

10th November, 2017

The BSE Limited

Department of Corporate Services
Floor 1, New Trading Ring
Rotunda Building. P.J. Towers
Dalal Street, Fort
Mumbai 400 001.

Scrip Code - 520057

National Stock Exchange of India Ltd.

Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra – Kurla Complex
Bandra (E)
Mumbai 400 051.

Symbol – SONASTEER; Series – EQ

Sub : Unaudited Financial Results for the second quarter ended 30th September, 2017.

Dear Sir,

Pursuant to applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that the Board of Directors of SONA KOYO STEERING SYSTEMS LIMITED in their meeting held on 10th November, 2017 has taken on record the enclosed Un-audited Financial Results along with Auditors' Limited Review Report for the second quarter ended 30th September, 2017.

In the aforesaid Board Meeting, the Board of Directors also :

- Appointed Mrs. Geeta Mathur as an Additional Director in the capacity of Independent and Woman Director, w.e.f. 10th November, 2017. Mrs. Geeta Mathur does not have any relationship with any other Director of the Company. A brief profile of Mrs. Geeta Mathur is attached herewith as **Annexure – 'A'**.
- Appointed Mr. Sudhir Chopra, Director (Corporate Affairs) & Company Secretary, as one of the additional members of the Stakeholders Relationship Committee of the Company.

The said meeting of the Board of Directors of the Company commenced at 2.00 p.m. and concluded at 4.15 p.m.

This is for your information and record.

Thanking you,

Yours faithfully,

For **SONA KOYO STEERING SYSTEMS LTD.**



SUDHIR CHOPRA
DIRECTOR (CORPORATE AFFAIRS) & COMPANY SECRETARY

SONA KOYO STEERING SYSTEMS LTD.

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

Tel : +91 11 2331 1924 / 2332 7205, **Telefax :** +91 11 2332 7205

CIN : L29113DL1984PLC018415, **Website :** www.sonakoyosteering.com

Works: 38/6 Delhi-Jaipur Road, NH-8, Gurugram-122 001 Haryana India

Tel : +91 124 468 5000, **Fax:** +91 124 410 4611 / 410 4621



B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

Telephone: + 91 124 719 1000
Fax: + 91 124 235 8613

Review Report to the Board of Directors of Sona Koyo Steering Systems Limited

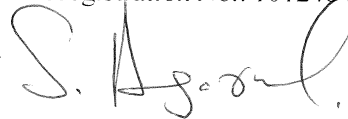
We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Sona Koyo Steering Systems Limited ('the Company') for the quarter and six months ended 30 September 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016 ('SEBI Regulations'). This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these standalone financial results based on our review.

The figures for the quarter and half year ended 30 September 2016 are based on the previously issued financial results that were reviewed by the erstwhile auditors (vide their unmodified limited review report dated 11 November 2016) as adjusted for differences in the accounting principles adopted by the Company on transition to Indian Accounting Standards ("Ind AS"). The Ind AS compliant corresponding quarter and half year ended 30 September 2016 have not been subjected to review / audit by us. Further, figures for the preceding quarter ended 30 June 2017 are based on the previously issued unaudited standalone financial results that were reviewed by the erstwhile auditors (vide their unmodified limited review report dated 11 August 2017).

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the standalone financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Shashank Agarwal
Partner
Membership No.: 095109

Place: Gurugram, Haryana
Date: 10 November 2017



SONA KOYO STEERING SYSTEMS LTD

CIN : L29113DL1984PLC018415

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

Tel : 011-23311924, E-mail : investorgrievance@sonagroup.com, Website : www.sonakoyosteering .com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

S.No	PARTICULARS	Standalone (₹ in lacs, except per equity share data)				
		Quarter ended 30 September 2017	Preceding quarter ended 30 June 2017	Corresponding quarter ended in the previous year 30 September 2016	Half year ended 30 September 2017	Previous half year ended 30 September 2016
		Unaudited	Unaudited	Not subjected to limited review	Unaudited	Not subjected to limited review
1	Revenue from operations (refer note - 3)	30,278.14	33,184.74	32,579.71	63,462.88	62,580.93
2	Other income	92.32	103.59	401.66	195.91	562.61
3	Total income (1+2)	30,370.46	33,288.33	32,981.37	63,658.79	63,143.54
4	Expenses					
	(a) Cost of materials consumed	19,459.06	17,992.11	17,776.51	37,451.17	35,011.17
	(b) Purchases of stock-in-trade	958.51	1,149.86	1,395.95	2,108.37	1,873.94
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(196.94)	267.40	6.09	70.46	(385.59)
	(d) Excise duty	-	3,866.59	4,031.60	3,866.59	7,611.28
	(e) Employee benefits expense	3,703.04	3,608.53	3,139.66	7,311.57	6,514.22
	(f) Finance costs	518.71	606.55	632.60	1,125.26	1,282.95
	(g) Depreciation and amortization expense	1,889.22	1,950.54	1,842.54	3,839.76	3,699.63
	(h) Other expenses	2,934.65	3,049.96	3,038.88	5,984.61	6,043.49
	Total expenses	29,266.25	32,491.54	31,863.83	61,757.79	61,651.09
5	Profit before tax (3-4)	1,104.21	796.79	1,117.54	1,901.00	1,492.45
6	Tax expenses					
	(a) Current tax	561.51	467.35	403.17	1,028.86	738.36
	(b) Deferred tax	(154.87)	(233.95)	(76.92)	(388.82)	(518.13)
	Total tax expenses	406.64	233.40	326.25	640.04	420.23
7	Net profit after tax (5-6)	697.57	563.39	791.29	1,260.96	1,072.22
8	Other comprehensive income					
	a) Items that will not be reclassified to profit and loss					
	i) Loss on remeasurement of defined benefit obligation	(26.51)	(69.86)	(178.23)	(96.37)	(139.73)
	ii) Income tax relating to the above	9.17	24.18	61.68	33.35	48.36
	b) Items that will be reclassified to profit and loss					
	i) Effective portion of loss on cash flow hedge instruments	(122.49)	(16.53)	-	(139.02)	-
	ii) Income tax relating to the above	42.39	5.72	-	48.11	-
	Total other comprehensive income for the period (a(i+ii)+b(i+ii))	(97.44)	(56.49)	(116.55)	(153.93)	(91.37)
9	Total comprehensive income for the period (7+8)	600.13	506.90	674.74	1,107.03	980.85
10	Paid up equity share capital (Face value of Re 1/- per share)	1,987.42	1,987.42	1,987.42	1,987.42	1,987.42
11	Earnings Per Share (EPS) (Face value of Re 1 per share) (not annualized)					
	(a) Basic	0.35	0.28	0.40	0.63	0.54
	(b) Diluted	0.35	0.28	0.40	0.63	0.54

Notes :

- The above results for the quarter and half year ended 30 September 2017, were reviewed by the Audit Committee at their meeting held on 9 November 2017 and approved by the Board of Directors at their meeting held on 10 November 2017. The statutory auditors of the Company have carried out a limited review of the standalone financial results for the quarter and half year ended 30 September 2017 and an unmodified report has been issued. The same have been filed with Stock Exchanges and is also available on the Company's website at www.sonakoyosteering.com.
- The Company has adopted Indian Accounting Standards (Ind AS) with effect from 1 April 2016, pursuant to notification issued by Ministry of Corporate Affairs dated 16 February 2015, notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial result have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016. The figures for the quarter and half year ended 30 September 2016 are based on the previously issued financial results that were reviewed by the erstwhile auditors (vide their unmodified limited review report dated 11 November 2016) as adjusted for differences in the accounting principles adopted by the Company on transition to Indian Accounting Standards ("Ind AS"). The Ind AS compliant corresponding figures for the quarter and half year ended 30 September 2016 have not been subjected to limited review by the current statutory auditors. The Company has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs. Further, figures for the preceding quarter ended 30 June 2017 were reviewed by erstwhile auditors.
- After applicability of Goods and Services Tax- (GST) w.e.f 1 July 2017, sales are required to be disclosed net of GST. Accordingly, the gross sales figures for the quarter and half year ended 30 September 2017 are not comparable with the previous periods.
- During the half year ended 30 September 2017, JTEKT Corporation, Japan has acquired additional 25.12% share capital in the company from Sona Autocomp Holding Limited. Further, JTEKT Corporation, Japan has made an open offer for acquisition of additional 26% share capital in the Company in compliance with the provision of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011. Post exercise of this option by Public Shareholders, JTEKT Corporation, Japan shareholding in the Company stands at 70.45% of the total shareholding in the Company.

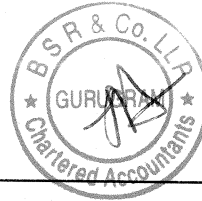
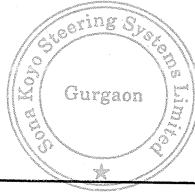


5 Reconciliations of equity between previous GAAP and Ind AS for the quarter and half year ended 30 September 2016 :

Sr No.	Nature of Adjustment	Standalone (₹ in lacs)	
		Quarter ended 30 September 2016	Half year ended 30 September 2016
		Not subjected to limited review	Not subjected to limited review
A	Net profit after tax as per previous GAAP	610.51	920.28
	1 Capitalisation of major spares as Property, Plant and Equipment	(4.17)	12.85
	2 Derivatives recognised at fair value	104.12	83.13
	3 Remeasurement of defined benefit obligations reclassified to other comprehensive income	178.22	139.73
	4 Others	(1.71)	(3.36)
	5 Effect on deferred tax for above Ind AS adjustments	(95.68)	(80.41)
B	Total adjustments (1+2+3+4+5+6)	180.78	151.94
C	Net profit before other comprehensive income as per Ind AS (A+B)	791.29	1,072.22
D	Other comprehensive income after tax		
	Remeasurement of defined benefit obligations	(178.23)	(139.73)
	Income tax effect of above adjustments	61.68	48.36
E	Total comprehensive income as per Ind AS (C+D)	674.74	980.85

6 Segment Reporting : The Company's business activity falls within a single primary business segment viz. "Auto components of four wheelers". The operating segment has been defined based on regular review by the Company's Chief Operating Decision Maker to assess the performance of the Company and to make decision about allocation of resources.

7 Previous period figures have been regrouped / reclassified wherever necessary to correspond with the current period classification / disclosures.



For and on behalf of the Board of Directors of
Sona Koyo Steering Systems Ltd.


HIDEKAZU OMURA
CHAIRMAN

Place : Gurugram, Haryana
Dated : 10 November 2017

SONA KOYO STEERING SYSTEMS LIMITED
STANDALONE STATEMENT OF ASSETS & LIABILITIES

PARTICULARS	Standalone (₹ in lacs)
	As At 30 September 2017
	Unaudited
ASSETS	
Non-current assets	
a) Property, plant and equipment	38,648.88
b) Capital work-in-progress	725.50
c) Intangible assets	3,356.99
d) Intangible assets under development	817.09
e) Financial assets	
i) Investments	3,287.81
ii) Loans	142.85
f) Other non-current assets	257.52
	47,236.64
Current assets	
a) Inventories	7,739.14
b) Financial assets	
i) Trade receivables	15,560.22
ii) Cash and cash equivalents	105.45
iii) Bank balance other than (ii) above	224.79
iv) Loans	83.76
c) Other tax assets (net)	322.93
d) Other current assets	3,509.13
	27,545.42
	74,782.06
EQUITY AND LIABILITIES	
Equity	
a) Equity share capital	1,987.42
b) Other equity	27,790.21
	29,777.63
Non-current liabilities	
a) Financial liabilities	
i) Borrowings	10,787.17
ii) Other financial liabilities	23.06
b) Provisions	741.63
c) Deferred tax liabilities (net)	1,259.84
	12,811.70
Current liabilities	
a) Financial liabilities	
i) Borrowings	6,431.93
ii) Trade payables	13,879.48
iii) Other financial liabilities	8,209.98
b) Other current liabilities	3,367.71
c) Provisions	303.63
	32,192.73
	74,782.06



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BRIEF PROFILE OF MS. GEETA MATHUR

Ms. Geeta Mathur, a Chartered Accountant, specializes in the area of project, corporate and structured finance, treasury, investor relations and strategic planning. She started her career with ICICI, where she worked for over 10 years in the field of project, corporate and structured finance as well represented ICICI on the Board of reputed companies such as Eicher Motors, Siel Limited etc. She then worked in various capacities in large organizations such as IBM and Emaar MGF where she developed diversified expertise across Corporate Finance, Treasury, M&A, Strategy, Supply Chain, Investor Relations, Restructuring, Accounts & Audit, Corporate Governance and General Administration. Besides finance, she is equipped with strong understanding and experience in operations and commercial contracts. She has developed, reorganised, streamlined and led large national teams. She transitioned from the Corporate sector to the development sector as CFO of Helpage India, where besides successful implementation of Oracle ERP and setting up processes for budgeting and MIS was consistently awarded by the Institute of Chartered Accountants and South Asian Federation of Accountants for best presented and transparency in accounts. She is currently on boards of several large companies across sectors including Motherson Sumi Limited, IIFL Holdings Limited and NIIT Limited.