

PRESS RELEASE

SONA KOYO STEERING SYSTEMS LIMITED

DATED : 20th April, 2006.

The Board of Directors of Sona Koyo Steering Systems Limited (SONA), India's largest manufacturer and supplier of Steering Systems, in Technical and Financial Collaboration with world renowned group 'JTEKT Corporation', Japan (formerly Koyo Seiko Co., Ltd.) in their meeting held on 20th April, 2006 has taken on record the Audited Financial Results for the year ended 31st March, 2006 and **recommended the payment of dividend at the rate of 50% on its Equity Share Capital and issue of Bonus Shares to the equity shareholders, through utilization of its reserves, in the proportion of 1 (One) equity share for every 1 (One) equity share held by them on the record date, to be fixed for the purpose.**

For the year ended 31st March, 2006, SONA, has seen record sales of Rs. 409 crores, compared to Rs. 363 crores, in the previous year, a growth of 13%. SONA's efforts in the field of exports are showing spectacular growth and in the current year, SONA has achieved an Export sales of Rs. 50.02 crores, compared to Rs. 25.39 crores in the previous year. The Profit Before Interest, Foreign Currency Loan Translation, Depreciation & Tax for the said period increased from Rs. 36.5 crores to Rs. 41.1 crores, a growth of 13%. The Company has also provided for Rs. 50 lacs toward the Fringe Benefit Tax, as imposed by the Finance Act, 2005. Accordingly for the year ended 31st March, 2006 the Profit After Tax stood at Rs. 16.26 crores as compared to Rs. 16.67 crores, in the previous year.

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