SONA COMSTAR

22nd July, 2026

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: Disclosure in terms of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation") including outcome of the Board Meeting held on July 22, 2026.

Dear Sir/Madam

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), we wish to inform you that the Board of Directors of Sona BLW Precision Forgings Limited ("**Company"**) at its meeting held today i.e. July 22, 2026, has, inter alia, considered and approved the following matters:

1. **Approval of the carve-out and transfer of the Company's Electric Vehicle ("EV") Business on a going concern Basis by way of slump sale to Sona Comstar eDrive Private Limited ("Sona eDrive") and consequent formation of a joint venture with DENSO Corporation, Japan ("DENSO") as the joint venture partner.**

   The Board approved the carve-out and transfer of the Company's Electric Vehicle ("EV") Business to Sona Comstar eDrive Private Limited ("**Sona eDrive" and/or "JV1"**), currently a wholly owned subsidiary of the Company, on a going concern basis by way of slump sale.

   The EV Business proposed to be transferred comprises, *inter alia*, the development, design, manufacture, sale and marketing of air-cooled traction motors and generators, traction inverters, eAxle, and related products and technologies for electric and hybrid systems of 2 and 3-wheelers applications (**"EV Business**" **and/or** "**JV1 Business"**), and will be transferred pursuant to a Business Transfer Agreement ("**BTA**").

   The EV Business will be transferred to Sona eDrive for an aggregate consideration of INR 8,932 million (Indian Rupees Eight Billion Nine Hundred Thirty-Two Million), subject to customary closing adjustments (as may be agreed under the BTA), payable in the following manner:

   I. cash consideration amounting to INR 8,575 million (Indian Rupees Eight Billion Five Hundred Seventy-Five Million), subject to customary closing adjustments, as may be agreed under the BTA; and

II. for the balance consideration amount, equity shares to be issued by Sona eDrive to the Company.

The transfer shall be undertaken on a slump sale basis as a going concern, without assigning individual values to the assets and liabilities comprising the EV Business.

The Company executed the BTA and the required details of the BTA, as required under Regulation 30 of the Listing Regulations read with Schedule III thereto and the applicable SEBI Master Circular are enclosed as **Annexure A**.

Separately, the Company has also entered into a Share Subscription Agreement ("**SSA**") with Sona eDrive and DENSO, through which DENSO will purchase 49% equity shares in Sona eDrive at an enterprises value of INR 17,500 million (Indian Rupees Seventeen Billion Five Hundred Million), subject to customary closing adjustments (as may be agreed under the SSA). Hence, the shareholding of Sona eDrive/JV1(after such investment) will be as follows:

- 51% shareholding will be held by the Company; and
- 49% shareholding will be held by DENSO.

The Company also executed a Shareholders' Agreement ("**SHA**") with JV1 and DENSO, to record their mutual understanding with respect to, amongst others, *inter se* rights and obligations by virtue of their shareholding in JV1, the management of JV1 and certain other matters as mentioned in the SHA.

The details of SSA and SHA, as required under Regulation 30 of the Listing Regulations read with Schedule III thereto and the applicable SEBI Master Circular are enclosed as **Annexure B**.

2. Joint Venture with DENSO Corporation, Japan ("DENSO") for Electric and Hybrid Powertrain Systems.

The Board of Directors of the Company approved the execution of a Joint Venture Agreement ("**JVA**") and Joint Development Agreement ("**JDA**") with DENSO, for incorporation of a joint venture company ("**JV2**") in India. Pursuant to the incorporation, the Company and DENSO will invest funds (aggregating to INR 535 million (Five Hundred Thirty-Five Million)), by subscribing to the memorandum of association of JV2.

The proposed JV2 will undertake the development, design, manufacture, sale, marketing of liquid-cooled traction motors-generators, traction inverters and related products and technologies for electric and hybrid system of 4 wheelers and more than 4 wheeler applications (including passenger vehicles, commercial vehicles and other mobility applications), excluding eAxles and gears.

Upon incorporation of JV2;

- DENSO will hold 51% of the paid-up equity share capital of JV2; and
- The Company will hold 49% of the paid-up equity share capital of the JV2 (pursuant to an investment of INR 262.15 million (Indian Rupees Two Hundred Sixty Two Million One Hundred Fifty Thousand)),

Company executed JVA & JDA and the required and the details of JVA and JDA, as required under Regulation 30 of the Listing Regulations read with Schedule III thereto and the applicable SEBI Master Circular are enclosed as **Annexure C1 and C2**.

The above transactions are subject to fulfillment of the customary conditions precedent, receipt of applicable statutory, regulatory and corporate approvals including shareholders' approval of the Company, where applicable, and completion of such other actions as may be necessary in accordance with applicable laws and regulations and the transactions documents.

3. Re-constitution of Audit Committee of the Board of the Company.

The Board of Directors, at its meeting held today, July 22, 2026, considered and approved the re-constitution of the Audit Committee of the Board of the Company by inducting Mrs. Priya Sachdev Kapur (DIN: 02406685), Non-Executive and Non-Independent Director, as a Member of the Committee.

Accordingly, the re-constituted Audit Committee shall comprise the following members:

S. No.	Name	Designation
1.	Mr. Pradip Manilal Kanakia (DIN: 00770347) , Independent Director	Chairman
2.	Mr. Karamendra Daulet Singh (DIN: 00110827), Independent Director	Member
3.	Mr. Jeffrey Mark Overly (DIN: 09041143), Independent Director	Member
4.	**Mrs. Priya Schdev Kapur (DIN: 02406685), Non-Executive and Non-Independent Director**	Member

The meeting of Board of Directors of the Company commenced at 2:48 p.m. (IST) and concluded at 3:33 p.m. (IST).

This is for your information and records.

Thanking you,

For SONA BLW PRECISION FORGINGS LIMITED

Pankaj Gupta

Digitally signed by Pankaj Gupta
Date: 2026.07.22 16:58:51 +05'30'

Pankaj Gupta
Senior Vice President (Legal),
Company Secretary and Compliance Officer

Enclosed: As above

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Annexure-A

The details as required in terms of Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 are as under: -

S. No.	Particulars	Details
1.	**The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division ~~or undertaking or subsidiary or associate company~~ of the listed entity during the last financial year;**	Turnover (FY 2025-26) of the EV Business: INR 3,855 million Net Worth (FY 2025-26) of the EV Business: INR 3,471 million
2.	**Date on which the agreement for sale has been entered into;**	July 22, 2026
3.	**The expected date of completion of sale~~/disposal~~;**	The transaction is proposed to be completed on or before 31st March, 2027, unless further extended by a period as may be agreed between parties.
4.	**Consideration received from such sale~~/disposal~~;**	Aggregate consideration of INR 8,932 million (Indian Rupees Eight Billion Nine Hundred Thirty-Two Million), subject to customary closing adjustments (as may be agreed under the BTA), to the Company as follows: i cash consideration amounting to INR 8,575 million (Indian Rupees Eight Billion Five Hundred Seventy-Five Million), subject to customary closing adjustments (as may be agreed under the BTA); and ii for the balance consideration amount, equity shares to be issued by Sona eDrive to the Company.
5.	**Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;**	The Buyer is Sona Comstar eDrive Private Limited, a wholly owned subsidiary of the Company and it does not belong to promoter/ promoter group/group companies.

6.	**Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";**	Yes, it will be done at an arm's length price being the fair market value determined through the valuation obtained from Independent Valuer.
7.	**Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement?** **If yes, details of the same including compliance with regulation 37A of LODR Regulations.**	Yes, the slump sale is outside the Scheme of Arrangement. No, regulation 37A of Listing Regulation is not applicable on this transaction.
8.	**Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.**	As provided in S. No. 8.a to 8.f below:
8.a	**Name of the entity(ies) forming part of the slump sale, details in brief such as, size, turnover etc.;**	The Seller is Sona BLW Precision Forgings Limited (Company) and as per the FY 2025-26 having Turnover of INR 41,236.74 million and Net worth of INR 57,677.76 million. The Buyer is Sona Comstar eDrive Private Limited, a wholly owned subsidiary of the Company, and as per the FY 2025-26 having Nil Turnover and Net worth of INR 85,17,510.
8.b	**Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";**	Yes, it will be done at an arm's length price being the fair market value determined through the valuation obtained from Independent Valuer.
8.c	**Area of business of the entity(ies);**	Sona BLW Precision Forgings Limited is engaged in, inter alia, the business of designing, manufacturing, and supplying systems and components for original equipment manufacturers for both electrified and non-electrified powertrain segments. Sona Comstar eDrive Private Limited, wholly owned subsidiary of the Company, engaged in the business of manufacturing and assembling of electric vehicle

		components, sub-assemblies and assemblies and related products.
8.d	**Rationale for slump sale;**	The transaction is being undertaken to sell the EV Business to Sona eDrive at the abovementioned consideration. DENSO will come in as a JV partner with 49% equity stake in Sona eDrive and it will become a joint venture company. The partnership with DENSO aims to expand product offerings through accelerated innovation and create opportunities to serve a broader customer base. The joint venture will engage in the business of air-cooled traction inverters, traction motors and generators and e-Axles for electric two and three-wheelers.
8.e	**In case of cash consideration – amount or otherwise share exchange ratio;**	Aggregate consideration of INR 8,932 million (Indian Rupees Eight Billion Nine Hundred Thirty-Two Million), subject to customary closing adjustments (as may be agreed under the BTA), to the Company as follows: i cash consideration amounting to INR 8,575 million (Indian Rupees Eight Billion Five Hundred Seventy-Five Million), subject to customary closing adjustments (as may be agreed under the BTA); and ii for the balance consideration amount, equity shares to be issued by Sona eDrive to the Company.
8.f	**Brief details of change in shareholding pattern (if any) of listed entity.**	Not Applicable

Annexure – B

The details as required in terms of Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 are as under: -

S. No.	Particulars	Shareholders' Agreement ("SHA")	Share Subscription Agreement ("SSA")
1.	**Name(s) of parties with whom the agreement is entered;**	The Company executed the SHA and SSA with DENSO Corporation, Japan ("**DENSO**") and Sona Comstar eDrive Private Limited ("**Sona eDrive**"), a wholly owned subsidiary of the Company.	
2	**Purpose of entering into the agreement**	The SHA records the mutual understanding of the Company and DENSO with respect to, amongst others, their *inter se* rights and obligations by virtue of their shareholding in Sona eDrive, its management and certain other matters.	The SSA executed between DENSO, Sona eDrive and the Company, sets out the terms and conditions for subscription by DENSO to equity shares of Sona eDrive, at an enterprises value of INR 17,500 million, subject to customary closing adjustments (*as agreed under the SSA*), pursuant to which Sona eDrive will cease to be a wholly owned subsidiary of the Company and become a joint venture in which 51% of the share capital will be held by the Company and the remaining 49% will be held by DENSO.
3.	**Shareholding, if any, in the entity with whom the agreement is executed;**	Sona Comstar EDrive Private Limited is a wholly owned subsidiary of the Company and the Company doesn't hold any shares in DENSO.	
4.	**Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any**	Pursuant to SHA, the Company will hold 51% equity shares of Sona eDrive and remaining 49% equity shares will be owned by DENSO.	The SSA executed between DENSO, Sona eDrive and the Company, sets out the terms and conditions for subscription by DENSO to equity shares of Sona eDrive, at an enterprises value of INR

S. No.	Particulars	Shareholders' Agreement ("SHA")	Share Subscription Agreement ("SSA")
	change in capital structure etc.;	The Company has right to appoint majority of the Directors and management of Sona eDrive. Neither DENSO nor the Company is permitted to transfer shares in JV1 to third parties (except as set out in the SHA) for a period of 7 years.	17,500 million, subject to customary closing adjustments (*as agreed under the SSA*), pursuant to which Sona eDrive will cease to be a wholly owned subsidiary of the Company and become a joint venture in which 51% of the share capital will be held by the Company and the remaining 49% will be held by DENSO.
5.	**Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;**	No	
6.	**Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";**	Yes, Sona Comstar eDrive Private Limited is a wholly owned subsidiary of the Company and same is done at arm's length basis.	
7.	**In case of issuance of shares to the parties, details of issue price, class of shares issued;**	The terms and issue price of the equity shares of Sona eDrive proposed to be allotted to the Company and DENSO are specified in the Business Transfer Agreement and the SSA.	The terms and issue price of the equity shares of Sona eDrive proposed to be allotted to the Company and DENSO are specified in the Business Transfer Agreement and the SSA. DENSO will acquire 49% paid up share capital of Sona eDrive at an enterprises value of INR 17,500 million, subject to customary closing adjustments (as agreed under the SSA).

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S. No.	Particulars	Shareholders' Agreement ("SHA")	Share Subscription Agreement ("SSA")
8.	**Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.;**	The Company has right to nominate majority directors in Sona eDrive. However, no rights exist for nominating directors on the board of directors of Sona BLW Precision Forgings Limited. No potential conflict of interest arising out of this SHA.	Pursuant to the SSA, Sona eDrive will become a joint venture company, and will continue to be a subsidiary of the Company, with DENSO participating as a joint venture partner holding a 49% equity stake. However, no rights exist for nominating directors on the board of directors of Sona BLW Precision Forgings Limited. No potential conflict of interest arising out of this SSA.
9.	**In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):** **a) name of parties to the agreement;** **b) nature of the agreement;** **c) date of execution of the agreement;** **d) details of amendment and impact thereof or reasons of termination and impact thereof.**	Not Applicable	

Annexure C1

The details as required in terms of Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 are as under: -

S. No.	Particulars	Joint Venture Agreement ("JVA")	Joint Development Agreement ("JDA")
1.	**Name(s) of parties with whom the agreement is entered;**	The Company executed the JVA and JDA with DENSO Corporation, Japan ("**DENSO**").	
2	**Purpose of entering into the agreement**	The JVA records the mutual understanding of the Company and DENSO with respect to, amongst others, their *inter se* rights and obligations by virtue of their shareholding in the new joint venture company ("**JV2**"), its management and certain other matters. The JV2 is proposed to be incorporated in India.	The JDA records the terms and conditions governing joint development of the products proposed to be developed, manufactured and sold by JV2 ("**JV2 Business**").
3.	**Shareholding, if any, in the entity with whom the agreement is executed;**	Nil	
4.	**Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;**	DENSO will own 51% equity shares in the JV2 and remaining 49% equity shares will be owned by the Company (with an investment of INR 262.15 million). DENSO has right to appoint majority of Directors and management of JV2. Neither DENSO nor the Company is permitted to	The JDA mentions the joint responsibility of the Company and DENSO for development of the JV2 Business and right of each party over the Intellectual Property Rights (IPR) generating during the development phase of the JV2 Business.

S. No.	Particulars	Joint Venture Agreement (“JVA”)	Joint Development Agreement (“JDA”)
		transfer shares in JV2 to third parties (except as set out in the JVA) for a period of 7 years from its incorporation.	
5.	**Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;**	No	
6.	**Whether the transaction would fall within related party transactions? If yes, whether the same is done at “arm’s length”;**	No	
7.	**In case of issuance of shares to the parties, details of issue price, class of shares issued;**	The JV company will issue 51% equity shares to DENSO and 49% equity shares to the Company, pursuant to an aggregate investment of INR 535 million.	Not Applicable
8.	**Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.;**	DENSO has right to nominate majority directors in JV2 and no potential conflict of interest arising out of this JVA. No rights exists on nominating on the board of directors of Sona BLW Precision Forgings Limited.	No potential conflict of interest arising out of this JDA. No rights exists on nominating on the board of directors of Sona BLW Precision Forgings Limited.
9.	**In case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):** **a) name of parties to the agreement;** **b) nature of the agreement;**	Not Applicable	

S. No.	Particulars	Joint Venture Agreement ("JVA")	Joint Development Agreement ("JDA")
	c) date of execution of the agreement; d) details of amendment and impact thereof or reasons of termination and impact thereof.		

Annexure C2

The details as required in terms of Regulation 30 and Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January, 2026 are as under: -

S. No.	Particulars	Details
1.	**Name of the entity, date & country of incorporation, etc.;**	The Company executed the Joint Venture Agreement ("**JVA**") with Denso Corporation, Japan ("**DENSO**") for incorporating joint venture company ("**JV2**") in India. JV2 is proposed to be incorporated in accordance with the JVA, and the name of JV2 will be determined at the time of its incorporation.
2.	**Name of holding company of the incorporated company and relation with the listed entity;**	Upon incorporation of JV2, DENSO will hold 51% paid up equity shares capital of JV2 and remaining 49% paid up equity shares capital of JV2 will held by the Company. There is no relation between the Company and DENSO.
3.	**Industry to which the entity being incorporated belongs;**	Automotive components
4.	**Brief background about the entity incorporated in terms of products / line of business;**	The JV2 is yet to be incorporated. That said, it is proposed that upon incorporation, JV2 will undertake the development, design, manufacture, sale, marketing of liquid-cooled traction motors-generators, traction inverters and related products and technologies for electric and hybrid system of 4 wheelers and more than 4 wheeler applications (including passenger vehicles, commercial vehicles and other mobility applications), excluding eAxles and gears.
5.	**Brief details of any governmental or regulatory approvals required for the incorporation;**	The JV2 will be incorporated as per the terms and conditions mentioned in the Joint Development Agreement ("**JDA**") and Joint Venture Agreement ("**JVA**") executed between the Company and DENSO.
6.	**Nature of consideration - whether cash consideration or share swap and details of the same ;**	Pursuant to the incorporation, the Company and DENSO will invest funds (aggregating to INR 535 million (Five Hundred Thirty-Five Million)), by subscribing to the memorandum of association of JV2.
7.	**Cost of subscription / price at which the shares are subscribed;**	Pursuant to the incorporation, the Company and DENSO will invest funds (aggregating to INR 535 million (Five Hundred Thirty-Five Million)), by subscribing to the memorandum of association of JV2.

8.	**Percentage of shareholding / control by the listed entity and / or number of shares allotted.**	Upon incorporation of JV2: • Denso will hold 51% of the paid-up equity share capital of JV2; and • The Company will hold 49% of the paid-up equity share capital of the JV2 (pursuant to an investment of INR 262.15 million (Indian Rupees Two Hundred Sixty Two Million One Hundred Fifty Thousand)),