improve productivity, we intend to set up a production facility in Jalisana, Gujarat (“**Production Facility**”).

A plot of land admeasuring 118,484.00 square meters in Jalisana, Gujarat was acquired by us for a total consideration of ₹ 2,641.09 lakhs. Further, we intend to shift the existing production lines from our facility located in Haryana being used for supply of products to our customers in the western region to the proposed Production Facility.

We have entered into an agreement dated July 11, 2025 with Takenaka India Private Limited for providing civil construction services. Takenaka India Private Limited has provided a cost summary dated June 30, 2025 in relation to the design and building proposal for construction of infrastructure for setting up the Production Facility. In order to set up the Production Facility, we are expected to incur costs towards civil works, electrical work, mechanical work and other miscellaneous expenses. The detailed break-down of the estimated cost for construction of infrastructure for setting up the Production Facility, is set forth below and shall be entirely funded out of the Net Proceeds:

(in ₹ lakhs)		
<i>Particulars</i>	<i>Total estimated cost (in ₹ lakhs)*</i>	<i>Amount to be utilized from Net Proceeds (in ₹ lakhs)</i>
Civil work	5,774.49	5,774.49
Electrical work	920.54	920.54
Mechanical work	2,194.07	2,194.07
Other miscellaneous expenses	1,055.42	1,055.42
Taxes	1,406.34**	1,406.34**
<b>Total</b>	<b>11,350.86</b>	<b>11,350.86</b>

\*The total estimated cost is certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.

\*\*Excluding central goods and service tax and state goods and service tax on which input tax credit is available amounting to ₹ 383.67 lakhs, as certified by Manish Malhotra & Co., independent chartered account, vide certificate dated July 10, 2025.

A further break-up of the specific estimated cost towards construction of infrastructure for setting up the Production Facility is as follows:

### a) Civil work

The total estimated cost for civil work for construction of infrastructure for setting up the Production Facility is ₹5,774.49 lakhs, exclusive of taxes, provided in detail below.

<i>Sr. No.</i>	<i>Particulars</i>	<i>Total Estimated cost* (in ₹ lakhs)</i>	<i>Date of proposal</i>
1.	Excavation works (foundation works)	250.63	June 30, 2025
2.	Sub-structure works	414.09	
3.	Floor concrete works	515.05	
4.	Super structure	66.09	
5.	Steel structure	2,181.59	
6.	Internal finishing	1,269.92	
7.	External finishing	1,006.89	
8.	Cranes	34.19	
9.	Hydraulic dock leveller	36.05	
<b>Total**</b>		<b>5,774.49</b>	

\*The total estimated cost is certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.

\*\*Total is rounded off up to two decimal points.

### b) Electrical work

The total estimated cost for electrical work for setting up the Production Facility is ₹920.54 lakhs, exclusive of taxes, provided in detail below.

<i>Sr. No.</i>	<i>Particulars</i>	<i>Total Estimated cost* (in ₹ lakhs)</i>	<i>Date of proposal</i>
1.	Main feeder wiring and sub distribution board – building related	274.04	June 30, 2025
2.	Main feeder wiring and sub distribution board – process related	385.39	
3.	Lighting fixture system and wiring works	94.82	
4.	Receptacle system and wiring works	22.43	
5.	Public address system works	16.84	
6.	Telephone system works	2.33	
7.	LAN system works	2.33	
8.	Fire alarm system works	64.53	
9.	Lightning protection system	39.84	
10.	Hydraulic dock leveller	17.99	
<b>Total</b>		<b>920.54</b>	

\*The total estimated cost is certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.

#### **c) Mechanical work**

The total estimated cost for mechanical work for setting up the Production Facility is ₹2,194.07 lakhs, exclusive of taxes, provided in detail below.

<i>Sr. No.</i>	<i>Particulars</i>	<i>Total Estimated cost* (in ₹ lakhs)</i>	<i>Date of proposal</i>
1.	<b>Mechanical Utility Works</b>		June 30, 2025
a.	Filter water supply system	19.57	
b.	Soft water supply system	7.55	
c.	RO water supply system	16.03	
d.	Air compressor piping work	93.12	
e.	Cooling tower system	109.86	
<b>Sub-total</b>		<b>246.13</b>	
2.	<b>HVAC Works</b>		
a.	Ventilation System	728.74	
<b>Sub-total</b>		<b>728.74</b>	
3.	<b>Chiller works</b>		
a.	Chilled water system (chiller)	952.05	
<b>Sub-total</b>		<b>952.05</b>	
4.	<b>Fire fighting works</b>		
a.	Fire hydrant and sprinkler work	230.95	
b.	Fire extinguisher	5.52	
<b>Sub-total</b>		<b>236.47</b>	
5.	<b>Sanitary and plumbing works</b>		
a.	Sanitary works	24.92	
b.	Internal water supply system	3.65	
c.	Internal sewerage system	2.11	
<b>Sub-total</b>		<b>30.68</b>	
<b>Total</b>		<b>2,194.07</b>	

\*The total estimated cost is certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.

#### **d) Other miscellaneous expenses**

Other miscellaneous expenses may comprise of temporary works, indirect expenses, design fees and approval fees. The total miscellaneous expenses are approximately ₹ 1,055.42 lakhs and we intend to utilize the Net Proceeds for funding such miscellaneous expenses.

#### **a) Taxes**

The central goods and service tax and state goods and service tax in relation to construction of infrastructure for setting up the Production Facility amounts to ₹ 1,406.34 lakhs\* and the same will be met through the Net Proceeds.

\*Excluding central goods and service tax and state goods and service tax on which input tax credit is available amounting to ₹ 383.67 lakhs, as certified by Manish Malhotra & Co., independent chartered account, vide certificate dated July 10, 2025.

The working capital requirements in relation to the Production Facility will be met through internal accruals or debt.

### ***Schedule of Implementation***

The schedule of implementation for construction of infrastructure for setting up the Production Facility is set forth below:

<b>Particulars</b>	<b>Estimated month of commencement</b>	<b>Estimated month of completion</b>
Construction of infrastructure for setting up the Production Facility	September 2025	April 2027

Note: The above details are certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.

### ***Infrastructure facilities***

The raw materials required for manufacturing products in the Production Facility will be obtained from third party vendors. The power requirement for the Production Facility is proposed to be met through the supply of electricity from the state electricity board and the water requirement is proposed to be met during the construction phase, through numerous sources such as ground water extracted through borewell and other sources such as supply of water through tankers.

As on the date of this Draft Letter of Offer, there is no collaboration, performance guarantee, or assistance in marketing by any collaborator in relation to the proposed construction of infrastructure for setting up the Production Facility.

### ***Government Approvals***

We require the approvals stated in the table below at various stages of setting up the Production Facility, an indicative list of which is set out below. Such approvals will be granted on commencement or completion of various activities, as applicable. All such approvals shall be procured as and when they are required in accordance with applicable law.

<b>Sr. No.</b>	<b>Approvals description</b>	<b>Approving Authority and Department</b>	<b>Current status and stage at which approval is required</b>
1.	Consent to establish under the Environment Protection Act, 1986	Gujarat Pollution Board	Application made for renewal
2.	Building and other construction registration	Joint Director, Industrial Health and Safety	To be applied for before the start of construction
3.	Construction plan approval	Joint Director, Industrial Health and Safety	To be applied for after the start of construction and before the start of production
4.	License to work a Factory, as per Factories Act, 1948	Joint Director, Industrial Health and Safety	To be applied for after the start of construction and before the start of production
5.	Stability certificate	Competent authority of the factory inspectorate	To be applied for after the start of construction and before the start of production
6.	Consent to operate under the Environment Protection Act, 1986	Gujarat Pollution Board	To be applied for after the start of construction and before the start of production
7.	Temporary electrical power connection	Uttar Gujarat Vij Co. Limited	Received
8.	Preliminary electrical drawing approval for installations	Uttar Gujarat Vij Co. Limited	To be applied for before the start of electrical installation
9.	Safety certificate / NoC from electrical inspector	Electrical Inspector, Ahmedabad	To be applied for after the start of construction and

			before the start of production
10.	Permanent electrical power connection	Electrical Inspector, Ahmedabad	To be applied for after the start of construction and before the start of production
11.	Testing of earth pit	Approved contractor by the electricity department	To be applied for after the start of construction and before the start of production
12.	Building construction plan approval	Local panchayat / district authority	To be applied for before the start of construction
13.	Building use permission / NoC from local / district authority	Local panchayat / district authority	To be applied for after the start of construction and before the start of production
14.	Construction permission	Gram panchayat	To be applied for before the start of construction
15.	Water supply	Central ground water authority	To be applied for after the start of construction and before the start of production

*Note: The above details are certified by CREDO architects, interior designers, an architect vide certificate dated July 11, 2025.*

## **2. Capital expenditure towards purchase of equipment and machinery for the Dharuhera, Haryana plant**

On an ongoing basis, we invest in the purchase of equipment and machinery, which is utilized by us in carrying out our business operations, based on the future requirements estimated by our management. Our Company proposes to utilise an estimated amount of ₹ 5,536.67 lakhs from the Net Proceeds for the purpose of purchase of equipment and machinery for the Dharuhera, Haryana plant.

A list of such equipment and machinery that we have placed orders for, along with details of the purchase orders we have placed in this respect is set forth below:

Sr. No.	Purchase Order No.	Date of Purchase Order	Vendor Name	Item Type	Description	Approximate Delivery Date	Total Amount of Purchase Order (in ₹ lakhs) <sup>(1)</sup>	Payment terms	Amount to be funded from the Net Proceeds (in ₹ lakhs)
1.	25171401235	October 17, 2024	Toyotsu Machinery Corporation	Warm forging press	Kurimoto C2F-20GWL (2000T) Forging Press with Transfer System	September 2025	4,542.90	Telegraphic transfer 180 days after the bill of lading	4,542.90
2.	25171401664	December 18, 2024		Shot-blasting machine	Sinto Hanger Shot Blasting SHB-0A Machine	November 2025	135.96		135.96
3.	25171401697	December 23, 2024		Moulding and die set	Moulding and Die	September 2025	857.81		857.81



					Set for JF and JPL				
<b>Total</b>							<b>5,536.67</b>		<b>5,536.67</b>

<sup>(1)</sup> The above purchase orders are subject to additional costs such as FOB charges, insurance and freight, as applicable, which will be added when machine is ready for dispatch.

<sup>(2)</sup> The purchase orders are denominated in JPY. Such amounts have been converted into INR using a conversion rate of 1 JPY = 0.60 INR.

The purchase orders in relation to the equipment and machinery are issued prior to the date of this Draft Letter of Offer and the equipment and machinery will be delivered at a later stage. Some of the purchase orders mentioned above do not include cost of freight, installation charges, insurance, octroi, entry tax, customs duty, goods and services tax (wherever applicable) and other applicable taxes. Such additional costs shall be funded through internal accruals.

The quantity of equipment and machinery that has been purchased is based on management estimates and our business requirements. Our Company shall have the flexibility to deploy such equipment according to the business requirements of our Company and based on estimates of our management.

No second-hand or used equipment is proposed to be purchased out of the Net Proceeds. Each of the units of equipment and machinery mentioned above is proposed to be acquired in a ready-to-use condition.

### **3. Repayment of certain borrowings availed by our Company**

Our Company has entered into various financing arrangements with banks, such as term loans and working capital facilities, including fund based and non-fund-based borrowings. As on June 30, 2025, the total borrowings under the various financing arrangements of our Company aggregated to ₹ 20,196.06 lakhs.

Our Company proposes to utilise an estimated amount of ₹ 2,400.00 lakhs from the Net Proceeds towards repayment of the principal amount of certain loans availed by our Company and the accrued interest thereon.

Our Company has and will consider the following factors for identifying the loans that will be repaid out of the Net Proceeds: (i) costs, expenses and charges relating to the facility/borrowing including interest rates involved; (ii) presence of onerous terms and conditions under the facility; (iii) ease of operation of the facility; (iv) levy of any prepayment penalties and the quantum thereof; (v) provisions of any law, rules, regulations governing such borrowings; (vi) terms of pre-payment to lenders, if any; (vii) mix of credit facilities provided by lenders; and (viii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

We believe that such repayment will help reduce our outstanding indebtedness, debt servicing costs and improve our debt to equity ratio and enable utilization of internal accruals for further investment in business growth and expansion. In addition, we believe that the improved debt to equity ratio will enable us to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business. Additionally, we believe that the leverage capacity of our Company will improve our ability to raise further resources in the future to fund our potential business development opportunities and plans to grow and expand our business.

The following tables provides details of certain borrowings availed by our Company as on March 31, 2025, out of which we propose to repay, up to an amount aggregating to ₹ 2,400.00 lakhs from the Net Proceeds:

*(Remainder of this page has intentionally been left blank)*

**Details of Borrowings availed by our Company**

Sr. No.	Name of the lender	Date of sanction letter	Nature of borrowing	Tenor and repayment schedule	Principal amount sanctioned as of June 30, 2025 (in ₹ lakhs)	Balance amount outstanding as on June 30, 2025 (in ₹ lakhs)	Applicable rate of interest	Prepayment conditions/ penalty	Purpose of the borrowing
1.	MUFG Bank Limited	September 17, 2020	Term loan	Moratorium period of approximately one year and the repayment will be made quarterly for next four years after that starting from December 2021 and each drawdown separately.	5,000.00	554.88	6.00% - 7.00%	Nil	Capital expenditure and reimbursement of capital expenditure
2.	Sumitomo Mitsui Banking Corporation	October 12, 2020	Term Loan	12 months moratorium and 16 equal quarterly repayments over four years. First instalment to start from the end of the fifth quarter.	5,000.00	2,257.19	8.80% - 9.50%	The borrower may prepay the entire or any part of credit facilities by giving a minimum notice of two business days expressing its intention to prepay the entire or any part of outstanding amount under the facilities. In such event, the lender shall be entitled to charge break cost.	Capital expenditure
3.	MUFG Bank Limited	March 1, 2024	Term loan	Approximately 17 quarterly instalments to be repaid over next four years starting from March, 2025	8,500.00	6,396.38	8.35% - 8.60%	Nil	Capital expenditure and reimbursement of capital expenditure
4.	Sumitomo Mitsui Banking Corporation	February 19, 2024	Term Loan	Repayment period will be subject to drawdown taken by the Company. One year moratorium and 16 equal quarterly repayments post the moratorium period.	7,500.00	7,462.50	8.35% - 8.60%	Nil	Capital expenditure and reimbursement of capital expenditure
<b>Total</b>					<b>26,000.00</b>	<b>16,670.95</b>			

*Note: As certified by Manish Malhotra & Co., independent chartered account, vide certificate dated July 9, 2025.*

For the purposes of the Issue, our Company has intimated and has obtained necessary consents from its lenders, as is respectively required under the relevant facility documentation for undertaking activities in relation to this Issue, including consequent actions, such as change in the capital structure, change in shareholding, etc.

#### 4. General corporate purposes

Our Company intends to deploy the balance Net Proceeds aggregating up to ₹ [●] lakhs towards general corporate purposes, provided that the amount to be utilized for general corporate purposes shall not exceed 25.00% of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth including, (i) working capital requirements; (ii) funding growth opportunities; (iii) meeting ongoing general corporate exigencies and contingencies; (iv) expenses of our Company in the ordinary course of business including but not limited to salaries and wages, rent, administration expenses, insurance related expense and payment of taxes and duties; (v) other general administrative expenses, and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof, subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable. Our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

#### Estimated Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] lakhs. The break-up of the estimated Issue expenses is as follows:

Activity	Estimated amount	Percentage of the total estimated Issue Expenses	Percentage of the total Issue Size
	(in ₹ lakhs)	(%)	(%)
Fees payable to the intermediaries including advisors to the Issue, legal advisors, registrar and other professional service providers <sup>^</sup>	[●]	[●]	[●]
Fees payable to regulators, including Stock Exchanges, SEBI, depositories and other statutory fee	[●]	[●]	[●]
Printing and stationery, distribution, postage, etc.	[●]	[●]	[●]
Other expenses (including miscellaneous expenses and stamp duty)	[●]	[●]	[●]
<b>Total estimated Issue Expenses*</b>	[●]	[●]	[●]

<sup>\*</sup>Subject to finalisation of Basis of Allotment. In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All issue related expenses will be paid out of the Issue Proceeds received at the time of receipt of the Application Money.

#### Bridge financing facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Letter of Offer, which are proposed to be repaid from the Net Proceeds.

#### Interim use of the Net Proceeds

Our Company shall deposit the Net Proceeds, pending utilization of the Net Proceeds for the purposes described above, by depositing the same with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934.

#### Appraising entity

None of the objects of the Issue for which the Net Proceeds will be utilized has been appraised by any bank, financial institution or any other external agency.

#### Monitoring of utilization of funds

Our Company has appointed Brickwork Ratings India Private Limited as the Monitoring Agency to monitor utilization of proceeds from the Issue, including the proceeds proposed to be utilized towards general corporate purposes in accordance with Regulation 82 of the SEBI ICDR Regulations. Our Company undertakes to place the Gross Proceeds in a separate bank account which shall be monitored by the Monitoring Agency for utilization of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Board of Directors without any delay, till 100% of the Gross Proceeds have been utilized. Our Company will disclose and continue to disclose the utilization of the Gross Proceeds, including interim use, under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, specifying the purposes for which the Gross Proceeds have been utilized. Our Company

will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Gross Proceeds that have not been utilized, if any, of such currently unutilized Gross Proceeds.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds, which shall discuss, monitor and approve the use of the Gross Proceeds along with our Board. Further, pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall prepare an annual statement of funds utilized for purposes other than those stated in this Draft Letter of Offer and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilized. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilized in full. The statement prepared on an annual basis for utilization of the Gross Proceeds shall be certified by the Statutory Auditors of our Company, which shall be submitted by our Company with the Monitoring Agency.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilization of the proceeds of the Issue from the Objects; and (ii) details of category wise variations in the actual utilization of the proceeds of the Issue from the Objects. This information will also be published on our website and explanation for such variation (if any) will be included in our Directors' report, after placing it before the Audit Committee.

#### **Strategic or Financial Partners**

There are no strategic or financial partners to the Objects of the Issue.

#### **Other Confirmations**

No part of the Proceeds of the Issue will be paid by our Company to our Promoters, our Promoter Group, our Directors, Key Managerial Personnel or Senior Management, except in the ordinary course of business.

Neither our Promoter, nor members of the Promoter Group or our Directors have any interest in the Objects on the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS

The Board of Directors

JTEKT India Limited  
38/6, Delhi – Jaipur Road,  
Gurugram, Haryana – 122 004

Date: 10 July 2025

**Subject: Statement of possible special tax benefits (“the Statement”) available to JTEKT India Limited (“the Company”) and its shareholders prepared in accordance with the requirement under Schedule VI – Part B - Clause 1 (XII)(M) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”)**

This report is issued in accordance with the Engagement Letter dated 03 July 2025.

We hereby report that the enclosed Annexure I prepared by the Company, initialed for identification purpose, states the possible special tax benefits available to the Company and its shareholders, under direct and indirect taxes (together **the “Tax Laws”**), presently in force in India as on the signing date, which are defined in Annexure II (**List of Direct and Indirect Tax Laws (“Tax Laws”)**) prepared by the Company, initialed by us for identification purpose. These possible special tax benefits are dependent on the Company and its shareholders, fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company and its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure I cover the possible special tax benefits available to the Company and its shareholders and do not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure I and its contents is the responsibility of the management of the Company. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed rights issue of equity shares of the Company (the **“Proposed Issue”**) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on the Statement.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (**“Guidance Note”**) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. Our scope of work did not involve performance of any audit test in this context of our examination. Accordingly, we do not express an audit opinion

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of the enclosed Annexures are based on the information, explanation and representations obtained from the Company, and on the basis of our understanding of the business activities and operations of the Company.

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this report, except as per applicable law.

We hereby give consent to include this report in the Draft Letter of Offer and Letter of Offer and in any other material used in connection with the Proposed Issue, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

*For B S R & Co. LLP*  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

Place: Gurugram

**Manish Kapoor**

*Partner*

Membership No: 510688

ICAI UDIN:25510688BMOXIH2671

Date: 10 July 2025

## ANNEXURE – I

### STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO JTEKT INDIA LIMITED (“THE COMPANY”) AND ITS SHAREHOLDERS AND UNDER THE APPLICABLE DIRECT AND INDIRECT TAXES (“TAX LAWS”)

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Tax Laws. These Possible Special Tax Benefits are dependent on the Company and its shareholders fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of the Company and its shareholders to derive the Possible Special Tax Benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

#### 1. Possible Special tax benefits available to the Company

##### i) Direct taxes:

###### a. Lower corporate tax rate under section 115BAA of the IT Act:

Section 115BAA has been inserted in the IT Act by the Taxation Laws (Amendment) Act, 2019 ("the Amendment Act, 2019") with effect from 1 April 2019 (FY 2019-2020). Section 115BAA of the IT Act grants an option to a domestic company to be governed by the section from a particular assessment year ('AY'). If a company opts for section 115BAA of the IT Act, it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the IT Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their 'book profits' under section 115JB of the IT Act.

However, such a company will no longer be eligible to avail specified exemptions / incentives under the IT Act and will also need to comply with the other conditions specified in section 115BAA of the IT Act. Also, if a company opts for section 115BAA of the IT Act, the tax credit (under section 115JAA of the IT Act), if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company has decided to opt for the lower corporate tax rate of 25.168% (prescribed under section 115BAA of the IT Act) with effect from AY 2020-2021.

##### ii) Indirect Taxes:

a. **Benefits under Comprehensive Economic Partnership Agreement (CEPA):** A comprehensive economic partnership agreement (CEPA) is a free trade agreement between two countries, based on which the Company pays concessional duty on import of certain components used in the manufacture of final products.

###### b. Foreign Trade Policy 2023:

**Remission of Duties and Taxes on Exported Products Scheme (RoDTEP):** This scheme is notified with effect from 1 January 2021 with an object to neutralize the taxes and duties suffered on exported goods which are otherwise not remitted/ refunded in any manner. The benefit is given as percentage of free on board or as prescribed by the Department of Commerce. The remission of taxes is provided in the form of transferable duty credit electronic script and are subject to realization of sale proceeds within the period prescribed by Reserve Bank of India.

###### c. Custom Act, 1962:

**Duty Drawback:** Duty drawback is the Export benefit given to rebate the custom duties charged on imported materials which are used for manufacture of exported goods.

###### d. Integrated Goods and Service Tax Act, 2017:

The Company is availing the benefit of zero-rated supplies with respect to services provided to customers located outside India, without payment of Integrated Goods and Service Tax, under the cover of Letter of Undertaking ('LUT'), subject to fulfilment of conditions prescribed under the Section 16 of the Integrated Goods and Services Tax Law.

#### 2. Special tax benefits available to shareholders of the Company

There are no special tax benefits available to the current shareholders of Company under the Tax Laws.

#### Note:

1. The above is as per the Current Tax Laws.
2. The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership, and disposal of equity shares of the Company.
3. This statement of Possible Special Tax Benefits does not discuss any tax consequences in any country outside India of an investment in the equity shares of the Company.
4. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (“DTAA”), if any, between India and the country in which the non-resident has fiscal domicile.
6. The tax benefits discussed in this statement are not exhaustive and are only intended to provide general information to the investors and hence, is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax consequences of his/her investment in the shares of the Company.
7. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

*For JTEKT India Limited*

**Authorized Signatory**  
**Rajiv Chanana**  
*Whole-time Director*  
**DIN: 02630192**

**Place:** Gurugram  
**Date:** 10 July 2025



## ANNEXURE II

### LIST OF DIRECT AND INDIRECT TAX LAWS ('TAX LAWS')

Sr. No.	Details of tax laws
	<b><u>Direct Tax Laws</u></b>
1.	Income-tax Act, 1961 ("the IT Act") and Income-tax Rules, 1962 ("Income Tax Rules")
	<b><u>Indirect Tax Laws</u></b>
2.	Central Goods and Services Tax ('CGST') Act, 2017 and CSGT Rules 2017
3.	Integrated Goods and Services Tax ('IGST') Act, 2017 and IGST Rules 2017
4.	State Goods and Services Tax ('SGST') Act, 2017 and SGST Rules 2017
5.	Customs Act, 1962 and Customs tariff Act, 1975 (hereinafter referred as 'Custom Laws'), each as amended and read with respective rules, circulars and notifications made thereunder
6.	Foreign Trade Policy ('FTP') Notified in March 2023, read with handbook of procedures

*For JTEKT India Limited*

**Authorized Signatory**

**Rajiv Chanana**

*Whole-time Director*

**DIN:** 02630192

**Place:** Gurugram

**Date:** 10 July 2025

## OUR MANAGEMENT

### Board of Directors

As on the date of this Draft Letter of Offer, our Company has 8 Directors, comprising of three Executive Directors, one Non-Executive Director, and four Independent Directors, inclusive of two women Independent Director.

The following table provides details regarding our Board as of the date of filing this Draft Letter of Offer:

Name, Address, Designation, Occupation, Date of Appointment, Term, Period of Directorship, DIN and Date of Birth	Age (in years)	Other Directorships
<p><b>Name:</b> Minoru Sugisawa</p> <p><b>Address:</b> B3003, 30th Floor, Elevate Hines, Sector 59, Golf Course Extn. Road, Gurgaon 122 001, Haryana</p> <p><b>Designation:</b> Chairman &amp; Managing Director</p> <p><b>Occupation:</b> Service</p> <p><b>Date of Appointment:</b> June 1, 2023</p> <p><b>Term:</b> For three years from June 1, 2023, till May 31, 2026 and not liable to retire by rotation</p> <p><b>Date of expiration of the current term:</b> May 31, 2026</p> <p><b>DIN:</b> 10119891</p> <p><b>Date of birth:</b> September 7, 1970</p>	55	<p><b>Indian Companies</b> JTEKT Bearings India Private Limited JTEKT Micromatic Machinery India Private Limited</p> <p><b>Foreign Companies</b> NIL</p>
<p><b>Name:</b> Rajiv Chanana</p> <p><b>Address:</b> WZ-20C/1, Mukhram Park Extn., Tilak Nagar, New Delhi 110 018</p> <p><b>Designation:</b> Whole time Director</p> <p><b>Occupation:</b> Service</p> <p><b>Date of Appointment:</b> June 1, 2022</p> <p><b>Date of re-appointment:</b> June 1, 2025</p> <p><b>Term:</b> For one year from June 1, 2025, till May 31, 2026 and liable to retire by rotation</p> <p><b>Date of expiration of the current term:</b> May 31, 2026</p> <p><b>DIN:</b> 02630192</p> <p><b>Date of birth:</b> May 22, 1966</p>	59	<p><b>Indian Companies</b> NIL</p> <p><b>Foreign Companies</b> NIL</p>
<p><b>Name:</b> Yosuke Fujiwara</p> <p><b>Address:</b> Flat No. PNA-172, 17th Floor, DLF Pinnacle, DLF Phase-V, Gurgaon 122 002, Haryana</p> <p><b>Designation:</b> Wholetime Director</p> <p><b>Occupation:</b> Service</p>	50	<p><b>Indian Companies</b> JTEKT Bearings India Private Limited</p> <p><b>Foreign Companies</b> NIL</p>

<p><b>Date of Appointment:</b> February 1, 2025</p> <p><b>Term:</b> For two years from February 1, 2025, to January 31, 2027, and liable to retire by rotation</p> <p><b>Date of expiration of the current term:</b> January 31, 2027</p> <p><b>DIN:</b> 09167191</p> <p><b>Date of birth:</b> September 12, 1974</p>		
<p><b>Name:</b> Deepak Thukral</p> <p><b>Address:</b> B-121, The ICON, DLF Phase 5, Near Horizon Center, Sector 43, Gurugram 122 009, Haryana</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Occupation:</b> Service</p> <p><b>Date of Appointment:</b> September 1, 2024</p> <p><b>Term:</b> From September 1, 2024, and liable to retire by rotation</p> <p><b>Date of expiration of the current term:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 10742586</p> <p><b>Date of birth:</b> April 19, 1967</p>	58	<p><b>Indian Companies</b> Nippon Thermostat (India) Limited</p> <p><b>Foreign Companies</b> NIL</p>
<p><b>Name:</b> Hiroko Nose</p> <p><b>Address:</b> 110C, GG-I, Vikas Puri, New Delhi</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Business</p> <p><b>Date of Appointment:</b> August 11, 2018</p> <p><b>Date of re-appointment:</b> August 11, 2023</p> <p><b>Term:</b> For five years from August 11, 2023, to August 10, 2028</p> <p><b>Date of expiration of the current term:</b> August 10, 2028</p> <p><b>DIN:</b> 06389168</p> <p><b>Date of birth:</b> February 11, 1979</p>	46	<p><b>Indian Companies</b> NAC Nose India Private Limited</p> <p><b>Foreign Companies</b> NIL</p>
<p><b>Name:</b> Masahiko Morimoto</p> <p><b>Address:</b> 7-1-16-602, Tenjinbashi Kita-ku, Osaka-city 531-0041, Osaka, Japan</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Business</p> <p><b>Date of Appointment:</b> November 11, 2021</p> <p><b>Term:</b> For five Years from November 11, 2021, till November 10, 2026</p>	54	<p><b>Indian Companies</b> Mercury Consulting Services India Private Limited Mitsubishi Chemical India Private Limited</p> <p><b>Foreign Companies</b> NIL</p>

<p><b>Date of expiration of the current term:</b> November 10, 2026</p> <p><b>DIN:</b> 6933969</p> <p><b>Date of birth:</b> October 21, 1971</p>		
<p><b>Name:</b> Hiroshi Daikoku</p> <p><b>Address:</b> C-55, 2nd Floor Mayfair Gardens, Hauz Khas, New Delhi-110016</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Business</p> <p><b>Date of Appointment:</b> August 11, 2023</p> <p><b>Term:</b> For five years from August 11, 2023, to August 10, 2028</p> <p><b>Date of expiration of the current term:</b> August 10, 2028</p> <p><b>DIN:</b> 10006725</p> <p><b>Date of birth:</b> June 28, 1956</p>	69	<p><b>Indian Companies</b> NIL</p> <p><b>Foreign Companies</b> NIL</p>
<p><b>Name:</b> Deepika Gera</p> <p><b>Address:</b> 531, Delhi Appts. Plot No. 15C, Sector-22, Dwarka, New Delhi-110077</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Business</p> <p><b>Date of Appointment:</b> May 15, 2024</p> <p><b>Term:</b> For period of five Years from May 15, 2024, to May 14, 2029</p> <p><b>Date of expiration of the current term:</b> May 14, 2029</p> <p><b>DIN:</b> 00145602</p> <p><b>Date of birth:</b> October 20, 1968</p>	57	<p><b>Indian Companies</b> NIL</p> <p><b>Foreign Companies</b> NIL</p>

## SECTION IV: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Particulars	Website link
Fiscal 2025 Audited Financial Results	<a href="https://jtekf.co.in/Menu/24d3e84c-e13d-11ee-a2ec-9418826e6379">https://jtekf.co.in/Menu/24d3e84c-e13d-11ee-a2ec-9418826e6379</a>

## FINANCIAL INFORMATION

Extract of the Fiscal 2025 Audited Financial Results prepared in accordance with applicable accounting standards for the last financial year (with the comparative prior full year period), disclosed to the Stock Exchanges:

*(in ₹ lakhs, unless otherwise specifically stated)*

Particulars	Fiscal 2025	Fiscal 2024
Total Income <sup>(1)</sup>	2,40,900.65	2,25,697.96
Net profit/loss before tax and exceptional items	10,160.62	13,906.01
Net profit/loss after tax and exceptional items	7,345.44	10,590.89
Equity share capital	2,542.80	2,542.80
Reserves and surplus	85,445.03	79,625.27
Net worth	87,987.83	82,168.07
Basic Earnings per share (in ₹)	2.96	4.20
Diluted Earnings per share (in ₹)	2.96	4.20
Return on net worth (%) <sup>(2)</sup>	8.35%	12.89%
Net Asset Value per Share (in ₹) <sup>(3)</sup>	34.60	32.31

**Notes:** (1) Includes revenue from operations and other income.

(2) Return on net worth (%) = Net profit after tax and exceptional items / Net worth

(3) Net Asset Value per Share (in ₹) = Total Assets / No. of share outstanding

The Fiscal 2025 Audited Financial Results of our Company is uploaded on the website of our Company at <https://jtekt.co.in/Menu/24d3e84c-e13d-11ee-a2ec-9418826e6379>

### Detailed rationale for the Issue Price

The Issue Price will be determined by our Company on the basis of various qualitative and quantitative factors as described below:

#### **Qualitative Factors**

##### 1) Diversified product portfolio

Our Company manufactures a wide array of steering systems (Electronic Power Steering, Hydraulic Power Steering, Manual Steering Gears) and driveline products (Case Differentials, Propeller shafts). The recent introduction of Constant Velocity Joints (CVJ), in the category of Driveline Products, expands the Company's product mix, enabling entry into newer platforms and revenue streams, thus reinforcing future growth prospects.

##### 2) Strong relationship with existing customers

Our Company has strong, strategic relationship with our key customers. One of our key customers currently sources around 50% of its steering requirements from us. We constantly strive to improve and gain additional business from such key customer, competing with other vendors.

We continually work with several other customers such as in North America for long-term and strategic relationship.

##### 3) Considered as Tier -1 supplier of auto components

We are among the Tier-1 suppliers of auto components in the passenger vehicle segment in India. Furthermore, we have a strong network of around 200 Tier-2 suppliers. We are strengthening our technical centre to become more self-reliant on developing product testing facilities, prototyping and designing to reduce product development time and cost of development.

##### 4) Strong Parentage and Technical Collaboration with JTEKT Corporation, Japan

Our Company receives strong support from our Promoters, JTEKT Corporation, Japan, which is a major player in steering and driveline components globally. JTEKT Corporation pioneered the development of the column electric power steering system which is a major steering technology currently used across all passenger vehicles. We receive support from our main promoter, JTEKT Corporation, in receiving technology transfer of existing and new products, such as constant velocity joints for the Indian market. Our association with JTEKT Corporation helps us in many ways such as:

- continuous access to advanced technology and product development.

- preferential consideration from Japanese OEMs in India.
- financial flexibility, including access to unsecured debt backed by corporate guarantees from the parent.

This strong parentage enhances the Company's credibility, rating strength, and customer access factors supportive of shareholder confidence in the long-term value of equity.

#### 5) High geographic reach and service to auto clusters

Our Company has six manufacturing facilities in Haryana and one manufacturing facility in Tamil Nadu. We are now planning to set up an integrated manufacturing facility in Gujarat. We are therefore very positioned to serve all major auto clusters in India.

#### 6) Experienced management team with extensive industry knowledge

The Company with its experienced and strong workforce of around 3,400 employees is well positioned to expand in the passenger vehicle segment. We are regularly sending our employees to Japan to train them in latest technology and new product introduction.

#### 7) Track Record of Strategic Consolidation and Efficiency Gains

The successful amalgamation of JTEKT Fuji Kiko Automotive Limited into JTEKT India has led to improved scale, resource optimization, and cost rationalization. This reflects management's focus on operational excellence and long-term value creation.

### **Quantitative Factors**

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

Basic and diluted earnings per Equity Share ("EPS") (face value of each Equity Share is ₹1):

Fiscal	Basic EPS (₹)	Diluted EPS (₹)
2025	2.96	2.96
2024	4.20	4.20

Notes:  
 Basic EPS: -Net Profit for the year attributable to owners of the Company/ weighted average number of Equity Shares are outstanding during the year.  
 Diluted EPS: - Net Profit for the year attributable to owners of the Company/weighted average number of Equity Shares are outstanding during the year as adjusted for effective of dilutive equity shares.

#### **Return on Net Worth ("RoNW")**

Fiscal	RoNW
2025	8.35%
2024	12.89%

Note: Return on Networth = Net Income / Shareholders' Equity

#### **Net Asset Value ("NAV") per Equity Shares**

Fiscal	NAV (₹)
2025	34.60
2024	32.31

Note: Net Asset Value = Networth / Number of Outstanding Shares

#### **Certain performance indicators of our Company**

Particular	Fiscal 2025	Fiscal 2024
Revenue from Operations (in ₹ lakhs)	2,40,900.65	2,25,697.96
PAT (in ₹ lakhs)	7,345.44	10,590.89
PAT Margin (%)	3.05%	4.69%
Debt: Equity Ratio	0.18	0.14
ROCE	10.88%	16.28%

Notes:  
 Debt Equity Ratio: Outstanding Debt / Net-worth  
 ROCE = Earnings before interest and tax / Capital Employed.

The ex-rights price of the Equity Shares as per regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ [●] per Equity Share. The Issue Price is [●] times of the face value of the Equity Share.



## **GOVERNMENT APPROVALS**

We are required to obtain certain licenses or approvals from any government or regulatory authority for the objects of this Issue. For further details, refer to the chapter titled “*Objects of the Issue*” beginning at page 39.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorised by a resolution of our Board of Directors passed at its meeting held on July 15, 2025, pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act.

This Draft Letter of Offer has been approved by our Board pursuant to its resolution dated July 15, 2025. The terms and conditions of the Issue including the Rights Entitlement, Issue Price, Record Date, timing of the Issue and other related matters, have been approved by a resolution passed by our Board at its meeting held on [●].

Our Board, in its meeting held on [●], has resolved to issue the Rights Equity Shares to the Eligible Equity Shareholders, at ₹[●] per Rights Equity Share (including a premium of ₹[●] per Rights Equity Share) aggregating up to ₹25,000.00 lakhs\* and the Rights Entitlement as [●] Rights Equity Share for every [●] fully paid-up Equity Shares, held as on the Record Date. The Issue Price has been arrived at by our Company prior to determination of the Record Date.

*\*Assuming full subscription in the Issue and subject to finalisation of the basis of allotment.*

Our Company has received in-principle approvals from NSE and BSE in accordance with Regulation 28(1) of the SEBI LODR Regulations for listing of the Rights Equity Shares to be Allotted in this Issue pursuant to their letters dated [●] and [●], respectively. Our Company will also make applications to NSE and BSE to obtain their trading approvals for the Rights Entitlements as required under the SEBI ICDR Master Circular.

Our Company has been allotted the ISIN: [●] for the Rights Entitlements to be credited to the respective demat accounts of Allottees. For details, see “*Terms of the Issue*” beginning on page 66.

### Prohibition by SEBI or Other Governmental Authorities

Our Company, our Promoters, the members of our Promoter Group and our Directors are not and have not been debarred from accessing capital markets. Further, our Company, our Promoters, the members of our Promoter Group and our Directors are not and have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Further, our Promoters and our Directors are not promoter(s) or director(s) of any other company which is debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Directors are associated with the securities market in any manner. Further, there is no outstanding action initiated by SEBI against any of our Directors, who have been associated with the securities market.

None of our Directors are declared as fugitive economic offenders under Section 12 of the Fugitive Economic Offenders Act, 2018. Since our Promoters is a corporate entity, the Fugitive Economic Offenders Act, 2018 is not applicable to them.

The Equity shares of our Company have not been suspended from trading as a disciplinary measure imposed by SEBI or any regulatory authority during the last three years.

### Prohibition by RBI

Neither our Company nor our Promoters or any of our Directors have been or are identified as Wilful Defaulters or Fraudulent Borrowers.

### Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchanges. Our Company is eligible to offer Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with Part B of Schedule VI of the SEBI ICDR Regulations.

### Compliance with Regulations 61 and 62 of the SEBI ICDR Regulations

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the NSE and BSE and has received their in-principle approvals through their letters dated [●] and [●] for listing of the Rights Equity Shares to be Allotted pursuant to this Issue. BSE is the Designated Stock Exchange for the Issue.

## CAUTION

Our Company shall make all information available to the Eligible Equity Shareholders in accordance with the SEBI ICDR Regulations and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and rights to purchase the Rights Equity Shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this Draft Letter of Offer is current only as of its date.

Our Company accepts no responsibility or liability for advising any Applicant on whether such Applicant is eligible to acquire any Rights Equity Shares.

### **Disclaimer with respect to jurisdiction**

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in New Delhi, India only.

### **Designated Stock Exchange**

The Designated Stock Exchange for the purpose of the Issue is BSE.

### **Disclaimer Clause of NSE**

[●]

### **Disclaimer Clause of the BSE**

[●]

## **NO OFFER IN THE UNITED STATES**

**THE RIGHTS ENTITLEMENTS AND THE RIGHTS EQUITY SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S SECURITIES ACT AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. ACCORDINGLY, THE RIGHTS EQUITY SHARES ARE ONLY BEING OFFERED AND SOLD IN “OFFSHORE TRANSACTIONS” AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE U.S. SECURITIES ACT TO ELIGIBLE EQUITY SHAREHOLDERS LOCATED IN JURISDICTIONS WHERE SUCH OFFER AND SALE IS PERMITTED UNDER THE LAWS OF SUCH JURISDICTIONS. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES FOR SALE IN THE UNITED STATES OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, YOU SHOULD NOT FORWARD OR TRANSMIT THIS DRAFT LETTER OF OFFER INTO THE UNITED STATES AT ANY TIME.**

Neither our Company, nor any person acting on behalf of our Company, will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company, or any person acting on behalf of our Company, has reason to believe is, in the United States when the buy order is made. No Application Form should be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer under this Draft Letter of Offer or where any action would be required to be taken to permit the Issue.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch this Draft Letter of Offer and Application Form only to Eligible Equity Shareholders who have provided an Indian address to our Company. Any person who purchases or sells Rights Entitlements or makes an application for Rights Equity Shares will be deemed to have represented, warranted and agreed, by accepting the delivery of this Draft Letter of Offer, that it is not and that at the time of subscribing for

the Rights Equity Shares or the purchase or sale of Rights Entitlements, it will not be, in the United States and is authorized to purchase or sell the Rights Entitlement and subscribe to the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat as invalid any Application Form which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or any other jurisdiction where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States and such person is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided; or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.

## **Filing**

This Draft Letter of Offer is being filed with the Stock Exchanges as per the provisions of the SEBI ICDR Regulations.

## **Mechanism for Redressal of Investor Grievances**

Our Company has adequate arrangements for the redressal of investor complaints in compliance with the corporate governance requirements in compliance with the Listing Agreements and the SEBI LODR Regulations.

We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI circular no. CIR/OIAE/2/2011 dated June 3, 2011 and shall comply with the SEBI circular bearing reference number SEBI/HO/OIAE/CIR/P/2023/156 dated September 20, 2023 and any other circulars issued in this regard. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders' Relationship Committee which meets at least once every year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and effective exercise of voting rights. KFin Technologies Limited is our Registrar or Share Transfer Agent.

All investor grievances received by us have been handled by the Registrar or Share Transfer Agent in consultation with our Company Secretary and Compliance Officer.

The investor complaints received by our Company are generally disposed of within 21 days from the date of receipt of the complaint. As on June 30, 2025, our Company has redressed all complaints received from the investors.

**Investors may contact the Registrar or our Company Secretary & Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar, with a copy to the SCSBs, giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please see "Terms of the Issue" beginning on page 66.**

**The contact details of Registrar to the Issue and our Company Secretary & Compliance Officer are as follows:**

### **Registrar to the Issue**

#### **KFin Technologies Limited**

Selenium Tower-B, Plot no. 31 and 32

Financial District, Nanakramguda,

Serilingampally Hyderabad,

Rangareddy 500 032

Telangana

**Telephone.:** +91 40 6716 2222/18003094001

**E-mail:** [jtektindia.rights@kfintech.com](mailto:jtektindia.rights@kfintech.com)

**Investor grievance e-mail:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Website:** [www.kfintech.com](http://www.kfintech.com)

**Contact Person:** M Murali Krishna

**SEBI registration no.:** INR000000221

### **Company Secretary & Compliance Officer**

Saurabh Agrawal is Company Secretary & Compliance Officer of our Company. His details are as follows:

**Saurabh Agrawal**

38/6, Delhi Jaipur Road, NH-48

Gurugram 122 001, Haryana

**Tel:** 011-23311924, 23327205

**E-mail:** [investorgrievance@jtekt.co.in](mailto:investorgrievance@jtekt.co.in)

## SECTION V: ISSUE INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with the instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, Investors proposing to apply in this Issue can apply only through ASBA.*

*Investors are requested to note that Application in this Issue can only be made through ASBA or any other mode which may be notified by SEBI.*

*For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question on the website of the Registrar at <https://rights.kfintech.com> and on the website of our Company at <https://jitekt.co.in/Menu/5f07cd6d-5f0b-11f0-8a65-52548369fd2>.*

Please note that our Company has opened a separate demat suspense escrow account (namely, “[●]”) (“Demat Suspense Account”) and would credit Rights Entitlements on the basis of the Equity Shares: (a) held by Eligible Equity Shareholders which are held in physical form as on Record Date; or (b) which are held in the account of the Investor Education and Protection Fund (“IEPF”) authority; or (c) of the Eligible Equity Shareholder whose demat accounts are frozen or where the Equity Shares are lying in the unclaimed / suspense escrow account / demat suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date or where Equity Shares have been kept in abeyance or where entitlement certificate has been issued or where instruction has been issued for stopping issue or transfer or where letter of confirmation lying in escrow account; or (d) where credit of the Rights Entitlements have returned/reversed/failed for any reason; or (e) where ownership is currently under dispute, including any court or regulatory proceedings or where legal notices have been issued, if any or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons or (f) such other cases where our Company is unable to credit Rights Entitlements for any other reasons. Please also note that our Company has credited Rights Entitlements to the Demat Suspense Account on the basis of information available with our Company and to serve the interest of relevant Eligible Equity Shareholders to provide them with a reasonable opportunity to participate in the Issue. The credit of the Rights Entitlements to the Demat Suspense Account by our Company does not create any right in favour of the relevant Eligible Equity Shareholders for transfer of Rights Entitlement to their demat account or to receive any Equity Shares in the Issue.

With respect to the Rights Entitlements credited to the Demat Suspense Account, the Eligible Equity Shareholders are requested to provide relevant details/documents as acceptable to our Company or the Registrar (such as applicable regulatory approvals, self-attested PAN and client master sheet of demat account, details/ records confirming the legal and beneficial ownership of their respective Equity Shares, etc.) to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], to enable credit of their Rights Entitlements by way of transfer from the Demat Suspense Account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company, or the Registrar account is active to facilitate the aforementioned transfer. In the event that the Eligible Equity Shareholders are not able to provide relevant details to our Company or the Registrar by the end of two clear Working Days prior to the Issue Closing Date, Rights Entitlements credited to the Demat Suspense Account shall lapse and extinguish in due course and such Eligible Equity Shareholder shall not have any claim against our Company and our Company shall not be liable to any such Eligible Equity Shareholder in any form or manner.

Further, with respect to Equity Shares for which Rights Entitlements are being credited to the Demat Suspense Account, the Application Form along with the Rights Entitlement Letter shall not be dispatched till the resolution of the relevant issue/concern and transfer of the Rights Entitlements from the Demat Suspense Account to the respective demat account other than in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date who will receive the Application Form along with the Rights Entitlement Letter. Upon submission of such documents /records no later than two clear Working Days prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder.

#### Overview

This Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA NDI Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations, the SEBI ICDR Master Circular and the guidelines, notifications, circulars and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchanges and the terms and conditions as stipulated in the Allotment Advice.

## **I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS**

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares. For more details, see “*Restrictions on Purchases and Resales*” beginning on page 93.

The Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

Investors can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe to the Rights Equity Shares under applicable laws) on the websites of:

- (i) our Company at <https://jtekt.co.in/Menu/5f07cd6d-5f0b-11f0-8a65-52548369f1d2>;
- (ii) the Registrar at <https://rights.kfintech.com>
- (iii) the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders, should visit <https://rights.kfintech.com>**

Eligible Equity Shareholders, can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, <https://rights.kfintech.com> by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company at <https://jtekt.co.in/Menu/5f07cd6d-5f0b-11f0-8a65-52548369f1d2>

**Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable**

**to non-availability of the e- mail addresses of Eligible Equity Shareholders, or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.**

The distribution of the Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchanges and the Letter of Offer will be filed with the Stock Exchanges and SEBI. Accordingly, Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, such Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who purchases or renounces the Rights Entitlements or makes an application to acquire the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is outside the United States and is eligible to subscribe and authorized to purchase or sell the Rights Entitlements or acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

**The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders, and in case such Eligible Equity Shareholders have not provided their valid e-mail address, then the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.**

## **II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE**

- **In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI ICDR Master Circular and the ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.**

The Application Form can be used by the Eligible Equity Shareholders, as well as the Renouncees to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein that the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see “- *Grounds for Technical Rejection*” on page 76. Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.



Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders, making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see “- *Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process*” on page 71.

- ***Options available to the Eligible Equity Shareholders***

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder, is entitled to in the Issue.

If the Eligible Equity Shareholder, applies in this Issue, then such Eligible Equity Shareholder, can:

- (i) apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- (ii) apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- (iii) apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- (iv) apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- (v) renounce its Rights Entitlements in full.

- ***Making of an Application through the ASBA process***

An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34).

Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, their directors, their employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

*Do's for Investors applying through ASBA:*

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated Feb 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

*Don'ts for Investors applying through ASBA:*

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (c) Do not send your physical Application to the Registrar, the Bankers to the Issue (assuming that such Bankers to the Issue are not SCSB's), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/restriction in making any physical Application.
- (g) Do not submit Multiple Application Forms.

- ***Application by Specific Investor(s), if any and applicable***

*In case of renunciation of Rights Entitlement to Specific Investor(s) by our Promoters or members of our Promoter Group*

Our Promoters or members of our Promoter Group may renounce any portion of their Rights Entitlement to one or more Specific Investor(s) subject to disclosure of the same in terms of the SEBI ICDR Regulations. The name of the Specific Investor(s) (i.e., the Renouncee), the name of our Promoters or members of our Promoter Group

(i.e. renouncer) and the number of Rights Entitlements renounced in favour of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date.

In case of such renunciation of Rights Entitlement by our Promoters or members of our Promoter Group to any Specific Investor, all rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Specific Investor(s) (i.e., the Renouncee) as well.

Time limit for renouncing of Rights Entitlement by promoter and members of promoter and credit of Rights Entitlement to specific investor should be specified such that specific investor is able to apply before 11:00 am on Issue Opening Date. On-market Rights Entitlement renunciation may not be possible in such case considering T+2 rolling settlement.

The Application by such Specific Investor(s) shall be made on the Issue Opening Date before 11:00 a.m. (Indian Standard Time) and no withdrawal of such Application by the Specific Investor(s) shall be permitted. Our Company undertakes to disclose to the Stock Exchange(s) whether such Specific Investor(s) have made the Application or not, for dissemination on the Issue Opening Date by 11:30 a.m. (Indian Standard Time).

*In case of allotment of any undersubscribed portion of the Rights Issue to Specific Investor*

Our Company may allot any undersubscribed portion (if any) of the Rights Issue to one or more Specific Investor(s) and the names of such Specific Investor(s) shall be disclosed by our Company in the public advertisement at least two days prior to the Issue Opening Date. The Application by such Specific Investor(s) shall be made along with their Application Money before the finalisation of Basis of Allotment for undersubscribed portion of the Rights Issue in co-ordination with our Company and Registrar.

- ***Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process***

An Eligible Equity Shareholder, in India who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in terms of Regulation 78 of SEBI ICDR Regulations in case of non-receipt of Application Form as detailed above. In such cases of non-receipt of the Application Form through physical delivery (where applicable) and the Eligible Equity Shareholder, not being in a position to obtain it from any other source may make an Application to subscribe to this Issue on plain paper with the same details as per the Application Form that is available on the website of the Registrar, or the Stock Exchanges. An Eligible Equity Shareholder, shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder, who has not provided an Indian address.

Please note that in terms of Regulation 78 of SEBI ICDR Regulations, the Eligible Equity Shareholders, who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

The Application on plain paper, duly signed by the Eligible Equity Shareholder, including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being JTEKT India Limited
2. Name and address of the Eligible Equity Shareholder, including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Folio number (in case of Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date)/DP and Client ID;
4. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder, in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to this Issue;
5. Number of Equity Shares held as on Record Date;
6. Allotment option – only dematerialised form;
7. Number of Rights Equity Shares entitled to;

8. Number of Rights Equity Shares applied for within the Rights Entitlements;
9. Number of Additional Rights Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
10. Total number of Rights Equity Shares applied for;
11. Total Application amount paid at the rate of ₹[●] per Rights Equity Share;
12. Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
13. In case of non-resident Eligible Equity Shareholders, making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder, (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. All such Eligible Equity Shareholders, shall be deemed to have made the representations, warranties and agreements set forth in “Restrictions on Purchases and Resales - Representations, Warranties and Agreements by Purchasers” on page 93, and shall include the following:

*“I/ We understand that neither the Rights Entitlements nor the Rights Equity Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. I/ we understand the Rights Equity Shares referred to in this application are being offered and sold in “offshore transactions” in compliance with Regulation S under the U.S. Securities Act (“Regulation S”) to Eligible Equity Shareholders located in jurisdictions where such offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. I/ we understand that the Issue is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlements for sale in the United States, or as a solicitation therein of an offer to buy any of the said Rights Equity Shares or Rights Entitlements in the United States. I/ we confirm that I am/ we are (a) not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws, (b) complying with laws of jurisdictions applicable to such person in connection with the Issue, and (c) understand that neither the Company, nor the Registrar, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, or any other person acting on behalf of the Company have reason to believe is in the United States or is outside of India and ineligible to participate in this Issue under the securities laws of their jurisdiction.*

*I/ We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation. I/ We satisfy, and each account for which I/ we are acting satisfies, (a) all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of my/our residence, and (b) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.*

*I/we hereby make the representations, warranties, acknowledgments and agreements set forth in the section of the Letter of Offer titled “Restrictions on Purchases and Resales” on page 93.*

*I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at <https://rights.kfintech.com/>

Our Company, and the Registrar shall not be responsible if the Applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- ***Making of an Application by Eligible Equity Shareholders, holding Equity Shares in physical form***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two clear Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and/or whose demat account details are not available with our Company or the Registrar, shall be credited in the Demat Suspense Account.

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders, shall visit <https://rights.kfintech.com>, to upload their client master sheet and also provide the other details as required, no later than two Clear Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders, to their demat accounts at least one day before the Issue Closing Date; and
- (c) The remaining procedure for Application shall be same as set out in the section entitled “- *Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process*” on page 71.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on the Record Date will not be allowed to renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the Demat Suspense Account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process.

***Application for Additional Rights Equity Shares***

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in the section entitled “- *Basis of Allotment*” on page 86.

**Eligible Equity Shareholders, who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders, cannot apply for Additional Rights Equity Shares unless regulatory approvals are submitted.**

*Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s).*

As on date of the draft letter of offer, JTEKT Corporation, JTEKT Column Systems Corporation and Maruti Suzuki India Limited are the Promoters of our Company holding 65.70%, 3.85% and 5.43%, respectively, of the

total equity paid share capital. In addition to the Promoters, JTEKT Bearings India Private Limited ('JBIN'), a promoter group entity, holds 0.004 % of the total equity paid up share capital of our Company.

One of our Promoters, JTEKT Corporation has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue and shall also apply for, in full, of the shares renounced to it subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. Accordingly, JTEKT Corporation does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). Further, JTEKT does not have any intention to subscribe to additional Equity Shares.

One of our Promoters, JTEKT Column Systems Corporation has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue or renounce, in full, its Rights Entitlement in favour of any promoter or promoter group entity subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. Accordingly, JTEKT Column Systems Corporation does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). Further, JTEKT Column Systems Corporation does not have any intention to subscribe to additional Equity Shares.

One of our Promoters, Maruti Suzuki India Limited (holding only 5.43% of the total shareholding of the Company), vide its letter dated May 13, 2025, has confirmed that it will decide on subscribing, to its Rights Entitlements, in the Issue only post receipt of approval from its board of directors. In case, Maruti Suzuki India Limited, is not subscribing to its Rights Entitlements, in full, it may renounce its entitlements in favour of a promoter group entity in discussion with the Company.

One of our Promoter Group entity, JBIN has confirmed that it will (i) subscribe, in full, to its Rights Entitlements in the Issue and shall also apply for, in full, of the Equity Shares renounced to it. Accordingly, JBIN does not have any intention to renounce their rights entitlement in the Issue in favour of any Specific Investor(s). In the event any Promoters or members of the Promoter Group, including Maruti Suzuki India Limited, fails to subscribe or otherwise renounce its rights entitlement, JBIN, shall apply for such shares which are not subscribed / renounced by Promoters or other members of the Promoter Group subject to meeting requirements under the SEBI Takeover Regulations and minimum public shareholding requirements under SCRR. However, the total investment by the JBIN shall not exceed 10% of the Rights Issue of JTEKT India Limited.

Our Company is in compliance with Regulation 38 of the SEBI LODR Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

#### *Allotment of the under-subscribed portion of the Issue*

Our Company does not intend to allot the under-subscribed portion of the Rights Equity Shares in this Issue to any Specific Investor(s). For details regarding Underwriting Agreement, please see "General Information - Underwriting Agreement" on page 36.

#### *Additional general instructions for Investors in relation to making of an Application*

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (c) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section titled "Terms of the Issue – Making of an Application by Eligible Equity Shareholders, on Plain Paper under ASBA process" on page 71.
- (d) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.
- (e) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar.

- (f) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-Tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (g) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation (“**Demographic Details**”) are updated, true and correct, in all respects. Investors applying under this Issue should note that on the basis of name of the Investors, DP ID and Client ID provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Therefore, Investors applying under this Issue should carefully fill in their Depository Account details in the Application. These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. The Allotment Advice and the intimation on unblocking of ASBA Account or refund (if any) would be mailed to the address of the Investor as per the Indian address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay. In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) DP ID, and (c) Client ID, then such Application Forms are liable to be rejected.
- (h) By signing the Application Forms, Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (i) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (j) Investors should provide correct DP ID and Client ID/ folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.
- (k) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant’s name and all communication will be addressed to the first Applicant.
- (l) All communication in connection with Application for the Rights Equity Shares, including any change in contact details of the Eligible Equity Shareholders, should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders, should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders, holding Equity Shares in physical form.
- (m) Investors are required to ensure that the number of Rights Equity Shares applied for by them does not exceed the prescribed limits under the applicable law.

- (n) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (o) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (p) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (q) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (r) Do not submit Multiple Applications.
- (s) An Applicant being an OCB is required not to be under the adverse notice of RBI and in order to apply in this Issue as an incorporated non-resident must do so in accordance with the FDI Policy and the FEMA NDI Rules, as amended.
- (t) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021.

- ***Grounds for Technical Rejection***

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, Registrar, Bankers to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.



- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is outside the United States, and is eligible to subscribe for the Rights Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Investors that are residing in U.S. address as per the depository records.
- (s) Applicants not having the requisite approvals to make Application in the Issue.

- ***Multiple Applications***

In case where multiple Applications are made using same demat account in respect of the same set of Rights Entitlement, such Applications shall be liable to be rejected. A separate Application can be made in respect of Rights Entitlements in each demat account of the Investors and such Applications shall not be treated as multiple applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further supplementary Applications in relation to further Rights Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see “*Terms of the Issue - Procedure for Applications by Mutual Funds*” on page 78.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper Application or (b) multiple plain paper Applications (c) or multiple applications through ASBA, such Applications may be treated as multiple applications and are liable to be rejected or all the balance shares other than Rights Entitlement will be considered as additional shares applied for, other than multiple applications submitted by any of our Promoters or members of our Promoter Group to meet the minimum subscription requirements applicable to this Issue as described in the section entitled “*Summary of this Draft Letter of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)*” on page 16.

***Procedure for Applications by certain categories of Investors***

***Procedure for Applications by FPIs***

In terms of applicable FEMA NDI Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard. Further, the aggregate limit of all FPIs investments is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations,

guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

#### *Procedure for Applications by AIFs, FVCIs, VCFs and FDI route*

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

#### *Procedure for Applications by NRIs*

Investments by NRIs are governed by the FEMA NDI Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA NDI Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

#### *Procedure for Applications by Mutual Funds*

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or exchange traded funded or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

*Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")*

In case of an application made by NBFC-SI registered with RBI, (a) the certificate of registration issued by RBI under Section 45IA of RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

*Last date for Application*

The last date for submission of the duly filled in the Application Form or a plain paper Application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchanges and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in the section entitled "*Terms of the Issue - Basis of Allotment*" on page 86.

Please note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5.00

p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchanges.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

*Withdrawal of Application*

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor applying through ASBA facility may withdraw their Application post the Issue Closing Date.

*Disposal of Application and Application Money*

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branches of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board or a committee thereof reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of [●] days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS**

- ***Rights Entitlements***

As your name appears as a beneficial owner in respect of the paid-up and subscribed Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder, in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders, can also obtain the details of their respective Rights Entitlements from the website of the Registrar (*i.e.*, <https://rights.kfintech.com/>) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (*i.e.*, [www.jtekt.co.in](http://www.jtekt.co.in))

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders, in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is ISIN: [●]. The said ISIN shall remain frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders, and the Demat Suspense Account to the Stock Exchanges after

completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders, can be accessed by such respective Eligible Equity Shareholders, on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders, before the Issue Opening Date only in dematerialised form. Further, if no Application is made by the Eligible Equity Shareholders, of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an Application to apply for Rights Equity Shares offered under the Issue for subscribing to the Rights Equity Shares offered under the Issue.

If Eligible Equity Shareholders, holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders, holding shares in physical form, can update the details of their respective demat accounts on the website of the Registrar (*i.e.*, <https://rights.kfintech.com/>). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI ICDR Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders, holding the Equity Shares in dematerialised form.

#### **IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT**

- ***Renouncees***

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

- ***Renunciation of Rights Entitlements***

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate

in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA NDI Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchanges or through an off-market transfer.

- ***Procedure for Renunciation of Rights Entitlements***

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchanges (the “**On Market Renunciation**”); or (b) through an off-market transfer (the “**Off Market Renunciation**”), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited / lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

**Payment Schedule of Rights Equity Shares**

₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable on Application.

***Our Company accepts no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.***

*(a) On Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchanges through a registered stock-broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI ICDR Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchanges under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchanges for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchanges from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●] to [●] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of BSE and NSE under automatic order matching mechanism and on ‘T+2 rolling settlement basis’, where ‘T’ refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchanges and the SEBI.

*(b) Off Market Renunciation*

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date to enable Renouncees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

## **V. MODE OF PAYMENT**

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

Under the ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth in this Draft Letter of Offer and the Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

### *Mode of payment for Resident Investors*

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

### *Mode of payment for Non-Resident Investors*

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA NDI Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income- Tax Act. However, please note that conditions applicable at the time of original investment in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

## **VI. BASIS FOR THIS ISSUE AND TERMS OF THIS ISSUE**

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in

dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement, see “*The Issue*” beginning on page 32.

- ***Fractional Entitlements***

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] ([●]) Equity Share for every [●] ([●]) Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares as on Record Date shall have ‘zero’ entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favour of third parties and the application forms shall be non-negotiable.

- ***Ranking***

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under this Issue, shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

- ***Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue***

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number [●] dated [●] and from the NSE through letter bearing reference number [●] dated [●] for listing of the Rights Equity Shares to be Allotted in this

Issue. Our Company will apply to the Stock Exchanges for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 520057) and NSE (Symbol: JTEKTINDIA) under the ISIN: INE643A01035. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchanges. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchanges, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within [●] days of receipt of intimation from the Stock Exchanges, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within [●] days after our Company becomes liable to repay it, our Company and every director of our Company who is an

officer-in-default shall, on and from the expiry of the [●] day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

- ***Subscription to this Issue by our Promoters and members of our Promoter Group***

For details of the intent and extent of subscription by our Promoters and members of our Promoter Group, see “*Summary of this Draft Letter Of Offer – Intention and extent of participation by our Promoters and Promoter Group with respect to (i) their rights entitlement; (ii) their intention to subscribe over and above their rights entitlement; and (iii) their intention to renounce their rights entitlement, to specific investor(s)*” on page 16.

- ***Rights of Holders of Equity Shares of our Company***

Subject to applicable laws, Equity Shareholders who have been Allotted Rights Equity Shares pursuant to the Issue shall have the following rights:

- (a) The right to receive dividend, if declared;
- (b) The right to receive surplus on liquidation;
- (c) The right to receive offers for rights shares and be allotted bonus shares, if announced;
- (d) The right to free transferability of Rights Equity Shares;
- (e) The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and as disclosed in this Draft Letter of Offer; and
- (f) Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

## **VII. GENERAL TERMS OF THE ISSUE**

- ***Market Lot***

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- ***Joint Holders***

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of



Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in this Issue.

- ***Nomination***

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- ***Arrangements for Disposal of Odd Lots***

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- ***Restrictions on transfer and transmission of shares and on their consolidation/splitting***

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant this Issue. However, the Investors should note that pursuant to the provisions of the SEBI LODR

Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

- ***Notices***

Our Company will send through email and speed post/courier, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further, this Draft Letter of Offer, the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided their Indian address and who have made a request in this regard.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, and one Hindi language national daily newspaper with wide circulation and Hindi also being the regional language of Delhi, where our registered office is located.

This Draft Letter of Offer, Letter of Offer, and the Application Form shall also be submitted with the Stock Exchanges for making the same available on their websites.

- ***Offer to Non-Resident Eligible Equity Shareholders***

As per Rule 7 of the FEMA NDI Rules, RBI has given general permission to Indian companies to issue rights equity shares to non-resident equity shareholders including additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by RBI, non-residents may, amongst other things, (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. The permissions available under (i) and (ii) above are not available to investors who have been allotted such shares as Overseas Corporate Bodies. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our

Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). It will be the sole responsibility of the Investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder are eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, and the Stock Exchanges. Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar to the Issue by submitting their respective copies of self-attested proof of address, passport, etc. at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

## ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE “-ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 88.**

## VIII. ISSUE SCHEDULE

LAST DATE FOR CREDIT OF RIGHTS ENTITLEMENTS	[●]
ISSUE OPENING DATE	[●]
LAST DATE FOR ON MARKET RENUNCIATION OF RIGHTS ENTITLEMENTS #	[●]
ISSUE CLOSING DATE*	[●]
DATE OF FINALISATION OF BASIS OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF ALLOTMENT (ON OR ABOUT)	[●]
DATE OF CREDIT OF RIGHTS EQUITY SHARES (ON OR ABOUT)	[●]
DATE OF LISTING (ON OR ABOUT)	[●]

*#Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.*

*\*Our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar no later than two clear Working Days prior to the Issue Closing Date, *i.e.*, [●], to enable the credit of the Rights Entitlements by way of transfer from the Demat Suspense Account to their respective demat accounts, at least one day before the Issue Closing Date, *i.e.*, [●].

## IX. BASIS OF ALLOTMENT

Subject to the provisions contained in the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for the specified securities in their favour, in full or in part, as adjusted for fractional entitlement.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis having due regard to the number of Rights Entitlement held by them as on Issue Closing Date and in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (e) Allotment to specific investor(s) or to any other person, subject to applicable laws, that our Board may deem fit, provided there is an unsubscribed portion after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

1. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
2. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
3. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

## **X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS**

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable, or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in Demat Suspense Account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within fifteen days. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such other rate as specified under applicable law from the expiry of such fifteen days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking

of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

## **XI. PAYMENT OF REFUND**

- **Mode of making refunds**

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- (a) Unblocking amounts blocked using ASBA facility.
- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition (“**MICR**”) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

### **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

## **XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES**

The demat credit of securities to the respective beneficiary accounts will be credited within 2 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- **Receipt of the Rights Equity Shares in Dematerialized Form**

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH**

**INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE.**

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates:

- a) Tripartite agreement dated January 10, 2005, amongst our Company, NSDL and the Registrar to the Issue; and
- b) Tripartite agreement dated January 6, 2005, amongst our Company, CDSL and the Registrar to the Issue.

**INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification. Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, on their registered email address or through physical dispatch.
7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.
9. Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, and who have not provided the details of their demat accounts to our Company or to the Registrar at least two Working Days prior to the Issue Closing Date, shall not be able to apply in this Issue.

**XIII. IMPERSONATION**

Attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who –*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 lakhs or with both.

#### **XIV. UTILISATION OF ISSUE PROCEEDS**

Our Board declares that:

- A. All monies received out of this Issue shall be transferred to a separate bank account;
- B. Details of all monies utilized out of this Issue referred to under (A) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- C. Details of all unutilized monies out of this Issue referred to under (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

#### **XV. UNDERTAKINGS BY OUR COMPANY**

Our Company undertakes the following:

- 1) The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily.
- 2) All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken by our Board within the time limit specified by SEBI.
- 3) The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- 4) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 2 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- 6) No further issue of equity shares and convertible securities shall be made till the securities offered through the Letter of Offer are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 97 of SEBI ICDR Regulations.
- 7) Adequate arrangements shall be made to collect all ASBA Applications.

- 8) As on date, our Company does not have any convertible debt instruments.
- 9) Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

## **XVI. INVESTOR GRIEVANCES, COMMUNICATION AND IMPORTANT LINKS**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with this Draft Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the registered folio number in case of Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and superscribed “[●]” on the envelope and postmarked in India) to the Registrar at the following address:

**Kfin Technologies Limited**

Selenium Tower B, Plot No. 31& 32,  
Financial District, Nanakramguda,  
Serilingampally, Hyderabad – 500 032,  
Rangareddy, Telangana

**Tel:** +91 40 67162222/18003094001

**E-mail:** [jtektindia.rights@kfintech.com](mailto:jtektindia.rights@kfintech.com)

**Investor grievance email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

**Website:** [www.kfintech.com](http://www.kfintech.com);

Contact Person: M Murali Krishna

SEBI registration no.: INR000000221

3. In accordance with SEBI ICDR Master Circular, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (<https://rights.kfintech.com>). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 18003094001.
4. The Investors can visit following links for the below-mentioned purposes:
  - a) Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <https://rights.kfintech.com/>;
  - b) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: <https://rights.kfintech.com/>
  - c) Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: <https://rights.kfintech.com/>
  - d) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

This Issue will remain open for a minimum seven days. However, our Board or the Rights Issue Committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/ departments are responsible for granting approval for foreign investment.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The FDI Policy consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy will be valid until the DPIIT issues an updated circular. Further, the sectoral cap applicable to the sector in which our Company operates is 100%, which is permitted under the automatic route.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that

(i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non- resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

Please also note that pursuant to Circular no. 14 dated September 16, 2003 issued by RBI, Overseas Corporate Bodies (“**OCBs**”) have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for the issue as an incorporated non-resident must do so in accordance with the FDI Policy and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants/Investors. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations. Investors are cautioned to consider any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer.



## RESTRICTIONS ON PURCHASES AND RESALES

### Eligibility and Restrictions

#### General

No action has been taken or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares to occur in any jurisdiction, or the possession, circulation, or distribution of the Letter of Offer or any other Issue Material in any jurisdiction where action for such purpose is required, except that this Draft Letter of Offer will be filed with the Stock Exchanges.

Pursuant to the requirements of the SEBI ICDR Regulations and other applicable laws, the Rights Entitlements will be credited to the demat account of the Eligible Equity Shareholders who are Equity Shareholders as on the Record Date, however, the Issue Materials will be sent/ dispatched only to such Eligible Equity Shareholders who have provided an Indian address to our Company and only such Eligible Equity Shareholders are permitted to participate in the Issue. The credit of Rights Entitlement does not constitute an offer, invitation to offer or solicitation for participation in the Issue, whether directly or indirectly, and only dispatch of the Issue Material shall constitute an offer, invitation or solicitation for participation in the Issue in accordance with the terms of the Issue Material. Further, receipt of the Issue Materials (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in (i) the United States or (ii) any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorized or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer and any other Issue Materials must be treated as sent for information only and should not be acted upon for subscription to Rights Equity Shares and should not be copied or re-distributed, in part or full. Accordingly, persons receiving a copy of the Issue Materials should not distribute or send the Issue Materials in or into any jurisdiction where to do so, would or might contravene local securities laws or regulations, or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If Issue Material is received by any person in any such jurisdiction or the United States, they must not seek to subscribe to the Rights Equity Shares.

The Rights Entitlement and the Rights Equity Shares may not be offered or sold, directly or indirectly, and the Letter of Offer and any other Issue Materials may not be distributed, in whole or in part, in or into in (i) the United States or (ii) or any jurisdiction other than India except in accordance with legal requirements applicable in such jurisdiction.

Investors are advised to consult their legal counsel prior to accepting any provisional allotment of Rights Equity Shares, applying for excess Rights Equity Shares or making any offer, renunciation, sale, resale, pledge or other transfer of the Rights Entitlements or the Rights Equity Shares.

The Letter of Offer and its accompanying documents shall be supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose.

Each person who exercises the Rights Entitlements and subscribes for the Rights Equity Shares, or who purchases the Rights Entitlements or the Rights Equity Shares shall do so in accordance with the restrictions set out above and below.

#### No offer in the United States

The Rights Entitlements and the Rights Equity Shares have not been, and will not be, registered under the U.S Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Rights Equity Shares are only being offered and sold in “offshore transactions” as defined in, and in reliance on, Regulation S under the U.S. Securities Act to Eligible Equity Shareholders located in jurisdictions where such offer and sale is permitted under the laws of such jurisdictions. The offering to which the Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Rights Entitlements or Rights Equity Shares for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, you should not forward or transmit the Letter of Offer into the United States at any time.

#### Representations, Warranties and Agreements by Purchasers

The Rights Entitlements and the Rights Equity Shares offered are being offered in “offshore transactions” as defined, and in reliance on, Regulation S under the U.S. Securities Act.

In addition to the applicable representations, warranties and agreements set forth above, each purchaser outside the United States by accepting the delivery of the Letter of Offer and its accompanying documents, submitting an Application Form for the exercise of any Rights Entitlements and subscription for any Rights Equity Shares and accepting delivery of any Rights Entitlements or any Rights Equity Shares, will be deemed to have represented, warranted and agreed as follows on behalf of itself and, if it is acquiring the Rights Entitlements or the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, on behalf of each owner of such account (such person being the “**purchaser**”, which term shall include the owners of the investor accounts on whose behalf the person acts as fiduciary or agent):

1. The purchaser (i) is aware that the Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the U.S. Securities Act and are being distributed and offered outside the United States in reliance on Regulation S, (ii) is, and the persons, if any, for whose account it is acquiring such Rights Entitlements and/or the Rights Equity Shares are, outside the United States and eligible to subscribe for Rights Entitlements and Rights Equity Shares in compliance with applicable securities laws, and (iii) is acquiring the Rights Entitlements and/or the Rights Equity Shares in an offshore transaction meeting the requirements of Regulation S.
2. No offer or sale of the Rights Entitlements or the Rights Equity Shares to the purchaser is the result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act).
3. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares, and the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
4. The purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by the jurisdiction of its residence, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of our jurisdiction of residence.
5. The purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares, and, if the purchaser is exercising the Rights Entitlements and acquiring the Rights Equity Shares as a fiduciary or agent for one or more investor accounts, the purchaser has the full power and authority to make the acknowledgements, representations, warranties and agreements contained herein and to exercise the Rights Entitlements and subscribe for the Rights Equity Shares on behalf of each owner of such account.
6. If any Rights Entitlements were bought by the purchaser or otherwise transferred to the purchaser by a third party (other than our Company), the purchaser was in India at the time of such purchase or transfer.
7. The purchaser is aware and understands (and each account for which it is acting has been advised and understands) that an investment in the Rights Entitlements and the Rights Equity Shares involves a considerable degree of risk and that the Rights Entitlements and the Rights Equity Shares are a speculative investment.
8. The purchaser understands (and each account for which it is acting has been advised and understands) that no action has been or will be taken to permit an offering of the Rights Entitlements or the Rights Equity Shares in any jurisdiction (other than the filing of the Letter of Offer with SEBI and the Stock Exchanges); and it will not offer, resell, pledge or otherwise transfer any of the Rights Entitlements except in India or the Rights Equity Shares which it may acquire, or any beneficial interests therein, in any jurisdiction or in any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale, solicitation or invitation except under circumstances that will result in compliance with any applicable laws and/or regulations.
9. The purchaser (or any account for which it is acting) is an Eligible Equity Shareholder and has received an invitation from our Company, addressed to it and inviting it to participate in this Issue.
10. None of the purchaser, any of its affiliates or any person acting on its or their behalf has taken or will take, directly or indirectly, any action designed to, or which might be expected to, cause or result in the stabilization or manipulation of the price of any security of our Company to facilitate the sale or resale of the Rights Entitlements or the Rights Equity Shares pursuant to the Issue.
11. Prior to making any investment decision to exercise the Rights Entitlements and renounce and/or subscribe for the Rights Equity Shares, the Investor (i) will have consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers in each jurisdiction in connection herewith to the extent it has deemed necessary; (ii) will have carefully read and reviewed a copy of the Letter of Offer and its accompanying documents; (iii) will have possessed and carefully read and reviewed all information relating to our Company and the Rights Entitlements and the Rights Equity Shares which it believes is necessary or appropriate for the purpose of making its investment decision, including, without limitation, the Exchange Information (as defined below); (iv) will have conducted its own due diligence on our Company and this Issue, and will have made its own investment decisions based upon its own judgement, due diligence and advice from such advisers as it has deemed necessary and will not have relied upon any recommendation, promise, representation or warranty of or view expressed by or on behalf of our Company (including any research reports) (other than, with respect to our Company and any information contained in the Letter of Offer); and (vi) will have made its own determination that any investment decision to exercise the Rights Entitlements and subscribe for the Rights Equity Shares is suitable and appropriate, both in the nature and number of Rights Equity Shares being subscribed.

12. Without limiting the generality of the foregoing, (i) the purchaser acknowledges that the Equity Shares are listed on BSE Limited and the National Stock Exchange of India Limited and our Company is therefore required to publish certain business, financial and other information in accordance with the rules and practices of BSE Limited and the National Stock Exchange of India Limited (which includes, but is not limited to, a description of the nature of our Company's business and our Company's most recent balance sheet and profit and loss account, and similar statements for preceding years together with the information on its website and its press releases, announcements, investor education presentations, annual reports, collectively constitutes "**Exchange Information**"), and that it has had access to such information without undue difficulty and has reviewed such Exchange Information as it has deemed necessary; and (ii) our Company, any of its affiliates, has not made any representations or recommendations to it, express or implied, with respect to our Company, the Rights Entitlements, the Rights Equity Shares or the accuracy, completeness or adequacy of the Exchange Information.
13. The purchaser acknowledges that any information that it has received or will receive relating to or in connection with this Issue, and the Rights Entitlements or the Rights Equity Shares, including the Letter of Offer and the Exchange Information (collectively, the "**Information**"), has been prepared solely by our Company.
14. The purchaser will not hold our Company responsible for any misstatements in or omissions to the Information or in any other written or oral information provided by our Company to it.
15. The purchaser understands that its receipt of the Rights Entitlements and any subscription it may make for the Rights Equity Shares will be subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and undertakings and other information contained in the Letter of Offer and the Application Form. The purchaser understands that none of our Company, the Registrar, or any other person acting on behalf of us will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, or any other person acting on behalf of us have reason to believe is in the United States, or is ineligible to participate in this Issue under applicable securities laws.
16. The purchaser subscribed to the Rights Equity Shares for investment purposes and not with a view to the distribution or resale thereof. If in the future the purchaser decides to offer, sell, pledge or otherwise transfer any of the Rights Equity Shares, the purchaser shall only offer, sell, pledge or otherwise transfer such Rights Equity Shares (i) outside the United States in a transaction complying with Rule 903 or Rule 904 of Regulation S and in accordance with all applicable laws of any other jurisdiction, including India or (ii) in the United States pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.
17. The purchaser is, and the persons, if any, for whose account it is acquiring the Rights Entitlements and the Rights Equity Shares are, entitled to subscribe for the Rights Equity Shares.
18. If the purchaser is outside India, the sale of the Rights Equity Shares to it will not require any filing or registration by, or qualification of, our Company with any court or administrative, governmental or regulatory agency or body, under the laws of any jurisdiction which apply to the purchaser or such persons.
19. If the purchaser is outside India, the purchaser, and each account for which it is acting, satisfies (i) all suitability standards for investors in investments in the Rights Entitlements and the Rights Equity Shares imposed by all jurisdictions applicable to it, and (ii) is eligible to subscribe and is subscribing for the Rights Equity Shares and Rights Entitlements in compliance with applicable securities and other laws of all jurisdictions of residence.
20. The purchaser is authorized to consummate the purchase of the Rights Equity Shares sold pursuant to this Issue in compliance with all applicable laws and regulations.
21. Except for the sale of Rights Equity Shares on one or more of the Stock Exchanges, the purchaser agrees, upon a proposed transfer of the Rights Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Rights Equity Shares being sold.
22. The purchaser shall hold our Company 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 its representations, warranties or agreements set forth above and elsewhere in the Letter of Offer. The indemnity set forth in this paragraph shall survive the resale of the Rights Equity Shares.
23. The purchaser acknowledges that our Company, their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

## SECTION VI: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material, and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 a.m. and 5 p.m. on all working days and will also be available on the website of our Company at <https://jtekt.co.in/Menu/5f07cd6d-5f0b-11f0-8a65-52548369f1d2> from the date of the Letter of Offer until the Issue Closing Date.

#### A. Material Contracts for the Issue

1. Registrar Agreement dated July 15, 2025 between our Company and the Registrar to the Issue.
2. Banker to the Issue Agreement dated July 15, 2025 between our Company, Registrar and the Bankers to the Issue.
3. Monitoring Agency Agreement dated July 15, 2025 between our Company and the Monitoring Agency.
4. Underwriting Agreement dated July 15, 2025 between our Company and the Underwriter.

#### B. Material Documents

1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended.
2. Certificate of incorporation dated June 14, 1984 and Certificate of commencement of business dated September 20, 1985, respectively, issued to our Company by the RoC.
3. Certificate of incorporation pursuant to change of name of our Company from 'Sona Koyo Steering Systems Limited to Sona Koyo Steering Systems Limited' dated September 18, 1998.
4. Certificate of incorporation pursuant to change of name of our Company from 'Sona Steering Systems Limited to 'JTEKT India Limited' dated April 7, 2018.
5. Consent letter dated July 10, 2025 from our Statutory Auditor, B S R & Co. LLP, to include their name in this Draft Letter of Offer, as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of and inclusion of (i) the Fiscal 2025 Audited Financial Results; and (iii) their audit report dated May 23, 2025, in respect of the Fiscal 2025 Audited Financial Results.
6. Statement of possible special tax benefits available to our Company and its shareholders dated July 10, 2025, from our Statutory Auditor, B S R & Co. LLP included in this Draft Letter of Offer.
7. Consent letters dated July 9, 2025 and July 10, 2025, from Manish Malhotra & Co., Chartered Accountants, Independent Chartered Accountants, to include their name in this Draft Letter of Offer, and as an "expert" as defined under Section 2(38) of the Companies Act, 2013 in their capacity as an Independent Chartered Accountant to our Company, in relation to their certificate on repayment of loan dated July 9, 2025 and certificate on objects dated July 10, 2025, respectively.
8. Consent letter dated July 11, 2025, from CREDO architects, interior designers, independent architect for details of the building/plant and Machinery to include their name in this Draft Letter of Offer and as an "expert" as defined under Section 2(38) of the Companies Act, 2013, in relation to their certificate dated July 11, 2025 issued in relation to construction of infrastructure proposed to be funded through net proceeds.
9. The Fiscal 2025 Audited Financial Results and the audit report dated May 23, 2025, of the Statutory Auditor in respect of the Fiscal 2025 Audited Financial Results.
10. Resolution of our Board of Directors dated July 15, 2025 in relation to this Issue and other related matters.
11. Resolution of our Board of Directors dated [●] in relation to the terms of the Issue including the Record Date, Issue Price and Rights Entitlement ratio.
12. Resolution of our Board of Directors dated [●], approving and adopting the Letter of Offer.

13. Annual Reports of our Company for the Financial Years 2025, 2024 and 2023.
14. In-principle listing approvals dated [●] and [●] issued by BSE and NSE for listing of the Rights Equity Shares to be Allotted in this Issue, respectively.
15. Tripartite agreement dated January 10, 2005 amongst our Company, NSDL and the Registrar to the Issue.
16. Tripartite agreement dated January 6, 2005 amongst our Company, CDSL and the Registrar to the Issue.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Eligible Equity Shareholders subject to compliance with applicable law.

There are no other agreements/arrangements entered into by our Company or clauses/covenants applicable to our Company which are material, not in the ordinary course of business and which are required to be disclosed, or the non-disclosure of which may have a bearing on the investment decision of prospective investors in the Offer.

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Minoru Sugisawa**

**DIN:** 10119891

**Designation:** Chairman and Managing Director

**Date:** July 15, 2025

**Place:** Gurugram

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Rajiv Chanana**

**DIN:** 02630192

**Designation:** Whole-time Director

**Date:** July 15, 2025

**Place:** Gurugram

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Yosuke Fujiwara**

**DIN:** 09167191

**Designation:** Whole-time Director

**Date:** July 15, 2025

**Place:** Gurugram



## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Deepak Thukral**

**DIN:** 10742586

**Designation:** Non-Executive Director

**Date:** July 15, 2025

**Place:** Gurugram

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

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**Hiroke Nose**

**DIN:** 06389168

**Designation:** Independent Director

**Date:** July 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

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**Masahiko Morimoto**

**DIN:** 06933969

**Designation:** Independent Director

**Date:** July 15, 2025

**Place:** Japan

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

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**Hiroshi Daikoku**

**DIN:** 10006725

**Designation:** Independent Director

**Date:** July 15, 2025

**Place:** Gurugram

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

## **SIGNED BY THE INDEPENDENT DIRECTOR OF OUR COMPANY**

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**Deepika Gera**

**DIN:** 00145602

**Designation:** Independent Director

**Date:** July 15, 2025

**Place:** New Delhi

## **DECLARATION**

I hereby certify that no statement made in the Draft Letter of Offer contravenes any of the provisions of the Companies Act, SEBI Act, or the rules made thereunder or regulations issued thereunder, as the case may be. I further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, Government of India and any other competent authority in this behalf, have been duly complied with.

I further certify that all disclosures made in this Draft Letter of Offer are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Vikas Goel**

**PAN:** AAQPG4142F

**Designation:** Chief Financial Officer

**Date:** July 15, 2025

**Place:** Gurugram