

Date: - 27th August, 2021

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

SUBJECT: - Additional information with respect to the notice of the 25th annual general meeting of the Company scheduled to be held on September 9, 2021 (“AGM Notice”)

Dear Sir / Madam,

With reference to the captioned matter, the Company is furnishing following additional information in relation to Item No. 6 set out in the AGM Notice dated 6th August 2021, for the kind attention of the members of the Company:

Item No. 6: To approve the Exit Return Incentive Plan (ERI) for the employees of the Company by Singapore VII Topco III PTE. Ltd.

As set out in the explanatory statement appended to the AGM Notice, on September 2, 2020, Singapore VII Topco III Pte. Ltd. (**Singapore VII**), being a promoter of the Company, adopted a plan – the “Exit Return Incentive Plan” (**ERI Plan**) to reward certain identified employees of the Company and/or its subsidiaries at the time when Singapore VII disposes all or part of its interests (direct or indirect) in the Company beyond certain identified thresholds (**Disposition Event**).

Please note that no single employee will receive more than 20% of the total awards under the ERI Plan. In fact, the number of employees currently covered by the ERI Plan is 73.

The payment of awards will be made by Singapore VII when it realizes proceeds in excess of a threshold of two times the Capital Invested (as defined in the ERI Plan) by it.

The awards under the ERI Plan are inherently linked to the performance of the Company and consequently to the Company’s equity value. Hence, there is strong alignment of interest with shareholder value creation as there is no fixed pay component in the ERI Plan.

To reiterate,

- No shareholder of the Company will be diluted as a consequence of the ERI Plan. No shareholder other than Singapore VII is required to make payments or rewards to employees as per the ERI Plan. The Company is not liable to make any payments as a consequence of the ERI Plan.
- The ERI Plan is a means to incentivize and motivate such employees to work towards the growth of the Company, to retain employees for the long term, to reward employees for strong performance, and to create value for all the Company's shareholders through a staggered long term payment structure.

The above information is to be read in conjunction with the AGM Notice. All other contents of the AGM Notice shall remain unchanged.

Please disseminate the above additional information to the public and take it on record.

Thanking you,

For SONA BLW PRECISION FORGINGS LIMITED

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