

## SAL AUTOMOTIVE LIMITED

(Formerly Swaraj Automotives Limited)

### POLICY OF SAL AUTOMOTIVE LIMITED (THE COMPANY) FOR REMUNERATION TO DIRECTORS/ KEY MANAGERIAL PERSONNEL (KMPS)/ SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

#### Remuneration to Directors:

##### i) Non-Executive Director including Independent Directors:

The Nomination and Remuneration Committee (NRC) shall decide the basis for determining the compensation, both Fixed and Variable, to the Non-Executive Directors, including Independent Directors, whether as commission or otherwise. The NRC shall take into consideration various factors such as director's participation in Board and Committee meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of the Committees, time spent in carrying out their duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 ("the Act") and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") and such other factors as the NRC may consider deem fit for determining the compensation. The Board shall determine the compensation to Non- Executive Directors within the overall limits specified in the Shareholders resolution.

##### ii) Whole Time / Executive Director(s):

The remuneration to Whole Time / Executive Director(s) shall be recommended by NRC to the Board. The remuneration may consists of fixed and variable compensation and may be paid as salary, perquisites & allowances, performance bonus and fringe benefits, if any, as approved by the Board and within the overall limits specified in the Shareholders resolution. The revision in compensation, if any, will be determined annually by the NRC based on their performance.

#### Payment of Sitting Fees etc.:

Sitting fees shall be paid to all Non-Executive Directors for attending the meetings of the Board of Directors and Committees thereof within the prescribed limits as may be determined by the Board including the reimbursement of expenses incurred for attending the Board and Committee Meetings in accordance with the provisions of the Act, LODR Regulations and the Articles of Association of the Company, from time to time.

**Remuneration to KMP, Senior Management Personnel and Other Employees:**

The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as may approved by the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

The annual variable pay of managers is linked to the performance of the Company in general and their individual performance for the relevant year measured against Company's objectives fixed in the beginning of the year.

This Remuneration Policy shall apply to all future / continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board.

The NRC/ Board shall periodically recommend/ review the remuneration paid/payable to Directors/ KMPs/ Senior Management Personnel and Other Employees as may be required under the applicable laws, from time to time.

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