SONA KOYO STEERING SYSTEMS LIMITED

CIN: L29113DL1984PLC018415
Regd. Office : UGF-6, Indra Prakash, 21, Barakhamba Road, New Delhi 110001.
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Recommendations of the Committee of Independent Directors (IDC) on the Open Offer ("Open Offer") to the Shareholders of Sona Koyo Steering Systems Limited ("Target Company") under Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

1.	Date	27th March, 2017
2.	Name of the Target Company (TC)	Sona Koyo Steering Systems Limited
3.	Details of the Offer pertaining to TC	Open Offer is being made by the Acquirer to all shareholders of the TC, other than the Acquirer, and parties to the underlying agreement including persons deemed to be acting in concert with such parties, to acquire up to 51,672,877 (Fifty One Million Six Hundred Seventy Two Thousand Eight Hundred Seventy Seven only) fully paid up equity shares of face value of INR 1 (Rupees one only) each of the TC, constituting 26.00% of the equity share capital of the TC in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Offer Price : INR 84.00 (Rs. Eighty Four only) per Equity Share
4.	Name(s) of the acquirer and PAC with the acquirer	Acquirer is JTEKT Corporation
5.	Name of the Manager to the offer	Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C-27, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel : +91 22 4336 0000, Fax : +91 22 6713 2447 Email project.skssopenoffer@kotak.com Contact Person: Mr. Ganesh Rane SEBI Registration Number: INM000008704
6.	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	1) Mrs. Ramni Nirula, Chairperson 2) Mr. Prem Kumar Chadha, Member 3) Mr. Ramesh Suri, Member 4) Mr. Prasan A. Firodia, Member
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract / relationship), if any	Except Mr. Prem Kumar Chadha, who holds 15,000 Equity Shares of TC, none of IDC member holds any Equity Shares of TC. None of the IDC members have any relations with TC's Directors.
8.	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC members have traded in any Equity Shares of TC, except Mr. Prem Kumar Chadha, who sold 20,000 Equity Shares of TC in June 2014 and thereafter he is maintaining the holding of 15,000 Equity Shares of TC.
9.	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract / relationship), if any.	Members of IDC do not hold any Equity Shares of the Acquirer and no other contracts or relationship is subsisting with the Acquirer.
10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	None of the members of the IDC have traded in any Equity Shares / other Securities of the Acquirer.
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	IDC believes that the Open Offer is fair and reasonable and in line with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
12.	**Summary of reasons for recommendation** (IDC may also invite attention to any other place, e.g. company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)	IDC members have reviewed (a) the public announcement dated 1st February, 2017 (b) Detailed Public Statement published on 8th February, 2017 and (c) Draft Letter of Offer dated 14th February, 2017. IDC members have taken into consideration the following for making the recommendation : a) The offer price is in line with the parameters prescribed by SEBI in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. b) The Offer Price is higher than Rs. 75.32 per share, being the volume weighted average market price of the equity shares of the TC for a period of 60 trading days immediately preceding the date of PA. c) The IDC had sought external financial advice from Indbank Merchant Banking Services Limited, who had advised that the open offer price proposed in the open offer by the Acquirer is in accordance with the above Regulations and is thus fair and reasonable. The IDC would, however, suggest that public shareholders of the Company should independently evaluate the Open Offer and take informed decisions in respect of the Open Offer.
13.	Details of Independent Advisors, if any.	Indbank Merchant Banking Services Limited [CIN – L65191TN1989PLC017883] 1st Floor, Khivraj Complex 1 No. 480, Anna Salai, Nandanam Chennai 600035. SEBI Regn.No. INM000001394
14.	Any other matter(s) to be highlighted	Nil

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Code.

For and on behalf of the Independent Directors' Committee
Sona Koyo Steering Systems Limited

Place : Gurgaon
Date : 27th March, 2017

Ramni Nirula
Chairperson – Independent Directors' Committee