



SONA COMSTAR

Date: 20th June, 2022

BSE Ltd. Regd. Office: Floor - 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. BSE Scrip Code: 543300	National Stock Exchange of India Ltd. Listing Deptt., Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 NSE Scrip: SONACOMS
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SUBJECT: - INTIMATION FOR ANNUAL GENERAL MEETING (AGM)

Dear Sir / Madam,

We wish to inform that:

1. 26th AGM of Sona BLW Precision Forgings Limited (the Company) will be held on Thursday, 14th July, 2022 at 12.00 Noon (IST), through Video Conference ('VC')/ Other Audio Visual Means ('OAVM'). The copy of the Notice of the 26th AGM is enclosed herewith.
2. Cut-off date for remote e-voting is Thursday, 7th July, 2022. The remote e-voting shall commence on Monday, 11th July, 2022 at 9.00 a.m. (IST) and will end on Wednesday, 13th July, 2022 at 5.00 p.m. (IST).

This is for your information and record.

Thanking you,

For SONA BLW PRECISION FORGINGS LIMITED



Ajay Pratap Singh
Vice President (Legal), Company Secretary and Compliance Officer

End: As above

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CIN L27300HR1995PLC083037
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SONA COMSTAR

SONA BLW PRECISION FORGINGS LIMITED

Registered Office- Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon-122004

CIN: L27300HR1995PLC083037 Email – investor@sonacomstar.com

Tel: +91-124-4768200; Website – www.sonacomstar.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 26th (Twenty Sixth) Annual General Meeting (“AGM”) of the members of **Sona BLW Precision Forgings Limited (“Company”)** will be held on **Thursday, 14th July, 2022, at 12:00 Noon (IST)** through video conferencing (VC) / other audio-visual means (“OAVM”) to transact the following businesses.

The proceedings of the 26th AGM shall be deemed to be conducted at the Registered Office of the Company at Sona Enclave, Village Begumpur Khatola, Sector 35, Gurgaon-122004, which shall be the deemed venue of the AGM.

ORDINARY BUSINESS:

Item no. 1:

To consider and adopt the audited Standalone Financial Statements and audited Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon.

Item no. 2:

To declare final dividend of INR 0.77/- per equity share of the Company having face value of INR 10/- each, for the Financial Year ended on 31st March, 2022.

Item no. 3:

To appoint a director in place of Mr. Amit Dixit (DIN: 01798942) who retires by rotation and, being eligible, offers himself for re-appointment.

Item no. 4:

To approve the re-appointment of Walker Chandio & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company and fixing their remuneration.

To consider and, if thought fit, to pass, with or without modification(s), following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to provisions of sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members be and is hereby accorded for the re-appointment of M/s. Walker Chandio & Co LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013), as the Statutory Auditors of the Company for the second term of 5 (five) consecutive years, who shall hold office from the conclusion of this 26th Annual General Meeting till the conclusion of 31st Annual General Meeting of the Company, at such remuneration as may be approved by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee) be and are hereby authorized to do all such acts, deeds, matters, things and to take all such steps as may be considered necessary or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.”

SPECIAL BUSINESS:

Item no. 5:

To approve the payment of remuneration to Mr. Sunjay Kapur (DIN: 00145529), Non-Executive Director and Chairperson of the Company for the Financial Year 2022-23.

To consider and if thought fit, to pass the following resolution as a **Special Resolution:**

“**RESOLVED THAT** in terms of Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with the provisions of Sections 178, 197, 198 and other applicable provisions, if any of the Companies Act, 2013 (“Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company and in accordance with the recommendations of Nomination and Remuneration Committee and the Board of Directors of the Company, and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, and in furtherance to the resolution passed by the members of the Company at the Extra-ordinary General Meeting held on 22nd February, 2021 approving the variation in terms of appointment of Mr. Sunjay Kapur, Non-Executive Director and Chairperson, the approval of the members of the Company be and is hereby accorded for payment of annual remuneration of INR 24,000,000/- (Indian Rupees Twenty Four Million), by way of monthly payment, to Mr. Sunjay Kapur (DIN: 00145529) as a Non-Executive Director and Chairperson of the Company for the Financial Year 2022-23, along with other benefits as per the terms of his appointment as approved by the members at the Extra-ordinary General Meeting of the Company held on 22nd February, 2021, being in excess of 50% (fifty percent) of the total annual remuneration payable to all Non-Executive Directors of the Company in terms of Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors including the Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds, matter, things and to take all such steps as may be considered necessary, appropriate, expedient or desirable in this regard to give effect to this Resolution.”

Item no. 6:

To approve the re-appointment of Mr. Vivek Vikram Singh (DIN: 07698495) as the Managing Director and Group Chief Executive Officer of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of the Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Article of Association of the Company and subject to the approval of any other statutory authorities, as may be required in this regard and subject to other regulations, sanctions, if any, and based on the recommendation and the approval of the Nomination and Remuneration Committee and the Board of Directors, the consent of members of the Company be and is hereby accorded for re-appointment of Mr. Vivek Vikram Singh (DIN: 07698495), as the Managing Director and Group Chief Executive Officer of the Company, liable to retire by rotation, for a period of 5 years with effect from 5th July, 2022 to 4th July, 2027, on such terms and conditions as set out in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board of Directors including the Nomination and Remuneration Committee be and is hereby authorised to alter such terms and conditions as it may deem appropriate in relation to re-appointment of Mr. Vivek Vikram Singh as the Managing Director and Group Chief Executive Officer of the Company, in compliance with the applicable provisions of the Act, other applicable laws and Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to take all such steps, in its absolute discretion, it may think be necessary, proper or expedient to give effect to this resolution and to settle any question or doubt that may arise in relation thereto and/or to seek such approval/ consent from the government departments, if required, as the case may be.”

Item no. 7:

To approve the remuneration of Mr. Vivek Vikram Singh (DIN: 07698495), Managing Director and Group Chief Executive Officer of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Article of Association of the Company and subject to the approval of any other statutory authorities, as

may be required in this regard, and subject to other regulations, sanctions, if any, and based on the recommendation and the approval of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members be and is hereby accorded for payment of remuneration to Mr. Vivek Vikram Singh (DIN 07698495), as the Managing Director and Group Chief Executive Officer of the Company, during his term of re-appointment, as set out in the Explanatory Statement thereto, notwithstanding that the aggregate remuneration including the value of perquisites on exercise of Options granted under the Sona BLW Precision Forgings Limited -Employee Stock Option Plan 2020 (hereinafter referred to as the **“ESOP Plan-2020”**) as approved by the members in the Extra-ordinary General Meeting held on 30th September, 2020, may exceed the limits permissible under section 197 read with Schedule V to the Act, in any financial year(s).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during his term of re-appointment, the remuneration, as approved to be paid to Mr. Vivek Vikram Singh (DIN 07698495), Managing Director and Group Chief Executive Officer, shall be considered as the minimum remuneration, in accordance with the provisions of the Act, other applicable laws and Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors including the Nomination and Remuneration Committee be and is hereby authorized to alter, enhance or widen the scope of remuneration (including the fixed pay, variable pay, perquisites or other benefits) or the terms and conditions of the re-appointment including such periodical increase in his remuneration and to take all such steps as it may in its absolute discretion think necessary, proper or expedient to give effect to this resolution and to settle any question or doubt that may arise in relation thereto and to seek such approval/ consent as may be required in this regard.”

Item no. 8:

To ratify the remuneration of the Cost Auditors of the Company for Financial Year 2022-23.

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded to ratify the remuneration of INR 200,000 (Rupees Two Hundred Thousand Only) plus applicable taxes thereon, besides reimbursement of out-of-pocket expenses on actuals incurred in connection therewith, payable to M/s. Jayaram & Associates, Cost Accountants (Firm Registration No. 101077), appointed by the Board of Directors as Cost Auditors of the Company, based on recommendations of Audit Committee, to conduct the audit of the applicable cost records of the Company for the Financial Year 2022-23.

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee), be and is hereby authorised to do all acts and take all such steps as may be necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto.”

By Order of the Board
Sona BLW Precision Forgings Limited

Ajay Pratap Singh
Vice-President (Legal), Company Secretary
and Compliance Officer
Membership No. F5253

Place: Gurgaon

Date: 9th June, 2022

NOTES:

1. A statement under Section 102 of the Companies Act, 2013 (“**Act**”) and/or as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, concerning the special business under Item Nos. 5-8 of the Notice is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“**MCA**”) has vide its circular dated 5th May, 2022, 14th December, 2021 read with circulars dated 13th January, 2021, 5th May, 2020, 8th April 2020 and 13th April, 2020 (collectively referred to as “**MCA Circulars**”) and SEBI vide its circulars dated 13th May, 2022 read with 15th January, 2021 and 12th May, 2020 (collectively referred to as “**SEBI Circulars**”) permitted the holding of the Annual General Meeting (“**AGM**”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and MCA Circulars, the 26th AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the 26th AGM through VC/OAVM.
3. **Pursuant to the above referred MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.**

However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
4. In compliance with the MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2021-22 is being sent through electronic mode only to those Members whose e-mail address is registered with the Company’s Registrar and Share Transfer Agent / Depository Participants as on **Friday, 10th June, 2022.**
5. The Board of Directors of the Company has appointed Mr. Ankit Singhi (FCS No. - 11685; CP No. 16274), and failing him, Mr. Nitesh Latwal (ACS No. – 32109; CP No. 16276) Partners of M/s. PI & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.
6. The Scrutinizer will, after the conclusion of e-voting at the AGM, scrutinize the votes casted at the Meeting, votes casted through remote e-voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairperson or a person authorized by him in writing, who shall countersign the same and declare the results (consolidated) within two working days from the conclusion of the AGM.
7. The result declared along with the Scrutinizers Report displayed at the Registered as well as Corporate Office of the Company and immediately will be placed on the Company’s website at www.sonacomstar.com and on the website of NSDL e-voting at www.evoting.nsdl.com immediately after the declaration of result and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited (**NSE**).
8. The Members can join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Chairperson, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the SEBI Circulars and MCA Circulars, the Company is providing facility of remote e-Voting and e-Voting at

the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

11. For receiving all the communication (including Annual Report) from the Company electronically, Members are requested to register/update their email address.

Manner of registering / updating email addresses:

A) For members holding shares in physical mode: Members holding shares in physical mode who have not registered/ updated their email addresses with the Company, are requested to register/ update the same by providing the signed Form ISR-1 to Company's RTA. Members can also write to the Company/RTA at investor@sonacomstar.com / einward.ris@kfintech.com respectively along with the copy of signed Form ISR-1 mentioning all the details including Folio Number, name and address of the Member, Permanent Account Number ("PAN"), Email address, Mobile Number etc.

B) For members holding shares in dematerialised mode: Members holding shares in dematerialised mode are requested to register/ update their email addresses/Electronic Bank Mandate by contacting their respective Depository Participants.

12. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.

13. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on the **record date (cut-off date) i.e., Thursday, 7th July, 2022**, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only. Once the vote on a resolution is casted by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have casted their vote through remote e-voting shall not be allowed to vote again at the Meeting.

14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, Annual Report along with the AGM Notice and all other documents as referred in the Notice and explanatory statement, including certificate from the Secretarial Auditors of the Company under Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **Thursday, 14th July, 2022** and

also during the AGM. Members seeking to inspect such documents can send an email at investor@sonacomstar.com.

15. The final dividend for the year ended 31st March, 2022 as recommended by the Board, if approved at the AGM, will be paid to those members whose names will appear in the Company's Register of Members /List of Beneficial Owner as on **Thursday, 30th June, 2022**.

Members are requested to update/register Electronic Bank Mandate for the purpose of receiving the dividends directly in their bank account(s) on payout date.

Manner of registering / updating Electronic Bank Mandate:

A) For members holding shares in physical mode :

Members holding shares in physical mode who have not updated their mandate for receiving the dividends directly in their bank account(s) on payout date through Electronic Clearing Services or any other means ("Electronic Bank Mandate"), can register their Electronic Bank Mandate to receive dividends directly into their Bank Account electronically, by sending the signed Form ISR-1 to Company/RTA along with the following details/document by email to investor@sonacomstar.com/einward.ris@kfintech.com respectively;

- i) Name and branch of Bank in which dividend is to be received and bank account type;
- ii) Bank Account Number allotted by your Bank after implementation of core banking solutions;
- iii) 11 digit IFSC Code; and
- iv) Self attested scanned copy of cancelled cheque bearing the name of the members or the first holder, in case shares are held jointly.

B) For members holding shares in dematerialised mode:

Members holding shares in dematerialised mode are requested to register/ update Electronic Bank Mandate by contacting their respective Depository Participants.

16. Members holding shares in dematerialised form may please note that bank details as furnished by the respective depositories will be used for the purpose of distribution of dividend to members. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialised mode) and with the Company's Registrar and Transfer Agent ("**RTA**") (where shares are held in physical mode) by providing the signed Form ISR-1 which is available on the website of the

Company at <https://sonacomstar.com/investor-relations>. The Company or the Share Transfer Agent will not act on any direct request from such members for change/deletion in bank details.

17. SEBI has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/documents are provided to RTA. On or after 1st April 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://sonacomstar.com/investor-relations>.

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

Shareholders may note that pursuant to changes in the Income Tax Act, 1961 (“IT Act”), as amended by the Finance Act, 2020, dividend Income is taxable in the hands of shareholders and the Company is required to deduct Tax at Source (TDS) at the time of making the payment or distribution of dividend to the shareholders at the prescribed rates. Tax shall be deducted at source @ 10 % for resident shareholders with valid Permanent Account Number (“PAN”); or @ 20% for resident shareholders without PAN or invalid PAN (as per Sec. 206AA of IT Act). Further, the TDS rate of 10% is subject to provisions of Section 206AB of the IT Act (effective from 1st July, 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in Section 206AB of the IT Act, tax is required to be deducted, at the higher of the following rates, in case of payments to the ‘specified person’.

- At twice the rate specified in the relevant provision of the IT Act; or
- At twice the rate or rates in force; or
- At the rate of 5%

The term ‘Specified Person’, as defined in Section 206AB of the IT Act means a person who has not filed the return of income for both of the two assessment years relevant to the two previous years immediately prior to the previous year in which tax is required to be deducted for which the time limit of filing the return of income under sub-section (1) of Section 139 has expired; and the aggregate of the tax deducted at source and the tax collected at source in his/her case is INR 50,000 or more in each of these two previous years.

Further, TDS is required to be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 197 of the IT Act, if such valid certificate is provided.

However, no TDS shall be deducted on the dividend payable to:

A) Individual shareholders, if:-

- the amount of such dividend or as the case may be, the amounts of such dividend distributed or paid or likely to be distributed or paid during the financial year does **not exceed INR 5,000/-**, or
- their **income is below the taxable limit** and **declaration is received** from such shareholders in Form 15G (for individual resident, who is of the age of below 60 years, click here for Form 15G <https://sonacomstar.com/investor/corporate-announcements>) or in Form 15H (for individual resident, who is of the age of 60 years or more, click here for Form 15H <https://sonacomstar.com/investor/corporate-announcements>).

B) Insurance Companies (viz. LIC, GIC etc.), Mutual Funds and Alternative Investment Funds (incorporated in India), where the following documents, complete in all respects, are received from them:

Category of shareholder	Exemption applicability/Documentation requirement
Mutual Funds	1. A self-declaration that they are governed by the provisions of Section 10(23D) of the Income-tax Act, 1961; 2. Self-attested copy of SEBI registration certificate; and 3. Self-attested copy of PAN.
Insurance Companies	1. A self-declaration that they are covered by the second proviso to Section 194 of the Income-tax Act, 1961 and has full beneficial interest with respect to the shares owned by it; 2. Self-attested copy of IRDA registration certificate; and 3. Self-attested copy of PAN.
Category I and II Alternative Investment Fund (“AIF”)	1. A self-declaration that the income of the AIF is exempt under Section 10(23FBA) of the Income-tax Act, 1961 and that they are governed as Category I or Category II AIF under the SEBI regulations; 2. Self-attested copy of SEBI registration certificate; and 3. Self-attested copy of PAN.
Other non-individual resident shareholder	1. A self-declaration that dividend receivable by them is exempt from tax under Section 196 or other relevant provisions of the Income-tax Act, 1961; and 2. Self-attested copies of documents in support of the claim.

In case of non-resident shareholder, taxes shall be withheld as per section 195 and section 196D of the IT Act, at the rates, as applicable. As per the relevant provisions of the IT Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to them. In case, non-resident shareholders provide a certificate issued under Section 197/195 of the IT Act, for lower/ Nil withholding of taxes, rate specified in the said certificate shall be considered, on submission of self-attested copy of the same.

Further, as per Section 90 of the IT Act, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Treaty (“DTAA”) between India and the country of tax residence of the shareholder, if they are more beneficial to them. For this purpose, to avail Tax Treaty benefits, the non-resident shareholders are required to provide the following:

- a) Self-attested copy of the PAN card allotted by the Indian Income Tax authorities. In case, PAN is not available, the non-resident shareholder shall furnish (a) name; (b) email id; (c) contact number; (d) address in residency country; and (f) Tax Identification Number of the residency country (for format click here <https://sonacomstar.com/investor/corporate-announcements>).
- b) Self-attested copy of Tax Residency Certificate (“TRC”) (for the period April 2022 to March 2023) obtained from the tax authorities of the country of which the shareholder is a resident.
- c) Self-declaration in Form 10F (for format click here <https://sonacomstar.com/investor/corporate-announcements>).
- d) Self-declaration by shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (for the period April 2021 to March 2022) (for format click here <https://sonacomstar.com/investor/corporate-announcements>).
- e) In case of Foreign Institutional Investors and Foreign Portfolio Investors, copy of SEBI registration certificate.
- f) In case of shareholder being tax resident of a foreign country or specified territory where the Double Taxation Avoidance Agreement (“DTAA”) between India and that foreign country or specified territory, as the case may be, prescribes additional conditions (for example Article 24 of the India-Singapore Tax Treaty) for the shareholder to avail any beneficial tax treatment, please furnish relevant evidences demonstrating eligibility to avail such beneficial tax treatment (for example letter issued by the competent authority or any other evidences demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore DTAA). It is recommended that shareholder should independently satisfy its eligibility to claim DTAA benefit including meeting of all conditions laid down by the relevant DTAA.

Kindly note that the Company is not obligated to apply beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial rate as per DTAA for the purpose of withholding taxes shall depend upon completeness and satisfactory review by the Company of the documents submitted by the non-resident shareholder.

Note: The non-resident who does not have the permanent establishment is excluded from the scope of a “Specified Person definition” as provided under section 206AB of the IT Act.

The Tax Exemption Forms from resident shareholders and Forms & Documents from non-resident shareholders for availing the benefit of Tax Treaty Rate, as stated above, to be uploaded on the link <http://ris.kfintech.com/form15/forms.aspx?q=0> on or before **Thursday, 30th June, 2022**.

Kindly note that no communication/documents on the tax determination/ deduction shall be considered post 11:59 PM (IST) of **Thursday, 30th June, 2022**.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/ documents, shareholder would still have an option of claiming refund of the excess tax deducted at the time of filing their income tax return by consulting their tax advisors.

No claim shall lie against the Company for such taxes deducted.

Credit of TDS will be available for verification in Form 26AS to those shareholders who have registered valid PAN as above, which can be downloaded from their e-filing account at <https://incometaxindiaefiling.gov.in>. The TDS Certificate, if applicable, will be e-mailed to your registered e-mail address in due course of time, post payment of the aforesaid dividend.”

Further, in the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any appellate proceedings.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING/ E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on **Monday, 11th July, 2022 at 9:00 A.M.** and ends on **Wednesday, 13th July, 2022 at 5:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the **cut-off date i.e. Thursday, 7th July, 2022**, may cast their vote electronically. The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **Thursday, 7th July, 2022**.

Vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

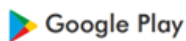
A) Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual members holding securities in demat mode is given below:

Type of members	Login Method
Individual Members holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer/Laptop or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer/Laptop or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Members/Individuals can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Members (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Members holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Members holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for members

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer/Laptop or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for members other than Individual members are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file.

The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in process for those members whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to **“Terms and Conditions”** by selecting on the check box.
 8. Now, you will have to click on **“Login”** button.
 9. After you click on the **“Login”** button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies **“EVEN”** in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select **“EVEN”** of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on **“VC/OAVM”** link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for members:

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@piassociates.co.in with a copy

marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on **“Upload Board Resolution / Authority Letter”** displayed under **“e-Voting”** tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh, Assistant Manager at NSDL at evoting@nsdl.co.in

Process for those members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor@sonacomstar.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor@sonacomstar.com. If you are an Individual members holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please

note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at investor@sonacomstar.com atleast 48 hours before the date of AGM.. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
6. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4.

M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/ N500013), (hereinafter referred to as **Walker Chandiook**) were appointed as statutory auditors of the Company at the 21st AGM held on 28th September, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 26th AGM to be held in the year 2022. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. Walker Chandiook is eligible for reappointment for a further period of five years. Considering the evaluation of the past performance, experience and expertise of Walker Chandiook and based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on 9th June, 2022, approved the reappointment of Walker Chandiook as the statutory auditors of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 31st AGM of the Company. The reappointment is subject to approval of the shareholders of the Company.

The proposed remuneration to be paid to Walker Chandiook for audit services for the Financial Year ending 31st March, 2023, is INR 11,200,000 (Rupees Eleven Million and Two Hundred Thousand) plus applicable taxes and out-of-pocket expenses.

The Board of Directors, on the recommendation of the Audit Committee, are authorised to approve and/or revise the remuneration of the statutory auditors, from time to time.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the statutory auditors.

Brief profile of M/s. Walker Chandiook & Co. LLP

M/s. Walker Chandiook & Co LLP is an Indian global firm, established in the year 1935. The head office of the Firm is at L-41, Connaught Circus, Outer Circle, New Delhi - 110001, Delhi, India. It has over 85 years of experience in India providing audit, tax and advisory Services. The firm is also acting as statutory auditors of many listed entities in India.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing the proposed Resolution.

The Board recommends the resolution set forth in item no. 4 for the approval of members as an **Ordinary Resolution**.

ITEM NO. 5.

Based on the recommendation of Nomination and Remuneration Committee and Board of Directors, the members of the Company in its meeting held on 5th July, 2019 has appointed Mr. Sunjay Kapur as Non-Executive Director and Chairperson of the Company.

Further, the members of the Company in its meeting held on 22nd February, 2021, based on the recommendation of Nomination and Remuneration Committee and Board of Directors, has approved variation in the terms of appointment of Mr. Sunjay Kapur as Non-Executive Director and Chairperson of the Company.

Mr. Sunjay Kapur is a qualified professional with over two decades of experience in the automotive industry. Mr. Kapur graduated with a bachelor's degree in Business Administration from the University of Buckingham and completed his post-graduation in Owner President Management program from Harvard Business School. He is the elected President of the Automotive Component Manufacturers Association of India. He is also a member of the National Council of Confederation of Indian Industry. He is the Co-Chairperson of CII Manufacturing Council and has been past Chairperson of CII Haryana State Council. He is a member of the Board of Governors at The Doon School, Dehradun, and Chairperson of the school's sports committee. He has also held the prestigious position of Global Chairperson of the Entrepreneurs' Organization in 2007-2008. With over two decades of experience in the automotive industry, he serves as an Independent Director on the board of other listed company. He had earlier been the Managing Director of Sona Koyo Steering Systems Limited (now JTEKT India Limited).

Mr. Sunjay Kapur is a doyen of the auto industry. Prior to his appointment as Non-Executive Director, Mr. Kapur was the Managing Director of the Company since 2015 and has been continuously associated with the Company since August 2006. In his previous role as Managing Director, Mr. Kapur was responsible for management of the whole of affairs of the Company.

Considering his rich experience and expertise in the automotive industry and his contribution in the growth of the Company, the Board had appointed him as Chairman and Non-Executive Director on 5th July 2019. Mr. Kapur's responsibilities include the following:

- i. engage with the customers (along with the other Key Managerial Persons and relevant employees of the Company);
- ii. represent himself, the Company and its Subsidiaries in industry associations, forums,

- iii. conferences and other business events;
- iv. contribute and participate in the strategic planning for the Company and its Subsidiaries;
- v. introduce new customers to the Company; and
- vi. introduce new technology partners to the Company.

The terms and conditions in connection with the appointment and remuneration of Mr. Sunjay Kapur, shall remain the same as approved by the members of the Company in its meeting held on 5th July, 2019 and 22nd February, 2021. There is no increment proposed in the remuneration of Mr. Sunjay Kapur, and his remuneration remains the same since July 2019. The Company had also disclosed the particulars in relation to the remuneration of Mr. Kapur as Chairman and Non-Executive Director of the Company, on page no. 218 of the Red Herring Prospectus filed on June 7, 2021 as part of its listing process.

It may be pointed out that as per 2019 India Spencer Stuart Board Index Report published in October 2020 (<https://www.spencerstuart.com/research-and-insight/india-board-index>), the average remuneration for Indian board chairs was INR 57.1 million in 2019. The percentage of chairs receiving remuneration of more than INR 150 million was 13.3% in 2019. This indicates that the remuneration payable to Mr. Kapur for Financial Year 2022-23 is as per industry standards and justified given his experience, expertise and responsibilities.

The Board also considers the annual remuneration of INR 24 million payable for Financial Year 2022-2023 to Mr. Kapur as Chairman & Non-Executive Director of the Company to be commensurate with the contribution made by him and expected from him given his long association with the Company and his stature and profile in the auto industry. This is also keeping in view his enlarged role which has included orderly transition in a company of this size and complexity while also being a mentor to the executive management. Mr. Kapur has been and is instrumental in shaping and steering the long-term strategy of the group. The role of Mr. Kapur as Chairman & Non-Executive Director and Mr. Vivek Vikram Singh as Managing Director & Group Chief Executive Officer (CEO) has been clearly demarcated based on their respective profiles and experience in the Company and the industry.

In accordance with Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 (“Act”), the Company is required to obtain approval of the shareholders by passing of a special resolution every year for payment of remuneration to Non-Executive Director exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company.

Since the payment of remuneration to Mr. Sunjay Kapur is likely to exceed such above referred limit of fifty percent, approval of the members is sought for payment above mentioned

remuneration for the Financial Year ending on 31st March, 2023 in terms of Listing Regulations. The shareholders of the Company had approved the payment of remuneration to Mr. Kapur for the Financial Year 2021-22 by way of special resolution in the 25th Annual General Meeting held on 9th September, 2021.

It may be brought to the attention of the members that the remuneration payable to Mr. Kapur for the Financial Year 2022-2023 alongwith the remuneration/ compensation payable to the other Non-Executive Directors of the Company will be within the limit of 3% of net profit of the Company, as calculated in accordance with section 198 of the Act, approved by the members in the AGM held on 9th September, 2021, with a maximum cap of INR 70,000,000 (Indian Rupees Seventy million) for each financial year.

Except Mr. Sunjay Kapur, Non-Executive Director and Chairperson of the Company, none of the Directors of the Company or their relatives, is in any way concerned or interested in the resolution as set out in item no. 5 of the Notice.

The Board of Directors recommends the resolution as Set out in the Item No. 5 of the Notice for the approval of the members as a **Special Resolution**.

ITEM NO. 6 & 7.

The members of the Company in their Extra Ordinary General Meeting held on 5th July, 2019 appointed Mr. Vivek Vikram Singh as the Managing Director and Group CEO of the Company for a period of 3 (three) years effective from 5th July, 2019 to 4th July, 2022.

Mr. Vivek Vikram Singh is associated with the group since last 7 years and is responsible for implementing strategic decisions for growth (both organic and inorganic), internal performance monitoring across safety, quality, delivery and other operational metrics, management of financial stakeholders (investors, lenders and other financial partners), performance assessment of individual business units and their leaders, for the Company and its subsidiaries. He has over 17 years of experience, including seven years of experience in the automotive industry. He is also responsible for overseeing the production of auto components and systems platform in electric vehicles and hybrids, capital allocation decisions, shareholder management at our Company. He was recognised as one of the India’s 40 under forty hottest business leaders by the Economic Times in 2018. In April 2022, Mr. Singh has been awarded as the EY Entrepreneurial CEO of the Year 2021.

Based on the strong performance of the Company and increase in shareholders’ value, under the leadership of Mr. Singh and other key factors as elaborated below, the Nomination and Remuneration Committee considered it appropriate to recommend to the Board reappointment of Mr. Vivek Vikram Singh as the Managing Director and Group CEO of the Company, for a period of 5 (five) years commencing on 5th July, 2022 till 4th July, 2027 (“Term”) on the terms and conditions, including

the remuneration payable to Mr. Singh as contained in this explanatory statement.

The Nomination and Remuneration Committee considered the following key factors while making its recommendations to the Board:

1. Under Vivek's leadership, the growth of the Company has accelerated, and it achieved impressive growth in both revenues and profits. The revenues grew to INR 21,306 million in the Financial Year 2022 from INR 6,992 million in the Financial Year 2019, at a CAGR of 45%, and the profits (PAT) grew to INR 3,615 million in Financial Year 2022 from INR 1,001 million in the Financial Year 2019, at a CAGR of 53%.
 2. This remarkable growth was delivered under the new strategy, envisaged and led by Mr. Singh, based on four strategic priorities – Electrification, Global Market Significance, Diversification, and Technology. He has led the Company to achieve outstanding results in each of these areas described below:
 - a. Revenue from the battery electric vehicle (BEV) segment grew ~29 times to INR 5,042 million in the Financial Fiscal 2022 from INR 174 million in the Financial Year 2019. As a percent of revenue, BEV share reached 25% in Fiscal 2022 from merely 1% in the Financial Year 2019. The Company acquired its first major EV customer in the Financial Year 2020, and by the end of the Financial Year 2022, the Company has won 30 EV programs across 19 customers.
 - b. The global market share of the Company in its legacy products increased significantly. For differential gears, it reached 6.3% in the calendar year 2021 from 4.5% in the calendar year 2019, and for starter motors, it nearly doubled to 4.6% from 2.5% during the same period. Focus on business development also increased significantly under his leadership. The Company has a net orderbook of INR 186 billion by the end of the Financial Year 2022. At ~9 times the revenues for the Financial Year 2022, it indicates a strong future growth potential for the Company.
 - c. The revenue mix across geographies and products has become more balanced in the Financial Year 2022, as compared to the Financial Year 2019. Mr. Singh also led the Company to enter into a new vehicle segment – electric two-wheelers and three-wheelers. With more focus on electrification, the dependence on Internal Combustion Engine (ICE) vehicles reduced to 18% in the Financial Year 2022 from 40% in the Financial Year 2019.
 3. Mr. Singh led the efforts to the successful Initial Public Offering ("**IPO**") of the Company with an issue size of INR 55,500 million in June 2021. It was India's largest IPO in the automotive component industry. Currently, the Company is amongst the publicly listed Top-5 auto component manufacturers in India by market capitalization.
 4. Even after the IPO, the Company's share price performance was exceptional under his leadership. Since listing in June 2021, the Company's share price increased by 62% (as of June 8, 2022), outperforming the Sensex, Nifty 50, and Nifty Auto by a significant margin, which increased by only 4%, 3%, and 6% respectively during this period.
- Accordingly, the Board of Directors of the Company in its meeting held on 9th June, 2022, based on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Vivek Vikram Singh as Managing Director and Group CEO of the Company for a period of 5 (Five) years effective from 5th July, 2022 to 4th July, 2027, at the remuneration approved by the Board as given below. Mr. Singh will be liable to retire by rotation. The aforesaid re-appointment and terms thereof is subject to approval of the members and such other approvals, as may be required, under applicable laws.
- Mr. Singh, is re-appointed on the same remuneration as was approved by the Board in its meeting held on 27th October 2021, based on the recommendation of the Nomination and Remuneration Committee of the Board during the annual appraisal cycle-2021.
- Brief resume of Mr. Vivek Vikram Singh, along with disclosures required under the Listing Regulations and Secretarial Standard – 2 on General Meeting issued by the Institute of Company Secretaries of India and Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, is given in the Annexure accompanying this Notice. Mr. Vivek Vikram Singh is not debarred from appointment pursuant to any order of SEBI or any other authority.
- The terms and conditions of re-appointment and the break-up of remuneration of Mr. Vivek Vikram Singh as Managing Director & Group CEO are given below:
1. **Remuneration:**
Mr. Vivek Vikram Singh, Managing Director and Group CEO shall by way of salary, allowances, perquisites and commission, be entitled for the following remuneration:

a. Salary:
Basic Pay of INR 287,996 (Rupees Two Hundred Eighty Seven Thousand Nine Hundred and Ninety Six Only) per month.

b. HRA and other allowance:

- i) House Rent Allowance of INR 143,998 (Rupees One Hundred and Forty Three Thousand Nine Hundred and Ninety Eight Only) per month.
- ii) Flexi Pay of INR 1,241,251 (Rupees One Million Two Hundred and Forty One Thousand Two Hundred and Fifty One Only) per month.
- iii) Composite Allowance of INR 881 (Rupees Eight Hundred Eighty One Only) per month.

c. Perquisites

- i) In addition to above remuneration Mr. Vivek Vikram Singh, Managing Director & Group CEO of the Company shall also be entitled to perquisites like vehicle (fuel, service, repair & maintenance, monthly toll charges) reimbursement, driver salary reimbursement, business promotion, internet/broadband bills and also repair and services bills, newspaper, magazine etc., soft furnishings, meal coupon and leave travel concessions for self and family. The value of these perquisites shall be restricted to an amount equivalent to INR 148,500 (Rupees One Hundred Forty Eight Thousand and Five Hundred Only) per month.
- ii) Provision for use of chauffeur driven Company car for official duties / Car Allowance as per Company's Policy.
- iii) Provision of telephone / mobile (including payment for local calls and long-distance official calls) as per Company's Policy.
- iv) Company's contribution to Provident Fund and National Pension System (if applicable).
- v) Gratuity not exceeding half month's salary for each completed year of service.
- vi) Encashment of leave as per Company's policy.

In the absence or inadequacy of profits in any financial year during the currency of the tenure of Mr. Vivek Vikram Singh, as Managing Director & Group CEO of the Company, the above remuneration shall be the minimum remuneration payable to Mr. Vivek Vikram Singh.

d. Variable

In addition to the above salary and perquisites, Mr. Vivek Vikram Singh, Managing Director & Group

CEO of the Company shall also be entitled to such variable pay as may be decided by the Nomination and Remuneration Committee/ Board of Directors of the Company, from time to time.

The variable pay is linked to KPIs defined at the beginning of the year along with targets which include, but are not limited to, people metrics on safety, leadership and culture, lead performance indicators like new order intake, new EV programs by value, new product development, progress on defined technology roadmap; as well as lag indicators linked to annual business plan like EBIT, net profit, product quality, customer satisfaction, etc.

e. ESOP

Perquisites arising on ESOPs, as mentioned below, will also form part of the remuneration of Mr. Vivek Vikram Singh.

Mr. Singh was granted total 662,088 Options exercisable into 662,088 Equity Shares under the Scheme known as 'Sona BLW Precision Forgings Limited- Employee Stock Option Plan 2020 ("ESOP Plan-2020")'. The Options vested/to be vested over a period of 3 (three) years i.e. first vesting on October 1, 2021, second vesting on 1st October, 2022 and third vesting on 1st October, 2023.

On 1st October, 2021, 220,696 Options were vested and exercised by Mr. Singh. Now, 220,696 Options each will be vested in the remaining two tranches in the calendar year 2022 and 2023.

It is clarified that the current remuneration of Mr. Singh is within the maximum permissible remuneration as per Section 197 read with Schedule V of the Companies Act, 2013. However, the remuneration (including perquisite(s) arising as a result of allotment of shares pursuant to exercise of Options granted under ESOP, 2020) payable to Mr. Vivek Vikram Singh (DIN: 07698495) may exceed the limits permissible under section 197 read with Schedule V of the Companies Act, 2013, for each of the Financial Year.

It may also be brought to the attention of the members of the Company that in the AGM held on 9th September, 2021, the members has approved the payment of remuneration (including perquisite(s) arising as a result of exercise of Options granted under ESOP-2020) payable to Mr. Vivek Vikram Singh (DIN: 07698495) which may exceed the limits permissible under section 197 read with Schedule V of the Companies Act, 2013.

There is no other proposal to grant any additional Options to Mr. Singh under ESOP- 2020.

2. The appointment is w.e.f. 5th July, 2022 which may be terminated by either party giving the other party three months' notice or salary in lieu thereof, as the case may be, as mutually agreed between the Company and Mr. Singh
3. The Managing Director and Group CEO shall also be entitled to annual increments as may be decided by the Board, from time to time, based on the recommendation of the Nomination and Remuneration Committee.
4. The terms and conditions of the said appointment and/or Agreement(s) may be altered and varied from time to time by the Board as it may, in its discretion, deem fit.
5. The Managing Director and Group CEO shall be liable to retire by rotation.
6. He shall be a part of Company's directors' and officers' liability insurance policy.
- The Board of Directors accordingly recommends the resolutions as set out in the Item No. 6 & 7, of the Notice for the approval of the members as an **Ordinary Resolution and Special Resolution** respectively.
- Except Mr. Vivek Vikram Singh, Managing Director and Group CEO of the Company, none of the Directors of the Company or their relatives, is in any way concerned or interested in the resolution as set out in item no. 6 & 7 of the Notice.

Information as per Schedule V of the Companies Act, 2013 are as below:

S.No. General Information									
1. Nature of the Industry	Auto components manufacturing industry								
2. Commencement of Commercial Production	The Company commenced its commercial production since 1998								
3. In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus	Not applicable								
4. Financial Performance	The financial performance of the Company (audited) for Financial Year 2021-22: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Particulars</th> <th>INR (in million)</th> </tr> </thead> <tbody> <tr> <td>Total Revenue</td> <td>19,900.46</td> </tr> <tr> <td>PBT</td> <td>4,167.71</td> </tr> <tr> <td>PAT</td> <td>3,535.38</td> </tr> </tbody> </table>	Particulars	INR (in million)	Total Revenue	19,900.46	PBT	4,167.71	PAT	3,535.38
Particulars	INR (in million)								
Total Revenue	19,900.46								
PBT	4,167.71								
PAT	3,535.38								
5. Foreign investment or collaboration, if any	The Company has foreign investments.								
6. Background Details	<p>Mr. Singh is the Managing Director and Group Chief Executive Officer of the Company. He holds a bachelor's degree in technology (computer science and engineering) from HBTI, Kanpur and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has over 17 years of experience, including seven years of experience in the automotive industry.</p> <p>Mr. Singh joined the Company on 1st July, 2016. He was appointed as the Managing Director and Group Chief Executive Officer on the Board with effect from 5th July, 2019.</p> <p>Previously, Mr. Singh was the advisory leader for the industrials and auto sectors for Grant Thornton India. He has a decade's experience in business advisory services with exposure to several advisory areas spanning transactions as well as strategy related advisory services. His primary work areas were working with private sector clients to assist them with strategy formulation/implementation, due diligence and synergy evaluation for private equity transactions, performance improvement and architecture, and business planning.</p>								
7. Past Remuneration:	INR 145.26 million (including perquisites value arising as a result of exercise of Options under ESOP Scheme-2020)								
8. Recognition or awards	a. Economic Times Award for under 40 Hottest Business Leaders of Indian award. b. EY Entrepreneurial CEO of the Year 2021.								
9. Job profile and his suitability	Mr. Vivek Vikram Singh is associated with the group since last 7 years and is responsible for implementing strategic decisions for growth (both organic and inorganic), internal performance monitoring across safety, quality, delivery and other operational metrics, management of financial stakeholders (investors, lenders and other financial partners), performance assessment of individual business units and their leaders, for the Company and its subsidiaries. He is also responsible for overseeing the production of auto components and systems platform in electric vehicles and hybrids, capital allocation decisions, external shareholder management at the Company.								
10. Remuneration Proposed	As mentioned above								
11. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Mr. Singh is being re-appointed on the same remuneration. The remuneration of Mr. Vivek Vikram Singh, Managing Director and Group CEO is in line with the remuneration in similar sized industries in same segment of business. The aforesaid remuneration may be considered as appropriate, having regard to factors such as past experience, position held, criticality to his role in the Company, his contribution as Managing Director and Group CEO to the growth of the Company, its business and its profitability and value creation for the shareholders.								

S.No. General Information

12. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Except to the extent of his employment with the Company, Mr. Vivek Vikram Singh does not have any pecuniary relationship, directly or indirectly, with the Company.
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Other Information

1. Reasons of loss or inadequate profits:	The current remuneration of Mr. Singh is within the maximum permissible remuneration as per Schedule V of the Companies Act, 2013. However, the remuneration (including perquisite(s) arising as a result of allotment of shares pursuant to exercise of Options granted under ESOP, 2020) payable to Mr. Vivek Vikram Singh (DIN: 07698495) may exceed the limits permissible under section 197 read with Schedule V of the Companies Act, 2013, for each of the Financial Year.
2. Steps taken or proposed to be taken for improvement	The Company keeps on exploring new strategic and operational measures in its normal course of business to increase its profitability.
3. Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

ITEM NO. 8.

Pursuant to the merger of Comstar Automotive Technologies Private Limited with the Company, the Company is required to conduct Cost Audit of the cost records of the Company in relation to some of its product for the Financial Year 2022-2023 as per the provisions of Section 148 Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014. Accordingly, the Company is required to appoint a Cost Auditor, who is practicing Cost Accountants in accordance with the provisions of Section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014.

The Board of Directors in its meeting held on 5th May, 2022, based on the recommendation of the Audit Committee, has approved the appointment of M/s. Jayaram & Associates, Cost Accountants, (Firm Registration No.: 101077), as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year 2022-23 at a remuneration of INR 200,000 (Indian Rupees Two Hundred Thousand Only) plus applicable taxes thereon besides reimbursement of out-of-pocket expenses on actuals incurred in connection therewith, payable to the Cost Auditor for Financial Year 2022-23.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2022-23.

None of the Directors and Key Managerial Personnel of the Company including their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution as set out in item no. 8 of the Notice for the approval of the members as **Ordinary Resolution**.

DETAILS OF DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT / RE-APPOINTMENT AT THE MEETING AS PER SECRETARIAL STANDARD-2 ON GENERAL MEETING AND REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name	Mr. Vivek Vikram Singh	Mr. Amit Dixit	Sunjay Kapur
Director Identification Number (DIN)	07698495	01798942	00145529
Date of Birth and Age	24.07.1979 (42 years)	26.01.1973 (49 years)	15.10.1971 (50 years)
Date of appointment	05.07.2019	05.07.2019	05.07.2019
Qualification	Bachelor's in Technology (computer science and engineering) from HBTI, Kanpur and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad	Bachelor's degree of technology in civil engineering from the Indian Institute of Technology, Mumbai, (where he was awarded the institute silver medal), a master's degree in science in civil engineering from the Leland Stanford Junior University and a master's degree in business administration from Harvard University.	Mr. Sunjay Kapur is a qualified professional with over two decades of experience in the automotive industry. Mr. Kapur graduated with a bachelor's degree in Business Administration from the University of Buckingham and completed his post-graduation in Owner President Management program from Harvard Business School

Name	Mr. Vivek Vikram Singh	Mr. Amit Dixit	Sunjay Kapur
Brief resume/Experience (including expertise in specific functional area)	He has over 17 years of experience, including seven years of experience in the automotive industry. He is inter alia responsible for overseeing the production of auto components and systems platform in electric vehicles and hybrids, capital allocation decisions, external shareholder management at our Company.	Mr. Amit Dixit is Head of Asia for Blackstone Private Equity. He has led various investments in South Asia and global technology-enabled services. Previously, Mr. Dixit was a Principal at Warburg Pincus and started his career at Trilogy Software. Mr. Dixit has established the first Chair exclusively for women faculty pursuing research in science and technology at IIT Mumbai. Mr. Dixit was previously a Director of Intelnet Global Services, Trans Maldivian Airways, Jagran Media, Igarashi Motors India, S.H. Kelkar Fragrances and Emcure Pharmaceuticals. He was appointed as a Nominee Director on our Board with effect from 5 th July, 2019.	He has over two decades of experience in the automotive industry and holds membership in various autonomous bodies. He is the elected President of the Automotive Component Manufacturers Association of India. He is also a member of the National Council of Confederation of Indian Industry. He is the Co-Chairperson of CII Manufacturing Council and has been past Chairperson of CII Haryana State Council. He is a member of the Board of Governors at The Doon School, Dehradun, and Chairperson of the school's sports committee. He has also held the prestigious position of Global Chairperson of the Entrepreneurs' Organization in 2007-2008
Terms and Conditions of Appointment / Re-appointment	As mentioned in Item No. 6 & 7 of the Explanatory Statement annexed to this Notice	He was appointed as Non-Executive and Nominee Director of Singapore VII Topco Pvt. Ltd	He was appointed as Non-Executive Chairperson and Nominee Director
Remuneration last drawn (including sitting fees, if any)	INR 145.26 million (including perquisites value arised as a result of exercise of ESOP under ESOP Scheme-2020	NA	INR 24.00 million
Remuneration proposed to be paid	As mentioned in the Item No. 6&7 of the Explanatory statement annexed to this Notice	NA	As per existing terms and conditions
Shareholding in the Company (including shareholding as a beneficial owner in the Company as on March 31, 2022).	Nil	Nil	He is the Significant Beneficial Owner as per the Companies Act, 2013 and indirectly hold 33.06% shares of the Company through Sona Autocomp Holding Private Limited
Relationship with other Directors/ Key Managerial Personnel/ Managers	None as per the definition of Relatives specified in the Companies Act, 2013 and Listing Regulations	None as per the definition of Relatives specified in the Companies Act, 2013 and Listing Regulations	None as per the definition of Relatives specified in the Companies Act, 2013 and Listing Regulations
Number of meetings of the Board attended during the year	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report
Directorship of other Boards as on 31st March, 2022	Interplex Holdings Pte. Ltd.	<ol style="list-style-type: none"> 1. Mphasis Limited 2. EPL Limited 3. Aadhar Housing Finance Limited 4. Blackstone Advisors India Private Limited 5. PGP Glass Private Limited 6. Aakash Educational Services Limited 7. ASK Investment Managers Limited 8. IBS Software Pte. Ltd. 9. a. TU TopCo Inc.; b. TU MidCo Inc.; c. TU BidCo Inc. 	<ol style="list-style-type: none"> 1. Sona Autocomp Holding Private Limited 2. Sona Management Services Limited 3. Raghuvanshi Investment Private Limited 4. BRS Finance and Investment Company Private Limited 5. Azarias Advance Systems Private Limited 6. Automotive Component Manufacturers Association of India 7. Indian Public Schools Society 8. Jindal Steel & Power Limited
*Membership / Chairmanship of Committees of the other Boards as on March 31, 2022	Sona BLW Precision Forgings Limited a. Stakeholder's Relationship Committee	Mphasis Ltd a. Audit Committee IBS Software Pte Limited a. Audit & Risk Management Committee	-
Listed entities from which the person has resigned in the past three years	None	<ol style="list-style-type: none"> a. Jagran Prakashan Limited b. S H Kelkar And Company Limited 	None

*For the purpose of considering the Committee membership and chairpersonship of a Director, membership and chairpersonship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered, including the membership/chairpersonship in Sona BLW Precision Forgings Limited.

By Order of the Board
Sona BLW Precision Forgings Limited

Ajay Pratap Singh
Vice-President (Legal), Company Secretary and Compliance Officer
Membership No. F5253

Place: Gurgaon
Date: 9th June, 2022