

VOLVO GROUP INDIA PRIVATE LIMITED

Notice of Twenty Sixth Annual General Meeting

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of Members of Volvo Group India Private Limited will be held on Friday, 22nd September 2023 at 03.00 P.M, Indian Time at the Registered Office of the Company at Yalachahally Village, Tavarekere Post, Hoskote, Bengaluru- 562122, to transact the following businesses:

ORDINARY BUSINESS

- (1) To consider and adopt the Audited Profit and Loss Account of the Company for the year ended 31st March 2023 and the Balance Sheet as on that date along with the Reports of Directors' and Auditors' thereon.

SPECIAL BUSINESS

- (2) To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mr. Joachim Henry Rosenberg (DIN: 06391543) as a Director of the Company:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Joachim Henry Rosenberg (DIN: 06391543), who was appointed as an Additional Director of the Company under Section 149 & 161 of the Companies Act, 2013, by the Board of Directors with effect from 16th June 2023, who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to appoint Mr. Joachim Henry Rosenberg as Director of the Company with effect from 16th June 2023".

"FURTHER RESOLVED THAT Mr. Joachim Henry Rosenberg be and is hereby also appointed as Chairman of the Volvo Group India Private Limited Board with effect June 16, 2023."

"FURTHER RESOLVED THAT any of the Director and Mr. Laxminarayan Hegde, Head Legal & Company Secretary be and are hereby severally authorized to file necessary forms with the Registrar of Companies and to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary to give effect to this resolution."

- (3) To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for the appointment of Ms. Sofia Helena Frändberg (DIN: 06516556) as a Director of the Company:

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. Sofia Helena Frändberg (DIN: 06516556),



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who was appointed as an Additional Director of the Company under Section 149 & 161 of the Companies Act, 2013, by the Board of Directors with effect from 16th June 2023, who holds office upto the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, approval of the members of the Company be and is hereby accorded to appoint Ms. Sofia Helena Frändberg as Director of the Company with effect from 16th June 2023”.

“FURTHER RESOLVED THAT Ms. Sofia Helena Frändberg be and is hereby appointed as Audit Committee member and Chairperson of the Audit Committee with effect from the ensuing Audit Committee meeting to be held post 16th June 2023.”

“FURTHER RESOLVED THAT any of the Directors or Mr. Laxminarayan Hegde, Head Legal & Company Secretary be and are hereby severally authorized to file necessary forms with the Registrar of Companies and to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary to give effect to this resolution.”

- (4) To consider and if thought fit to pass with or without modification, the following as Ordinary Resolution:

“RESOLVED THAT approval of the shareholders be and is hereby accorded for transactions of purchase/sale /supply of vehicles/components/engines/spare parts/ various services related to trucks, construction equipment, bus, digital, information technology, logistics, accounting and finance related services already entered or to be entered into by Volvo Group India Private Limited with related parties for FY 2022-2023 and 2023-2024 pursuant to the provisions of Section 188 of the Companies Act, 2013 (as amended from time to time) (“Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (“Rules”) and other applicable provisions of the Act and the Rules. The Board notes that such transactions are in the ordinary course of business and on arms’ length basis.”

“FURTHER RESOLVED THAT pursuant to the provisions of Section 188 of the Act read with Rule 15 of the Rules, the shareholders hereby approve transactions between Volvo Group India Private Limited (VGIPL) and VE Commercial Vehicles Ltd (“VECV”) FY 2022-2023 and for the FY 2023-2024 for leasing of assets including building and test track by VGIPL to VECV pursuant to the agreement executed earlier.”

Date: September 1, 2023

Registered Office:
Yalachahally Village
Tavarekere Post, Hoskote,
Bengaluru - 562 122.

By order of the Board of Directors

Laxminarayan Hegde
Company Secretary
FCS 11192



V O L V O

NOTES:

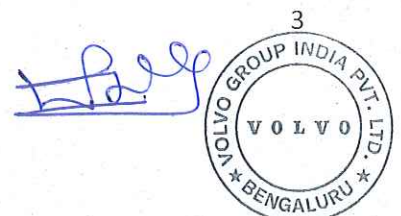
1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE ON HIS/HER BEHALF AND A PROXY NEED NOT BE A MEMBER. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than 48 (Forty Eight) hours before the AGM. Proxies submitted on behalf of limited companies, etc. must be supported by appropriate resolutions or authority, as applicable. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
3. Corporate Members intending to send their authorised representatives to attend and vote at the Meeting are requested to send an authorization letter or a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. All documents referred to in the accompanying notice and the statement shall be open for inspection at the Registered Office of the Company during normal business hours from 11.00 a.m. to 1.00 p.m. on all working days, up to and including the date of the Annual General Meeting of the Company and will also be available for inspection at the meeting.

Statement to be annexed to Notice under section 102 (1) of Companies Act, 2013.

Item no. 2 and 3: This is to inform to the shareholders that Mr. Joachim Henry Rosenberg and Ms. Sofia Helena Frändberg have been appointed as additional directors at the Board meeting held on June 15, 2023, and the appointment is with effect from June 16, 2023, and they will hold office until the date of next Annual General Meeting. The Board recommends Mr. Joachim Henry Rosenberg and Ms. Sofia Helena Frändberg for appointment of Directors at the Annual General Meeting to be held on September 22, 2023. Hence, the Ordinary Resolution has been proposed for approval of the shareholders.

Item no. 4: This is to inform to the shareholders that, as per the provisions of Section 188 of the Companies Act, 2013 (as amended from time to time) ("Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules") and other applicable provisions of the Act and the Rules, the Company is required to ensure that any transactions with related parties are on an arm's length basis and are in the ordinary course of business, failing which a prior approval of the Board and the members of the Company (if applicable) will be required for such transactions.

As per the Act, "arm's length transaction" means, "a transaction between 2 (two) related parties that is conducted as if they were unrelated, so that there is no conflict of interest."



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In the absence any specific method prescribed for computing arm's length transaction, there is a general opinion that transactions are to be tested for arm's length as per the transfer pricing regulations under the Income Tax Act, 1961.

Transfer pricing regulations in India prescribe *inter alia* the following methods under the Income Tax Act, 1961:

1. Comparable Uncontrolled Price method.
2. Transactional Net Margin method (TNMM)
3. Resale Price method
4. Cost Plus method
5. Profit Split method.

TNMM is followed by the Company for benchmarking its international transactions, and accordingly an application for Bilateral Advance Pricing Agreement is made which is pending conclusion by the APA authorities. The Company, for transfer pricing purposes, segments its business as below:

- i. Manufacturing including Distribution (Trucks/Traded Construction Equipment/Spares/Penta Parts)
- ii. Services (Group Trucks Technology/ Digital & IT Support Services / Volvo Business Services / Accounting Services/Purchasing support services)

List of transactions are listed below:

Sl no	Name of the Related Party	Nature of Relationship	Nature of contracts /arrangements/transactions	Duration of contracts/arrangements /transactions	Amount of Contract or Arrangement (INR In Lakhs)	Advance paid if any
1	AB Volvo	Ultimate Holding Company	Other reimbursement	2022-23	75.63	NA
			Reimbursement of Expats Cost	2022-23	14.58	NA
			Reimbursement of Expenses	2022-23	22.71	NA
2	AB Volvo Penta	Group Company	Inventory purchase	2022-23	3,518.09	NA
			Receiving of services	2022-23	16.14	NA
			Service Income	2022-23	864.83	NA
3	PT. Volvo Indonesia	Group Company	Other reimbursement	2022-23	0.26	NA
			Parts Sale	2022-23	3.41	NA
			Receiving of services	2022-23	2.73	NA
4	Renault Trucks SAS	Group Company	Inventory purchase	2022-23	18.53	NA

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			Logistic Services	2022-23	1,791.26	NA
			Receiving of services	2022-23	1.58	NA
5	Shandong Lingong Construction Machinery Company Ltd	Group Company	Inventory purchase	2022-23	2,183.46	NA
6	VE Commercial Vehicles Limited	Joint ventures of ultimate holding company	Inventory purchase	2022-23	3,041.47	NA
			Logistic Services	2022-23	3,242.77	NA
			Other reimbursement	2022-23	32.16	NA
			Receiving of services	2022-23	2,664.95	NA
			Reimbursement of Expenses	2022-23	274.63	NA
			Rental income	2022-23	173.73	NA
			Truck and parts sale	2022-23	1,94,042.51	NA
7	Volvo Business Services AB	Group Company	Receiving of services	2022-23	101.78	NA
			Reimbursement of Expats Cost	2022-23	2.72	NA
			Service Income	2022-23	8,660.37	NA
8	Volvo Bussar AB	Group Company	Service Income	2022-23	317.41	NA
9	Volvo CE India Private Limited	Group Company	Inventory purchase	2022-23	1,262.62	NA
			Logistic Services	2022-23	113.07	NA
			Other reimbursement	2022-23	16.58	NA
			Parts Sale	2022-23	34,824.09	NA
			Purchase of Prototype	2022-23	2.19	NA
			Receiving of services	2022-23	51.46	NA



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			Reimbursement of Expenses	2022-23	278.65	NA
			Rental income	2022-23	677.80	NA
10	Volvo Construction Equipment AB	Group Company	Inventory purchase	2022-23	5,758.04	NA
			Purchase of Prototype	2022-23	7.05	NA
11	Volvo do Brasil Veiculos	Group Company	Logistic Services	2022-23	0.88	NA
12	Volvo Energy AB	Group Company	Service Income	2022-23	767.51	NA
13	Volvo Financial Services (India) Pvt Ltd	Group Company	Reimbursement of Expenses	2022-23	92.36	NA
			Rental income	2022-23	230.04	NA
14	Volvo Group Australia Pty Ltd	Group Company	Inventory purchase	2022-23	8.25	NA
			Logistic Services	2022-23	54.73	NA
			Parts Sale	2022-23	5.80	NA
15	Volvo Group Connected Solution	Group Company	Service Income	2022-23	2,411.50	NA
16	Volvo Group Korea Co Ltd	Group Company	Inventory purchase	2022-23	9,543.14	NA
			Parts Sale	2022-23	229.02	NA
17	Volvo Group Middle East Fze	Group Company	Inventory purchase	2022-23	51.81	NA
			Parts Sale	2022-23	0.35	NA
18	Volvo Group Purchasing AB	Group Company	Receiving of services	2022-23	212.49	NA



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			Reimbursement of Expats Cost	2022-23	9.48	NA
			Service Income	2022-23	4,715.74	NA
19	Volvo Group Singapore (Pte) Ltd	Group Company	Inventory purchase	2022-23	45.35	NA
			Parts Sale	2022-23	102.28	NA
20	Volvo Information Technology AB	Group Company	Receiving of services	2022-23	11,782.95	NA
			Reimbursement of Expenses	2022-23	250.55	NA
			Service Income	2022-23	32,693.57	NA
21	Volvo Lastvagnar AB	Holding Company	Inventory purchase	2022-23	74,287.77	NA
			Receiving of services	2022-23	19.96	NA
			Royalty	2022-23	7,963	NA
22	Volvo Logistics Corporation	Group Company	Inventory purchase	2022-23	615.39	NA
			Logistic Services	2022-23	3,646.80	NA
23	Volvo Merchandise Corporation	Group Company	Inventory purchase	2022-23	9.58	NA
24	Volvo Parts Corporation	Group Company	Inventory purchase	2022-23	29,563.02	NA
			Parts Sale	2022-23	1,712.28	NA
25	Volvo Polska Sp. z o.o.	Group Company	Receiving of services	2022-23	1.55	NA
26	Volvo Technology Corporation	Group Company	Inventory purchase	2022-23	-	NA
			Receiving of services	2022-23	52.48	NA

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			Reimbursement of Expats Cost	2022-23	52.99	NA
			Service Income	2022-23	67,315	NA
27	Volvo Treasury AB	Group Company	Receiving of services Banking facility fees	2022-23	58.68	NA
28	Volvo Treasury Asia Ltd	Group Company	ECB interest	2022-23	393.01	NA
29	Volvo Trucks Korea Co., Ltd	Group Company	Inventory purchase	2022-23	0.84	NA
30	Volvo Trucks North America Inc	Group Company	Other reimbursement	2022-23	0.29	NA
			Receiving of services	2022-23	2.13	NA
			Reimbursement of Expats Cost	2022-23	74.46	NA

All the transactions stated above are on arm's lengths basis and are in ordinary course of business. For a complete overview of all the related party transactions, please refer to note no. 29 of the notes to financials.

The Board has approved the abovementioned transactions during the financial year 2022-23.

TNMM is followed by Volvo Group India for benchmarking its international transactions and has been accepted by the Transfer pricing authorities. As per TNMM, the net margin of Volvo India is compared with the net margins of comparable companies and if the same is within the Arms' length range (35th Percentile to 65th Percentile), then transactions are said to be at arm's length. Volvo Group India, for transfer pricing purposes, segments its business as below:

- i. Manufacturing including Distribution (Trucks/Spares/Penta Parts)
- ii. Services (Group Trucks Technology/ IT Support Services / Volvo Business Services /Accounting & Company Control/Purchasing support services)

The segmental results of Volvo India for FY 2022-23 vis-à-vis the comparable companies are given below:



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#	Segment	Segment revenue (INR in lakhs)	Segment profit (INR in lakhs)	Volvo Group India Margin	Range (approx.)	Risk factor
1	Manufacturing and Distribution	249,250	16,449	6.6%	1.54% to 3.48%	At ALP
2	Services	117,746	14,303	14%/10% (on cost)	4.17% to 22.17%	Within the range. At ALP

The above will meet the requirements of the arm's length test. Accordingly, the above mentioned transactions are in compliance with applicable laws.

It is expected that the Company's margins for the financial year 2023-24 also will be in the same range as that for comparable companies and will meet the requirements of the arm's length test. As part of the good governance practice, the request has been made to the shareholders to ratify/ approve the above mentioned related party transactions already entered into so far for the FY 2022- 2023 and for the ongoing period FY 2023-2024.

The Board also took note of a transaction and approved those transactions between Volvo Group India Private Limited (VG IPL) and VE Commercial Vehicles Limited (VECV) FY 2022-2023 and for the ongoing period FY 2023-2024, for leasing of assets (pertaining to Volvo Trucks) like building and test track by VG IPL to VECV pursuant to an agreement executed earlier. This transaction is incidental to the subsequent activities of the demerged business undertaken by VECV and is in the ordinary course of business.

None of the Directors, except Mr. Joachim Rosenberg and Ms. Sofia Frändberg, who are also Directors in VE Commercial Vehicles Ltd, related to transactions between the Company and VE Commercial Vehicles Limited) / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

As part of good governance practice, the Board at the meeting held on September 01, 2023, ratified /approved the abovementioned related party transactions for the period from April 01, 2022 - March 31, 2023, and for the ongoing period FY 2023-2024.

In view of this, the Members are requested to consider ratifying / approving this related party transactions already entered into so far for the FY 2022-2023 and for ongoing period FY 2023- 2024.

Date: September 1, 2023

By order of the Board of Directors

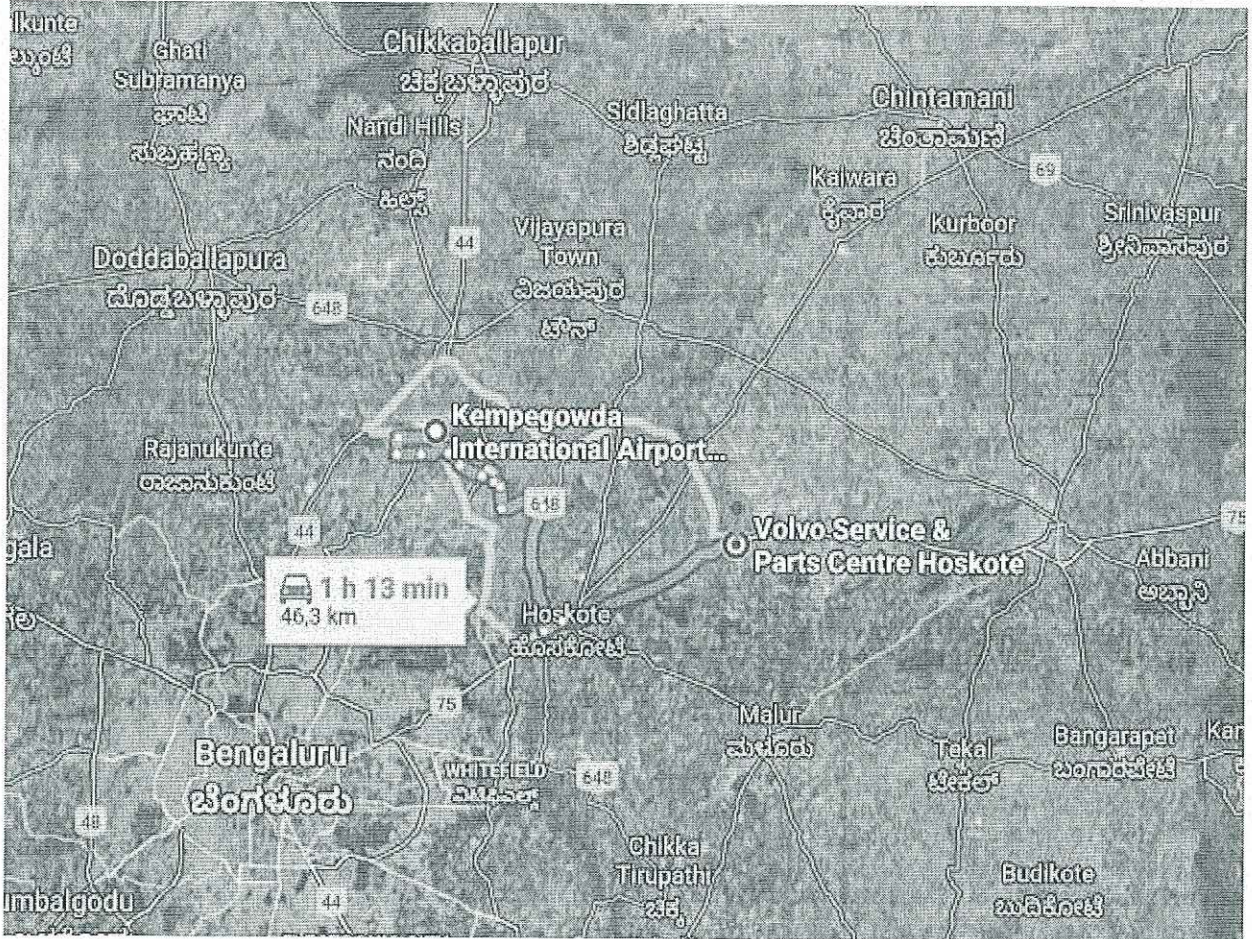
Registered Office:
Yalachahally Village
Tavarekere Post, Hoskote
Bengaluru - 562 122.


Laxminarayan Hegde
Company Secretary
FCS 11192



Map route to venue of the meeting (from Kempegowda International Airport, Bengaluru)

Yalachahally Village, Tavarekere Post, Hoskote Taluk, Bengaluru-562122
Near Volvo Service and Parts Centre



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VOLVO GROUP INDIA PVT. LTD.
VOLVO
BENGALURU

V O L V O

Name of the Company: VOLVO GROUP INDIA PRIVATE LIMITED

Registered Address: Yalachahally Village, Tavarekere Post, Hoskote Taluk, Bengaluru-562122

Website: www.volvogroup.in

Twenty Sixth Annual General Meeting (FY 2022-23):

Folio No. / DP ID Client ID No.	
Name of First named Member/Proxy/ Authorised Representative	
Name of Joint Member(s), if any:	
No. of Shares held	

I/we certify that I/we am/are member(s)/proxy for the member(s) of the Company.

I/we hereby record my/our presence at the Annual General Meeting of the Company being held on Friday, **September 22, 2023 at 03:00 P.M** at Yalachahally Village, Tavarekere Post, Hoskote Taluk, Bengaluru-562122.

Signature of First holder/Proxy/Authorised Representative

Signature of 1st Joint holder

Signature of 2nd Joint holder

Note(s):

1. Please sign this attendance slip and hand it over at the Attendance Verification Counter at the MEETING VENUE.
2. Only shareholders of the Company and/or their Proxy will be allowed to attend the Meeting.