



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 is hereby given that the **27th** (Twenty Seventh) Annual General Meeting (“**AGM**”) of the members of **Sona BLW Precision Forgings Limited (“Company”)** will be held on **Wednesday 19th July, 2023 at 12:00 Noon**, through video conferencing (“**VC**”) / other audio-visual means (“**OAVM**”) to transact the following businesses.

The proceedings of the 27th 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, 2023 together with the Reports of the Auditors and Board of Directors thereon.

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

“RESOLVED THAT the audited Standalone Financial Statements and Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 and the Reports of the Auditors and Board of Directors thereon, as circulated to the Members, be considered and adopted.”

Item no. 2:

To declare final dividend of INR 1.53 (Rupee One and fifty-three paise only) per equity share of the Company having face value of INR 10/- (Rupees Ten only) each, for the Financial Year ended on 31st March, 2023.

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

“RESOLVED THAT the final dividend of INR 1.53 (Rupee One and fifty three paise only) per equity share of the Company having face value of INR 10/- (Rupees Ten only) each, for the Financial Year ended on 31st March, 2023, as recommended by the Board of Directors at their meeting held on 3rd May, 2023 be and is hereby declared.”

Item no. 3:

To resolve not to fill the vacancy resulting due to retirement by rotation of Mr. Ganesh Mani (DIN: 08385423), Non-Executive Nominee Director of the Company.

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

“RESOLVED THAT the vacancy resulting due to retirement by rotation of Mr. Ganesh Mani (DIN: 08385423), Non-executive Nominee Director of the Company, on the conclusion of the 27th Annual General Meeting of the Company, be not filled.”

SPECIAL BUSINESS

Item no. 4:

To approve the Sona Employee Stock Option Plan 2023 (“Plan” or “ESOP 2023”) and grant of stock options to the Eligible Employees of the Company under the ESOP 2023

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

“RESOLVED THAT pursuant to the provisions of Section 62(1) (b) and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory amendment thereto or re-enactment thereof), provisions of Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India (“**FEMA**”), applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI (SBEB & SE) Regulations**”), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), provisions of any regulations/ guidelines prescribed by the Securities and Exchange Board of India (“**SEBI**”) and other applicable laws for the time being in force, relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as

may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded for approval of 'Sona Employee Stock Option Plan 2023' ("**Plan**" or "**ESOP**") and thereby, authorizing the Board of Directors (hereinafter referred to as the "**Board of Directors**" which term shall be deemed to include any Committee, including the Nomination & Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to create, grant and offer 7,610,402 (Seven million six hundred and ten thousand four hundred and two only) options (hereinafter referred to as "**Options**") and to issue and allot, upon exercise of Options, such number of shares that, in aggregate, does not exceed 1.3% (one point three percent) of the issued share capital as on the effective date of the Plan, in one or more tranches, from time to time, to or for the benefit of such person(s) who are in the employment or service of the Company (together with the stock options proposed to be created / offered / issued / allotted to or for the benefit of such persons who are in employment of the Company or Company's identified subsidiaries or associates, in terms of the Plan, present and future, whether working in India or outside India, including any director who is in whole-time employment (other than employees / directors who are promoters or belonging to the promoter group, independent directors and a director who, either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding equity shares of the Company) as the Board may decide, ("**Eligible Employees**"), subject to their eligibility as may be determined under the Plan, where one Option upon exercise shall convert into one fully paid-up equity share of the face value of INR 10/- (Rupees Ten Only) per share ("**New Share(s)**"), subject to payment / recovery of requisite Exercise Price and applicable taxes, and on such terms and conditions as may be fixed or determined from time to time in accordance with the Companies Act, 2013 or other applicable provisions of any law as may be prevailing at that time on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

RESOLVED FURTHER THAT the New Shares to be issued and allotted by the Board and/or Nomination and Remuneration Committee in the manner aforesaid shall rank *pari passu* in all respects with the then existing equity shares of the Company including dividend entitlement.

RESOLVED FURTHER THAT the Plan shall be administered by the Nomination & Remuneration Committee of the Company who shall have all the necessary powers as defined in the Plan and is hereby designated as Compensation Committee for the plan, in pursuance of the SEBI (SBEB & SE) Regulations for the purpose of administration and implementation of the

Plan and all references to Board or Board of Directors herein shall include the Nomination and Remuneration Committee constituted by the Board to exercise its powers including the powers conferred by this resolution.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger, sale of division/ undertaking or other re-organisation, the ceiling aforesaid in terms of the number of New Shares reserved under the Plan shall be adjusted with a view to facilitate fair and reasonable adjustment to the Eligible Employees as per provisions of the SEBI (SBEB & SE) Regulations and such adjusted number of the New Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT in case the shares of the Company are either sub-divided, split or consolidated, then the number of New Shares to be allotted and, to the extent allowed, the exercise price payable by the Option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present equity share of the Company having face value of INR 10/- (Rupees Ten Only) per New Share bears to the revised face value of the equity shares of the Company after such sub-division, split or consolidation, without affecting any other rights or obligations of the said Option grantees.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, under the SEBI (SBEB & SE) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination & Remuneration Committee be and is hereby authorised to approve the grant letter, application form, and other related documents in terms of the Plan, to grant Options to Eligible Employees (including deciding the number of options to be granted to Eligible Employees), to allot New Shares upon exercise of Options by Eligible Employees, to take necessary steps for listing of the New Shares allotted under the Plan on the National Stock Exchange of India Limited and the BSE Limited and/or any other stock exchanges where the shares of the Company are listed in due compliance with SEBI (SBEB & SE) Regulations and other applicable laws, rules, and regulations, also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors and/ or the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appointing Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.”

Item no. 5:

To approve the grant of stock options to the Eligible Employees of the Company’s subsidiary or its associate Company, in India or outside India under the Sona Employee Stock Option Plan 2023

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

“**RESOLVED THAT** pursuant to the provisions of Section 62(1) (b) and other applicable provisions of the Companies Act, 2013, if any read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), provisions of the Foreign Exchange Management Act, 1999, the rules and regulations framed thereunder and any rules, circulars, notifications, guidelines and regulations issued by the Reserve Bank of India (**‘FEMA’**), and applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**“SEBI (SBEB & SE) Regulations”**), the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**), provisions of any regulations/ guidelines prescribed by the Securities and Exchange Board of India (**“SEBI”**) and other applicable laws for the time being in force, relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines / Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and / or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed / imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the **“Board”** which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee which the Board has constituted or may constitute to exercise its powers, including the powers, conferred by this

resolution) to extend the benefits of ‘Sona Employee Stock Option Plan 2023’ (**“Plan” or “ESOP 2023”**) including the grant of options (hereinafter referred to as **“Options”**) and issuance of the Equity Shares (**“New Shares”**) thereunder, to the Eligible Employees of the Company’s identified subsidiaries or associates, in India or outside India, from time to time, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provision of the Plan.

RESOLVED FURTHER THAT the New Shares to be issued and allotted by the Board and/or Nomination and Remuneration Committee in the manner aforesaid shall rank *pari passu* in all respects with the then existing equity shares of the Company including dividend entitlement.

RESOLVED FURTHER THAT the Plan shall be administered by the Nomination & Remuneration Committee of the Company who shall have all the necessary powers as defined in the Plan and is hereby designated as Compensation Committee for the plan, in pursuance of the SEBI (SBEB & SE) Regulations for the purpose of administration and implementation of the Plan and all references to Board or Board of Directors herein shall include the Nomination and Remuneration Committee constituted by the Board to exercise its powers including the powers conferred by this resolution.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger, sale of division/ undertaking or other re-organisation, the ceiling aforesaid in terms of the number of New Shares reserved under the Plan shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI (SBEB & SE) Regulations and such adjusted number of the New Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT in case the shares of the Company are either sub-divided, split or consolidated, then the number of New Shares to be allotted and, to the extent allowed, the exercise price payable by the Option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present equity share of the Company having face value of INR 10/- (Rupees Ten Only) per New Share bears to the revised face value of the equity shares of the Company after such sub-division, split or consolidation, without affecting any other rights or obligations of the said Option grantees.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, under the SEBI (SBEB & SE) Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination & Remuneration Committee be and is hereby authorised to approve the grant letter, application form, and other related documents in terms of the Plan, to grant Options to Eligible Employees (including deciding the number of options to be granted to Eligible Employees), to allot New Shares upon exercise of Options by Eligible Employees, to take necessary steps for listing of the New Shares allotted under the Plan on the National Stock Exchange of India Limited and the BSE Limited and/or any other stock exchanges where the shares of the Company are listed in due compliance with SEBI (SBEB & SE) Regulations and other applicable laws, rules, and regulations, also authorized at any time to modify, change, vary, alter, amend, suspend or terminate the Plan and to do all such acts, deeds matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors and/or the Nomination & Remuneration Committee be and is hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appointing Advisors, Merchant Bankers, Consultants or Representatives, being incidental for the effective implementation and administration of the Plan and to make applications to the appropriate authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.”

Item no. 6:

To ratify the remuneration of the Cost Auditors of the Company for the Financial Year 2023-24

To consider and, if thought fit, to pass 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 225,000 (Indian rupees two hundred and twenty five thousand) 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 2023-24.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committees), 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: Gurugram

Date: May 3, 2023

Registered Office:

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

CIN: L27300HR1995PLC083037

Email – investor@sonacomstar.com

Website: www.sonacomstar.com

Tel: +91-124-4768200

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. 4, 5 & 6 of the Notice is annexed herewith. Further, additional information in respect of Item No. 3 of the Notice is also annexed herewith.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“**MCA**”) has vide its circular dated 28th December, 2022, 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 5th January, 2023, 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 27th AGM of the Company is being held through VC / OAVM. The Members can attend and participate in the 27th 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 Circulars, Notice of the AGM along with the Annual Report 2022-23 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, 16th June, 2023**. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company's website at www.sonacomstar.com, websites of the Stock Exchanges, that is, BSE Limited (**BSE**) and National Stock Exchange of India Limited (**NSE**) at www.bseindia.com and www.nseindia.com, respectively and on the website of NSDL at evoting@nsdl.co.in
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 and make a consolidated Scrutinizer's Report and submit the same to the Chairman 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 shall be displayed at the Registered office as well as Corporate Office of the Company and immediately after the declaration will also be placed on the Company's website at www.sonacomstar.com and on the website of NSDL e-voting at www.evoting.nsdl.com and the same shall 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 30 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, Chairman, Directors, Key Managerial Personnel, the Chairpersons 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 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 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 dematerialized mode:

Members holding shares in dematerialized 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., Wednesday, 12th July, 2023**, 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. **Wednesday 19th July, 2023** 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, 2023 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 or as the Beneficial Owner as per the record of depositories as on **Friday 30th June, 2023**.

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 in compliance with the SEBI circular dated 16th March, 2023, along with the following details/document by email to investor@sonacomstar.com/einward.ris@kfintechcom 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 vide its circular dated 16th March, 2023 has 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. On or after 1st October 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>.

18. In accordance with the provisions of Section 72 of the Act and SEBI circulars, the facility for nomination is available for the members of the Company in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting the Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form No. ISR-3 or Form No. SH-14, as the case may be. The said forms are available on the Company's website at <https://sonacomstar.com/files/Investor-FAQ.pdf>. Members are requested to submit the said details to their respective Depository participant, in case the shares are held by them in dematerialized form and to the Company/RTA, in case the shares are held by them in physical form.

COMMUNICATION ON TAX DEDUCTION AT SOURCE 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**'.

- a) At twice the rate specified in the relevant provision of the IT Act; or
- b) At twice the rate or rates in force; or
- c) 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	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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")	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> 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 <https://sonacomstar.com/investor/corporate-announcements>)
- b) Self-attested copy of Tax Residency Certificate ("TRC") (for the period April 2023 to March 2024) obtained from the tax authorities of the country of which the shareholder is a resident.
- c) Self-declaration in Form 10F (for format click <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 2022 to March 2023) (for format click <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 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 **Monday, 10th July, 2023**.

Kindly note that no communication/documents on the tax determination/ deduction shall be considered post 11:59 PM (IST) of **Monday, 10th July, 2023**.

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 **Sunday, 16th July, 2023 at 9:00 A.M.** and ends on **Tuesday, 18th July, 2023 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. **Wednesday, 12th July, 2023** 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 **Wednesday, 12th July, 2023**.

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. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on 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 able to see the e-voting option where the evoting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual Members (holding securities in demat mode) login through their depository participants	<p>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.</p>

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: 022 - 48867000 and 022 - 24997000
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 shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 e-services i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL e-services 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 in a manner as mentioned below. 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) Click on **"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.
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.

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.

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: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre – Senior Manager, 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 DP-ID and CL-ID (16 digit DP-ID + CL-ID 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 at least 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.

ADDITIONAL INFORMATION IN RESPECT OF ITEM NO. 3 OF THIS NOTICE

Mr. Ganesh Mani (DIN: 08385423), has been serving as Non-Executive Nominee Director, on the Board of your Company since July 5, 2019.

Pursuant of Section 152(6) read with Section 152(7) of the Companies Act, 2013 (**"the Act"**), Mr. Ganesh Mani, is liable to retire by rotation at 27th AGM of the Company. Although being eligible for re-appointment, Mr. Ganesh Mani has expressed his unwillingness to be re-appointed and has not offered himself for re-appointment at the 27th AGM, owing to his pre-occupation. Accordingly, Mr. Ganesh Mani (DIN: 08385423), would cease to hold office as Director of the Company on the conclusion of the 27th AGM of the Company.

The Board of Directors (**"Board"**) places on record their earnest appreciation to the invaluable contributions, support and guidance extended by Mr. Ganesh Mani to the Board and the management of the Company during his tenure as director of the Company.

The Board of your Company comprises of 8 (eight) directors as on May 3, 2023, with an optimal mix of Executive and

Non-Executive Directors, with half being Independent Directors. Considering the current composition of Board being adequate with diverse mix of experience, skills, expertise and acumen and in compliance with the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board of Directors of your Company, on the recommendation of the Nomination and Remuneration Committee, at its meeting held on May 3, 2023, has decided that the vacancy caused due to retirement of Mr. Ganesh Mani as director be not filled for the time being. The composition of the Board would continue to remain statutorily compliant.

Except Mr. Ganesh Mani, none of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 3 of this Notice for approval of members of the Company.

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

ITEM NO. 4 AND 5

The Company has an existing Employee Stock Option Plan 2020 ("ESOP 2020") in place with last and final vesting occurring on 01st October, 2023. The Board of Directors of the Company has approved a new employee stock option plan with objective, amongst others, to retain its talented workforce, enhance employee performance, and incentivize employees for the overall growth of the Company.

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee ("Committee"), in its meeting held on **Wednesday 3rd May 2023**, has approved the 'Sona Employee Stock Option Plan 2023' ("Plan" or "ESOP 2023") for the benefit of Employees as defined in the Plan. In terms of Regulation 6(1) of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI (SBEB & SE) Regulations") and Section 62 and other applicable provisions of the Companies Act, 2013, the issue of Equity Shares under an Employee Stock Option Plan requires approval of the shareholders by way of a Special Resolution. The Special Resolution set out in Item No. 4 & 5 is to seek your approval. Further, as per Regulation 6(3)(c) of the SEBI (SBEB & SE) Regulations, approval of the shareholders by way of separate Special Resolution is also required for grant of Options to Eligible Employees of Company's identified subsidiary and/or its associate company, if any, in India or outside India from time to time, on such terms and in such manner as the Board of Directors may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

The main features and other details of the Plan as per the Regulation 6(2) of the SEBI (SBEB & SE) Regulations, are as under:

1. Brief Description of the Plan: The Plan Shall be called as 'Sona Employee Stock Option Plan 2023'. The objectives of this Plan are as under:

- a) Retention of Employees;
- b) Enhanced performance of Employees;
- c) Wealth creation for Employees;
- d) Rewarding performance of Employees;
- e) Incentivizing Employees;
- f) Commonality of interest of Employees working exclusively with the Company or its identified subsidiaries or associates;

- g) Encourage Employees to align their individual performance with the Company's objectives.

2. The total number of Stock Options to be granted under the Plan: The maximum number of Options that

may be granted under the Plan shall be 7,610,402 (Seven million six hundred and ten thousand four hundred and two only), that, upon exercise, shall convert into equity shares of the Company, which will not exceed 1.3% of the issued and paid up equity share capital of the Company having face value of INR 10/- (Rupees Ten only) each, as on the effective date of the Plan.

3. Identification of classes of Employees entitled to participate in the Plan: The eligibility to participate

in this Plan is subject to such criteria as may be decided by the Committee at its discretion, including, but not limited to the performance of the Employee, band of the Employee, criticality of the role, period of service with the Company, future potential or any other criteria, as the Nomination and Remuneration Committee determine. The Plan will be applicable to the Employees of the Company based on Key Performance Indicators ("KPIs") which are role specific (e.g., Consolidated level targets for group level management team and business level targets for respective business management teams). The following are the significant KPIs of the management team which are cascaded down to the whole organisation:

S. No.	Key Performance Indicators
1	Earnings Before Interest and Taxes (EBIT) Target - Consolidated/Business-wise
2	New Order Intake – Consolidated/Business-wise
3	EV Order Intake – Consolidated/Business-wise
4	New Product Launches - Progress on Technology Roadmap
5	Safety
6	Enhancing Compliance and Corporate Governance standards

Further, the subsidiaries of the Company are also part and parcel of the overall business growth of the Company and catering the demand of global customer of the Company. Therefore, it is important that the Plan is also extended to identified employees of the subsidiaries and associates, if any, to align with the business objectives of the Company, as the business performance of the subsidiaries is also reflected in the consolidated performance of the Company.

For the purpose of the Plan, the Employee shall mean:

- i. an employee designated by the Company, who is exclusively working, in India or outside India; or
- ii. a director of the Company, whether a whole-time director or not, including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an independent director of the Company; or
- iii. an employee of the Company including its identified Subsidiaries or Associates, if any, in India or outside India, does not include:
 - a. an employee who is a Promoter or a person belonging to the Promoter Group; or
 - b. a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

4. Requirement of Vesting and period of Vesting:

- i. Subject to applicable laws and the Plan, the Options granted shall have time-based Vesting. The Options granted shall vest for a period not less than 1 (one) year (except where Vesting is triggered for reasons as mentioned in the Plan). All the Options granted on any date, shall vest equally in 4 (four) years from the date of grant of Options.
- ii. In the event of death or permanent disablement of an Eligible Employee, while in employment, all unvested Options shall vest immediately.
- iii. In the event of voluntary resignation and/or mutual separation, all unvested options shall lapse immediately.
- iv. In the event of termination for Cause, the vested options that have not been exercised and the unvested options, if any, shall lapse immediately.
- v. In the event of termination for any other reason, all the unvested Options, if any, shall lapse immediately.

5. Maximum period within which the Options shall be vested:

All the Options granted on any date shall vest not later than a maximum of **4 (four) years** from the date of grant of Options as may be determined by the Committee.

6. Exercise Price or Pricing Formula:

The Exercise Price of the Vested Options shall be the Fair Market Value of the Share as on the Grant Date of the Options, as determined by the Committee and provided in the Letter of Grant in pursuance of the Plan.

“Fair Market Value”/ “FMV” on any date of determination will be the latest available closing price of the equity share on such date on a Recognized Stock Exchange in India.

Explanation - If Shares of the Company are listed on more than one Recognized Stock Exchange, then the closing price on the Recognized Stock Exchange having higher trading volume shall be considered as the FMV.

7. Exercise period and process of Exercise:

The Exercise Period shall be of maximum 3 (three) years from the date of vesting of the Options.

The Options shall be deemed to have been exercised when an Eligible Employee makes an application in writing to the Company or by any other means as decided by the Committee, for the issue of Shares against the Options vested in him, subject to payment of Exercise Price and compliance of other requisite conditions of Exercise.

8. Appraisal process for determining the eligibility of the Employees to the Plan:

The Company through the Committee may offer the Options to a grantee in accordance with the terms and conditions under the Plan for the time being in force.

The process for determining the eligibility to participate in this Plan is subject to such criteria as may be decided by the Nomination and Remuneration Committee at its discretion, including, but not limited to the performance of the Employee, band of the Employee, criticality of the role, period of service with the Company, future potential or any other criteria, as the Nomination and Remuneration Committee determine. The Company measures performance of the employees based upon Key Performance Indicators (**KPIs**) which are role specific (e.g., Consolidated level targets for group level management team and business level targets for respective business management teams).

The Company has fixed the significant KPIs to the management team which are then cascaded down to the whole organisation, which includes the following:

- Earnings Before Interest and Taxes (EBIT) Target - Consolidated/Business-wise;
- New Order Intake – Consolidated/Business-wise;
- EV Order Intake – Consolidated/Business-wise;
- New Product Launches - Progress on Technology Roadmap;
- Safety;
- Enhancing Compliance and Corporate Governance Standards.

9. The maximum number of Options to be granted per Employee and in aggregate:

The maximum number of Options to be granted per Employee shall not exceed 1,522,080 (One million five hundred and twenty-two thousand and eighty only), which is 20% of the total Options under the Plan.

The maximum number of Options that may be granted under the Plan shall be 7,610,402 (Seven million six hundred and ten thousand four hundred and two only), that, upon exercise, shall convert into equity shares of the Company, which will not exceed 1.3% of the issued equity share capital of the Company having face value of INR 10/- (Rupees Ten only) each, as on the effective date of the Plan.

10. The maximum quantum of benefits to be provided per Employee under the Plan:

Apart from grant of options as stated above, no monetary benefits are contemplated under the Plan.

11. Whether the Plan(s) is to be implemented and administered directly by the Company or through a Trust:

This ESOP 2023 shall be administered by the Committee working under the powers delegated by the Board of Directors and Shareholders.

12. Whether the Plan involves new issue of shares by the Company or secondary acquisition by the Trust or both:

The Plan shall be implemented through direct route for extending the benefits to the Eligible Employees by the way of issuance of New Shares of the Company.

The Plan shall be administered by the Compensation Committee.

13. The amount of loan to be provided for implementation of the Plan by the Company to the Trust, its tenure, utilisation, repayment terms, etc:

Not applicable since the Plan is proposed to be implemented through direct route.

14. The maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the Plan:

Not applicable under the Plan.

15. Disclosure and accounting policies:

The Company shall comply with the disclosures requirements and the accounting policies prescribed under Regulation 15 of the SEBI (SBEB & SE) Regulations or as may be prescribed by regulatory authorities from time to time.

16. The method which the Company shall use to value its Options:

To calculate the employee compensation cost, the Company shall use fair market value method to value the Options granted.

17. Statement with regard to Disclosure in Director's Report:

The Board shall make all the relevant disclosures in the Director's Report in relation to this Plan as are required under the Companies Act, 2013 and as per Regulation 14 of SEBI (SBEB & SE) Regulations.

18. Period of lock-in:

There is no lock-in period in the Plan.

19. Terms & conditions for buyback, if any, of specified securities:

The Committee has the powers to determine the procedure for buy-back of Options granted under the Plan, if to be undertaken at any time by the Company and the applicable terms and conditions, in accordance with the Applicable Laws.

'Sona Employee Stock Option Plan 2023' and other documents referred to in the aforesaid resolutions are available for inspection at the registered office of the Company.

None of the Directors, Key Managerial Personnel of the Company and any relatives of such Director, Key Managerial Personnel are in anyway concerned or interested in the resolution except to the extent of Equity Shares held by them in the Company or the Options that may be granted under the Plan.

Accordingly, the Board recommends the passing of the resolutions set out as Item No. 4 and 5 of the notice for the approval of the members as a **Special Resolution**.

ITEM NO. 6

The Board of Directors in its meeting held on Wednesday 3rd May, 2023 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 2023-24 at a remuneration of INR 225,000 (Indian rupees two hundred and twenty five thousand) 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 2023-24.

M/s. Jayaram & Associates, Cost Accountants, have confirmed that they hold a valid certificate of practice under Section 6(1) of the Cost and Works Accountants Act, 1959.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to Cost Auditors is required to be ratified by the members of the Company.

Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2023-24.

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.6 of the Notice for the approval of the members as an **Ordinary Resolution**.

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: Gurugram

Date: May 3, 2023

Registered Office:

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

CIN: L27300HR1995PLC083037

Email – investor@sonacomstar.com

Website: www.sonacomstar.com

Tel: +91-124-4768200;

Information's at a glance

Sr. No	Particulars	Details
1.	Day, Date and Time of AGM	Wednesday, 19th July, 2023, 12:00 Noon (IST)
2.	Mode	Video Conference (VC)/Other Audio-Visual Means (OAVM)
3.	Participation through Video-Conferencing	Members can login from 12:00 Noon (IST) on the date of AGM at https://emeetings.kfintech.com
4.	Helpline email-id and contact Number for e-voting and AGM participation	NSDL: - evoting@nsdl.co.in or call at toll free no: 022 - 4886 7000 and 022 - 2499 7000. CDSL: - helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.
5.	Submission of Questions / Queries Before AGM	Questions/queries shall be submitted 48 hours before the time fixed for AGM i.e. by 12:00 Noon (IST) on Wednesday 19th July, 2023 by any of the following process: <ul style="list-style-type: none"> Email to investor@sonacomstar.com mentioning name, demat account number/folio number, registered email ID, mobile number, etc. Members holding shares as on the cut-off date i.e Wednesday 12th July, 2023, may also visit https://emeetings.kfintech.com and click on "Post Your Queries" and post queries/ views/ questions in the window provided, by mentioning name, demat account number/ folio number, email ID and mobile number. <p>Members can also post their questions during AGM through the "Ask A Question" tab which is available in the VC/OAVM Facility as well as in the one way live webcast facility.</p>
6.	Speaker Registration Before AGM	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 at least 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.
7.	Recorded transcript	Will be made available post AGM at www.sonacomstar.com
8.	Total Dividend for FY23 recommended by Board	INR 2.81 (Rupees two and eighty-one paisa only) (%) per Equity Share of the face value of Rs. 10 each/-
9.	Record date for final Dividend	Record date for final Dividend is Friday 30th June, 2023.
11.	Information of tax on Dividend 2022-23	www.sonacomstar.com
12.	Cut-off date for e-voting	Wednesday 12 th July, 2023.
13.	Remote E-voting start time and date	Sunday 16 th July, 2023 at 9:00 A.M.
14.	Remote E-voting end time and date	Tuesday 18 th July, 2023 at 5:00 P.M.
15.	Remote E-voting website of KFin	https://emeetings.kfintech.com
17.	Email Registration & Contact Updation Process	Demat shareholders: Contact respective Depository Participant. Physical Shareholders: Send Form ISR-1 and other relevant forms to KFintech at Selenium, Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana India – 500 032 or at the email ID einward.ris@kfintech.com .

Corporate Information

BOARD OF DIRECTORS

Sunjay Kapur

Chairman and Non-Executive Director

Vivek Vikram Singh

Managing Director and Group Chief Executive Officer

Amit Dixit

Non - Executive Director (Nominee)

Ganesh Mani*

Non - Executive Director (Nominee)

Shradha Suri

Independent Director

Prasan Abhaykumar

Firodia Independent Director

Subbu Venkata Rama Behara

Independent Director

Jeffrey Mark Overly

Independent Director

Rohit Nanda

Group Chief Financial Officer (CFO)

Ajay Pratap Singh

Vice President (Legal)

Company Secretary and Compliance Officer

* Term is upto the conclusion of 27th AGM of the Company.

STATUTORY AUDITORS

Walker Chandiok & Co LLP,

Chartered Accountants

21st Floor, DLF Square, Jacaranda Marg,
DLF Phase II, Gurugram, Haryana - 122002, India
Tel: +91 124 462 8000

E-mail: arun.tandon@walkerchandiok.in

Firm Registration Number: 001076N/N500013

Peer Review Number: 011707

SECRETARIAL AUDITORS

PI & Associates, Company Secretaries D-26,
South Extn. Part I, New Delhi - 110049

REGISTERED AND CORPORATE OFFICE

Sona Enclave, Village Begumpur Khatola,
Sector 35, Gurugram, Haryana - 122004, India
CIN: L27300HR1995PLC083037

E-mail id:- investor@sonacomstar.com

Tel: +91-124-4768200

Website: www.sonacomstar.com



SONA COMSTAR

SONA BLW PRECISION FORGINGS LIMITED

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