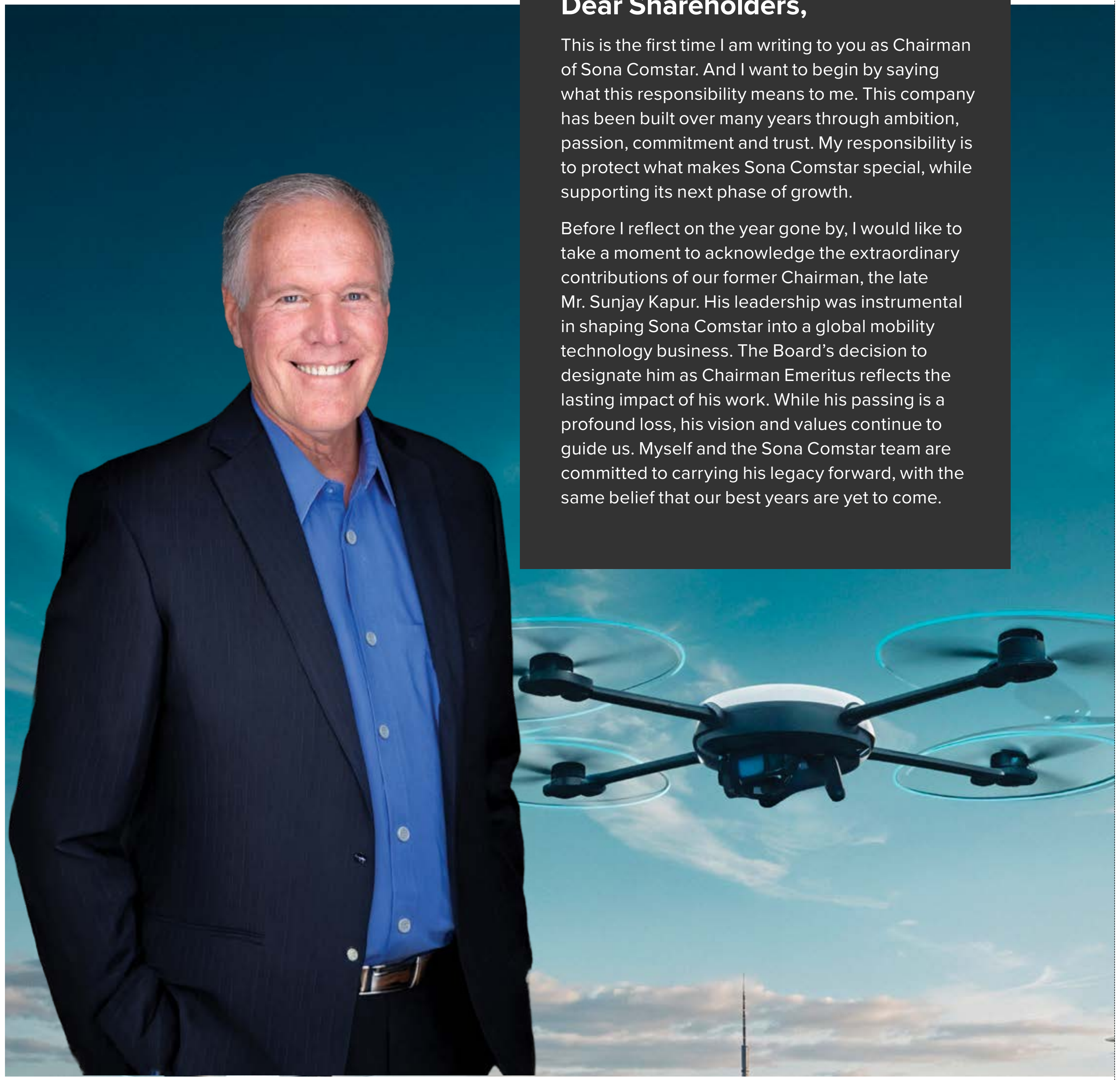
MESSAGE FROM THE CHAIRMAN

CARRYING FORWARD A LEGACY



Dear Shareholders,

This is the first time I am writing to you as Chairman of Sona Comstar. And I want to begin by saying what this responsibility means to me. This company has been built over many years through ambition, passion, commitment and trust. My responsibility is to protect what makes Sona Comstar special, while supporting its next phase of growth.

Before I reflect on the year gone by, I would like to take a moment to acknowledge the extraordinary contributions of our former Chairman, the late Mr. Sunjay Kapur. His leadership was instrumental in shaping Sona Comstar into a global mobility technology business. The Board's decision to designate him as Chairman Emeritus reflects the lasting impact of his work. While his passing is a profound loss, his vision and values continue to guide us. Myself and the Sona Comstar team are committed to carrying his legacy forward, with the same belief that our best years are yet to come.

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THE YEAR IN CONTEXT

FY 2025-26 was my first full year of working closely with the Sona Comstar leadership team, in my role as Chairman. It was a year that presented many challenging opportunities for us to successfully navigate through. Trade policies shifted, tariff uncertainty increased, and geopolitical developments forced companies across the world to rethink supply chains. But what stayed with me through the year was the way the organisation conducted itself. The organisation stayed focused despite the uncertainty. It continued to execute well and strengthen its capabilities with the long-term focus in mind. Most importantly, it continued to earn the trust of customers who were themselves dealing with uncertainties. I end the year feeling more confident about the Company, not because of what it delivered, but because of how it delivered.

During the year, we continued to broaden the company's focus beyond its traditional automotive base. The integration of the railway business was an important step in this direction. It added a large and relevant mobility segment to our portfolio and helped us expand our product offering. At the same time, our efforts in emerging areas of mobility are progressing. Taken together, these efforts are helping us shape a more diversified company for long-term growth.

THE STRENGTH OF OUR PEOPLE

None of what I have described above would have been possible without the people of Sona Comstar. This was a demanding year. Customers were dealing with their own uncertainties. Supply chains were not easy. We were integrating a new railway business. There were operational challenges across the system. But across our plants and functions, people kept showing up with responsibility, focus and calmness. We stayed focused on the things we can control, driving operational excellence across our enterprise. That showed me the kind of people this company has.

This year also tested the organisation in ways that went beyond business. The loss of Mr. Sunjay Kapur was deeply personal for many across Sona Comstar, yet the team responded with maturity, resilience and a strong sense of responsibility. What stood out through the year was the collective strength of the organisation — teams stepping up, taking ownership, solving problems and supporting one another through uncertainty. Organisations are ultimately built by people, and FY 2025-26 reaffirmed that Sona Comstar's people remain its strongest foundation.

INDIA — A MOMENT WORTH NAMING

For many years, India's manufacturing story was spoken about as potential. Today, it is turning into real capability. Global companies are reassessing supply chains, but India's opportunity is not only about being an alternative to another country. It is about the capability Indian companies have built over time in quality and engineering.

We saw this in our own business during FY 2025-26. Even in a year marked by trade uncertainty, we won orders to supply driveline components for EV and hybrid programmes to four large traditional global OEMs. That is an important signal. Global customers are increasingly looking at Indian companies not just as low-cost manufacturers, but as reliable and capable long-term partners.

India is expected to remain the world's fastest-growing major economy, with GDP growth projected in the range of 6.5% to 6.6% in FY 2026-27 (as per world bank estimates).

MESSAGE FROM THE CHAIRMAN

We believe India is well placed to grow strongly over the coming decade, supported by domestic demand, manufacturing investments and the continued reset of global supply chains. Sona Comstar will be an active participant in India's exciting future growth journey.

INNOVATION WITH PURPOSE

Innovation has always been central to our growth story. FY 2025-26 was a volatile year for us and globally, but we did not step back from our Research and Development agenda. During the year, we commercialised three new products. We also made good progress in the railway business acquired this year. Within a short period of the acquisition, we added one new product to its roadmap and commercialised two new railway products during the year.

For us, innovation is not about chasing every new idea. It is about building capabilities that matter to customers and can create long-term value for the Company. This approach was recognised during the year when Sona Comstar was named among the Top 100 Innovative Companies and received the CII Industrial Innovation Award at the CII Global Summit. With five Research and Development centres and nearly 500 Research and Development engineers, we are steadily building from India for the world. Our focus will remain on areas where technology, engineering and manufacturing excellence come together to create real differentiation.

AT SONA COMSTAR, WE ARE ADVANCING OUR ROADMAP TO INTEGRATE AI AND MACHINE LEARNING ACROSS OPERATIONS, SUPPORTED BY AUTOMATED DATA PIPELINES AND SCALABLE CLOUD-BASED SYSTEMS. THESE INITIATIVES ARE INTENDED TO MAKE OUR OPERATIONS MORE EFFICIENT, SCALABLE AND DATA-DRIVEN OVER TIME.

INTELLIGENCE IN MOTION

Artificial intelligence (AI) is expected to reshape not only the vehicles of the future, but also the way they are designed, developed and manufactured. For automotive suppliers, the first meaningful impact of AI is likely to be inside the factory — through smarter quality inspection, predictive maintenance, better demand forecasting, faster product development and more adaptive production systems. At Sona Comstar, we are advancing our roadmap to integrate AI and machine learning across operations, supported by automated data pipelines and scalable cloud-based systems. These initiatives are intended to make our operations more efficient, scalable and data-driven over time.

AI is also changing what the world will need to build. As intelligence moves from software into the physical world, new forms of mobility — autonomous vehicles, urban air mobility and robotics — will require many of the same core building blocks that advanced vehicles need: motors, actuators, gearboxes, sensors, power electronics and control systems. Sona Comstar's work in these areas is a step in that direction. We believe the next phase of mobility will be defined not only by electrification, but also by intelligence, and we intend to participate in that transition with purpose and discipline.

RESPONSIBILITY BEYOND BUSINESS

At Sona Comstar, we remain deeply committed to responsible growth. We recognise that our environmental obligations are not separate from our business obligations, but central to them. During FY 2025-26, we improved our emissions intensity by 17%, improved our water consumption intensity by 25%, and increased the share of renewable energy in our operations to 4%.

"I WILL CARRY THIS RESPONSIBILITY WITH HUMILITY, TRANSPARENCY, AND A LONG-TERM VIEW OF WHAT IS RIGHT FOR ALL OUR STAKEHOLDERS —CUSTOMERS, EMPLOYEES AND SHAREHOLDERS. SONA COMSTAR HAS ALREADY BUILT A STRONG FOUNDATION, AND I BELIEVE ITS MOST IMPORTANT CHAPTERS ARE STILL AHEAD."

During the year, we also extended Sona Comstar's people-first culture to the Railway business by aligning employee policies and practices with the values that define our organisation. It was encouraging to see teams embrace these changes with greater motivation and ownership. We believe organisations grow stronger when growth and success are shared. Beyond the business, our Corporate Social Responsibility programmes remained focused on education, livelihoods, and environmental sustainability in the communities around our operations.

LOOKING AHEAD

The mobility landscape is undergoing a fundamental transformation. It is no longer only about automobiles, but about enabling the efficient movement of people and goods across roads, railways, air, and newer forms of mobility. As global energy markets remain volatile, and countries work to reduce dependence on fossil fuels, railways and electrification are becoming increasingly important to the future of mobility. This aligns closely with the direction in which we are building Sona Comstar.

The theme of this year's Annual Report — *From Road to Rail to Robotics* — reflects how we see the evolution of our business. Roads remain our foundation, and automotive will continue to be central to Sona Comstar. Railways are becoming an important new pillar, while Robotics and other emerging applications represent the longer-term extension of our engineering capabilities.

I began this letter by acknowledging Mr. Sunjay Kapur, the person whose chair I now occupy. I would like to end with a simple commitment. I will carry this responsibility with humility, transparency, and a long-term view of what is right for all our stakeholders —customers, employees and shareholders. Sona Comstar has already built a strong foundation, and I believe its most important chapters are still ahead.

Thank you for your continued trust and support.

Warm regards,

Jeffrey Mark Overly

Chairman