Corporate Governance Report

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Sona BLW Precision Forgings Limited ("Sona Comstar" or "Company") continue to remain committed to strengthening its corporate governance framework in alignment with its core values, vision, and mission. The Company endeavors to uphold the highest standards of integrity, transparency, accountability, ensuring responsible management and disclosure of all financial and non-financial performance metrics to create long-term value for all its stakeholders.

At Sona Comstar, corporate governance goes beyond compliance, shaping decisions to reflect our values, enhance risk management, and maintain high performance standards. It shapes the Company's strategic direction while reinforcing consistency and accountability across its operations. As a value-driven organisation, the Company places high importance on building and sustaining trust with its stakeholders.

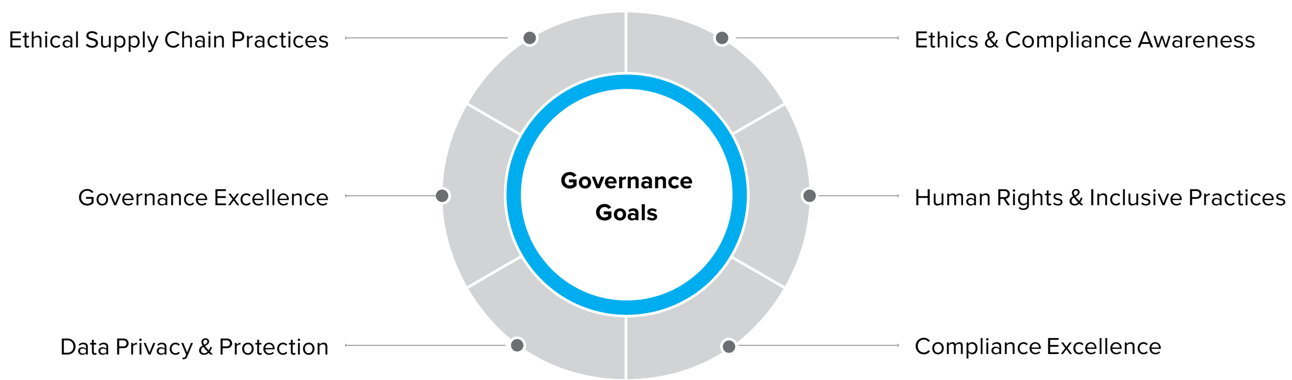
The Company has adopted ethical policies including the Code of Conduct and Business Ethics, Anti-bribery and Anti Corruption' with the words 'Anti Corruption Policy, Anti Money Laundering, Anti-Trust, Data Protection and Privacy Policy, Policy on Prevention of Sexual Harassment at Workplace and Fair Work Practices Guidelines, which focusses on ethical compliances in the Company. The Company has also implemented a Whistle Blower Mechanism. In addition, the Company has implemented a Code of Conduct for Vendors and Ethical Policy Framework for its value chain partners, pursuant to which regular training and awareness sessions with employees, workers and value chain partners of the Company are conducted . These policies of the Company can be accessed from the website of the Company at https://sonacomstar.com/policies-and-codes

The Company has established appropriate and adequate systems and procedures to ensure that its Board of Directors ('Board') is well-informed and well- equipped to fulfil its overall responsibilities and to provide the management with the strategic direction needed to create long-term stakeholder's value. The Company's value creation is based on equitable, inclusive, transparent, and collaborative stakeholder's practices. The Company promotes a safe and healthy workplace for all of its employees.

The Company has also set the medium and long-term ESG goals aligned with United Nation Sustainable Developments Goals (SDGs) and has published its Sustainability Report for the Financial Year 2024-25 in line with the Global Reporting Initiative (GRI) Standards, for providing non-financial and ESG related information to the stakeholders of the Company. Further, the Company's CSR initiatives are aligned with identified SDGs, ensuring focused and measurable impact. The Sustainability Report is available on the website of the Company at https://sonacomstar.com/files/documents/sustainability-report-for-fy2024-25-document-ADM1yq.pdf.

As part of our ESG initiatives, the Governance Goals of the Company are focused towards sensitising the employees and supply chain partners of the Company by conducting regular and periodic training/awareness sessions for promotion of human rights and ethical issues.

THE GOVERNANCE GOALS OF THE COMPANY ARE AS FOLLOWS:



1. Sensitising employees of the Company by conducting regular and periodic training and awareness sessions:
   a) on ethical issues including prevention of Conflict of Interest, Anti-Bribery and Corruption, Anti Money Laundering, Anti- Trust Issues, Prevention of Insider Trading, Sexual Harassment.
   b) for promotion of Human Rights, Diversity & Inclusion, Fair Labour Practices, Freedom to Associate & Collective Bargaining, Data Privacy and other Corporate Social Responsibility Issues.
   c) to encourage the supply chain partners of the Company for promotion of Human Rights and ethical issues as mentioned in above point (a) and (b).
2. To inculcate the culture of compliance and ensure compliance with all the applicable laws and regulations within the organisation and also encourage the supply chain partners of the Company to do so.
3. Implementation of Data Privacy Framework across the group and create awareness sessions on data privacy compliance.

4. Improvise Corporate Governance Practices by benchmarking with best governed Companies both India and globally.

Accolades for Corporate Governance

The Company continues to strengthen its corporate governance framework as a core driver of sustainable growth and long-term value creation. The Company was previously honoured with the prestigious "Certificate of Appreciation for Excellence in Corporate Governance" from the Institute of Company Secretaries of India (ICSI), in recognition of its adherence to high standards of transparency, ethical conduct, and compliance with statutory and regulatory requirements. This acknowledgment reflects the effectiveness of the Company's robust governance framework and its focus on accountability and stakeholder trust.

In addition, the Company was also conferred with the esteemed "Golden Peacock Award for Excellence in Corporate Governance**"** by the Institute of Directors (IOD), Delhi, for the Financial Year 2022–23. This accolade recognises the Company's consistent efforts in strengthening governance practices, enhancing board effectiveness and aligning its policies and processes with globally accepted standards.

While these recognitions affirm the strength of the Company's governance foundations, its focus remains on continuously evolving its practices in line with emerging regulatory expectations and global benchmarks. The Company remains committed to periodic review and enhancement of its governance framework, ensuring integrity, accountability and responsible business conduct across all levels of the organisation.

GOVERNANCE POLICIES AND CODES

Code of Conduct for Board, Senior Management

The Company has adopted the Code of Conduct for Board and Senior Management (**Code**). The Code set forth guidance and principals for the Board of Directors and Senior Management Personnel to manage the affairs of the Company in a fair and transparent manner. The Code is available on the website of the Company at https://sonacomstar.com/files/policy/code-of-conduct-board-and-senior-management-policy-DISxoZ.pdf.

Pursuant to Regulation 26(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), all members of the Senior Management confirmed that there were no material, financial or commercial transactions wherein they had a personal interest that could have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the Listing Regulations, all the Board Members and Senior Management Personnel of the Company as on 31st March, 2026 have affirmed compliance with the Code .

A declaration signed by the Managing Director and Group Chief Executive Officer of the Company, stating that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code is annexed as **Annexure – I** of this report.

The Company has also implemented the Fair Work Practice Guidelines for its employees and business partners covering issues like constitutional values, human rights, diversity and inclusion, labour practices, freedom of association, collective bargaining etc., across its operations. The Fair Work Practice Guidelines of the Company is available on the website of the Company at https://sonacomstar.com/files/policy/fair-work-practice-guidelines-policy-aetlfx.pdf.

E-modules on Ethical Compliances

In pursuit of better governance practices and upon the recommendation of the Audit Committee, the Company has implemented mandatory e-module training on the Code of Conduct, Anti Bribery & Corruption, Whistle Blower and Anti Money Laundering, Anti of Sexual Harassment, Competition Law Compliance Programme, Prohibition of Insider Trading, Training on Data Protection Laws and Health & Safety for the employees of the Company followed by an assessment test with a passing score of at least 80%.

The Company has also replicated the aforesaid training e-modules in its newly acquired Railway Business and during the financial year under review all the eligible employees completed these training.

Data Privacy Framework

The Company is maintaining with utmost confidentiality of the Personal Information (PI) including Personal Sensitive Information (PSI) of its employees, directors, vendors, customers and other stakeholders and during the financial year under review, the Company has further strengthened its Data Privacy Framework in the Company and its subsidiaries in compliance with the Digital Personal Data Protection Act, 2023 (DPDP) and the General Data Protection Regulation (GDPR) across all its locations.

The Company is committed to maintaining the confidentiality and security of the PI of its employees, directors, vendors, customers and other stakeholders.

During the financial year, the Digital Personal Data Protection (DPDP) Rules, 2025 were notified and implemented in a phased manner. In response, the Company has amended its policies and procedures to ensure compliance with these regulatory changes. It has also established and enforced appropriate Data Privacy frameworks to ensure the lawful collection, processing, and handling of PI. These measures include obtaining explicit consent from relevant individuals and entities, thereby ensuring that all personal data is managed in accordance with applicable legal and regulatory requirements.

Furthermore, the Company provides comprehensive training to all its employees on Data Protection principles and practices. This training includes detailed guidelines on the do's and don'ts for the protection of PI and PSI, ensuring that employees are well- informed and equipped to handle PI responsibly and legitimately and in compliance with the established Data Privacy Framework.

Code of Conduct for Prohibition of Insider Trading

The Company understands the menace of insider trading and is fully committed to protect the interest of its investors and shareholders. The Company intensively focuses on trainings, awareness sessions and updates the designated persons of the Company through flyers along with any amendment in the regulations, recent case studies on orders and judgements, in order to make them aware about their duties and responsibilities under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), as amended from time to time.

In line with requirements of the PIT Regulations, the Company has adopted the “Code of Conduct for Prohibition of Insider Trading” (PIT Code) to regulate, monitor and report trading by designated persons and Insiders. The objective of the PIT Code is to put a framework for prohibition of insider trading, to create awareness and provide guidance to the insiders, promoters, directors and designated persons, intermediaries and fiduciaries for trading in securities of the Company. The Company has also formulated a “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)” (Code for disclosure of UPSI) in compliance with the PIT Regulations. The PIT Code and the Code for disclosure of UPSI are available on the Company's website and can be accessed at https://sonacomstar.com/policies-and-codes.

During the Financial Year 2025-26, the Company has conducted multiple training sessions, awareness programmes, and taken requisite initiatives aimed at equipping Designated Persons (DPs) with a comprehensive understanding of their compliance obligations and responsibilities under the PIT Regulations and the PIT Code. Regular communications, including emails and informational flyers, were disseminated to DPs to notify them of Trading Window closures, roles and responsibilities of DPs and to provide clear guidance on permissible and prohibited activities under the PIT Code and under the PIT Regulations. Additionally, the Company also keep highlighting recent industry cases, regulatory developments, regulatory sanctions imposed on other listed companies and their DPs for breaches under the PIT Regulations, utilising publicly available information to underscore the significance of adherence to compliance requirements and to mitigate the risks of non-compliance.

The Company also recognises its responsibility in ensuring compliance with the PIT Regulations by intermediaries and fiduciaries and has taken the necessary action to prohibit the insider trading. The continued focus on training and awareness programmes has ensured better compliance with the PIT Code and PIT Regulations.

Training E-module for Prohibition of Insider Trading:

The Company has implemented e-module on the training on Prohibition of insider trading which is mandatory for all the DPs of the Company and during the year under review, all required employees of the Company have undergone the training and completed the assessment with a passing score of 80%.

Tool for Compliance under PIT Regulations

The Company has in place a tool for tracking the trading done by designated persons of the Company and mapped the details of DPs along with the details of their immediate relatives and insiders. The Company regularly tracks shareholding of all the DPs and their immediate relatives on weekly basis and in case of non-compliance, the matter is placed before the audit committee for its consideration and imposition of appropriate sanctions on the DPs. Further, while sharing any UPSI by any employee to another employees or insiders for legitimate purposes, the employee, who is sharing the UPSI is required to make an entry in the Structural Digital Database (**SDD**), along with the reason and mode of sharing the UPSI.

Regular communication pertaining to the closure of the trading window are sent to all the DPs through the aforesaid tool and as a part of good corporate governance practices. The Company follows the practice of closing its trading window 15 days before the end of every quarter until 48 hours after the quarterly results were published. Additionally, the Trading Window is also closed for specific UPSI matters, applicable to a selected group of DPs, who have access to such UPSI.

GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES

The Company's governance structure comprises of the Board of Directors and its Committees and the management, the tabular representation of the same is shown below.

Shareholders → **Board of Directors** → **Mr. Vivek Vikram Singh** (Managing Director and Group CEO)

↓

Mr. Vikram Verma Vadapalli, Whole Time Director & Chief Executive Officer – Driveline Business

Mr. Rohit Nanda, President and Group Chief Financial Officer

Mr. Sat Mohan Gupta, Chief Executive Officer – Motor Business

Mr. Amit Mishra, Senior Vice President, Head of Railway Business and Group CSR Head

***Mr. Ajay Pratap Singh,** Senior Vice President- Group General Counsel, Company Secretary and Compliance Officer*

Mr. Praveen Chakrapani Rao, Group Chief Technology Officer

Mr. Pratik Sachan, Head-strategy and M&A

* Mr. Ajay Pratap Singh, Senior Vice President - Group General Counsel, Company Secretary and Compliance Officer of the Company resigned effective from the close of business hours on 15th April, 2026. In the interim, the Board, based on the recommendation of the NRC Committee, appointed Ms. Suman Poddar as Company Secretary and Mr. Arjun Singh as Compliance Officer of the Company, both effective from 16th April, 2026. Ms. Suman Poddar and Mr. Arjun Singh resigned effective from 16th June, 2026.

The Board in its meeting held on 16th June, 2026, based on the recommendation of NRC appointed Mr. Pankaj Gupta as Senior Vice President (Legal), Company Secretary and Compliance Officer of the Company effective from 17th June, 2026.

BOARD OF DIRECTORS

The Board of Directors of the Company serves as the cornerstone of the Company's corporate governance framework and plays an instrumental role in steering the growth of the Company and long-term value creation for all its stakeholders. The Board of Directors have the fiduciary responsibility of ensuring overall business strategy is aligned with sustainable growth, value creation, for all its stakeholders, assessing risk management practices and monitoring the effectiveness of the Company's Corporate Governance practices . The Managing Director & Group CEO reports to the Board and is in charge of the management of the affairs of the Company and ensure Company's vision and mission are translated into actionable goals.

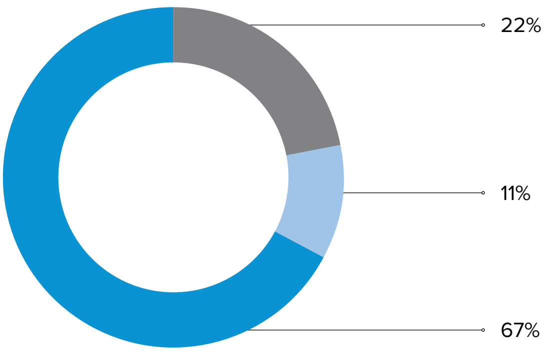
The Company recognises that an effective, independent, and diverse Board is fundamental to strong corporate governance and the long-term success of the Company. This understanding is reflected in the composition of the Board of the Company, which is structured to bring together an appropriate mix of experience, expertise, and independence. The Board of the Company is constituted in accordance with provisions of the Listing Regulations and the Companies Act, 2013 (**Act**), with an optimal mix of Executive, Non- Executive and Independent Directors, wherein Non-Executive Independent Directors represents 2/3 (two-thirds) of the total Board strength.

COMPOSITION OF THE BOARD

Your Company believes in having a diverse Board, with diversity of experience, thoughts, perspective, skill sets, gender, industry and expertise ensuring constructive deliberations and effective decision-making at the Board.

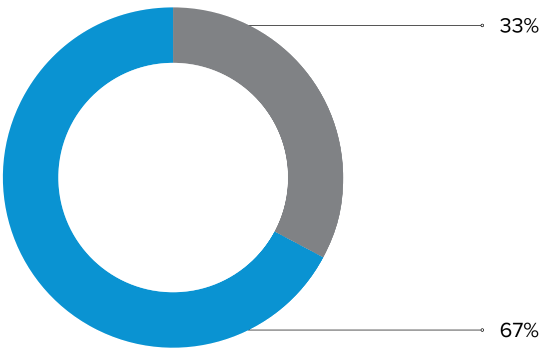
As on 31st March, 2026, the Board comprises of 9 (nine) directors, which includes 6 (six) independent directors, consisting of 2 (two) women independent directors, 2 (two) executive directors, and 1 (one) woman non-executive and non-independent director.

Composition of the Board



Non-Executive Independent Directors
Non-Executive Non-Independent Directors
Executive Directors

Gender Diversity



Man
Women

The Composition of the Board as on 31st March, 2026 is as follows:

Sl. No.	Name of Director	Category
1	Jeffrey Mark Overly	Chairman, Non-Executive - Independent Director
2	Vivek Vikram Singh	Managing Director & Group CEO
3	Vikram Verma Vadapalli	Whole time Executive Director
4	Shradha Suri	Non-Executive - Independent Director
5	Manisha Girotra	Non-Executive - Independent Director
6	Pradip Manilal Kanakia	Non-Executive - Independent Director
7	Karamendra Daulet Singh	Non-Executive - Independent Director
8	Vineet Mittal	Non-Executive - Independent Director
9	Priya Sachdev Kapur	Non-Executive - Non-Independent Director

Note: Mr. Sunjay Kapur (DIN: 00145529) ceased to be a director of the company due to his unfortunate demise on 12th June, 2025. In recognition of his unparalleled contributions and enduring impact, he was designated as Chairman Emeritus of the Company, posthumously.

All the Directors of the Company are doyen of the industry with diverse skill sets and industry specific expertise. The Company has ensured that the role of the Chairman and Managing Director of the Company are separate, and both are not related with each other, as part of its governance practices.

All directors take active part into the deliberations at the Board and Committee meetings by providing valuable guidance and expert advice to the management on various aspects of business, governance, etc. and play a critical role on strategic issues and add values in the decision-making process of the Board of Directors.

SENIOR MANAGEMENT

The Senior Management Personnel (SMP) of the Company were identified and appointed / designated as such in compliance with the criteria laid out under Section 178 of the Act read with Regulation 16(1)(d) of the Listing Regulations. As on 31st March, 2026, following were the SMP of the Company:

Sl. No.	Name of SMP	Designation
1	Sat Mohan Gupta	Chief Executive Officer-Motor Business
2	Rohit Nanda	President and Group Chief Financial Officer
3	Ajay Pratap Singh*	Group General Counsel, Company Secretary & Compliance Officer
4	Amit Mishra	Senior Vice President and Group Head-CSR
5	Praveen Chakrapani Rao	Group Chief Technology Officer
6	Ranganathan Balaji	President & Chief Operating Officer-Operations
7	Rakesh Rajagopal	President & Chief Operating Officer -North America
8	Anand Seth	Vice President-Marketing
9	Pratik Sachan	Head-Strategy and M & A

* Mr. Ajay Pratap Singh resigned effective from 15th April, 2026.

Profile of each Director of the Company is available at https://sonacomstar.com/board-of-directors. Further, none of the directors are related to each other or any of the KMP or SMP of the Company. The number of directorships/committee memberships held by Executive and Non-Executive Independent Directors are within the permissible limits under the Listing Regulations and the Act. The profile of the Management Team of the Company is also available on the website of the Company at (https://sonacomstar.com/about-team) .

BOARD MEETINGS, ATTENDANCE OF DIRECTORS AND, DIRECTORSHIP AND COMMITTEE POSITION HELD

The directors strive to attend each board meeting and committee meetings of which they are members, unless there are exceptional reasons preventing them from participating. Only members of the committees are entitled to attend Committee meetings. Directors other than the directors who are members and invitees may also attend the Committee meetings as invitee at the Chairperson's discretion.

During the financial year under review, the Board of Directors have met 8 (eight) times to discuss and deliberate on various matters. The Board meetings were held on 30th April, 2025, 23rd June, 2025, 20th July, 2025, 04th August, 2025, 27th October, 2025, 17th November, 2025, 23rd January, 2026 and 20th March, 2026. The Board met quarterly and the gap intervening between two consecutive meetings was within the time prescribed under the Act and Listing Regulations.

For the ease and convenience of all the directors and management team, the annual calendar of meetings of the Board of Directors is fixed at the beginning of the year.

67% Independent Directors

3 Women Non-Executive Directors

8 Board Meetings held during Financial Year 2025-26

92% Attendance

The details of the Director's attendance in the Board meeting and AGM of the Company held during the Financial Year along with the directorship and committee positions held by them in other Companies, as on 31st March, 2026 are tabled below:

Name of the director	Category of directorship	Number of board meeting attended (Total 8 board meeting held)	% of attendance in Board meeting	Attendance at the AGM held on 25th July, 2025	Number of Directorship^		Committee positions held^^		Name of the other listed entities	
					Public	Private	Chairman	Member	In which he/she is a director	Category of Directorship
Late Mr. Sunjay Kapur*	Chairman & Non-Executive Director	1	100	NA	NA	NA	NA	NA	NA	NA
Mr. Jeffrey Mark Overly (DIN: 09041143)	Chairman and Independent Director	8	100	Yes	1	Nil	Nil	2	Nil	Nil
Mr. Vivek Vikram Singh (DIN: 07698495)	Managing Director and Group CEO	7	87.5	Yes	2	Nil	Nil	1	Nil	Nil
Mr. Vikram Verma Vadapalli (DIN:03631259)	Whole- Time Director	8	100	Yes	1	1	Nil	Nil	Nil	Nil
Mrs. Priya Sachdev Kapur (DIN: 02406685)	Non – Executive Non – Independent Director	5	83.33**	Yes	1	1	Nil	Nil	Nil	Nil
Mrs. Shradha Suri (DIN: 00176902)	Independent Director	6	75	Yes	3	3	Nil	1	Subros Limited	Chairperson and Managing Director
Mrs. Manisha Girotra (DIN: 00774574)	Independent Director	7	87.5	Yes	2	2	Nil	Nil	Nil	Nil
Mr. Pradip Manilal Kanakia (DIN: 00770347)	Independent Director	8	100	Yes	8	0	4	7	1 JM Financial Limited 2 Healthcare Global Enterprises Limited 3 Britannia Industries Limited 4 ICRA Limited 5 Camlin Fine Sciences Limited	Independent Director
Mr. Karamendra Daulet Singh (DIN:00110827)	Independent Director	8	100	Yes	2	1	1	2	Sundrop Brands Limited	Independent Director
Mr. Vineet Mittal (DIN:00058552)	Independent Director	7	87.5	Yes	2	3	-	2	-	-

* Late Mr. Sunjay Kapur, Chairman Emeritus, ceased to be a director of the company due to his unfortunate demise on 12th June, 2025.

^ Including directorship held in Sona BLW Precision Forgings Limited

^^ Including Committee Positions held in Sona BLW. for the purpose of calculating the membership and chairmanship of a committee, the membership and chairmanship of Audit Committee and Stakeholders Relationship Committee of public companies have been considered including the membership and chairmanship of committees held in Sona Comstar.

** Mrs. Priya Sachdev Kapur (DIN: 02406685) was appointed as Non- Executive and Non-Independent in the Board Meeting held on 23rd June, 2025 w.e.f. 23rd June, 2025, hence she was eligible to attend only 6 (Six)) Board meetings.

Independent Directors

Independent Directors plays a pivotal role in maintaining a transparent working environment in the Company. They provide valuable perspective to the deliberations of the Board and contribute significantly to the decision-making process. They help the Company in improving corporate governance standards. They bring an element of objectivity to the Board processes and deliberations.

As per regulation 25(8) of the Listing Regulations and Section 149(6) of the Act and the rules framed thereunder, all Independent Directors of the Company had confirmed that they meet the independence criteria as specified in the Act read with the Listing Regulations and they are independent of the management. The Independent Directors have stated that they are not aware of any circumstance or situation, which exists or may reasonably be anticipated, that could impair or impact their ability to discharge their duties with an independent judgement and without any external influence.

The maximum tenure of Independent Directors is in compliance with the Act and the Listing Regulations. Based on the confirmations/ disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Act read with the Listing Regulations and they are independent of the Management.

Further, in compliance with Regulation 46(2)(b) of Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the website of the Company which can be accessed at https://sonacomstar.com/files/documents/terms-of-appointment-re-appointment-of-independent-directors-document-Pd816e.pdf

Lead Independent Director

Mr. Jeffrey Mark Overly has been appointed as the Lead Independent Director and entrusted, inter-alia, with the following roles and responsibilities:

i. Lead exclusive meetings of the Independent Directors and provide feedback to the Board of Directors after such meetings;

ii. Provide leadership to the Independent Directors and serve as liaison between the Board and the Independent Directors;

iii. Take the lead role, along with Chairman of Nomination and Remuneration Committee, in assessing the performance evaluation of the Board and that of Individual Director;

iv. Identify critical issues for the Board to deal with and assist the Board in achieving consensus on important issues.

Meeting of Independent Directors

During the Financial year under review and in terms of Clause VII of the Schedule IV of the Act read with Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors of the Company, without the presence of Non-Independent Directors, was held on 30th April, 2025. Independent Directors in the said meeting has reviewed and evaluated the performance of the Non-Independent Directors, Board as a whole and Chairman of the Company after taking views of executive and non-executive Directors of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to perform its duties both effectively and reasonably. All the Independent Directors of the Company complies with the criteria's pertaining to the maximum number of directorships as per Regulation 17A of Listing Regulations.

Board meetings - Functioning and Procedure

Calendar	The annual calendar of the Board meetings and AGM is decided and circulated to the directors in the beginning of every calendar year.
Frequency	The Board meets at least once a quarter to review the quarterly financial results and other items of the agenda. Whenever necessary, additional meetings are held. Only in case of business exigencies or urgency of matters, resolutions are passed by circulation.
Location	The mode of attending the Board meetings is informed to all the Directors, through the calendar of the meetings. Each Director is expected to attend the Board meetings.
Matters	All businesses / departments of the Company are advised to schedule their work plans in advance, particularly with regard to matters requiring discussions / approval / decision of the Board and / or its Committee(s). All such matters are communicated to the Company Secretary in advance so that the same can be included in the agenda for the Board / Committee meeting notice meetings in consultation with the chairperson of the Board and its committees.
Board and agenda	Meetings are governed by the structured agenda. The notice and agenda for each Board meeting is circulated well in advance to the Board members. Each agenda items are backed by the comprehensive agenda notes.
Presentations by management	The Board is given presentations covering finance, revenue, performance, technology updates on major business segments, updates on the operations of the Company / subsidiaries, global business environment including business opportunities, business strategy, ESG framework , update on mergers and amalgamations and the risk management practices, changes in applicable law.
Access to employees	The directors are provided free access to communicate with the officers and employees of the Company. Management is encouraged to invite the Company personnel to any Board / Committee meeting at which their presence and expertise would help in full understanding of the subject matters.
Availability of information to the Board members	The Board inter-alia periodically reviews annual operating plans and budgets including operating and capital expenditure budgets technological updates, quarterly financial results of the Company both consolidated and standalone basis, financials of each of the subsidiaries and investments made by the subsidiaries, risk assessment and minimisation procedures, update on the state of the market for the business as well as on the strategy, minutes of subsidiaries, minutes of all the Board Committees, details of the treasury investments, details of foreign exchange exposure, update on statutory and secretarial compliance reports and reports of non-compliances, if any.

Post meeting follow-up mechanism	The important decisions and suggestions taken at the Board / Committee meetings are promptly communicated to the concerned departments / divisions. Any update on the action taken on the decisions of the previous Committee meeting(s) is placed at the subsequent respective meeting of the Board/Committee.

DETAILS OF EQUITY SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS AS ON 31ST MARCH, 2026

As on 31st March, 2026, none of the Non-Executive Directors of the Company, except as stated below, was holding any equity shares or convertible instruments in the Company.

S. No	Name of Director(s)	No. of Equity Shares	No. of Convertible Instruments
1.	Mrs. Shradha Suri (Independent Director)	145	NIL

DETAILS OF EQUITY SHARES AND CONVERTIBLE INSTRUMENTS HELD BY KEY MANAGERIAL PERSONNEL OF THE COMPANY AS ON 31ST MARCH, 2026

S. No	Name of Key Managerial Personnel	No. of Equity Shares*	Percentage of Shareholding	No. of Convertible Instruments
1.	Vivek Vikram Singh (Managing Director and Group Chief Executive Director)	3,38,465	0.054%	Nil
2.	Vikram Verma Vadapalli (Whole Time Director	3,11,042	0.05%	Nil
3	Ajay Pratap Singh** (Senior Vice President- Group General Counsel, Company Secretary and Compliance Officer	21,768	0.003%	Nil

*All the equity shares allotted to them by the Company pursuant to exercise of their options under the ESOP Schemes or shares allotted to Mr. Vivek Vikram singh under the PSP Scheme 2025 of the Company.

**Mr. Ajay Pratap Singh, Senior Vice President-Group General Counsel, Company Secretary and Compliance Officer has resigned w.e.f. 15th April, 2026.

FAMILIARISATION PROGRAMME FOR BOARD MEMBERS

In compliance with Regulation 25(7) of the Listing Regulations, the Company has a structured programme for orientation and training of Directors at the time of their joining and thereafter, to enable them to understand the nature of the industry in which the Company operates in, business model of the Company, their rights and responsibilities as Independent Directors.

A newly appointed Independent Director is provided with an induction deck which contains appointment letter along with their roles, duties & responsibilities, policies including the Code of Conduct for Board of Directors and Senior Management Personnel, Policy on Board Diversity and other related policies and corporate presentation. Apart from the above, one-to-one orientation session is also organised with the Management Team of the Company.

The exhaustive induction for Independent Directors enables them to be familiarised with the Company, its history, values and purpose. The Managing Director and Group CEO also makes presentations in every quarterly meeting of the Board of Directors, in order to facilitate clear understanding of the business of the Company and the environment in which the Company operates.

The Company operate into Mobility components, systems and sub-systems with focus on technological advancement in the mobility. In Board meetings, discussions are focused on business strategy, update on mergers and acquisitions, cyber security, governance, compliances, ESG related matters, technological updates and operational and functional matters which provide good insights on the businesses carried on by the Company to the Independent Directors. To make meetings more productive, all the documents related to the Company's operations, businesses and the industry as a whole, are provided at least 3 days' in advance of the meetings.

Further, monthly updates are shared with the directors containing an update on the material amendments in the regulatory and compliance framework applicable on the Company and its impact on the Company and insights about the relevant renowned judgments/orders of the learned Courts or Tribunals and Adjudicating bodies. The directors also visit the Company's Plants, which helps them to get first-hand understanding of the business and operations .

The details of such familiarisation programmes for Independent Directors are put up on the website of the Company and can be accessed at https://sonacomstar.com/files/policy/familiarisation-programme-policy-4ZowK5.pdf

CHART/MATRIX OF SETTING OUT THE SKILLS/ EXPERIENCES/COMPETENCIES OF THE BOARD OF DIRECTORS:

As on 31st March, 2026, the Board comprised of experienced members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee Meetings.

The matrix below summarises a mix of skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

Name of Directors	Strategic Thinking, Planning and Management	Entrepreneurial and Leadership skills	Accounting, Legal and Financial Management expertise	Global Exposure	Automotive Technology	Regulatory Compliance and Stakeholder Management	Information Technology/ Cyber Security	Corporate Governance, Sustainability, and ESG	Risk Management
Mr. Jeffrey Mark Overly	√	√	√	√	√	√	√	√	√
Mr. Vivek Vikram Singh	√	√	√	√	√	√	√	√	√
Mr. Vikram Verma Vadapalli	√	√	√	√	√	√	-	√	√
Mrs. Priya Sachdev Kapur	√	√	√	√	-	√	-	-	-
Mrs. Shradha Suri	√	√	√	√	√	√	√	√	√
Mrs. Manisha Girotra	√	√	√	√	√	√	√	√	√
Mr. Pradip Manilal Kanakia	√	√	√	√	-	√	√	√	√
Mr. Karamendra Daulet-Singh	√	√	√	√	√	√	√	√	√
Mr. Vineet Mittal	√	√	√	√	-	√	√	√	√

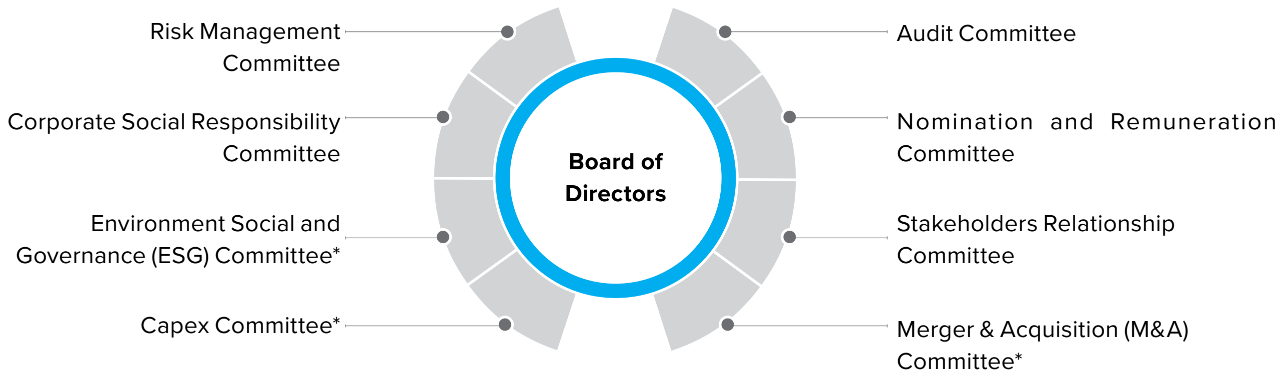
DIRECTOR AND OFFICER LIABILITY INSURANCE (D&O)

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Liability Insurance policy. The Directors and Officers Liability Insurance has been taken by the Company on behalf of all Directors including Independent Directors and Officers of the Company for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

BOARD COMMITTEES

The Board Committees play a crucial role in the governance structure of the Company. These Committees assist the Board in discharging its responsibilities as required under the the Act and the Listing Regulations.

The Board, in compliance with the statutory requirements, has constituted the following 5 (five) statutory committee's viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholder Relationship Committee and Risk Management Committee . The terms of reference of these Committees, as approved by the Board, set out their respective scope of work and responsibilities, and are also available on the website of the Company at https://sonacomstar.com/files/policy/terms-of-reference-of-the-committees-policy-iAA7NT.pdf. In addition to above, the Board has constituted 3 (three) non-statutory committees namely, Environment, Social and Governance (ESG) Committee, Capex Committee and Merger and Acquisition (M&A) Committee. The term of reference of these committees of the Board has been approved by the Board, and their relevance is reviewed from time to time.



*Voluntary Committees

The Company Secretary of the Company acts as the Secretary to all the committees of the Board.

During the Financial Year 2025-26, there was no recommendation of any committee which was not accepted by the Board of the Company.

All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. The agenda for each committee meetings are finalised in consultation with the Chairperson of the respective committee and the Chairperson of the committee informs the Board about the summary of the discussions held in the Committee meetings. The minutes of the committee meetings are finalised in consultation with the chairperson of the respective committee and are circulated to all the members of the respective committees, which are confirmed by the respective committees in its meeting and take note of by the Board in the subsequent meeting.

1. Audit Committee

The Audit Committee of the Board comprises of 3 (three) members, who are Independent Directors and they are financially literate and have relevant experience in financial management. Members of the Senior Management, external firms working on compliance audit, cyber security and other projects of the Company and its subsidiaries are also invited to make presentations before the Audit Committee as and when required by the Committee.

The composition and role of the Audit Committee is aligned as per the requirement of Section 177 of the Act read with the rules made thereunder and the Listing Regulations. The Audit Committee is governed by its charter to ensure effective compliance. The Charter is reviewed from time to time to maintain conformity with the regulatory framework.

As a matter of good corporate governance practices, the Committee meets with Auditors, without the presence of management of the Company to discuss the audit process and flow of information from respective departments, at least once in a financial year.

Further, the Board in its meeting held on 30th April 2026, has designated the Audit Committee as "Those Charged With Governance" on behalf of the Company, in consonance with the requirements of the circulars issued by National Financial Reporting Authority.

Composition and Attendance (in brief):

100% Independent Directors

3 Members

7 Meetings held during Financial Year 2025-26

100% Attendance

The Composition of the Audit Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	Audit Committee meetings dates							Eligible to attend the Meeting	Attended	% of attendance
		30th April 2025	23rd Jun 2025	4th August 2025	27th October 2025	17th Nov 2025	23rd January 2026	20th March, 2026			
Mr. Pradip Manilal Kanakia	Chairperson	✓	✓	✓	✓	✓	✓	✓	7	7	100
Mr. Jeffrey Mark Overly	Member	✓	✓	✓	✓	✓	✓	✓	7	7	100
Mr. Karamendra Daulet Singh	Member	✓	✓	✓	✓	✓	✓	✓	7	7	100

The Company Secretary of the Company acts as the Secretary to the Committee.

Audit Integrity

The Company has appointed independent auditors to conduct statutory audit, internal audit and secretarial audit.

The Audit Committee has the following Terms of Reference/Charter:

The Terms of Reference of the Audit Committee, as laid out below, has been formulated in accordance with the role of audit committee specified under Section 177 of the Act and Regulation 18 read with Part C of Schedule II of the Listing Regulations.

1. Roles and Responsibilities:

The Committee shall have the following authority, roles and responsibilities:

A. Related to Financial Statements:

- Reviewing and examine, with the management, the annual financial statements, quarterly audited/unaudited financial statements/results and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report.
- Review the financial statement, in particular, the investment made by unlisted Subsidiary;
- Evaluating internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

- Overseeing our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Review the management discussion and analysis of financial condition and results of operations.

B. *Related to Auditors of the Company:*

- Recommending to the Board for appointment, remuneration and terms of appointment of auditors of the Company;

In case the auditors propose to resign before completion of their term, the Committee shall examine the reason for such resignation including concerns raised by the auditor such as non-availability of information / non- cooperation by the management / any other apprehensions hampering the audit process and deliberate on them in the immediate next Audit Committee meeting.

- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Committee;
- Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Reviewing the internal audit reports relating to internal control weaknesses;
- Discussing with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our board;
- Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

C. *Relating to the Integrity & Compliance Function of the Company:*

- Review of compliance with the Company's Code of Conduct and Business Ethics, Whistle Blower Policy, Policy for Prevention of Sexual Harassment at Workplace, Anti-Bribery & Corruption Policy and such other policies of the Company as approved by its Board;
- Reviewing the functioning of the whistle blower mechanism/vigil mechanism to report genuine concerns or grievances;
- Reviewing compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;
- Approval of all related party transactions or any subsequent modifications (including material modifications) thereto;
- The Committee may make omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed under the applicable Act.
- Review the details of Related Party Transactions entered pursuant to omnibus approval given, at least on quarterly basis;
- To define material modification in the Related Party Transactions
- Review the statement of significant related party transactions (as defined by the audit committee), submitted by management.

D. *Relating to mergers/acquisitions and investments:*

- Scrutinise inter-corporate loans and investments;
- Valuation of undertakings or assets of our Company, wherever it is necessary;
- Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

E. *Other responsibilities:*

- Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
- To recommend amendment to the Policy on Related Party Transactions, if so required to ensure compliances with new regulatory requirements.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of

proceeds of a public or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to our board to take up steps in this matter;

- Reviewing the statement of deviations:
  - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
  - annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Listing Regulations.
- Approving the appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other functions as mentioned in this Charter and any other terms of reference as may be decided by the Board and/or specified /provided under the Companies Act, the Listing Regulation or by any other regulatory authority(ies);
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

2. **Powers of the Audit Committee**

The powers of the Audit Committee shall include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal and other professional advice;
- To secure attendance of outsiders with relevant expertise, if it considers necessary;
- To secure attendance of the auditors, and the head of finance and occasionally the Committee members may meet without the presence of the executives of the Company.

3. **Composition**

- All members of Committee are financially literate with accounting or related financial management expertise.
- The Committee comprises of three Independent Directors.
- The chairperson of the Committee is an independent director and is present at Annual general meeting to answer shareholder queries.
- The members of the Committee are elected by the Board.
- The Company Secretary acts as the secretary to the audit committee.

4. **Meetings**

- The Committee meets at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings.
- The quorum for Committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.
- The Committee shall undertake an annual performance evaluation of its own effectiveness and submit it to the Board.
- The Committee shall, at least once in a year, meet separately with the internal auditors, statutory auditors and/or secretarial auditors, without the presence of management.

2. Nomination and Remuneration Committee

As on 31st March, 2026, the Nomination and Remuneration Committee (NRC) of the Board comprises of all 4(four) Independent Directors.

The Chairperson of the Committee virtually attended the 29th Annual General Meeting of the Company held on 25th July, 2025.

The composition and role of the NRC is as per the requirement of Section 178 of the Act and rules made thereunder and the Listing Regulations.

Composition and Attendance (in brief):

100% Independent Directors

4 Members

5 Meetings

80% Attendance

The Composition of the NRC of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	Nomination and Remuneration Committee meeting dates					Eligible to attend the Meeting	Attended	% of attendance
		30th April 2025	23rd Jun 2025	27th October 2025	17th Nov 2025	20th March 2026			
Mr. Karamendra Daulet Singh*	Chairperson	✓	✓	✓	✓	✓	5	5	100
Mr. Sunjay Kapur^	Member	✓	-	-	-	-	1	1	100
Mr. Jeffrey Mark Overly	Member	✓	✓	✓	✓	✓	5	5	100
Mrs. Shradha Suri	Member	✗	✓	✗	✗	✓	5	2	40
Mrs. Manisha Girotra	Member	✓	✓	✓	✗	✗	5	3	60

*Mr. Karamendra Daulet Singh, Independent Director of the Company was designated as the Chairperson of the Committee w.e.f. 16th July, 2025.

^Late Mr. Sunjay Kapur, Chairman Emeritus, ceased to be a director of the company due to his unfortunate demise on 12th June, 2025.

The Company Secretary of the Company acts as the Secretary to the Committee.

The NRC Committee has the following terms of reference:

The scope and functions of the NRC are in accordance with Section 178 of Act and the Listing Regulations, as amended, from time to time, which is available on the website of the Company at https://sonacomstar.com/files/policy/terms-of-reference-of-the-committees-policy-iAA7NT.pdf and are set forth below:

- Formulating the criteria for determining qualifications, positive attribute and independence of a director and recommending to our Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other Employees;
- Identifying a person who qualify to become Director or who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the board their appointment and removal and specify the manner of effective evaluation of the performance of our Board, its committees and individual directors to be carried out either by our Board, its Committees and individual directors to be carried either by our Board, by the Nomination and Remuneration Committee or by an independent external agency and reviews its implementation and compliance;
- For every appointment of an Independent Director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
  - Use the services of an external agencies, if required;
  - Consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - Consider the time commitments of the candidates.
- Formulating criteria for evaluation of performance of the Independent Directors and the Board;
- Devising a policy on Board Diversity;
- Determining whether to extend or to continue the term of appointment of Independent Director, on the basis of report of performance evaluation of Independent Directors;
- Recommend to our Board, all remuneration, in whatever form, payable to Senior Management;
- Performing such other activities as may be delegated by the Board and/or specified/provided under the Companies Act, the SEBI Listing Regulations, and any applicable law or by any other regulatory authority.

Succession Planning

The Company believes that sound succession plans for the Board Members and Senior Management are very important for creating a robust future for the Company and the NRC of the Company plays a pivotal role in identifying successors to the members of the Senior Management and invests substantial time with the Managing Director & Group CEO on succession planning. The succession plan is closely aligned with the strategy and long-term needs of the Company. The Company has adopted the Succession Planning Policy in terms of regulations of the Listing Regulations and the Succession Planning Policy of the Company is available on the website of the Company at https://sonacomstar.com/files/policy/succession-planning-policy-policy-SYOpD5.pdf.

The Board of the Company met with Mr. Vivek Vikram Singh and CEOs of all Business of the Company on the succession planning on 26th October, 2025, to review the succession planning for CEO and all direct reports to the CEO.

3. Corporate Social Responsibility Committee

As on 31st March, 2026, the CSR Committee comprises of 4 (four) non-executive directors, of whom 3 (three) members are independent directors and the Chairperson of the Committee is Non-Executive and Non-Independent director. The composition and role of the Corporate Social Responsibility Committee is as per the requirement of Section 135 of the Act and rules made thereunder.

Composition and Attendance (in brief):

75% Independent Directors

4 Members

4 Meetings

87.5% Attendance

The composition of the Corporate Social Responsibility Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	Corporate Social Responsibility Committee Dates				Eligible to attend the meeting	Attended	% of attendance
		23rd June 2025	27th October 2025	23rd January 2026	20th March 2026			
Mrs. Priya Sachdev Kapur*	Chairperson	✓	✓	✓	✓	4	4	100
Mrs. Shradha Suri	Member	✓	✗	✓	✓	4	3	75
Mrs. Manisha Girotra	Member	✓	✓	✓	✗	4	3	75
Mr. Pradip Manilal Kanakia ^	Member	✓	✓	✓	✓	4	4	100

*Mrs. Priya Sachdev Kapur, Non-Executive Director of the Company was appointed as the member and Chairperson of the Committee w.e.f. 23rd June 2025.

^Mr. Pradip Manilal Kanakia, Independent Director of the Company was appointed as the member of the Committee w.e.f. 23rd June 2025.

The Company Secretary of the Company acts as the Secretary to the Committee.

The CSR Committee has the following terms of reference:

- Formulate and recommend to the Board the CSR Policy of the Company and any amendment thereto, from time to time, indicating the activities to be undertaken by the Company in area or subject, as specified in schedule VII of the Companies Act, 2013.
- Review and recommend the amount of expenditure to be incurred by the Company on the various CSR activities.
- Formulate and recommend the Annual CSR action plan to the Board, and recommend alteration to the approved annual CSR action plan to the Board.
- Ensure compliance of all the obligations cast upon it under the CSR policy of the Company and the annual CSR action plan approved by the Board.
- Monitor the adherence by the Company with the CSR Policy, from time to time.
- Ensure that the Company is taking appropriate measures to undertake CSR activities as mentioned in the CSR Policy.
- The CSR Committee shall have access to any internal information necessary to fulfill its oversight role.
- Perform other activities related to this Charter as requested by the Board of Directors or address issues related to any significant subject within its term of reference.

4. Stakeholders Relationship Committee

As on 31st March, 2026, the Stakeholders Relationship Committee (SRC) comprises of 3 (three) directors and out of them 2 (two) including the chairperson are non-executive independent directors and one is executive director. The Composition and role of the SRC is as per the requirement of Section 178 of the Companies Act, 2013 and rules made thereunder and the Listing Regulations.

In order to address the grievance of the investor appropriately and in a time bound manner, the Company has formulated an Investor Grievance Redressal policy which can accessed at https://sonacomstar.com/files/policy/investor-grievance-redressal-policy-policy-hCONqg.pdf

The Company also published the unclaimed dividend details of all the shareholders of the Company on its website at https://sonacomstar.com/unclaimed-dividend and shareholders can check their unclaimed dividend by mentioning their DP-ID, Client- ID or Folio no.

As per section 178(7) of the Act and the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI), the Chairperson of the Committee or, in his absence, any other member of the Committee authorised by him in this behalf shall attend the General Meeting of the Company.

Composition and Attendance (in brief):

66.66% Independent Directors

3 Members

4 Meetings

100% Attendance

The composition along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is as below:

Name of Directors	Category	SRC meeting dates				Eligible to attend the Meeting	Attended	% of attendance
		30th April 2025	4th August 2025	27th October 2025	23rd January 2026			
Mr. Karamendra Daulet Singh	Chairperson	✓	✓	✓	✓	4	4	100
Mr. Jeffrey Mark Overly	Member	✓	✓	✓	✓	4	4	100
Mr. Vivek Vikram Singh	Member	✓	✓	✓	✓	4	4	100

The Company Secretary of the Company acts as the Secretary to the Committee.

The SRC Committee has the following terms of reference:

- Consider and resolve grievances of security holders of our Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders. Review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
- Review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrant/annual reports/statutory notices by the shareholders of our Company;
- To authorise affixation of Common seal of our Company, if any;
- Ensure proper and timely attendance and redressal of investor queries and grievances;
- Carrying out any other functions contained in the Companies Act and/or equity listing agreements (if applicable), as and when amended from time to time; and
- To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent.

Details of Shareholders'/Investors' Complaints:

During the Financial Year ended on 31st March, 2026, only 1 (one) complaint was received from the shareholders of the Company which was pertaining to the claim of unclaimed dividend by a shareholder whose bank account details were not updated with the depository. This complaint was duly resolved by the Company in co-ordination with its RTA to the satisfaction of the Shareholder.

As on date, no complaint is pending regarding the share transfers pertaining to the year under review. The details relating to the number of complaints received and redressed during the Financial Year 2025-26 are as under:

No. of Investor/Shareholders complaints pending at the beginning of the Financial Year 2025-26	No. of Investor/Shareholders complaints received during the Financial Year 2025-26	No. of Investor complaints not solved to the satisfaction of shareholders during the Financial Year 2025-26	No. of Investor complaints pending at the end of the Financial Year 2025-26
Nil	1	Nil	Nil

5. Risk Management Committee (RMC)

As on 31st March, 2026, the Risk Management Committee (RMC) comprises of 3 (three) directors, out of which 2 (two) are non-executive independent directors including the Chairperson of the Committee and 1 (one) is executive director. The Composition and role of the Risk Management Committee is as per the requirement of the Listing Regulations.

Composition and Attendance (in brief):

66.66% Independent Directors

3 Members

2 Meetings

100% Attendance

The composition of the Risk Management Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	RMC meeting dates		Eligible to attend the Meeting	Attended	% of attendance
		4th August 2025	23rd January 2026			
Mr. Jeffrey Mark Overly	Chairperson	√	√	2	2	100
Mr. Vivek Vikram Singh	Member	√	√	2	2	100
Mrs. Manisha Girotra	Member	√	√	2	2	100

The Company Secretary of the Company acts as the Secretary to the Committee.

The Risk Management Committee has the following terms of reference:

- Formulate a detailed risk management policy which shall include:
  - i. framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined;
  - ii. measures for risk mitigation including systems and processes for internal control of identified risks;
  - iii. Business continuity plan.
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- Seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions.

6. Environment, Social and Governance Committee

The ESG Committee is formed by the Board of Directors for overseeing the vision and focus on the Company's strategy relating to ESG and sustainability matters.

The Board of Directors of the Company has constituted an Environment, Social and Governance (ESG) Committee for implementation of Environment, Social and Governance framework across all operations in India. As on 31st March, 2026, the Environment, Social and Governance (ESG) Committee comprises of 4(Four) directors, of whom 2 (two) members including the Chairperson of the Committee are independent directors, and 1 (one) executive director and 1 (one) non-executive director. The Company has set the ESG medium and long-term goals and mapped them with the United Nation Sustainable Developments Goals (SDGs).

Composition and Attendance (in brief):

50% Independent Directors	4 Members	1 Meetings	100% Attendance

The composition of the ESG Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	ESG Committee meeting dates			
		23rd January 2026	Eligible to attend the Meeting	Attended	% of attendance
Mr. Jeffrey Mark Overly	Chairperson	✓	1	1	100
Mr. Vivek Vikram Singh	Member	✓	1	1	100
Mr. Vineet Mittal	Member	✓	1	1	100
Mrs. Priya Sachdev Kapur*	Member	✓	1	1	100

*Mrs. Priya Sachdev Kapur, Non-Executive and Non-Independent Director of the Company was appointed as the member of the Committee w.e.f. 23rd June 2025.

7. Capex Committee

Allocation of the Capital decisively is an important task for the Company, , therefore the Board has constituted the Capex Committee which review and recommends the Annual capital expenditure budgets to the Board for its approval and after Board's approval the Committee also reviews the status of expenditure on quarterly basis.

As on 31st March 2026, the Capex Committee comprises of 3(three) directors of whom 1(one) Non-Executive Independent Director, who is also the chairperson and 2(two) executive directors. The role of the Committee is to approve new capex and shall also monitor the cash out flow granularly in an effective manner.

Composition and Attendance (in brief):

33.33% Independent Directors	3 Members
3 Meetings	100% Attendance

The composition of the Capex Committee along with the details of the meetings held and attended by the members of the Committee during the Financial Year 2025-26 is detailed below:

Name of Directors	Category	Capex Committee meeting dates			Eligible to attend the Meeting	Attended	% Attendance
		4th August 2025	24th October 2025	20th March 2026			
Mr. Jeffrey Mark Overly*	Chairperson	✓	✓	✓	3	3	100
Mr. Vivek Vikram Singh	Member	✓	✓	✓	3	3	100
Mr. Vikram Verma Vadapalli	Member	✓	✓	✓	3	3	100

* Mr. Jeffrey Mark Overly, Independent Director of the Company was designated as the Chairperson of the Committee w.e.f. 23rd June 2025.

8. Mergers & Acquisition Committee (M&A Committee)

The Board of Directors in its meeting held on 30th April, 2024, has constituted Mergers and Acquisition Committee (M&A Committee) of the Board of Directors with the objective of assessing the vitality of each of the target Company and for detailed deliberation and discussion of each project, which will save lot of time of the Board. The role of the M&A Committee shall include:

a. To review, evaluate, scrutinise and consider all proposals for making investments (including acquisition), divestments, strategic alliances/ technological tie ups, Foreign Collaborations by the Company or by its subsidiaries and making appropriate recommendations to the Board of the Company.

b. To approve merger or de-merger or arrangements, approve entry into new vertical.

c. Any other matter as may be delegated by the Board from time to time.

The Composition of the M&A Committee is as follows:

Name of Directors	Nature of Membership
Mrs. Manisha Girotra	Member – Independent Director
Mr. Vivek Vikram Singh	Member - Managing Director and Group CEO

GENERAL BODY MEETINGS

a) Details of Annual General Meeting held during last three years and special resolutions passed thereunder are detailed below:

The empowerment of the Shareholders is of utmost priority to the Company. Since its listing, the Company has endeavoured to conduct its Annual General Meeting at the earliest, within four months from the from the closing of its financial year.

Year	Location	Date & Time	Whether any Special Resolutions Passed	Special Resolution Passed in the AGM by Shareholders	Web link for webcast/ transcripts	Percentage of Voting (%)
2025	Video Conferencing/ other audio-visual means	25th July, 2025 at 01:00 PM (IST)	Yes	1. Re-appointment of Mrs. Shradha Suri (DIN:00176902), as an Independent Director of the Company.	https://sonacomstar.com/investor/meetings	88.98
				2. Re-appointment of Mr. Jeffrey Mark Overly (DIN:09041143), as an Independent Director of the Company.		98.96
				3. Alteration of the Object Clause of the Memorandum of Association of the Company.		99.99
2024	Video Conferencing/ other audio-visual means	28th June, 2024 at 12:00 PM (IST)	No	No special resolution passed by the shareholders in this AGM.	https://sonacomstar.com/investor/meetings	-
2023	Video Conferencing/ other audio-visual means	19th July, 2023 at 12:00 noon (IST)	Yes	1. 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.	https://sonacomstar.com/investor/meetings	98.85
				2. 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		93.46

b) Whether any special resolution passed last year through postal ballot – details of voting pattern.

Yes, during the financial year under review, the following resolutions were passed by the shareholders of the Company by e-voting through Postal Ballot process:

Sl. No.	Resolution	Ordinary/ Special	No. of votes polled	No. and % of Votes in Favour of the resolution	No. and % of Votes Against the resolution
1.	To consider and approve Sona BLW Precision Forgings Limited Performance Share Plan – 2025.	Special	547,334,761	475,813,830 (86.93%)	71,520,931 (13.07%)

c) Person who conducted the postal ballot exercise.

Mr. Nitesh Latwal, Partner of PI & Associates, Practicing Company Secretaries, was appointed by the Board of the Company as the scrutiniser ("Scrutiniser") for conducting the Postal Ballot / e-voting process in a fair and transparent manner.

d) Whether any special resolution is proposed to be conducted through postal ballot?

No special resolution is proposed to be passed through Postal Ballot as on the date of this Report.

e) Procedure for postal ballot.

In compliance with Regulation 44 of the Listing Regulations, Section 108, 110 and other applicable provisions of the Act read with the Rules issued thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), the Company provided electronic voting facility to all its members.

The Company had engaged the services of National Securities Depository Limited (NSDL) for the purpose of providing electronic voting facility to all its members.

The Board of Directors of the Company had appointed Mr. Nitesh Latwal (Membership No. – ACS 32109, CP No. 16276) and failing him Mr. Ajay Khandelwal (Membership No. – FCS 12387; CP No. 18606), Partners of PI & Associates, Practicing Company Secretaries as the scrutiniser for carrying out the aforesaid Postal Ballot voting process through electronic means in a fair and transparent manner.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/Kfin Technologies Limited, the Company's Registrar and Share Transfer Agent ("RTA"). The Company has also published notice in the newspapers declaring the details of completion of dispatch, e-voting details and other requirements in terms of the Act read with the Rules issued thereunder and the Secretarial Standards issued by ICSI. Voting rights were reckoned on the paid-up value of shares of the Company registered in the names of the shareholders as on the cut-off date. All the Postal Ballot notices are available on the Company's website at https://sonacomstar.com/investor/postal-ballot

The Scrutiniser submitted his report post the completion of scrutiny, to the Chairman of the Company within the statutory timelines prescribed under the applicable laws and thereafter the said report along with the consolidated results of the voting by Postal Ballot were then placed on the Company's website at https://sonacomstar.com/files/documents/scrutinizer-report-document-b18sla.pdf and on the website of the Stock Exchanges and NSDL in accordance with Regulation 44(3) of the Listing Regulations and Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014. The details of the previous postal ballots are available on the Company's website at https://sonacomstar.com/files/documents/postal-ballot-notice-document-tHDGuo.pdf.

PERFORMANCE EVALUATION

Your Company believes that the process of performance evaluation at the Board level is pivotal to its Board engagement and effectiveness. Based on the recommendation of the Nomination and Remuneration Committee ("NRC"), your Company has adopted a Policy for evaluation of the Performance of the Board of Directors, which was duly approved by the Board of Directors and has been published on the website of the Company at https://sonacomstar.com/files/policy/policy-on-evaluation-of-performance-of-board-of-directors-policy-6W0NEP.pdf.

In addition, in terms of the requirements of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its committees as well as the performance of all the directors individually. The Board formally assesses its own performance with the aim of improving the effectiveness of the Board and its Committees.

The criteria of evaluation of Board are based on "Guidance note on Performance Evaluation" issued by the SEBI on 5th January 2017, and in compliance with provisions of the Act and the Listing Regulations.

The evaluation of the Board was based on the criteria such as structure and composition of the Board, frequency of meetings, adequacy of time allocated at the Board Meetings, adequacy and timeliness of the agenda and minutes circulated, functions of the Board, governance and compliance etc.

A structured questionnaire covering above aspects related to the functioning of Board were circulated to all the directors.

Evaluation of Committees

The performance evaluation of Committees was carried out by the Board on the basis of the criteria such as structure and composition of committees, fulfilment of the functions assigned to committees by the Board and applicable regulatory framework, frequency of meetings, adequacy of time allocated at the committee meetings, adequacy and timeliness of the agenda and minutes circulated, effectiveness of the Committee's recommendation for the decision of the Board etc. The feedback from members and the action suggested by the NRC and Board are discussed at the respective meetings of the Committees of the Board of Directors for taking necessary action.

Evaluation by Independent Directors

The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairperson of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Directors and Non-Executive Directors. Additionally, they also assessed the quality, quantity and timeliness of flow of information between the Management of the Company and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Criteria for Individual Director

A separate exercise was carried out by the NRC of the Board to evaluate the performance of Individual Directors.

The evaluation of directors was based on, inter-alia, various criteria such as qualification and experience, fulfilment of functions as assigned, attendance at Board and Committee meeting, contribution to strategy and other areas impacting Company's performance, availability and attendance etc.

Criteria for Chairman

The directors of the Company evaluated the performance of the Chairman based on various criteria, inter alia, including displaying efficient leadership, contribution to the Company and in the Board meetings, keeping shareholders' interest in mind during discussions and decisions, etc.

Evaluation of Independent Directors

The performance evaluation of Independent Directors was based on various criteria, inter alia, including independence from the Company and other directors and that there is no conflict of interest, the director exercises his/her own judgement and voice opinion freely etc.

Feedback

The summary of the performance evaluation on consolidated and anonymous basis was circulated to:

- Each director, specifying his individual rating and feedback received from other directors.
- Chairperson of the Board, specifying the rating and feedback received for Board as a whole, Committees and Individual Directors.
- Chairperson of the NRC specifying the rating and feedback received for Individual Directors and Chairperson of Board.
- Lead Independent Director specifying the consolidated report of the outcome for (a) Board as a whole (b) Chairman; and (c) Non-Independent Director by Independent Directors (IDs) of the Company.

The Chairperson of the NRC Committee and Chairperson of the Board also conducted one-to-one interaction with all the directors of the Company. The individual rating and feedback received from other directors on consolidated and anonymous basis, was shared with the individual directors.

The outcome was shared with NRC, and Board of Directors and at a separate meeting of the Independent Directors held on 30th April, 2026.

Results of Evaluation

Based on the feedback received from the individual directors and the recommendations made by them, the actionable areas have been identified. The summary of the action points will be placed before the Board and respective committee meetings in the upcoming respective meetings. Broadly, the Directors have expressed their satisfaction with the evaluation process and the outcome. The overall feedback was positive.

Other Corporate Policies

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013 and the Securities and Exchange Board of India (SEBI) Regulations along with the representations of the changes if any, made in the policies during the financial year under review are annexed as **Annexure -II** to this report.

The Company has published all Ethical Compliance policies on its website, which can be accessed at https://sonacomstar.com/policies-and-codes and the Company (reviewed them) from time to time and updated them as a good corporate governance practises.

NOMINATION AND REMUNERATION POLICY AND REMUNERATION PAID TO DIRECTORS

The Company has a well-defined Nomination and Remuneration Policy in place.

During the financial year under review, the Nomination and Remuneration Policy of the Company has been updated based on the remuneration of the Nomination and Remuneration Committee (NRC) and approval of the Board of Directors , which is available on our website, at https://sonacomstar.com/files/policy/nomination-and-remuneration-policy-policy-2ORHuA.pdf.

The Nomination and Remuneration Committee determines and recommends to the Board, the compensation payable to the Directors, Key Managerial Personnel (KMP) and Senior Management. The compensation of directors is within the limit approved by the shareholders of the Company. Remuneration for the Executive Directors and Senior Management comprises fixed component and variable component including stock options/share grants, which is governed by the ESOP Scheme (by whatever name called) of the Company, as approved by the shareholders of the Company.

The NRC makes a periodic appraisal of the performance of Executive Directors, KMP and Senior Management. The Non-Executive Directors are paid remuneration in the form of sitting fees for attending the meetings of the Board of Directors or any Committee thereof and annual commission as approved by the Board of Directors .

Details of remuneration paid to Directors during the Financial Year 2025-26:

1. **Remuneration paid to Managing Director and Group Chief Executive Officer and the Key Managerial Personnel (KMP's) for the financial year ended on 31st March, 2026.**

   Remuneration of the Managing Director & Group Chief Executive Officer, Whole Time Director and KMP's of the Company is reviewed & recommended by the NRC and approved by the Board of the Company.

   The table below gives the remuneration paid to the Managing Director and Group Chief Executive Officer, Whole Time Director and the KMP's during the financial year ended on 31st March, 2026:

Name of Managing Director/ KMP's	Vivek Vikram Singh (Managing Director & Group CEO)#		Vikram Verma Vadapalli (Whole- Time Director)^		Rohit Nanda (President and Group CFO)@		Ajay Pratap Singh (Sr. Vice President- Group General Counsel, Company Secretary & Compliance Officer)*	
Financial Year	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Salary (including perquisites)	25.25	21.87	25.42	4.33	26.39	21.43	10.40	7.04
Variable Pay	9.30	9.85	10.33	7.87	9.59	8.69	3.76	2.96

Name of Managing Director/ KMP's	Vivek Vikram Singh (Managing Director & Group CEO)#		Vikram Verma Vadapalli (Whole- Time Director)^		Rohit Nanda (President and Group CFO)@		Ajay Pratap Singh (Sr. Vice President- Group General Counsel, Company Secretary & Compliance Officer)*	
Financial Year	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**	**2025-26**	**2024-25**
ESOP/PSP Perquisite Value	54.89	2.37	-	-	-	-	-	2.96
Annual Commission	60.12	-	-	-	-		-	-
Total	**149.56**	**34.09**	**35.75**	**12.20**	**35.98**	**30.13**	**14.16**	**12.96**

During the financial year, 15,00,000 shares were approved to be offered under Sona Performance based Share Plan (PSP -2025) by the shareholders on 19th December, 2025 over a period of 5 (five) years based on the performance criteria specified thereunder and out of which 1,25,915 shares were allotted in Financial Year 2025-26 to Mr. Vivek Vikram Singh. He was earlier granted 1,103,400 options under the ESOP – 2023 and during the financial year he did not exercise any options under the ESOP – 2023. There is an increase of 15 % in his remuneration and addition of annual commission i.e. 1% of consolidated PAT and his total remuneration capped at 5% of the net profit of the Company.

^ Mr. Vikram Verma Vadapalli was granted 7,02,000 options under the ESOP - 2023. During the financial year, he did not exercise any options under the ESOP – 2023. Mr. Verma was appointed as whole time Director on 24th January, 2025.

@ Mr. Rohit Nanda was granted 562,000 options under the ESOP - 2023. During the financial year, he did not exercise any options under the ESOP – 2023.

* Mr. Ajay Pratap Singh was granted 2,14,800 options under the ESOP - 2023. During the financial year, Mr. Ajay has exercised 3,000 options under the ESOP – 2023 and there is no perquisite value of it.

2. Remuneration paid to the Non-Executive Directors for the Financial Year ended on 31st March, 2026

The Shareholders of the Company at the AGM held on 9th September, 2021, have approved the payment of remuneration to be paid to the Non-Executive Directors (including independent directors) not exceeding 3% of the net profits of the Company, calculated in accordance with Section 198 of the Act, in a manner as decided by the Board of Directors subject to upper limit of INR 70,000,000 (Indian rupees seventy million) for each financial year for a period of 5 financial year upto Financial Year 2025-26.

The Company understands and acknowledges the importance of remunerating well to its Independent Directors and Non-Executive and Non-independent Directors of the Company to get optimum benefit of their wisdom, experience and expertise for the benefit of all the stakeholders of the Company.

Considering the growth in the Net Profit of the Company, as calculated under section 198 of the Companies Act, 2013, over the period of time since 2021, the Board of Directors in its meeting held on 20th March, 2026 and subject to approval of shareholders in the ensuing Annual General Meeting of the Company, has approved and revised the total limit of commission i.e. upto 1% Net Profit of the Company calculated in terms of section 198 of the Companies Act, 2013 and with an overall upper cap of INR 70,000,000 (Indian rupees seventy million) for each financial year starting from 2026-27 for five financial years, to be payable to all the Non-Executive Directors (including Independent Directors and Non-Independent Directors) of the Company.

The Board also considered that since a reasonable time has been elapsed and considering the dynamic regulatory landscape, ever rising bar of Corporate Governance and increasing responsibilities demanding more and more involvement of non-executive directors and in particular the role being played by the Chairperson of the Board and Audit Committee, it is reasonable to revise the commission payable to Independent Directors and Non-Executive and Non-Independent Director of the Company.

The Board of Directors in its meeting held on 20th March, 2026 also approved the revision in the commission payable to Independent Directors and Non-Executive and Non- Independent Director of the Company, effective from Financial Year 2026-27 for a period of 5 (five) financial years subject to overall cap of INR 70,000,000 (Indian rupees seventy million) as follows:

Name of the Director	Designation	Existing amount of Commission (Excluding Sitting fees)	Proposed amount of Commission (Excluding Sitting fees)
Mr. Jeffrey Mark Overly	Non-Executive Independent Director	USD 100,000	USD 120,000
Mr. Pradip M Kanakia	Non-Executive Independent Director	INR 5,500,000	INR 9,500,000
Mr. Karam Daulet-Singh	Non-Executive Independent Director	INR 5,500,000	INR 7,000,000
Mr. Vineet Mittal	Non-Executive Independent Director	INR 5,500,000	INR 7,000,000
Mrs. Manisha Girotra	Non-Executive Independent Director	INR 5,500,000	INR 7,000,000
Mrs. Shradha Suri	Non-Executive Independent Director	INR 5,500,000	INR 7,000,000
Mrs. Priya Sachdev Kapur	Non-Executive and Non- Independent Director	INR 5,500,000	INR 7,000,000

In addition to above commission, the Independent Directors and Non-Executive and Non-Independent Director are also entitled for sitting fees for attending each Board Meeting and Committee meetings, which are as follows: a) INR 25,000 for attending each meeting of our Board; (b) INR 10,000 for attending each meeting of other Committees of the Board of the Company.

Details of the remuneration paid to the Non-Executive Directors for the services rendered during the Financial Year 2025-26, are as follows:

(Amount in Actuals)

Directors	Sitting Fees	Commission
Mr. Sunjay Kapur*	NA	INR 4,800,000
Mr. Jeffrey Mark Overly	INR 420,000	INR 94,75,000
Mrs. Priya Sachdev Kapur^	INR 200,000	INR 4,249,315
Mrs. Shradha Suri	INR 200,000	INR 5,500,000
Mrs. Manisha Girotra	INR 255,000	INR 5,500,000
Mr. Pradip Manilal Kanakia	INR 310,000	INR 5,500,000
Mr. Karamendra Daulet Singh	INR 360,000	INR 5,500,000
Mr. Vineet Mittal	INR 185,000	INR 5,500,000

* Mr. Sunjay Kapur ceased to be the Chairperson and Non-Executive Director of the Company due to his unfortunate demise on 12th June, 2025.

^ Mrs. Priya Sachdev Kapur appointed as Non-Executive and Non-Independent Director of the Company w.e.f. 23rd June, 2025.

During the year under review, the Company did not grant any loans to any of its directors. Further, except as stated above, there are no pecuniary relationships or transactions between the Independent Directors and the Company, other than the sitting fees and commission paid to the Non-Executive and Independent Directors. Further, the criteria for making payment to non-executive Directors has been disclosed on the website of the Company at https://sonacomstar.com/files/policy/nomination-and-remuneration-policy-policy-2ORHuA.pdf.

Further, no notice period and severance fee are payable to directors of the Company as on 31st March, 2026. The Company has not granted any stock option to its Non-Executive Directors.

ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advice the Board in conduct of affairs of the Company, to ensure compliance with applicable statutory requirements and Secretarial Standards, to provide guidance to directors and to facilitate convening of meetings and to carry out such other functions as may be prescribed in different Acts, Rules and Regulations. He act as an interface between the management and regulatory authorities for governance matters.

CEO & CFO CERTIFICATION

The Managing Director & Group CEO and the Group Chief Financial Officer of the Company are required to provide a compliance certificate to the board of directors in terms of Regulation 17(8) of Listing Regulations, copy of which was placed before the Board of Directors in their meeting held on 30th April, 2026 and is annexed as **Annexure – III** of this Report.

MEANS OF COMMUNICATION

The Company recognises the importance of communication with Shareholders and promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company.

Publication of Financials Results	Quarterly, half-yearly and annual financial results are published in 'Business Standard' in English language (all editions) and in Hindi language (Delhi edition) along with the QR code of link of the full financial results along with the auditor report uploaded on the website of the Company. Further, the Company as a good corporate governance practice sends out the financial results of every quarter to its shareholders, whose email-Ids are registered with their Depository Participant/ Registrar and Share Transfer Agent (RTA) of the Company. During the financial year, the unaudited quarterly results were announced within the required time of 45 (forty-five) days of the closure of each quarter. The audited annual results were announced within 30 days from the end of the financial year against the requirement to announced within 60 (sixty) days from the end of the financial year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which the results are considered and approved.
Website	The Company's website www.sonacomstar.com contains a dedicated segment called 'Investors' where all information needed by members is available. Further, as per the requirement of National Stock Exchange of India Limited and BSE Limited, the Company has a separate sub tab under Investor i.e. "Disclosure under Regulations 46 of Listing Regulations", where the Company have disclosed information required under Regulations 46 of the Listing Regulations.

	The website, inter-alia, also displays information regarding schedule of analyst or institutional investor meet, presentation made to media/ analysts/ institutional investors, transcript & recording of Earnings Calls, press releases, Investors Manual which includes Investor's Charter and FAQs, shareholder's satisfaction survey, Sustainability Report, CSR details, stock information, shareholding patterns, quarterly corporate governance reports, details of unclaimed dividend, etc.
Press Release	The Company has released the press release for each of the quarterly financial results of the Company and all other corporate developments and uploaded the same on the website of stock exchanges and on its website at https://sonacomstar.com/investor/investor-presentations.
BSE Listing Centre & NEAPS (NSE Electronic Application Processing System)	All disclosures and communications to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are filed electronically through BSE Listing Centre and NEAPS.
Annual Report and AGM Notices	In our endeavour to protect the environment, the Company had sent the Annual Report and AGM notices for the year 2024-2025 through e-mails to those members who had registered their e-mail ids with either the Company or with depository. The Company also sent the letter providing the web-link, including the exact path, where complete details of the Annual Report and AGM Notice are available to those shareholder(s), who have not so registered their email Id with the Company or with depository. The Company also sends the Hard copy of the full annual report to those shareholders, who request for the same at the email id investor@sonacomstar.com.
Exclusive e-mail id's for investors	Following e-mail ids have been exclusively dedicated for the investors' queries: investor@sonacomstar.com and einward.ris@kfintech.com
Investor's Charter and FAQs for the Shareholders	The Investor Relations page of the Company's website provides Investors Manual which contains both Investor's Charter specifying the rights of the investors under various applicable laws and protection of minority shareholders from oppression and mis-management and Frequently Asked Questions on various topics related to transfers, transmissions and transportation of shares, dematerialisation/ rematerialisation, KYC updation, nomination, change of address, loss of share certificates. In addition, various downloadable forms required to be executed by the Shareholders have also been provided on the website of the Company viz. https://sonacomstar.com/investor-relations.
Shareholders Satisfaction Survey	The Company voluntarily placed shareholders survey page on its website to facilitate the engagement of Shareholders and is an endeavour to improve shareholders services which can be assessed at https://sonacomstar.com/shareholders-survey.
Reminder emails	Quaterly reminders are, inter alia, sent to shareholders for registering their PAN, KYC & nomination detail, bank details and unclaimed dividend thereto.
Investor Presentation	The presentations on performance of the Company are placed on the Company's website before investor call/meeting, for all the stakeholders. During the financial year under review, the Company conducted quarterly earnings calls/meetings with investors immediately after declaration of financial results to brief them on the performance of the Company and on an average the company spent approx. 60 minutes per call. The Company also uploads the audio recordings and transcript of such calls on the website of the Company at https://sonacomstar.com/investor/investor-presentations.
Green Initiative	All agenda papers for the Board and Committee meetings are disseminated electronically through e-mail to the directors and invitees.

GENERAL SHAREHODLER'S INFORMATION

1.	**Date, time and venue of the Annual General Meeting**	Wednesday, 15th July, 2026 at 12:00 Noon (IST) through video conferencing (VC) / other audio-visual means (OAVM).
2.	**Financial Year**	1st April, 2025 to 31st March, 2026.
3.	**Dividend payment**	**Interim Dividend:** The Board of Directors in their meeting held on 23rd January, 2026 had declared an interim dividend of INR 1.60 (One rupee and sixty paisa only) per equity share of the Company having face value of INR 10 (Indian rupees ten only) each to only those shareholders whose names appear in the register of members / beneficial owners on 30th January, 2026 and the dividend was paid on 12th February, 2026 directly to their bank accounts. **Final Dividend:** The Board of Directors at their meeting held on 30th April, 2026 has recommended payment of INR 1.80 (One Indian Rupee and eighty paisa) per Equity Share of the Company having face value of INR 10/- (Indian rupees ten only) each as the final dividend for the Financial Year ended 31st March, 2026 to the shareholders of the Company. The final dividend will be paid only to those shareholders whose names appear in the register of members/beneficial owners on Friday, 26th June, 2026. The payment of final dividend is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.
4.	**Listing of Equity Shares at Stock Exchanges and Payment of Listing Fees**	The Equity Shares of the Company are listed on the following exchanges: 1. BSE Limited (BSE) Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001 2. National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051 Further, the Company has paid the Annual listing fees to both above mentioned Stock Exchanges for FY 2026-27.

9. In case the securities of the Company are suspended from trading, the reasons thereof

Not Applicable

10. Registrar & Share Transfer Agent

KFin Technologies Limited
Selenium, Tower-B, Plot No. 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032
Toll Free/ Phone Number: 1800 3094 001
WhatsApp Number: (91) 910 009 4099
Fax: 040-2342 0814, 2300 1153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

11. Share Transfer System

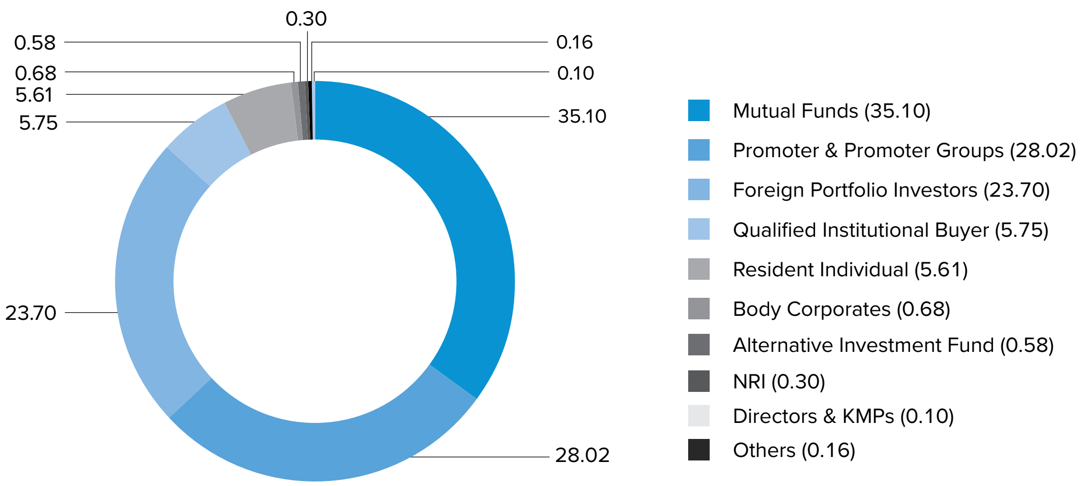
As mandated by SEBI, the securities of listed companies can only be transferred in dematerialised form and the shares can be transferred by shareholders only through their Depository Participant.

The Stakeholders Relationship Committee meets every quarter to, inter alia, consider and take note of the status of investor complaints, compliance report of RTA, initiatives taken by the Company to reduce the quantum of unclaimed dividend and address shareholders queries etc.

12. Category of shareholding as on 31st March, 2026 are as follows:

S. No.	Shareholders Category	No. of Shareholders	Total Shares	% (percentage of holding)
1.	Mutual Funds	32	21,82,72,033	35.10
2.	Promoter & Promoter Groups	6	17,42,10,655	28.02
3.	Foreign Portfolio Investors	243	14,73,79,240	23.70
4.	Qualified Institutional Buyer (Insurance Companies & Provident Funds/ Pension Funds)	17	3,57,45,732	5.75
5.	Resident Individual	3,66,029	3,48,55,499	5.61
6.	Body Corporates	831	42,38,611	0.68
7.	Alternative Investment Fund	16	36,07,922	0.58
8.	NRI	6,878	18,81,177	0.30
9.	Directors & KMPs	3	6,71,275	0.10
10.	Others (Banks, Trusts, HUFs, NBFCs and Clearing Members)	4,599	10,28,667	0.16
Total		**3,78,653**	**62,18,46,890**	**100**

Shareholders Categeory



13. Details of top 10 public shareholders of the Company as on 31st March, 2026

S. No.	Name of the shareholder	No. of shares	% (percentage of holding)
1.	SBI QUALITY FUND	59,234,424	9.53
2.	ICICI PRUDENTIAL LARGE & MID CAP FUND	49,757,690	8.00
3.	GOVERNMENT OF SINGAPORE	40,680,686	6.54
4.	AXIS MUTUAL FUND TRUSTEE LIMITED	22,237,627	3.58
5.	HDFC MUTUAL FUND	20,836,285	3.35
6.	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED	18,398,119	2.96
7.	MIRAE ASSET FOCUSED FUND	1,570,7910	2.53
8.	HDFC LIFE INSURANCE COMPANY LIMITED	9,852,844	1.58
9.	MONETARY AUTHORITY OF SINGAPORE	9,694,931	1.56
10.	LIFE INSURANCE CORPORATION OF INDIA	9,488,833	1.53
Total		**255,889,349**	**41.16**

14. Dematerialisation of Shares and Liquidity

As on 31st March, 2026, all the equity shares of the Company including the shareholding of Promotor and Promotor Group are in demat form, held with both the Depositories viz., the National Securities Depository Limited ('NSDL') and the Central Depository Services (India) Limited ('CDSL') and the break-up is as follows:

Description	As on 31st March, 2026		
	No of Holders	No. of Shares	% to Total Shares
NSDL	106,783	591,913,088	95.19
CDSL	279,459	29,933,802	4.81
Total	**386,242**	**621,846,890**	**100**

The equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the Company's equity shares are frequently traded on both the stock exchanges.

As on 31st March, 2026, 1,25,915 (One lakh twenty five thousand nine hundred and fifteen only) equity shares are in Lock-in, which were allotted to Mr. Vivek Vikram Singh, Managing Director and Group CEO of the Company under the Sona Performance Shares Plan -2025 (PSP-2025). As per the PSP -2025, these equity share shall be lock-in for a period of one year from the date of allotment i.e. from 22nd January, 2026 till 21st January, 2027.

15. Outstanding GDRs/ADRs/warrants or any convertible instruments conversion date and likely impact on equity.

Not Applicable

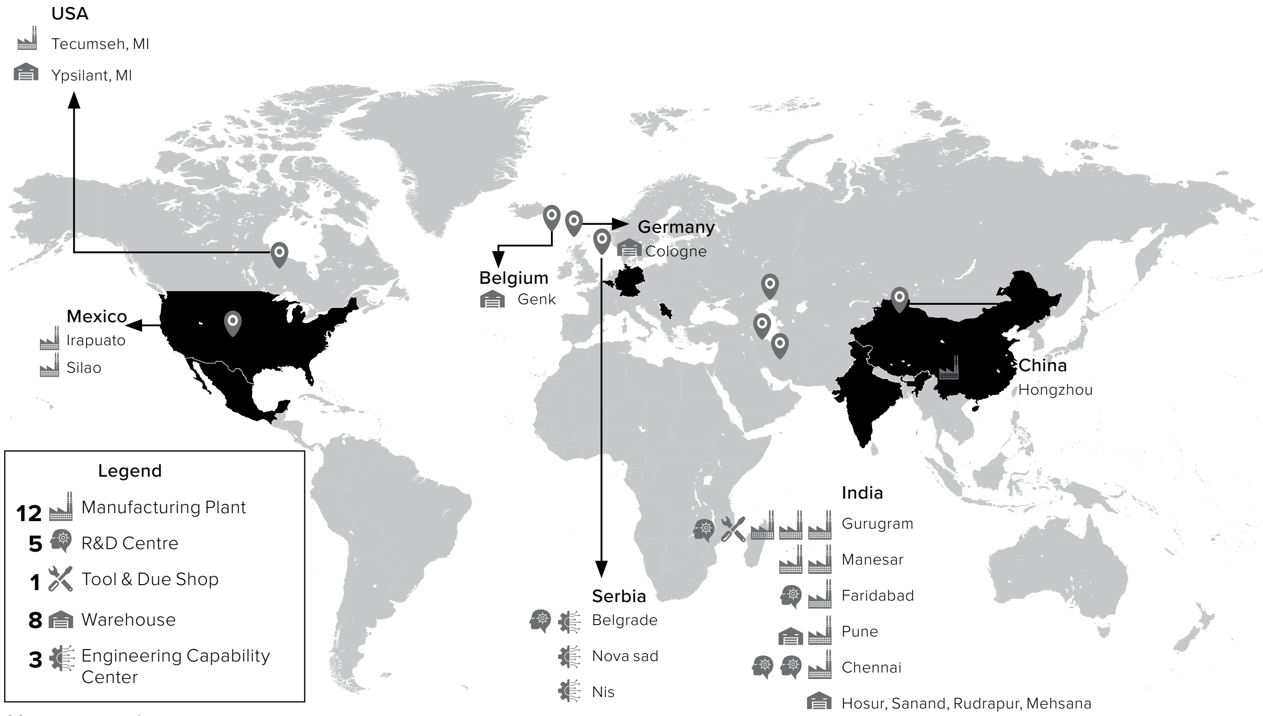
16. Disclosure on foreign exchange risk and hedging activities.

Your Company operates internationally, and a large portion of the business is transacted in international currencies primarily in US$ and EUR. Consequently, we are exposed to foreign exchange risk through our sales and services in the USA, Europe, China and other countries across the world, and purchases from overseas suppliers in various foreign currencies. The Company carries out currency hedging based upon a Board approved hedging policy which primarily employs forward contracts as a medium of hedging its currency risk.

17. Plant Locations

As on 31st March, 2026, your Company along with its subsidiaries has 12 (twelve) manufacturing and assembly plants in India, China, Mexico and USA out of which 8 (eight) are located in India.

Your Company's manufacturing facilities (manufacturing and assembly plant) are located at Gurugram, Manesar, Faridabad, Pune, Chennai, China, Mexico and USA. The following map shows the locations of our manufacturing and assembly plants, R&D centers, engineering capability centers, warehouses, tool and die shop to the date of this report.



Map not to scale.

Detailed address of each of the Plant of the Company and its subsidiaries are as follows;

Gurugram Plants (Unit I, II and III)

Sona Enclave, Village Begumpur Khatola, Sector 35, P.O. - 90

Gurugram (Haryana) - 122 004, INDIA +91 124 476 8200 +91 124 410 4639

Manesar Plant - I

Plot No -13, Sector 2, IMT Manesar Gurugram (Haryana) – 122 051, India

Manesar Plant -II

Sector 2A, Industrial Estate, IMT Manesar, Gurugram, Haryana, 122050, India

Pune Plant

A-78/2, MIDC, Chakan Industrial Phase II Vill. Wasuli, Pune – 410 501, India

Faridabad Plant

Plot No. 114 & 115, Sector 24, Faridabad 121 005 Haryana, India

Chennai Plant

Keelakaranai Village, Malrosapuram Post Maraimalai Nagar Chengalpattu – 603 204 Tamilnadu, India

USA

Comstar Automotive USA LLC

900 Industrial Drive, Tecumseh, MI – 49286, USA

Mexico

a. **Comestel Automotive Technologies Mexicana, S.DE R.L. DE C.V.**

Logistica Integral del Bajio Bodega 1 and 3 of Irapuato No. 204, cornet with Salamanca Fraccionamiento Ciudad Industrial C.P. 36541, Irapuato, Guanajuato, Mexico

b. **Sona BLW Edrive Mexicana, S.A.P.I. De C.V.**

Sona Comstar Building, Fipasi Industrial Park, (2nd Phase), Silao de la Victoria, Guanajuato, Mexico

China

Comstar Automotive (Hangzhou) Co., Ltd.
No: 557-1, Gaotang Road,
Guali Xiaoshan, Hangzhou
PRC, 311243 CHINA.

18. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

Kfin Technologies Limited
Selenium, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad -500 032
Tel: 040-2342 0818, 6716 2222
WhatsApp Number: (91) 910 009 4099
Fax: 040-2342 0814, 2300 1153
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Toll Free No.: 1800 3454 001

Your Company has also designated investor@sonacomstar.com an exclusive email ID for Investors for the purpose of registering complaints and the same has been displayed on the Company's website.

For all investor related matters, the grievances can be sent at:

Sona BLW Precision Forgings Limited
Sona Enclave Village, Begumpur Khatola, Sector 35, Gurugram, Haryana – 122004, India
E-mail: Investor@sonacomstar.com
Telephone: +91 0124 476 8200;

Further, the Institutional Investor(s) can contact for any grievances at:

Mr. Ankit Agrawal, Vice President - Investor Relationship

Sona BLW Precision Forgings Limited
Sona Enclave Village, Begumpur Khatola, Sector 35, Gurugram, Haryana – 122004, India
E-mail: ankit.agrawal@sonacomstar.com
Telephone: +91 0124 476 8200

Your Company can also be visited at its website: www.sonacomstar.com

19. List of all credit ratings obtained by the Company along with any revisions thereto, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilisation of funds, whether in India or abroad

The credit rating of the Company can be accessed at https://sonacomstar.com/investor/credit-rating.

Other Disclosures

The Company has complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

Related Party Transaction

All transactions entered into with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, as amended, during the year under review undertaken an arm's length pricing ('ALP') and basis and in the ordinary course of business ('OCB'). These have been approved by the Audit Committee. Certain transactions which were repetitive in nature were approved by way of omnibus approval by the Audit Committee.

The Audit Committee takes into consideration the management representation and an Independent Consultant's Report, wherever required, whilst scrutinising and approving the related party transactions, from the perspective of fulfilling the criteria of meeting arm's length basis and OCB.

The Audit Committee reviews on a quarterly basis, the details of related party transactions, entered into by the Company pursuant to the omnibus approval granted.

The Company did not enter into any material related party transactions during the Financial Year 2025-26. The details of the related party transactions are set out in the note no. 36 to standalone financial statements forming part of this Annual Report. Further, the related party transactions undertaken by the Company were in compliance with the provisions set out in the Act and the Listing Regulations.

During the year, no materially significant transaction was entered into by the Company with its related parties that may have a potential conflict with the interest of the Company.

In addition to the above and as required under the Listing Regulations, the Company is in compliance with the Accounting Standards on related party disclosures and submitting disclosures of related party transactions to the Stock Exchanges in the prescribed format on half yearly basis and also publishing the same on its website at https://sonacomstar.com/investor/financial-information.

During the financial year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

During the year under review, the Policy on Related Party Transactions was amended to affect the amendments brought in the Listing Regulations, by SEBI vide its notification dated November 18, 2025. The Policy is disclosed on the Company's website at https://sonacomstar.com/files/policy/policy-on-related-party-transactions-policy-rQXZb0.pdf.

Details of Non-Compliance

No penalties or strictures were imposed on the Company by Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market, during the last three years, except as follows:

The National Stock Exchange of India Limited and BSE Limited levied a penalty of INR 46,000/- plus gst each on the Company for non- compliance of Regulation 19(1)/19(2) of the Listing Regulations, i.e. Chairperson of the Nomination and Remuneration Committee (NRC) was appointed as Chairperson of the Board w.e.f. 23rd June, 2025 after the sudden demise of Late Mr. Sunjay Kapur, Former Chairman and Non-Executive Director and the same was rectified on 16th July, 2025 by appointing Mr. Karamendra Daulet Singh, as Chairperson of NRC. The respective fine amounts were paid to both National Stock Exchange of India Limited and BSE Limited.

Your Company has complied with requirements of regulatory authorities.

Vigil Mechanism/Whistle Blower Policy

In accordance with the provisions of the Act and Regulation 22 of the Listing Regulations, the Company has in place a Vigil Mechanism and a Whistle-Blower Policy duly approved by the Audit Committee which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

The Company has a well-defined Whistle Blower Policy and the same is also covered in the Code of Conduct and Business Ethics and are fully implemented by the management, particulars of which have been explained in greater detail as part of the Board's Report.

During the year, no personnel has been denied access to the Audit Committee.

The Whistle Blower Policy of the Company is available on the website of the Company and can be access at https://sonacomstar.com/files/policy/whistle-blower-policy-policy-MUwqe2.pdf. The details about the vigil mechanism form part of the Board's Report.

Board Diversity

Your Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender, which will ensure that the Company retains its competitive advantage. Your Company further believes that a diverse Board will contribute towards driving business results, make corporate governance more effective, enhance quality and responsible decision- making capability, ensure sustainable development and enhance the reputation of the Company.

The NRC has framed a Policy for Board Diversity which lays down the criteria for appointment of Directors on the Board of your Company and guides organisation's approach to Board Diversity.

While recommending the appointment of a director, the NRC considers the manner in which the function and domain expertise of the individual can contribute to the overall skill-domain mix of the Board.

The Board of Directors review the policy from time to time. The policy on Board Diversity has been placed on the Company's website at https://sonacomstar.com/files/policy/policy-on-board-diversity-policy-sKCWRQ.pdf.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

All the mandatory requirements of the Listing Regulations relating to Corporate Governance has been duly complied by the Company in its true letter and spirit including certain discretionary disclosure requirements specified under Regulation 27(1) read with Part E of Schedule II of the Listing Regulations, as also listed below:

a) **Separate posts of Chairman and CEO**

The roles of Chairman and Chief Executive Officer are held by different individuals. Mr. Jeffrey Mark Overly, Non-Executive Independent Director, is also the Chairman of the Company and Mr. Vivek Vikram Singh, Managing Director holds the position of Group CEO of the Company. The Chairman is not related to the Managing Director and CEO of the Company.

b) **Unmodified Audit Opinion**

There is no audit qualification in your Company's consolidated and standalone financial statements for the Financial Year 2025-26. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit opinions.

c) **Reporting of Internal Auditor**

The Internal Auditors of the Company reports directly to Audit Committee after obtaining management input on the audit findings.

d) **Shareholder Rights**

As a matter of Good Corporate Governance practice, the quarterly Financial Results of the Company are being sent to those shareholders who have registered their email-ids with their respective Depository Participants (DP) and, the Company also took the following voluntary initiatives for protecting the rights of its shareholders:

a. For the ease of shareholders, the Company simplified the Frequently Asked Questions (FAQs) in Investor's Charter, which is published on the website of the Company by removing the irrelevant/unnecessary content and aligning it with the changes notified in this regard in various circulars of SEBI.

b. Formation and publication of Investor Grievance Redressal Policy on the website of the Company which can be accessed at https://sonacomstar.com/files/policy/investor-grievance-redressal-policy-policy-hCONqg.pdf.

c. Formulation and publication of Investor's Charter specifying the rights of the investors under various applicable laws and protection of minority shareholders from oppression and mis-management and Frequently Asked Questions (FAQs) which can be assessed at https://sonacomstar.com/files/shareholders_manual.pdf.

e) **Independent Directors Meetings**

During the financial year under review, the Independent Directors met on 30th April, 2025 without the presence of non-Independent Directors and members of the management of the Company.

CORPORATE GOVERNANCE INITIATIVES:

The Company is committed to implement best corporate governance practices and upholding the highest governance standards in conducting business and has adopted the following additional practices to enhance the Corporate Governance Standards:

1. Focus on ethical issues, human rights, diversity & inclusion, fair work practices, sustainability across and its value chain partners.

2. Third party audit on the Compliance Tool.

3. Voluntary conduct of audit of the tax compliances of the overseas entities, by their Statutory Auditors.

3. Strengthening the framework on Risk Management, Cyber Security and Data Privacy framework.

4. Quarterly Secretarial Audit Report is placed before the Audit Committee and the Board.

5. Quarterly Compliance certificates from all the department heads, giving the status of the compliances, are placed before the Audit Committee and the Board.

6. The Chairperson of all the Statutory Committee of the Board of the Company is Independent Director, except for Chairperson of CSR Committee who is a Non-Executive Non - Independent Director.

8. Voluntary finance audit of CSR Projects undertaken by the Company, by an independent third party.

9. Voluntary need assessment and impact assessment of CSR projects of the Company.

10. Taking inputs from the Chairperson of the respective Committees and Board on the minutes of the respective meeting, before circulating to the larger group of members.

11 During the financial year, The Company has implemented ethical compliance polices and effective compliance system for subsidiary companies.

12. Implementation of various tools for monitoring the compliances status, as follows:

    a) **Compliance Management Tool:** The Company has mapped all the applicable compliances under this tool and this tool provide a bird's eye view of the statutory compliance framework of the Company and status in real time. The compliance status report obtained from the tool is placed before the Audit Committee on quarterly basis.

    b) **Prohibition of Insider Trading Tool:** To update any information required under the SEBI (PIT) Regulations and for providing rapid, accurate, and timely information related to designated persons and their trading details and this tool also maintained the Structural Digital Database (SDD) as per the requirements of SEBI (PIT) Regulations.

    c) **Training Tool:** The Company has been implemented this training tool to provide training and education to the Company's employees on ethical, compliance and statutory policies, as well as the Company's code of conduct, which includes training on POSH, the Whistle Blower Policy, Prohibition of Insider Trading, Data Privacy & Cyber Security and Health & Safety practices.

12. Review and updation of the policies and codes from time to time for best corporate governance practices and conducting training with the employees, customers and vendors.

13. The Company engages renowned international law firms for conducting training and orientation sessions for the employees, senior management and directors, in order to appraise them about the policies and Code of Conducts of the Company on Anti-Corruption & Bribery, Competition Laws, Anti Money laundering, Code of Conduct and Trade embargo.

14. Trainings and awareness sessions and updates through flyers for its designated persons to prohibit insider trading and familiarising them with the requirement of the SEBI (PIT) Regulations.

15. The Company has strengthened mechanisms to ensure anonymity and protection under the Whistle Blower Policy.

16. Confidential Board evaluation process where each Board member evaluates the performance of every Director, Committees of the Board, the Chairman of the Board and the Board as a whole.

17. Benchmarking the Company's Corporate Governance Practices with the best governed companies in India and globally.

18. The Company diligently documents the 'Action Taken Report' following each board or committee meeting, ensuring transparency, accountability, and a clear record of decisions made, as part of its ongoing commitment to uphold best practices in corporate governance and foster stakeholder trust.

19. The Company has successfully implemented Cloud Service Providers (CSP) in its operations, leveraging advanced AI tools to enhance productivity, ensure data integrity, and support informed decision-making, all of which contribute to promoting transparency, efficiency, and strong corporate governance practices.

20. The Company has implemented e-modules for training and awareness of its employees, each designed to enhance skills sets and knowledge, followed by a test at the end to assess learning outcomes with a scorecard of 80% and ensure a thorough understanding of key topics i.e. Code of Conduct of the Company, Prohibition of Insider Trading, POSH, Anti-Trust, Data Protection and Privacy and Health and Safety.

21. Omnibus approval for the related party transactions proposed to be entered into by the Company or its subsidiaries is taken in the in the last meeting of the previous financial year from the Audit committee, with the information the information specified in "Industry Standards on Minimum information to be provided for review of the audit committee.

Artificial Intelligence (AI)/Machine Learning (ML) and Operational Technology (OT) Analytics

Over the past year, the Company has made significant strides in building its AI/ML and OT analytics capabilities with a clear focus on operational value and scalability. A key milestone was the successful completion of an OT data lake pilot, establishing a secure and structured foundation for predictive and prescriptive analytics across manufacturing operations. Multiple AI/ML solutions — including energy forecasting models, OCR-based automation, self-service analytics dashboards, and LLM-powered utilities — were developed and deployed enterprise-wide using low-code and open-source tools, delivering measurable outcomes with minimal incremental cost.

Standardisation of OT data flows in collaboration with manufacturing teams, along with the revival of operational dashboards, has strengthened data quality and decision-making at both the shop floor and management levels. In addition to project-specific solutions, the team is also building internal self-service exploratory data analytics tools — designed as no-code, low-code platforms — to empower business users across functions to independently analyse data, generate insights, and make informed decisions. This initiative goes beyond delivering projects; it is aimed at spreading analytics literacy and proficiency across the organisation, enabling a culture where data-driven decision-making becomes an everyday capability rather than a specialised skill.

To accelerate the next phase of growth, a scalable, secure, cloud-based AI infrastructure has been established to empower cross-functional teams to build and deploy Generative AI and Machine Learning tools at scale — enabling rapid experimentation, faster time-to-value, and reduced dependency on external vendors for AI development. Additionally, a formal Enterprise AI Usage Policy (aligned with ISO/IEC 42001 and NIST AI RMF) was established, covering AI governance, risk assessment, lifecycle management, and responsible use — positioning the company for safe, scalable, and responsible AI adoption across business units.

Disclosure of Commodity Price Risk and Commodity Hedging Activities

The Company consumes alloy steel, steel, aluminium and copper as some of the major commodities directly or through procured components for manufacturing its products. Majority of this commodity price risk is a passthrough with some time lag depending upon customer contracts, therefore your Company doesn't specifically undertake commodity hedging separately.

Details of Subsidiaries of the Sona Comstar

As on 31st March, 2026, the Company does not have any material subsidiary company in terms of Regulation 16 of the Listing Regulations. The policy for determining material subsidiaries is available on the Company's website https://sonacomstar.com/files/policy/policy-for-determining-material-subsidiaries-policy-f3dEtf.pdf.

The Audit Committee reviews, on a periodic basis, the financial statements of the subsidiaries and particularly the investments made by such subsidiaries, the statement of all significant transactions and arrangements entered into by subsidiaries and the compliances of each materially significant subsidiary on a periodic basis. The Audit Committee also reviews the utilisation of loans/ advances/ investments given by the Company to its subsidiaries. The minutes of Board meetings of the subsidiary companies are placed before the Board for review.

The details of subsidiaries of the Company are given below:

S. No.	Name of the Subsidiaries	Place/ of Incorporation	Date of Incorporation	Statutory Auditor
1	Comstar Automotive Technologies Services Private Limited	India	12.11.2012	Walker Chandiok & Co LLP
2	Sona Comstar eDrive Private Limited	India	12.11.2020	Walker Chandiok & Co LLP
3	Comstar Automotive USA LLC	Unites States of America	09.10.2012	Moss, Krusick And Associates, LLC
4	Comstar Automotive Hongkong Limited	Hong Kong	21.05.2015	Grant Thornton Hong Kong Limited
5	Comestel Automotive Technologies Mexicana Ltd.	Hong Kong	09.10.2017	Grant Thornton Hong Kong Limited
6	Comestel Automotive Technologies Mexicana, S. DE R.L. DE C.V	Mexico	17.01.2017	Salles, Sainz – Grant Thornton, S.C.
7	Comenergia Automotive Technologies Mexicana, S. DE R.L. DE C.V;	Mexico	17.01.2017	Salles, Sainz – Grant Thornton, S.C.
8	Comstar Automotive (Hangzhou) Co. Ltd.	China	27.08.2015	Grant Thornton Zhitong Certified Public Accountants LLP
9	Comstar Hong Kong Mexico No. 1, LLC (dormant)	USA	01.12.2016	NA
10	Sona BLW Edrive Mexicana, S.A.P.I. De C.V.	Mexico	23.06.2023	NA
11	NOVELIC d.o.o. Beograd – Zvezdara	Serbia	19.11.2012	Grant Thornton d.o.o Beograd
12	Novelic SRL	Romania	29.03.2023	-
13	Novelic ESC DOOEL Skopje	North Macedonia	24.03.2023	-
14	Nirsen d.o.o. Beograd-Zvezdara	Belgrade Serbia	01.02.2021	-
15.	Novelic GmbH ("Novelic GmbH")	Munich, Germany	20.06.2024	-
16.	Novelic India Private Limited	India	28.11.2025	Walker Chandiok & Co LLP

Details of Utilisation of Funds of Preferential Allotment/ QIP

During the Financial Year 2024-25, your Company made a Qualified Institutions Placement (QIP) of INR 24,000 million by issuing 34,782,608 equity shares to Qualified Institutional Buyers (QIBs) at an issue price of INR 690 (Indian rupees six hundred and ninety) per equity share, including a premium of INR 680 (Indian rupees six hundred and eighty) per equity share, in compliance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (SEBI ICDR Regulations), the Companies Act, 2013 and other applications laws.

The net proceeds from the QIP were proposed to use for the following objects of the Company and these were stated in the placement document and notice seeking shareholder's approval:

1. Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by our Company;
2. Payment of balance consideration in relation to the acquisition of Novelic
3. Pursue strategic investments and organic and inorganic growth opportunities
4. Purchase of fixed assets, including equipment and machinery
5. General corporate purposes

Details of utilisation of funds of QIP

Pursuant to the provisions of Regulation 32 of the Listing Regulations, the Company obtained monitoring agency report on the utilisation of the net proceeds of the QIP on quarterly basis and placed before the Audit Committee and Board of Directors in their meetings. The monitoring agency report and statement of deviation report are filed with the stock exchanges and uploaded on the website of the Company on quarterly basis at https://sonacomstar.com/investor/statement-of-deviation-or-variation.

The Company hereby confirms that during the financial year under review, the entire net proceeds of the QIP have been fully utilised for the purposes for which they were raised, and there are no unutilised amounts pending as on the date of this Report.

Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors

A certificate from PI & Associates, Practicing Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority, is attached as **Annexure – IV** to this report.

Fees paid to Statutory Auditors

Total fees paid by the Company and its Subsidiaries on a consolidated basis for the Financial year ended 31st March, 2026, to the Statutory Auditor viz. Walker Chandiok & Co LLP, Chartered Accountants Firm's Registration No.: 001076N/N500013 and all entities in the network firm/ network entity of which the Statutory Auditors is a part, are as follows:

Sl. No.	Particulars	Amount (INR Million)
(a)	For Statutory Audit	15.25
(b)	For other services	4.00
(c)	For reimbursement of expenses	1.07
Total		**20.32**

Disclosure under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company has in place a policy on Prevention of Sexual Harassment at the workplace along with the procedure for filing of complaint under POSH and the same is placed on the website of the Company at https://sonacomstar.com/files/policy/posh-policy-policy-s7HMW2.pdf.

During the financial year 2025-26, the Company received 3 (three) complaints of sexual harassment (including one pertaining to a wholly owned subsidiary in USA), of which 2 (two) (including one complaint pertaining to wholly owned subsidiary in USA) have been suitably resolved in accordance with the Company's established processes. One complaint received towards the end of February 2026 is currently under investigation.

To ensure comprehensive coverage, the Company organises awareness workshops across various locations, for blue-collar employees and new joiners. To enable uniform understanding and wider reach, the Company has extensively utilised a video-based awareness module. Additionally, an e-module trainings on Prevention of Sexual Harassment (POSH) awareness and POSH scenario-based assessments are mandatory for all new white-collar employees.

Disclosure of 'Loans and advances by the Company and its subsidiaries to the firms/companies in which directors are interested by name and amount.

During the Financial Year 2025-26, there was no loans/advances provided by the Company and its subsidiaries to the firms/ companies in which directors of the Company or its subsidiaries are interested except the following corporate guarantees/ Comfort letter provided by the Company to its subsidiary:

Name of the Giving entity	Name of Receiving Entity	Amount	Loans/Advance/ Guarantee	Date
Sona BLW Precision Forgings Limited	Comstar Automotive (Hangzhou) Co. Ltd.	USD 88,00,000	Corporate Guarantee	18.02.2026

Non-compliance of any requirement of corporate governance report with reasons thereof;

All the requirements of Corporate Governance Report, as specified under sub-paras (2) to (10) Para C of Schedule V of Listing Regulations, have been duly complied by the Company.

Compliance certificate from PI & Associates, practicing company secretaries regarding compliance of conditions of corporate governance

The Compliance certificate from PI & Associates, Practicing Company Secretaries regarding compliance of conditions of corporate governance is annexed as **Annexure-V** to this report.

Disclosures with respect to demat suspense account/ unclaimed suspense account

As on 31st March, 2026, no equity share of the Company was in the demat suspense account/ unclaimed suspense account of the Company.

Details of Unclaimed Dividend

The Company has published the procedure for claiming of unclaimed dividend for the shareholders and has also provided the unclaimed dividend details on its website at https://sonacomstar.com/unclaimed-dividend. Shareholders can check their unclaimed dividend amount by mentioning their DP-Id and client-id or folio no. and claim the same by following the procedure for claiming of unclaimed dividend.

The Company, as a good corporate governance practice, has been sending the financial results of every quarter to the shareholders of the Company, whose email id are registered with the Company/Depository Participants (DPs) and also ask them to update their contact and bank details with their DPs, for timely receipt of dividend amount and communications form the Company.

Disclosure of certain types of agreements binding listed entities

During the Financial Year 2025-26, the Company has not entered into any agreement, which is covered under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

Detail of Nodal Officer – IEPF

During the Financial Year 2025-26, Mr. Ajay Pratap Singh, Senior Vice President- Group General Counsel, Company Secretary and Compliance Officer of the Company acted as the Nodal Officer- IEPF.

Disclosure of Accounting Treatment

In the preparation of the financial statements for the Financial Year 2025-26, the Company has followed the Accounting Standards issued by Institute of Chartered Accountants of India. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Business risk evaluation and management is an ongoing process within the Organisation. The Company has adequate systems of internal control to ensure reliability of financial and operational information and compliance with all statutory /regulatory compliances.