



SAL Automotive Limited

Company Secretary & General Counsel
GAGAN KAUSHIK

Finance Controller & KMP
KULVINDER SINGH

Statutory Auditor
M/S MANGLA ASSOCIATES
Chartered Accountants

Bankers
ICICI Bank Ltd.
STATE BANK OF INDIA
AXIS BANK LIMITED

Registered Office
C-127, IV Floor, Satguru Infotech
Phase VIII, Industrial Area,
S.A.S.Nagar (Mohali)
Punjab -160 062

CIN : L45202PB1974PLC003516
Tel. : 0172-4650377
Email : kaushik.gagan@salautomotive.in

Works

- (1) Kakrala Road, Nabha (Distt. Patiala)
Punjab -147 201
- (2) 183/I, Belur Industrial Area,
Dharwad, Karnataka-580011
- (3) 11-A, Village Rameshwarpur, Rudrapur
Distt. Udham Singh Nagar, Uttrakhand-263148
- (4) Plot No. 113, Sector 10, PCNTDA,
Bhosari, Pune,
Maharashtra-411026

Website
www.salautomotive.in

Registrar and Transfer Agent
M/s MCS Share Transfer Agent Limited
Unit: SAL Automotive Ltd.
179-180, 3rd Floor, DSIDC Shed
Okhla Industrial Area, Phase - I
New Delhi - 110020
Tel: 011-41406149
Fax: 011-41709881
Email: helpdeskdelhi@mcsregistrars.com

BOARD OF DIRECTORS

RAJIV SHARMA
(Chairman)

R.K. SHARMA
(Managing Director)

JAMIL AHMAD
(Non-Independent Director)

K.N. AGRAWAL
(Independent Director)

NAMRATA JAIN
(ED –Finance & CFO)

UTTAM SAHAY
(Independent Director)

ANNUAL GENERAL MEETING

on Friday, 26th September, 2025

Through Video Conferencing

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 50th Annual General Meeting of SAL Automotive Limited ("Company") will be held on **Friday, 26th September, 2025 at 03:00 P.M.** (IST) through Video Conferencing (VC) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2025 and the Reports of the Auditors' and the Directors' thereon.
2. To declare a final dividend of Rs. 2.5 per Equity Share of the face value of Rs. 10 each (i.e. 25%), of the Company for the financial year ended 31st March, 2025.
3. To appoint a Director in place of Mr. Jamil Ahmad (DIN:07171910) who retires by rotation and, being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with relevant rules framed thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory amendment(s), modification(s), thereto or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and upon the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for re-appointment of Mr. Jamil Ahmad (DIN: 07171910), who retires by rotation, and being eligible offers himself for re-appointment, as the Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, expedient, or incidental thereto to give effect to this resolution."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s. SDM & Associates, Cost Accountants (Firm Registration No. 000281), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026, amounting to Rs. 85,000/- (Rupees Eighty-Five Thousand only) plus taxes as may be applicable and reimbursement of such other out of pocket expenses as may be incurred by the said Cost Auditors during the course of the audit, be and is hereby ratified and confirmed.

FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013, and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Arora & Co. (FCS No. 2191, CP No. 993, peer reviewed No. 2120/2022) practicing Company Secretary, be and is hereby appointed as the Secretarial Auditors of the Company, for a term of five consecutive financial years

commencing from Financial Year 2025-26 till Financial Year 2029-30 , at such remuneration as may be determined by the Board of Directors of the Company (including its Committee thereof) in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

6. Re-appointment of Mr. Kailash Nath Agarwal (DIN: 08829437) as an Independent Director of the Company.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 ('Act'), read with Schedule IV to the Act and the Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules') (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), Regulations 17, 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Kailash Nath Agarwal (DIN: 08829437), who was appointed as an Independent Director and who holds office up to August 19, 2025 and who is eligible for re- appointment and meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the Listing Regulations be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five years commencing with effect from 20th August, 2025 up to 19th August, 2030 (both days inclusive).

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and are hereby severally authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

7. Re-appointment of Ms. Namrata Jain (DIN: 07310940) as a Whole-time Director of the company designated as ED-Finance & CFO.

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 196, 197 and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, any other Rules, if any, made thereunder, Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company and pursuant to the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, Ms. Namrata Jain (DIN: 07310940) whose tenure as Whole Time Director of the Company designated as ED Finance & CFO ends on November 10, 2025, and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director and being eligible for appointment under the provisions of the Act and the Rules framed thereunder and the Listing Regulations, be and is hereby reappointed as the Whole Time Director of the Company, liable to retire by rotation, and Key Managerial Personnel of the Company for a term of 3 years with effect from November 10, 2025, at such terms and conditions as mutually agreed between Ms. Namrata Jain and the Company, including the remuneration

as detailed below for a period of 3 years with effect from November 10, 2025:

Particular	Amount (Monthly, In Rs.)
Basis Salary	1,41,625
Other allowances and perquisites	2,12,438
Other benefit(s)/ reimbursement(s)	Any other benefits/ reimbursement(s) admissible to the Senior Officers of the Company as per Rules of the Company, from time to time

RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites as detailed above, may be paid as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Act and rules framed thereunder and any other applicable provisions of the Act and the Listing regulations (including any statutory modification(s) or re-enactment(s) thereof from time to time), without requiring to obtain the approval of shareholders any further.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and are hereby authorized to alter, revise and vary the terms and conditions of aforesaid appointment including the remuneration payable from time to time within the limits as per the provisions of the Act, rules thereto, Schedule V of the Act and applicable provisions of the Listing regulations (including any statutory modification(s) or re-enactment(s) thereof from time to time) without requiring to obtain the approval of shareholders any further.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

Regd. Office :
C-127, IV Floor, Satguru Infotech
Phase-VIII, Industrial Area,
S.A.S. Nagar (Mohali), Punjab - 160 071
Tel: 0172-4650377, Fax: 0172-4650377
Email: kaushik.gagan@salautomotive.in
Website: www.salautomotive.in
CIN: L45202PB1974PLC003516
Place : Ghaziabad
Date : 12th August, 2025

BY ORDER OF THE BOARD
FOR SAL Automotive Limited

(GAGAN KAUSHIK)
Company Secretary &
General Counsel
Membership No. 8080

NOTES :

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICS and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.salautomotive.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Tuesday 23rd September, 2025 at 09:00 A.M. (IST) and ends on Thursday, 25th September, 2025 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 19th September, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 19th September, 2025.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their depository account maintained with Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual shareholders holding securities in dematerialized mode with NSDL	<ol style="list-style-type: none"> 1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div> </div>

SAL AUTOMOTIVE LIMITED

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

- B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below ::

Type of shareholders	Login Method
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - 8. Now, you will have to click on "Login" button.
 - 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- 3. Now you are ready for e-Voting as the Voting page opens.
- 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ajaykcs@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to kaushik.gagan@salautomotive.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to kaushik.gagan@salautomotive.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their depository account maintained with Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at kaushik.gagan@salautomotive.in. The same will be replied by the company suitably.

SAL AUTOMOTIVE LIMITED

6. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at kaushik.gagan@salautomotive.in on or before **19th September, 2025**. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

Regd. Office :
C-127, IV Floor, Satguru Infotech
Phase-VIII, Industrial Area,
S.A.S. Nagar (Mohali), Punjab - 160 062
Tel: 0172-4650377, Fax: 0172-4650377
Email: kaushik.gagan@salautomotive.in
Website: www.salautomotive.in
CIN: L45202PB1974PLC003516
Place : Ghaziabad
Date : 12th August 2025

BY ORDER OF THE BOARD
FOR SAL Automotive Limited

(GAGAN KAUSHIK)
Company Secretary &
General Counsel
Membership No. : 8080

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment of M/s. SDM & Associates, Cost Accountants (Firm Registration No. 000281), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2026 and subject to the ratification by the members, approved a remuneration of Rs. 85,000/- (Rupees Eighty Five Thousand only) plus applicable taxes and reimbursement of such other out of pocket expenses as may be incurred by the said Cost Auditors during the course of the audit.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2026.

The Board recommends the resolution under item no (4) for approval of members of the Company by way of an ordinary resolution. None of the Directors, key managerial personnel of the Company and their relatives (to the extent of their shareholding in the Company, if any), are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

Item No. 5:

In accordance with Section 204 of the Companies Act, 2013 read with rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Secretarial Auditor who shall be appointed by the Members of the Company, at the Annual General Meeting, on the recommendation of the Board of Directors, for a period of five consecutive years.

In light of the aforesaid, the Board of Directors of the Company in its meeting held on 23rd May 2025, pursuant to the recommendations of the Audit Committee, has recommended appointment of M/s Arora & Co. (FCS No. 2191, CP No. 993, peer reviewed No. 2120/2022) practicing Company Secretary, as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from Financial Year 2025-26 till Financial Year 2029-30.

A. Arora & Co is a sole proprietorship firm registered as a practicing company secretaries firm with the Institute of Company Secretaries of India (ICSI) for over 3 decades. It has immense knowledge and experience in dealing with matters relating to Company Law, Securities Laws, Due Diligence, and serving as consultants and auditors to a wide range of companies including listed, unlisted public and private companies and several government companies/ corporations for several years. A. Arora & Co's key offerings other than Secretarial Audit functions also include setting up companies, approvals from all the government departments including approvals from the Registrar of Companies, Regional Director-Ministry of Corporate Affairs, Reserve Bank of India (RBI), Foreign Exchange Regulations.

M/s Arora & Co. have given their consent to act as the Secretarial Auditor of the Company and have confirmed that their appointment, if made, will be within the limit specified under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other applicable laws including circulars and/or guidance issued thereunder. They have also confirmed that they are not disqualified to be appointed as secretarial auditors in terms of the provisions of Section 204 of the Companies Act, 2013, and the Rules made thereunder, read with Regulation 24A of the Listing Regulations and other applicable Regulations.

Furthermore, in terms of the amended Listing Regulations, A. Arora & Co has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate and further declared that they have not taken up any prohibited non-secretarial audit assignments for the Company, its holding and subsidiary companies.

The proposed remuneration to be paid to the said firm for conducting the secretarial audit for the financial years 2025-26 to 2029-30 is Rs. 72000 (Rupees Seventy-two thousand) plus applicable taxes and the said fee

shall be subject to revision at the end of every year to reasonably account for inflation and rising operational costs, as may be agreed by the Board of Directors of the Company and the Secretarial Auditor. Besides the secretarial audit services, the Company may also obtain certifications from the said auditor, under various statutory regulations and certifications, as may required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as may approved by the competent authority in consultation with the auditor.

Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience & expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

Accordingly, consent of the Members is sought for approval for the aforesaid appointment of the Secretarial Auditors.

None of the Directors and Key Managerial Personnel of the Company and their relatives(to the extent of their shareholding in the Company, if any), are concerned or interested, financially or otherwise, in this resolution. The Board recommends the Ordinary Resolution set out at item no. 5 of the notice for approval by the members

Item No. 6:

Mr. Kailash Nath Agrawal was appointed as an Independent Director by the Members of the Company at the Annual General Meeting held on 28th September 2020 for a term of five years with effect from 20th August 2020 up to 19th August 2025.

Considering his contribution and based on recommendation of Nomination and Remuneration Committee ('NRC'), the Board, at its meeting held on Tuesday 12th August, 2025 proposed to re-appoint as an Non-Executive Independent Director of the Company, not liable to retire by rotation, for a second term effective from 20th August, 2025 up to 19th August 2030, subject to the approval of the Members.

The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director. In terms of Regulation 17(1C)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is required to obtain the approval of Members for reappointment of a Director at the next General Meeting or within a period of three months from the date of reappointment, whichever is earlier. Furthermore, as per Regulation 25(2A) of the Listing Regulations, the re-appointment of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a Special Resolution. Pursuant to the first proviso of Regulation 25(2A) of the Listing Regulations, where a Special Resolution for the appointment of an Independent Director fails to get the requisite majority of votes but the votes cast in favour of the resolution exceed the votes cast against the resolution and votes cast by the public shareholders in favour of the resolution exceed the votes cast against the resolution, then the appointment of such Independent Director shall be deemed to have been made as if the approval of the shareholders have been obtained by way of Special Resolution.

Mr. Kailash Nath Agrawal is a practicing advocate and a member of the Bar Council of Uttar Pradesh. He holds a Bachelor of Law and Master of Arts degree, along with a Diploma in Public Administration from Lucknow University.

Mr. Kailash Nath Agrawal retired as Assistant Labour Commissioner from the Government of Uttar Pradesh in 2014, after serving in the Labour Department for over 35 years. During his tenure, he held several key positions including Labour Enforcement Officer, Project Director in Government of India projects, and Coordinator of the Building and Other Construction Workers Welfare Board, U.P.

He brings with him rich expertise in Labour Law, Human Resource Management, and Public Administration, making him a valuable contributor in matters relating to legal compliance, labour welfare, and organizational governance.

Mr. Kailash Nath Agrawal meets the following skills and capabilities required for the role as an Independent Director, as have been identified by the Board of Directors of the Company:

a. Legal & Regulatory Acumen

Over 35 years' experience in labour law enforcement and public administration, including service as Assistant Labour Commissioner, equips him to provide robust oversight of the Company's statutory compliance, risk management, and corporate governance practices.

b. Human Capital & Stakeholder Governance

Deep expertise in human resource management, worker welfare initiatives, and policy implementation enables him to guide the Board on people strategy, stakeholder interests, and sustainable, socially responsible business decisions.

The Company has received from Mr. Kailash Nath Agrawal (i) Consent to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 ('Rules'); (ii) Intimation in Form DIR-8 in terms of the Rules to the effect that he is not disqualified under the provisions of Section 164(2) of the Act; (iii) Declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with Regulation 16(1)(b) of Listing Regulations; (iv) Confirmation in terms of Regulation 25(8) of the Listing Regulations that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties and (v) Declaration pursuant to BSE Limited Circular No. LIST/COMP/14/2018-19 and National Stock Exchange of India Limited Circular No. NSE/ML/2018/24 dated June 20, 2018, that he has not been debarred from holding office of a Director by virtue of any order passed by Securities and Exchange Board of India or any other such authority. Mr. Kailash Nath Agarwal has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Rules, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Pursuant to Section 149, 150, 152, 160 and Schedule IV (Code for Independent Directors) of the Act read with Rules framed thereunder, the Listing Regulations and the Articles of Association of the Company, the Board of Directors of the Company after evaluating the skills, experience, expertise, knowledge of Mr. Kailash Nath Agrawal and on the basis of the report of performance evaluation of Mr. Kailash Nath Agrawal, recommended his name for re-appointment as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years from 20th August, 2025 up to 19th August 2030, for his second term.

The Board of Directors is of the view that Mr. Kailash Nath Agrawal is a person of integrity and possesses relevant expertise and experience to be re-appointed as an Independent Director of the Company. Further in their opinion he fulfils the conditions specified in the Act and the rules made there under and Listing Regulations and is independent of the management.

A copy of the Letter of Appointment for Independent Directors is available on the website of the Company and can be accessed at www.salautomotive.in.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Kailash Nath Agrawal as an Independent Director.

The Board recommends the Special Resolution at Item No.6 of the accompanying Notice for approval by the Members of the Company.

Other than Mr. Kailash Nath Agrawal and/or his relatives, none of the Directors, Key Managerial Personnel ('KMP') of the Company or their respective relatives (to the extent of their shareholding in the Company, if any) are, in any way, concerned or interested in the Resolution mentioned at Item No. 6 of the accompanying Notice.

Mr. Kailash Nath Agarwal is not related to any Director or KMP of the Company.

Other requisite details of Mr. Kailash Nath Agrawal pursuant to the provisions of the Regulation 36 of Listing Regulations read with the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are mentioned in this explanatory statement and/or annexed to this notice Annexure 1.

Item No. 7:

The Members of the Company vide postal ballot, have appointed Ms. Namrata Jain (DIN: 07310940) as a Whole Time Director of the Company, liable to retire by rotation, for a term of three years effective from November 11, 2022. Since the tenure of Ms. Namrata Jain as Whole Time Director of the Company ends on November 10, 2025, the Board of Directors of the Company in its meeting held on Tuesday 12th August, 2025, on the recommendation of Nomination and Remuneration Committee (NRC) and pursuant to the provisions of Sections 196, 197 and 198 of the Companies Act, 2013 ("the Act"), applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Articles of Association of the Company and after evaluating the skills, experience, expertise, knowledge of Ms. Namrata, re-appointed her as the Whole Time Director of the Company designated as ED-Finance & CFO subject to the approval of the shareholders with effect from November 10, 2025.

Ms. Namrata Jain is a finance professional with over 15 years of experience in corporate finance, project evaluation, and capital structuring. She is a PGDBM (Finance) holding a graduate degree in Economics (Hons.) from Hindu College, Delhi University. Her expertise spans financial strategy, due diligence, and strategic financial planning across diverse industry sectors.

Ms. Namrata meets the following skills and capabilities required for the role as the Whole Time Director, as have been identified by the Board of Directors of the Company:

Ms. Namrata Jain meets the skills and capabilities identified by the Board of Directors as essential for the role of Whole Time Director. She possesses strong leadership and strategic decision-making abilities, with demonstrated expertise in corporate finance, project financing, and financial research. Her academic background in Economics and Management, coupled with over 15 years of industry experience, equips her with the financial acumen, analytical skills, and business insight required to effectively contribute to the Company's growth and governance.

As per Section 196 and 197 of the Act the appointment and remuneration of Whole Time Director shall be approved by the shareholders of the Company. Further, as per Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, the listed entity shall ensure that approval of shareholders for appointment or re-appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

The Company has received all statutory disclosures / declarations from Ms. Namrata, including (i) consent in writing to act as Director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under Section 164 of the Act and he satisfies all the conditions as set out in Part-I of Schedule V and Section 196(3) of the Companies Act, 2013 and is not debarred for being appointed as an Director of the Company by order of SEBI or any statutory authority. The Company has also received a notice under Section 160 of the Act from a Member, proposing the candidature of Ms. Namrata for the office of Whole Time Director of the Company.

Accordingly, the Board of Directors have recommended the re-appointment of Ms. Namrata as Whole Time Director of the Company, liable to retire by rotation, and Key Managerial Personnel of the Company, for a period of Three years effective from November 11, 2025, on terms and conditions as mutually agreed between Ms. Namrata and the Company, including the remuneration for a period of 3 years with effect from November 10, 2025, as detailed in Resolution No. 7 in this Notice.

The remuneration details and terms and conditions as set out in Resolution No. 7 in this Notice may be treated as a written memorandum setting out the terms of appointment pursuant to Section 190 of the Act.

The resolution seeks the approval of Members for the re-appointment of Ms. Namrata Jain as the Whole Time Director of the Company designated as ED-Finance & CFO for a term of Three consecutive years effective from November 10, 2025 and remuneration for a period of three years effective from the same date.

The Company having inadequate profits, the remuneration recommended and approved by the Board subject to the shareholders approval, is within the limits prescribed under Section II of Part II of Schedule V of the Act and applicable provisions of Listing Regulations and shall be treated as minimum remuneration for any financial

year in case of absence or inadequacy of profits for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Act and rules framed thereunder and any other applicable provisions of the Act and the Listing regulations.

The information as required under Section II of Part II of Schedule V of the Act is annexed to this Notice as Annexure 2.

Ms. Namrata and her relatives (to the extent of their shareholding in the Company, if any) are deemed to be concerned and interested in this resolution.

Save as except provided above, no other Director of the Company, Key Managerial Personnel or their relatives, is, in anyway concerned or interested in the proposed resolution.

The Board of Directors recommend the resolution set forth in the Notice as Item No. 7 for the approval of Members as a Special Resolution.

Other requisite details of Ms. Namrata pursuant to the provisions of the Regulation 36 of Listing Regulations read with the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India are mentioned in this explanatory statement and/or annexed to this notice as **Annexure 1**.

Regd. Office :
C-127, IV Floor, Satguru Infotech
Phase-VIII, Industrial Area,
S.A.S. Nagar (Mohali), Punjab - 160 062
Tel: 0172-4650377, Fax: 0172-4650377
Email: kaushik.gagan@salautomotive.in
Website: www.salautomotive.in
CIN: L45202PB1974PLC003516
Place : Ghaziabad
Date : 12th August 2025

BY ORDER OF THE BOARD
FOR SAL Automotive Limited

(GAGAN KAUSHIK)
Company Secretary &
General Counsel
Membership No. : 8080

Annexure-1

Details of the Director seeking re-appointment as required in terms of Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings.

Name	Mr. Kailash Nath Agarwal	Ms. Namrata Jain	Mr. Jamil Ahmad
Age	70	40	75
Qualifications and experience	L.L.B, M. A, D.P.A	BA (Hons.) Economics and PGDM in Finance & Marketing	B. Tech (mechanical), 45 Years' Experience, (Retired) IRS
Brief Resume	Mr. K. N. Agrawal is the Practicing Advocate and is the member of Bar Council of Uttar Pradesh. He is a degree holder of Bachelor of Law and Master of Art from Lucknow University, U.P. He has also done Diploma in Public Administration from Lucknow University. Mr. Agrawal retired from the U.P Governmentt as Assistant Labour Commissioner in 2014. He has worked with the Labour Department, state of U.P for more than 35 years. He has also worked as Labour Enforcement Officer for enforcement of Labour law, Project Director in government of India Projects and Coordinator of Building and Other Construction Worker Welfare Board of U.P.	Ms. Namrata Jain is a finance professional with over 15 years of experience in corporate finance, project evaluation, and capital structuring. A PGDBM (Finance) and Economics (Hons.) graduate from Hindu College, Delhi University, she has expertise in financial strategy, due diligence, and strategic financial planning across diverse industry sectors	Mr. Jamil Ahmad, have done B. Tech (mechanical) and having 45 years' experience in filed of Income tax, corporate laws, Management, he is retired from IRS, Government of India.
Nature of expertise in specific functional areas	Labour Law, Human Resource, Management	Expertise in Finance and Marketing with a strong background in financial planning, budgeting, investment analysis, and strategic marketing. Skilled in market research, brand positioning, customer engagement strategies, and financial decision-making to drive business growth and profitability	Income tax, corporate laws, Management

Terms and conditions of appointment or re-appointment	As provided in explanatory statement.	As provided in explanatory statement.	Re-appointment as a Non-Executive, Non-Independent (Rotational) Director
Remuneration sought to be paid and the remuneration last drawn by such person	Nil	Particular Amount (Monthly, in Rs.) Basic Salary 1,41,625; Other Allowances & Pre-requisite 2,12,438 Other benefit(s)/ reimbursement(s) Any other benefits/ reimbursement(s) admissible to the Senior Officers of the Company as per Rules of the Company, from time to time	NIL
Date of first appointment on the Board	20th August, 2020	3rd February, 2016	3rd February, 2016
Number of Meetings of the Board attended during the year 2024-25	Four	Four	Four
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None	None	None
Disclosure of relationships between directors inter-se	None	None	None
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	Nil	Nil	Nil
Directorships, Membership/ Chairmanship of Committees of other Boards	Nil	Nil	Nil

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Names of listed entities from which the person has resigned in the past three years	Nil	Nil	Nil
Shareholding in the Company, including shareholding as a beneficial owner	Nil	Nil	NA
In case of Independent Directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Mr. Mr. Kailash Nath Agrawal possesses strong legal and regulatory expertise with over 35 years of experience in labour law enforcement and public administration. His background in human resource management and stakeholder welfare equips him to contribute meaningfully to the Company's compliance, governance, and people-related matters.	NA	NA
Disclosure of relationships between directors inter-se	NA	NA	NA

Annexure - 2

Requisite disclosures as required under Section II of Part II of Schedule V to the Companies Act, 2013 and the Corresponding Rules:

I. General Information:

Nature of Industry: Automotive (Manufacturing)

Date or expected date of commencement of commercial production: Not Applicable, since the Company has already commenced the business activity.

In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

Financial Performance based on given indicators:

(Standalone) (Amount in Lakhs)			
Particulars	2023-24	2022-23	2021-22
Total Income	30848	30532	15212
Total Expenses	30170	29912	15512
Net Profit/(Loss)	484	461	(238)
Paid-up Capital	240	240	240
Reserves & Surplus	3644	3255	2794

Foreign Investments or collaborations, if any: The Company has not entered into any foreign collaboration and has not made any direct capital investment in the previous three financial years.

II. Information about the appointee:

Background Details: As stated in explanatory statement.

Past Remuneration: same as provided above, there is no any change

Remuneration Proposed: As detailed in Annexure-1 above.

Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

With increased size and turnover, it is also imperative for any related sector company to have highly experienced professionals having specialized knowledge and skills to understand and project the market trend, consumer behaviour, consumption pattern and many relevant indicators for better product mix. It also requires expertise for appropriate fund allocation, optimum utilization of various resources in the business. She has successfully proved her expertise in very effective manner and drove the Company towards the growth over the period of time. Hence, the Board of Directors considers that the remuneration proposed to her is justified commensurate with other organizations of the similar type, size and nature in the industry.

Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any: Apart from the remuneration proposed to be paid to Ms. Namrata Jain as Whole Time Director, she has no pecuniary relationship with any other managerial personnel.

III. Other Information:

Reason of loss or inadequate profits: Due to adverse market conditions and expansion plans of the Company.

Steps taken or proposed to be taken for improvement: Company is working on diversifying its product range along with control over the expenses.

Expected Increase in productivity and profits in measurable terms: The Company has been able to focus very heavily on the cost reduction in the last 12 - 18 months while maintaining the same volumes of the business and the growth pattern, the Company expects to deliver much better performance in upcoming years.

REPORT OF THE DIRECTORS TO THE MEMBERS

Your directors have the pleasure of presenting their 50th Annual Report along with the Audited Financial Statements for the Financial Year Ended 31st March, 2025 (the Financial Year).

FINANCIAL & OPERATIONAL PERFORMANCE HIGHLIGHTS

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has prepared its financial statements as per Indian Accounting Standards (Ind AS) for the FY 2024-25. The highlights of the financial results of the Company, extracted from the audited financial statements for the FY 2024-25 and previous FY 2023-24, are as under:

	(Rs. in Crores)	
Particulars	Year ended 31 st March, 2025	Year ended 31 st March, 2024
Net Revenue from Operations	377.76	307.52
Other Income	1.73	0.96
Total Revenue	379.49	308.48
Profit before Depreciation, Finance Charges and Tax	14.47	13.67
Finance Costs	2.32	2.78
Depreciation & Amortization Expense	4.28	4.10
Exceptional Items	—	—
Profit Before Tax	7.87	6.78
Tax Provision		—
— Current	2.18	1.56
— Deferred	0.30	0.12
Profit After Tax	5.40	5.10
Other Comprehensive Income	(0.12)	(0.25)
Total Comprehensive Income	5.27	4.84

REVIEW OF OPERATIONS

In the Financial Year the overall Indian economy performed well, and this positive trend extended to the automotive and Agri-implements sectors in which your Company operates and achieved an increase in revenue, with a growth rate of 23% compared to the previous year.

Resultant to above factors, the Company has achieved highest ever sales volume in the Financial Year 2024-25 and achieved PBT with a 16% jump in margins over previous financial year.

SAL AUTOMOTIVE LIMITED

It is important to note that your company's performance in the automotive and agriculture segments is influenced by various factors, including economic growth, new production facilities, monsoon patterns, automation in the agricultural sector, and the purchasing power of buyers. These factors play a significant role in shaping the performance and prospects of your company in these sectors.

Automotive Components: -

For the year under review, the Indian automotive industry (except Two-wheeler) witnessed growth of 3.5% which includes Passenger Vehicle Industry growth of 3.7 % and Commercial Vehicle Industry grew by 2.8%. However, your company had shown de-growth of 10 % which includes de-growth in seat mechanisms for passenger vehicle of 11% and growth of 126 % in seats for commercial vehicle.

Agriculture Implements: -

For the year under review, the Indian tractor industry had shown growth of 6.7% and your company had also recorded growth of 11.5% by achieving sales volume of 2.16 lakh seats for tractor against previous year volume of 1.93 lakhs, and in case of Agri-implements, sales volume grew to 0.35 lakh units against 0.25 lakh units of previous year resulting into growth of 44%.

The revenue of your company reached **Rs. 377.76** Crore against previous year figures of INR 307.51 Crore showing a significant growth of 23% and on the similar growth trend the profit before tax stood at **Rs. 7.87** Crore against previous year profit before tax of Rs. 6.78 crores. Profit before depreciation, finance and tax was **Rs. 14.47** Crore against previous year figure of Rs. 13.67 Crore, total comprehensive income was **Rs. 5.27** Crore in comparison to Rs. 4.84 Crore of previous year which results into earning per share of **Rs. 21.99** against previous year figure of Rs. 20.21.

DIVIDEND

The Board of Directors have recommended the Final Dividend of Rs. 2.5 per share (i.e. 25% of face value of Rs. 10 each) for the financial year ended March 31, 2025, subject to the approval of the members at the ensuing Annual General Meeting. The dividend, if approved by the members of the Company, will be paid within 30 days of the Annual General Meeting. The total cash outflow on account of final dividend for the financial year 2024-25 will be Rs. 1.20 Crore.

Pursuant to the amendments introduced in the Income-tax Act, 1961 vide Finance Act, 2020, w.e.f. April 1, 2020, Dividend Distribution Tax (DDT), stands abolished. Instead, dividend income is now taxable in the hands of shareholders and subject to tax deduction at source (TDS) under the Income-tax Act, 1961.

RESERVES

The Company has not transferred any amount to the general reserve during the period under review.

SHARE CAPITAL

The Authorised share capital of the Company during the period under review was Rs. 10,50,00,000/- (Indian Rupees Ten Crores Fifty Lakhs only) against Rs 3,50,00,000/- which has been increased via shareholders approval dated 14th March, 2025 through Postal ballot. The issued and paid-up Share Capital of the Company remained unchanged during the year and stood at Rs. 2,39,77,130 (Indian Rupees Two Crore Thirty Nine Lakh Seventy Seven Thousand One Hundred Thirty only) at the end of the financial year 2024-25.

Persuant to the approval of the shareholders on dated 14th March, 2025 via postal ballot and subsequent approvals from stock exchange i.e. BSE Ltd, the company has issued bonus shares on 4th April, 2025 in the ratio of 1:1 i.e one (1) equity share of face value of Rs. 10/- each for every one (1) existing equity share of face value of Rs. 10/-. Accordingly, 23,97,713 equity shares got allotted to the eligible share holders on the

record date (i.e April 4, 2025) as Bonus Equity Shares. Furtherance to this, issued and paid-up Equity Share Capital of the company would get increased to Rs 479.54 Lakhs from Rs 239.77 Lakhs by capitalizing General Reserve.

DEPOSITS

The Company has not accepted any deposit and as such, no amount of principal or interest was outstanding at the end of the financial year.

INDUSTRIAL RELATIONS

In today's dynamic business environment, the foundation of our Industrial and employee relation framework is rests on the strong pillars of Employee Centricity, building and sustaining a positive work culture characterized by innovation, productivity, and competitiveness , backed with strong focus on fostering employee well-being, capability building to ensure a future ready workforce to build a performance driven organization. We ensure strong employee relations which is not just limited to managing personnel issues but it fosters a culture where employees feel valued, supported, and motivated to contribute to the company's success.

Employee Centricity

Employee centricity is one of the cornerstones of our employee relations. Our efforts are directed towards prioritizing the needs and aspirations of employees while aligning them with organizational goals. By understanding and addressing the concerns, aspirations, and motivations of the workforce, we have created an environment where employees feel valued. This involves providing clear communication channels, listening to employee feedback, and implementing policies that reflect their needs.

Positive Work Culture

Creating a positive work culture is another area of focus to maintain high employee morale and productivity. We believe in fostering a culture of respect, collaboration, and support. This is being achieved by promoting teamwork, recognizing and rewarding employee contributions, and ensuring a safe and inclusive workplace. Our leadership team also play a pivotal role here, both our managers and supervisors always lead by example, demonstrating behaviours that promote positivity and mutual respect.

Employee Well-being

Employee well-being especially having access to health care benefits, wellness programs, and a safe working environment are fundamental aspects of our employee relation framework. This includes both physical and mental health. All our HR policies are designed and periodically updated in line with the idea of providing work life balance which improves productivity and also reduces absenteeism and turnover rates.

Capability Building

Investing in capability building is vital for our company to stay competitive and be future ready. As the industry evolves, so too must the skills of its workforce.

In line with our objective of capability building and developing a future-ready workforce, we have implemented numerous training and engagement programs throughout the year. These initiatives encompass a wide range of areas, including behavioural programs for enhancing team and individual effectiveness, safety and environmental training, quality tools skill building programs, continuous improvement practices, result orientation, relationship management, and decision-making skills. Our proactive and employee-centric shop floor practices have also thrived as we offer training programs, workshops, and opportunities for continuous learning which help employees to enhance their skills and stay updated with the latest technological advancements. This

not only benefits the company by having a skilled workforce but also empowers employees, making them feel more confident and valued in their roles.

To be specific on building a Future-Ready Workforce and Teams, we have embarked on the journey of Talent management and rolling out the Competency Framework for our company.

The competency framework will help us to identify right talent which can be groomed and prepared for future talent needs and succession planning. Coupled with it, encouraging a culture of continuous learning, adaptability, and innovation will ensure that our company remains competitive in the long term.

Leadership Effectiveness and Performance-Driven Organization

Leadership effectiveness is a key driver of a performance-oriented organization. Our leadership team is perfectly aligned to achieving organizational goals. We believe in setting clear goals, providing regular feedback, and fostering an environment where performance is recognized and rewarded. Being a performance-driven culture we encourage employees to take ownership of their work, strive for excellence, and contribute to the company's overall success. Effective leadership ensures that the organization's vision is communicated clearly, and that employees are aligned with the company's goals.

As we move forward into Financial Year 2025-26, we remain dedicated to nurturing a positive industrial relations environment, continuously improving our work culture, and upholding the principles of employee-centricity and proactive practices throughout our organization.

SAFETY OCCUPATIONAL HEALTH AND ENVIRONMENT

Our Company remained committed towards excellence in Safety, Occupational Health, and Environment in the year 2024-25.

Safety, Occupational Health, and Environment are critical pillars in maintaining a safe and productive workplace. While we have a well-established Safety, Occupational, and Environmental Policy that prioritizes the safety of our employees, plant, equipment, and the general public and ensures compliance with all relevant statutory rules and regulations on a regular basis. Our employees are also proactive in adhering to safety protocols, reporting hazards, and participating in safety training to mitigate risks. We believe in promoting voluntary individual efforts at the work level in fostering a safety-conscious culture.

Our Organizational commitment to Safety, Occupational Health, and Environment is paramount and is equally vital, with regular audits and strict compliance ensuring adherence to industry standards and legal requirements we identify potential risks and implement corrective actions promptly as per guidelines.

Moreover, our focus on proactive and preventive measures is essential. We organize the "World Environment Day" and Tree Plantation each year as our commitment to green workplace and service to the mother Earth. As an organization we invest heavily in continuous training, safety drills, and the implementation of advanced safety technologies to anticipate and prevent accidents.

We organize National Safety Week in our organization to foster employees commitment for safety and "ZERO ACCIDENT" during the year. Additionally, we conduct statutory safety audits of our facilities as required by law and promote eco-friendly activities. As part of our ongoing commitment to improving the well-being of our employees, we regularly organize Medical Check-ups, encompassing both curative and preventive measures, to keep a strong check on any potential risk of Occupation health challenges. Furthermore, we educate our employees on Industrial Hygiene in the workplace, reinforcing our dedication to their safety and health. We are certified for Environment Health and Safety Management System as ISO 14001:2015 and ISO 45001:2018.

By integrating these efforts into the company culture, both at the individual and organizational levels, we have created a safe, healthy, and environmentally responsible workplace.

SUSTAINABILITY INITIATIVE

In the year 2024-25, your Company maintained its steadfast commitment to environmental, social, and governance parameters. We strongly believe in sustainability, which we define as "Building enduring business by rejuvenating the environment and enabling stakeholders to grow." Throughout the year under review, we took several impactful actions across all aspects of our operations, focusing on three key pillars: Environment, Manpower, and Margins.

Under the pillar of Environment, we implemented a range of initiatives to minimize our ecological footprint and contribute to environmental preservation. This included adopting energy-efficient practices, reducing waste generation, and promoting the use of renewable resources. We actively pursued environmentally friendly alternatives and encouraged sustainable practices throughout our value chain.

In this respect we have increased the plantation of new trees in the campus, introduced the use of the LPG in our existing manufacturing process, in replacement to the HSD, which has substantially reduced and controlled the air pollution.

In terms of manpower, we prioritized the well-being and development of our employees. We continued to invest in their training and skill enhancement, fostering a culture of learning and growth. Additionally, we emphasized diversity and inclusion, ensuring equal opportunities for all individuals within our organization. We also extended our efforts beyond our workforce by engaging with communities and supporting social initiatives.

The third pillar, Margins, underscores our commitment to responsible financial management. We implemented strategies to optimize our operations, improve cost-efficiency, and enhance profitability while maintaining ethical business practices. We believe that sustainable financial performance is crucial for long-term growth and delivering value to our stakeholders.

By focusing on these three pillars - Environment, Manpower, and Margins - we aim to create a positive impact and contribute to a more sustainable future. We remain dedicated to upholding these principles and continually seek opportunities to further enhance our ESG performance in the years ahead.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

DIRECTORS INDUCTIONS, RE-APPOINTMENT/RE-DESIGNATIONS, RETIREMENT & RESIGNATIONS

The Company approved the continuation of Mr. Jamil Ahmad (DIN: 07171910) as a Non-Executive Non-Independent Director of the Company, beyond the age of 75 years, vide special resolution dated September 25th, 2024 passed at the Annual General Meeting.

In terms of Section 152 of the Companies Act, 2013 ("Act"), Mr. Jamil Ahmad (DIN: 07171910) Non-Executive Non-Independent Director retires by rotation at the forthcoming Annual General Meeting ("AGM") and being eligible, offers himself for re-appointment.

Apart from the aforesaid, there were no changes in the Board of Directors.

KEY MANAGERIAL PERSONNEL (KMP)

The Board approved the change in the designation of Mr. Gagan Kaushik, the Company Secretary and Compliance officer of the Company w.e.f. 11th November, 2024 to the Company Secretary and General Counsel. Mr Kaushik is also the Compliance Officer of the Company.

SAL AUTOMOTIVE LIMITED

As on the date of this report, your Company has following whole time KMP:

Mr. Rama Kant Sharma, Managing Director,

Mr. Gagan Kaushik, Company Secretary & General Counsel

Ms. Namrata Jain, ED Finance & CFO

Mr. Kulvinder Singh, Finance Controller

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Directors during the year. The Independent Directors have also confirmed that they have complied with the Company's CODE OF CONDUCT for the Directors and the Senior Management Personnel and also that they are not debarred from holding the office of director pursuant to any SEBI order or any such authority as well as they are independent of the management.

All the Independent Directors of the Company have registered themselves in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ('IICA'). In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake online proficiency self-assessment test conducted by the IICA within a period of two (2) years from the date of inclusion of their names in the data bank. The Independent Directors, whosoever is required, shall undertake the said proficiency test.

In the opinion of the Board all independent directors possess strong sense of integrity and having requisite experience, qualification and expertise and are independent of the management. For further details, please refer Corporate Governance Report.

POLICY ON NOMINATION, REMUNERATION AND BOARD DIVERSITY

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilising different skills, qualifications, professional experience and knowledge of the Board members necessary for achieving sustainable and balanced development. In terms of SEBI Listing Regulations and Act, the Company has in place Nomination & Remuneration Policy.

The said Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under sub-section (3) of Section 178 of the Act. The Policy also lays down broad guidelines for evaluation of performance of Board as a whole, Committees of the Board, individual Directors including the chairperson and the Independent Directors. The Policy encourages the appointment of women at senior executive levels and thereby promoting diversity. The Policy is designed to attract, recruit, retain and motivate best available talent.

During the financial year under review, no changes have been carried out in the said Policy. The Nomination and Remuneration Policy is available on the website of the Company and can be accessed via. <https://salautomotive.in/policies/>.

ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Act, the Board is required to carry out annual evaluation of its own performance and that of its Committees and individual Directors. The Nomination and Remuneration Committee (NRC) of the Board also carries out evaluation of every Director's performance. Accordingly, the Board and NRC of your Company have carried out the performance evaluation during the year under review.

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. Every Director is required to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question.

On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its committees and individual Directors. The Board was satisfied with the evaluation results.

BOARD MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. The Board met four (4) times in the financial year 2024-25. The period between any two consecutive meetings of the Board of Directors of the Company was not more than 120 days and details of the Board Meetings and the attendance of the Directors are provided in the Corporate Governance Report that forms part of this Annual Report.

AUDIT COMMITTEE

During and as at the end of the financial year under review, the Audit Committee comprised of the following Directors viz. Mr. Kailash Nath Agarwal (Chairman of the Committee), Mr. Rajiv Sharma and Mr. Uttam Sahay. The Company Secretary of the Company is the Secretary of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

For further details about all the Committees of the Board of Directors of the Company, please refer the Corporate Governance Report which forms an integral part of this Annual Report.

SUBSIDIARY / ASSOCIATE & JOINT VENTURE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

During the financial year under review, the Company was not having any subsidiary or joint venture or associate company in terms of the provisions of the Act. Hence, the Company is not required to prepare form AOC-1 with respect to performance of subsidiary or joint venture or associate company.

TRANSFER TO INVESTORS EDUCATION AND PROTECTION FUND

During the Financial Year, the Company has transferred the unpaid/unclaimed dividend amounting to Rs. 97,184 to the Investor Education and Protection Fund (IEPF) Account established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2025 on the website of the Company <https://salautomotive.in/unclaimed-dividend/>.

Further, in terms of Section 124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended, during the year under review, the Company has transferred 775 equity shares to the demat account of Investor Education and Protection Fund, details of which are uploaded on the website of the Company <https://salautomotive.in/unclaimed-dividend/>.

SAL AUTOMOTIVE LIMITED

The shareholders whose unpaid dividend / shares are transferred to the IEPF can claim the same by filing the prescribed Form as per the applicable provisions under the IEPF Rules.

STATUTORY AUDITORS

M/s. Mangla Associates, Chartered Accountants (ICAI Firm Registration No.: 006796C), Statutory Auditors of the Company were re-appointed at the 47th AGM of the Company to hold the office as such for a period of 5 years from the conclusion of the AGM held in year 2022 until the conclusion of the 52nd AGM of the Company to be held in the year 2027.

AUDITORS' REPORT

The Auditors' Report read along with notes to accounts is self-explanatory and therefore does not call for further comments. The Auditors' Report does not contain any qualification, reservation, or adverse remark.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s A. Arora and Co., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Secretarial Audit Report is annexed herewith as **Annexure A**.

The Secretarial Audit Report is self-explanatory and does not contain any qualification, reservation, or adverse remark.

COST AUDITORS

The Cost Audit for financial year ended March 31, 2025 was conducted by M/s. V . Kumar & Associates. (FRN: 100137)

The Company has maintained accounts and records as specified under sub-section (1) of 148 of the Act.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year under review, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility (CSR) were applicable to the Company. CSR for SAL Automotive Limited is an integral part of its core values and reflects its commitment to operate in an ethical and responsible manner. The Company endeavours to meet and exceed the ethical, legal, and societal expectations through sustainable initiatives that contribute meaningfully to the community.

In line with its philosophy of Good Corporate Citizenship, SAL Automotive Limited continues to promote inclusive and sustained growth by enhancing value creation for the society through its CSR initiatives. The CSR Policy of the Company, formulated and adopted by the Board of Directors, provides a structured framework for planning, implementing, and monitoring CSR activities.

During the year, the Company contributed an amount of Rs. 7,21,312 to the Anvi Medical and Educational Foundation in fulfilment of its CSR obligation for the financial year 2024-25. As the CSR obligation for the year is below Rs. 50 Lakhs, the constitution of a CSR Committee, as prescribed under Section 135(9) of the Act, is not applicable. Accordingly, the responsibilities of the CSR Committee are being discharged by the Board of Directors.

The Board oversees the formulation, implementation, and monitoring of CSR activities in accordance with the CSR Policy and the annual action plan. The CSR Policy outlines the Company's approach to social responsibility and serves as a guiding document for initiatives aimed at the welfare and sustainable development of the community. The CSR Policy is available on the Company's website at: <https://salautomotive.in/policies/>.

The Annual Report on CSR activities, prepared in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, is annexed to this Report as **Annexure-D**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the financial year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section, forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

A report on Corporate Governance forms part of the Annual Report along with the Certificate on Corporate Governance as required under Listing Regulations.

INTERNAL FINANCIAL CONTROLS

The corporate governance policies guide the conduct of affairs of your company and clearly define the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. All essential Standard Operating Procedures (SOP) are in place and are being intermittently reviewed and revised by the senior management.

Under Internal Audit program, on quarterly basis an independent external auditor conducts audit of key areas as per the pre-scheduled audit cycle on the basis of defined RCMs (Risk Control Matrix) and accordingly submits report to the management and shares with the audit committee for their review. Your Company has implemented vigorous internal financial controls to ensure accurate and reliable preparation of financial statements, custom-made to the size, scale, and complexity of our operations.

These controls have been diligently assessed throughout the year, adhering to the essential components outlined in the guidance note of internal financial control over financial reporting issued by the Institute of Chartered Accountants of India.

Upon cautious examination and evaluation conducted by the management, we are pleased to report that no reportable material weaknesses or significant deficiencies were identified in the design or functioning of our internal financial controls. We are using Oracle based ERP for recording of financial transactions and reporting, including inventory records, production records, HR related records, etc, by ensuring appropriate segregation of roles & responsibilities with duly approved authority matrix.

This affirms our commitment to maintaining a strong control environment that safeguards the integrity and reliability of our financial reporting. By prioritizing the establishment and continuous evaluation of these internal controls, we uphold the highest standards of financial governance and ensure transparency in our operations. These measures provide confidence to our stakeholders, assuring them of the accuracy and completeness of our financial statements.

RISK MANAGEMENT

Your company understands the importance of various risks faced by it and has adopted a Risk Management Framework which establishes various levels of accountability within the Company. The framework covers identification, evaluation, and control measures to mitigate the identified business risk.

You Company faces persistent pressure from the evolving marketplace that impacts important issues in risk management and impends margins. The Company emphasizes on those risks that threaten the achievement of business objectives over the short-term to medium term. For the year under review, the company does not anticipate any perilous risk which impends its existence.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the persons covered under the policy including Directors and employees are free to report misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of funds, and other matters or activity on account of which the interest of the Company is affected. The reportable matters may be disclosed to the vigilance officer who operates under the supervision of the Audit Committee. Persons covered under the Policy may also report to the Chairman of the Audit Committee.

During the year under review, no employee was denied access to the Chairman of the Audit Committee. No complaints were received under Vigil Mechanism & Whistle Blower Policy during the financial year 2024-25.

DETAILS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186

The Company has not advanced any Loan, Guarantee or made any Investment covered under the provisions of Section 186 of the Act during the financial year.

ANNUAL RETURN

The Annual Return in form MGT-7 of the Company, as required under Section 92 of the Companies Act, 2013, is available on the website of the Company at <https://salautomotive.in>.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party contracts/arrangements/transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. During the financial year, the Company had not entered into any contract/ arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. There were no materially significant related party transactions made by the Company which may have a potential conflict of the interest with its Promoters, Directors, Key Managerial Personnel, or other persons. All such Related Party Transactions are placed before the Audit Committee for approval.

Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

For further details, please refer to the notes (refer Note 2.36) to the financial statements.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information with regard to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given as **Annexure B** forming part of this Report.

PARTICULARS OF EMPLOYEES

Disclosures relating to remuneration of Directors u/s 197(12) of the Companies Act, 2013 read with Rules 5(1) & 5(2)/(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure C** to this report. There was one employee who was in receipt of remuneration of not less than Rupees One Crore and Two Lakh during the year ended 31st March, 2025 or not less than Rupees Eight Lakh and Fifty Thousand per month, during any part of the year.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There were no significant material orders passed by the Regulators/ Courts/ Tribunals during the financial year 2024-25 which would impact the going concern status of the Company and its future operations.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is confirmed that:

- in the preparation of the annual accounts for the year ended 31st March, 2025 the applicable accounting standards have been followed and there are no material departures from the same.
- the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit of the Company for the year ended on that date.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- the Directors have prepared the annual accounts of the Company on a going concern basis.
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has complied with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has in place a Policy on Prevention of Sexual Harassment at the Workplace in line with the provisions of the said Act. An Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment. The staff has been informed of the policy and the Internal Complaints Committee and a copy of the Policy is available with HR Department.

No complaint of sexual harassment was received during the Financial Year 2024-25.

STATEMENT UNDER MATERNITY BENEFIT

The Company is complying with all the provisions of the Maternity Benefit Act, 1961 and the rules framed thereunder and is maintaining the requisite records as prescribed. Further, no claim has been received from any woman employee of the Company under the provisions of the said Act during the financial year

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards as issued by the Institute of Company Secretaries of India (ICSI).

MATERIAL CHANGES AND COMMITMENTS WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

No material changes occurred after the closure of financial year till the date of this report.

OTHER DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events happened on these items during the year under review:

- a) Issue of equity shares with differential voting rights or sweat equity or stock options.
- b) Changes in the nature of business activities.
- c) Fraud reporting by the auditors.
- d) Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.
- e) Difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

ACKNOWLEDGMENT

Your Directors place on record their deep appreciation for the contribution made by employees at all levels with dedication, commitment, and team efforts, which helped your Company in achieving the performance during the year.

Your Directors also acknowledge with thanks the support given by the Government, bankers, shareholders, and investors at large and look forward to their continued support.

FOR AND ON BEHALF OF THE BOARD

Place : Ghaziabad
Date : 12th August, 2025

RAJIV SHARMA
Chairman
DIN:07418337

ANNEXURE-A TO DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
SAL Automotive Limited
C-127, 4th Floor, Sat Guru Infotech,
Industrial Area, Phase VIII,
S.A.S. Nagar, Mohali.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAL AUTOMOTIVE LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the SAL AUTOMOTIVE LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by SAL AUTOMOTIVE LIMITED ("the Company") for the financial year ended on March 31, 2025 under the provisions of below mentioned regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021-Not Applicable to the company during the financial year under review.
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable for bonus issue of equity shares.

- e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: Not Applicable as there was no instance of Buy-Back during the financial year.
 - f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
 - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review
- (vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Payment of Bonus Act, 1965, The Employees Compensation Act, 1923 etc.
- (vii) Environment Protection Act, 1986 and other environmental laws.
- (viii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
- (ix) The Air(Prevention and Control of Pollution) Act, 1981
- (x) The Water (Prevention and Control of Pollution) Act, 1974

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on BSE Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Based on our examination and the information received and records maintained, I further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year were carried out in compliance with the applicable Act and Regulations.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that:

1. There are adequate systems and processes in the company, commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

2. Based on the examination of the relevant documents and records on test check basis the company has Complied with the following laws specifically applicable to the company:

- a) The Static and Mobile Pressure Vessels Rules, 1981
- b) The Gas Cylinder Rules, 1981, Amended 2004
- c) The Batteries (M&H) Rules, 2001

I further report that during the audit period:

- 1. Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the company has transferred 775 equity shares to the Investor Education and Protection Fund.
- 2. Pursuant to the approval of the shareholders vide resolutions passed on 14.03.2025 through Postal Ballot:
 - a. Increased the authorised share capital from existing Rs. 3,50,00,000/- (Rupees Three crores and fifty lacs only) divided into 30,00,000 (Thirty lac) equity shares of Rs.10/- (Rupees ten only) each and 50, 000 (Fifty thousand) Redeemable Cumulative Preference shares of Rs.100/- (Rupees one hundred) each to Rs. 10,50,00,000/- (Rupees Ten crores and fifty lacs only) divided into 1,00,00,000 (One crore) equity shares of Rs.10/- (Rupees ten only) each and 50,000 (Fifty thousand) Redeemable Cumulative Preference shares of Rs.100/- (Rupees one hundred) each and made the consequent amendments to the Memorandum of Association.
 - b. Approved the bonus issue of 23,97,713 fully paid up equity shares of Rs. 10/- each to the existing shareholders in the ratio of 1:1.

I further report that, there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Date : 24.07.2025
Place : Chandigarh
UDIN:F002191G000854592

For A. ARORA & COMPANY
AJAY K. ARORA
(Proprietor)
FCS No. 2191
C P No.: 993
Peer Review Cert No. 2120/2022

ANNEXURE-B TO DIRECTOR'S REPORT

Particulars as per the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2025

A. CONSERVATION OF ENERGY:

(a) Initiatives taken for conservation of energy during the year:

1. Merger of Dual compressors across two separate production units with underground pipelines to optimize the power consumption during "C" shift.
2. Replacement of High-power wattage consumption LED lights with Low wattage energy efficient LED lights across the plant premises.

Total annual estimated savings for the year - Rs. 9.00 lakhs.

(b) Capital investments on energy conservation Equipments: Rs.1.70 lakhs

(c) Steps taken by the company for utilizing alternate sources of energy: Company is under the final stage of execution towards usage of PNG based heating burners as an alternate source of energy in high energy consuming production facilities.

B. TECHNOLOGY ABSORPTION:

(a) Company is committed towards continual up-gradation of the technology, it has well established Research & Development department for designing of high strength seat mechanisms, next generation tractor seats, Seat and seat frames for passenger & commercial vehicles, Railway Seats&Berths and Agri Implements.

(b) During the year company got ICAT certification of School Bus seat and added variants of seats. Electric vehicle seats for Driver & Co Driver developed and supplied. EV-Bus Passenger seats with seat belts designed, developed and initial lots have been supplied. Sample submitted for newly Designed Horizontal suspension seat for crane (Off road vehicles), Designing of switch seat and New implements like Disc Ridger initiated.

(c) Company is in advance stage of development for Reclining Bus Seats, Construction Equipment seat sample development. First Phase of Seat Fitment trial completed for High Strength Sliders and Round Geared Recliners. ICAT certification of Seats for Electrical Vehicles done to further strengthen the product portfolio.

(d) The Company has spent a revenue expenditure amounting to Rs 18.31 lakhs towards product testing and renewals of software during the year and which was 0.05% of the total turnover.

(e) The Company has not imported any technology during the last three financial years.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the Company has NIL earning in foreign currency and NIL Foreign Exchange expense.

FOR AND ON BEHALF OF THE BOARD

Place : Ghaziabad
Date : 12th August, 2025

Rajiv Sharma
Chairman
DIN : 07418337

ANNEXURE-C TO DIRECTOR'S REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	MD - 31 Times
2.	The percentage increase in remuneration of each Director, CEO, CFO & CS.	MD - 0.00 Times CFO - 0.14 Times CS - 0.27 Times
3.	The percentage increase in the median remuneration of employees in the financial year.	The median remuneration of the employees in the financial year was increased by 10%. The calculation of 10% increase in median remuneration is done based on comparable employees.
4.	The number of permanent employees on the rolls of the company.	There are 306 permanent employees as on 31st March 2025.
5.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentage change in Managerial employees is 8% whereas the average percentage change in non-managerial employees is 7% in 2024-25.
6.	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes, it is affirmed.

FOR AND ON BEHALF OF THE BOARD

Place : Ghaziabad
Date : 12th August, 2025

RAJIV SHARMA
Chairman
DIN : 07418337

ANNEXURE-D TO DIRECTOR'S REPORT

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2024-25
(Pursuant to Section 135 of the Companies Act, 2013)

1. Brief outline of the Company's CSR Policy:

The CSR Policy sets out our commitment to ensuring that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking programmes geared towards social welfare activities or initiatives.

2. Composition of CSR Committee: NA

S.No.	Name of Directors	Designation/Nature of Directors	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
NA	NA	NA	NA	NA

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company.

<https://salautomotive.in/policies/>

4. Provide the Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8:NA

5. a) Average net profit of the company as per Section 135(5) : Rs. 36,06,557
- b) Two percent of average net profit of the Company as per section 135(5) : Rs. 7,21,312
- c) Surplus arising out of the CSR projects or programmes or activities of the : 0
previous financial years
- d) Amount required to be set off for the financial year : 0
- e) Total CSR obligation for the financial year (b+c-d) : Rs. 7,21,312
6. (a) Amount spent on CSR Projects (both Ongoing Project and other : Rs. 7,21,312
than Ongoing Project)
- (b) Amount spent in Administrative Overheads : 0
- (c) Amount spent on Impact Assessment, if applicable : 0
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: : Rs. 7,21,312
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in Rs.) Transfer	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Scheme VII as per second proviso to section 135(5)		
	Amount the Fund	Date of Transfer	Name of Transfer	Amount	Date of Transfer
7,21,312	0	NA	NA	0	NA

(f) Excess amount set off, if any

Sl. No.	Particulars	Amount (In Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	7,21,312
(ii)	Total amount spent for the Financial Year	7,21,312
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

7. Details of Unspent CSR amount for the preceding three financial years:

S.No.	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under section 135(6) (Rs.)	Balance Amount in unspent CSR Account under sub-section (6) of Section 135 of the Act (Rs.)*	Amount Spent in reporting Financial Year (Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Act, if any		Amount remaining to be spent in succeeding Financial Years (Rs.)	Deficiency, If any
					Amount Rs.	Date of Transfer		
1	2023-24	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
2	2022-23	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
3	2021-22	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

Details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NA

SAL AUTOMOTIVE LIMITED

S.No.	Short Particulars of the property or asset(s) [including complete address and location of property]	Pincode of the property of asset(s)	Date of Creation	Amount of CSR Amount	Detail of Company / Authority / beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): NA

FOR AND ON BEHALF OF THE BOARD

Place : Ghaziabad
Date : 12th August, 2025

Rajiv Sharma
Chairman
DIN : 07418337

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY PROFILE

SAL Automotive Limited (SAL) is a renowned manufacturer of automotive components and agricultural implements. We take pride in being the preferred supplier to leading manufacturers of passenger vehicles, commercial vehicles, and tractors. Our diverse product line encompasses a range of high-quality offerings, including seats, seat mechanisms, and seat frames.

In addition to our automotive component production, we also specialize in manufacturing top-notch agricultural implements. Our portfolio includes products such as Rotavators, planters, Rotary Tillers, Box Scraper, etc. which are designed to meet the unique needs of the agricultural sector.

At SAL, we are committed to delivering excellence in both the automotive and agricultural industries, ensuring our customers receive top-tier products and solutions.

FINANCIALS OVERVIEW

While details of financial position and performance for the Financial Year ended 31st March, 2025 the Financial Year are available in the Balance Sheet, Statement of Profit & Loss, along with related notes, key aspects are highlighted in the following paragraphs:

	(Rs. in Crores)	
Particulars	2024-25	2023-24
Automotive Components: -	147.86	146.65
– Seats for Tractor & Commercial Vehicle	90.89	80.78
– Seat Mechanisms	16.30	22.68
– Seat Frames	40.67	40.11
– Others	3.85	3.08
Agriculture implements	222.47	161.02
– Rotavators	219.28	161.02
– Veg Planter & Others	6.77	-
Net Revenue from Operations	377.76	307.52
Other Income	1.73	0.96
Total Revenue	379.49	308.48

– Equity & Reserves

The Company's net worth as on 31st March 2025 stood at **Rs. 43.03 crores** (previous year Rs. 38.83 crores) comprising of an Equity component of Rs. 2.40 crores (previous year Rs 2.40 crores) and Reserves & Surplus of **Rs. 36.43** crores (previous year Rs 40.63 crores).

Book value per share having facing value of Rs 10 each is **Rs 179 per share** (previous year Rs. 162 per share).

– Trade Receivables

Trade receivables as at 31st March, 2025 stood at **Rs. 44.22** crores (previous year Rs. 36.76 crores) having debtor's turnover ratio of **9.33** times (previous year 8.34 times).

– Trade Payables

Trade payables as at 31st March, 2025 stood at **Rs. 49.85** crores (previous year Rs. 40.57 crores).

– Cost of Material Consumed

During the financial year 2024-25, the global economy experienced a post-pandemic scenario characterized by a surge in global demand.

Despite the impact on raw material and other costs, SAL's management diligently worked to mitigate the effects and keep the expenses under control. Through their efforts, the company was able to improve raw material cost as a percentage of net revenue from operations. This figure stood at 79.7%, compared to the previous year's level of 78.1%. The growth in sales volume of products with higher material costs played a vital role in achieving this result.

SAL remains committed to adapting to market fluctuations while ensuring the production of high-quality automotive components and agricultural implements. Our focus on efficient cost management and development of new products as per requirements will deliver value to our customers in the upcoming financial year.

– Other Overheads

Consisting of personnel cost, manufacturing expenses, administrative expenses and sales & distribution expenses during the year were **Rs. 63.80 crores** (previous year Rs. 54.49 crores).

– Depreciation & Amortization

Depreciation for the year stood at **Rs. 4.28 crores** against previous year figure of Rs. 4.11 crore which increased primarily due to additional Capex made during the year under review.

– Results

Reflecting the above and after considering finance cost, Profit/(Loss) before Tax was **Rs. 7.87 crore** (previous year (Rs. 6.78 crore)). Total Comprehensive Income for the current year was **Rs. 5.27 crore** (previous year Rs. 4.84 crore)

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act-2013 as per Section 133 read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies have been consistently applied.

INTERNAL FINANCIAL CONTROL SYSTEMS & THEIR ADEQUACY

In the financial year 2024-25, SAL has implemented robust procedures to ensure effective internal control. These policies and procedures have been put in place to provide reasonable assurance that the company's assets are protected from the risks of unauthorized use or disposition. Additionally, they aim to ensure that all transactions are accurately and promptly recorded and reported.

To uphold the integrity of these controls, regular reviews are conducted during both internal and statutory audits. These evaluations assess the effectiveness of the established procedures and identify areas for improvement. Importantly, no material weaknesses were observed in the operating effectiveness of the internal financial controls tested during the year.

The Finance and Accounts function of SAL is well-equipped with a competent team of experienced and qualified personnel. This ensures the smooth functioning of financial operations and enhances the company's ability to meet its obligations effectively.

The Board of Directors and the Audit Committee play an active role in monitoring and evaluating the operational and financial performance of the company. Through regular intervals, these governing bodies conduct comprehensive reviews to assess the company's progress and address any potential areas of concern.

SAL remains dedicated to maintaining strong internal control measures, supported by qualified professionals and a diligent monitoring process. By adhering to these practices, we strive to safeguard our assets, ensure accurate financial reporting, and drive overall organizational excellence.

HUMAN RESOURCES

In the financial year 2024-25, SAL continues to thrive with a highly committed, loyal and dedicated team. Our company fosters an environment that promotes learning and encourages informal communication within the organization, enabling employees to grow both personally and professionally.

To objectively measure individual and organizational performance, SAL has implemented a robust Performance Management System (PMS). This system not only evaluates individual contributions but also aligns with the overall remuneration structure. By linking performance with rewards, we motivate our employees to strive for excellence.

Recognizing the importance of continuous learning and development, SAL has established a comprehensive training need identification system. This system identifies areas where employees can enhance their skills and knowledge, ensuring that they remain competent and up to date in their roles. This commitment to learning has made a significant contribution to the success of our company.

Throughout the year under review, employee relations remained affable, fostering a harmonious work environment. SAL has already signed a long-term settlement with the workers' union, ensuring stability and positive collaboration.

In addition, we diligently adhered to all required safety norms across our entire company.

At SAL, we remain committed to nurturing our talented workforce, promoting a culture of continuous learning, and prioritizing the health and safety of our employees. These efforts contribute to our overall business success and reinforce our position as a responsible and caring organization.

Regular employee strength as on 31st March 2025 stood at 306 (as on 31st March, 2024 - 310)

INDUSTRY STRUCTURE AND DEVELOPMENTS

In the financial year 2024-25, SAL continues to excel in the manufacturing and supply of seats, seat mechanisms, and agricultural implements to various manufacturers in the tractor, LCV, car, and agricultural product sectors. The performance of our company is closely tied to the performance of the automotive and agriculture industries.

In the financial year 2024-25, the Indian auto industry witnessed a growth in production. A total of 3.10 crore vehicles, including passenger, commercial, three-wheelers, and two-wheelers, were produced during this period, compared to 2.84 crore vehicles in the previous financial year (2023-24), representing a growth of 9.1%. A segment-wise analysis reveals a growth in production across all segments during FY-24-25 except de-growth of 3.3% in commercial vehicle (Source: SIAM website).

Coming to Tractor Industry where growth of 6.4% in production has been witnessed in the financial year 2024-25. A total of 10.08 Lakh tractors were produced against 9.47 Lakhs in the previous financial year (2023-24).

SAL remains committed to delivering high-quality products and solutions to our customers. We closely monitor industry trends and adapt our strategies accordingly to navigate through market fluctuations. Our experienced team and dedication to excellence position us to overcome these obstacles and emerge stronger in the coming years.

OUTLOOK/OPPORTUNITIES

Both Automotive and Agri-Implement Industry looking forward for growths in upcoming years. Your company being supplier to OEMs also expected to grow in upcoming years. Government policies and other economic factors also providing good purchasing power to rural and semi-urban areas of the country which may lead to

SAL AUTOMOTIVE LIMITED

positive results for your company as well in upcoming years. The Automotive Industry and Government of India, aims to set a new trajectory for the evolution of the automotive industry ecosystem, considering its size, global footprint, technological maturity, competitiveness and capabilities.

Furthermore, several other factors are poised to act as catalysts for industry growth. These include the government's continuous focus on strengthening the rural sector, infrastructure development, initiatives like Make in India and Skill India, the launch of new vehicle models by manufacturers, changing buying patterns and replacement demand.

At SAL, we are closely monitoring these market dynamics and are prepared to adapt and capitalize on the opportunities that arise. By aligning our strategies with industry trends and leveraging our capabilities, we aim to navigate through these challenging times and contribute to the growth and success of the industry.

NEW DEVELOPMENTS

In the financial year 2024-25, SAL continued to contribute to the manufacturing industry in India, driven by the "Make in India" initiative of the Indian government. India is rapidly emerging as a manufacturing hub, and the automobile sector plays a prominent role in this transformation. Many international automobile giants have already established their manufacturing facilities in India, while others are in the process of doing so. The western and southern regions of India have become key hubs for the automobile sector, attracting both manufacturers and suppliers. SAL is actively exploring opportunities to set up new facilities near these manufacturing hubs, strengthening its focus on the auto ancillary business.

Recognizing the immense growth potential, SAL has further enhanced capacity for manufacturing "Agriculture implements." This segment, primarily involving contract manufacturing of Rotavators, has contributed 60% to the company's revenue.

Furthermore, SAL is striving to expand its presence to include Indian Railways coach components, such as seats and berths. The company has executed development orders for Railways in the recent past and actively pursuing opportunities to supply different types of berths to all coach factories of Indian Railways.

SAL has also developed and supplies seats for EV Commercial Vehicle, and this is expected to help in growth of revenue in the coming years.

By expanding into these strategic business segments and exploring new avenues for growth, SAL aims to leverage India's manufacturing potential and diversify its product offerings. These initiatives align with the company's vision of expanding its presence and contributing to the overall development of the automotive and manufacturing industries in India.

THREATS, RISKS & CONCERNS

In the financial year 2024-25, SAL, as a supplier of components to tractor and automobile original equipment (OE) manufacturers, is directly influenced by the factors affecting these industries. Several factors can impact both the tractor and automobile sectors, including the quantum and distribution of rainfall, government policies on procurement, enforcement of safety and emission regulations, availability of credit, changes in interest rates, trends in commodity prices and increasing competition.

In the short-term, the tractor industry is experiencing a downturn due to various factors affecting demand from rural areas of India. While these factors may present challenges, SAL remains vigilant and adaptable to market dynamics. We closely monitor industry trends and customer requirements, enabling us to respond swiftly and effectively to changing demands.

As an organization, SAL is committed to maintaining strong relationships with our customers and adapting our strategies to meet their evolving needs. By staying attuned to the industry landscape and customer preferences, we position ourselves to navigate through short-term fluctuations and remain resilient in the face of challenges.

The details of changes in the key financial ratios as compared to previous year are stated below:

Sr. No.	Particulars	2024-25	2023-24	Change(%)	Reason
1	Debtor Turnover Ratio	9.33	8.34	+12%	With better collections and improvement in credit management in line with increase in revenue.
2	Inventory Turnover Ratio	13.46	10.45	+29%	Improved primarily due to better control in inventory during the year.
3	Debt Service Coverage Ratio	1.89	0.82	+130%	Improved due to significant repayment of debts and increase in earnings during the year.
4	Current Ratio	1.19	1.10	+8%	Improved with better management of Key Aspects.
5	Debt Equity Ratio	0.51	0.63	-19%	Primarily due to repayments of borrowings and increase in earnings.
6	Operating Profit Margin (percentage)	3.8	4.4	-18%	Revenue growth in segment biz where contribution margin is lower and increase in other overheads has impacted the overall margins.
7.	Net Profit / (loss) (percentage)	1.4	1.6	-18%	
8	Return on Net Worth (percentage)	20.7	16.6	-5%	Primarily due to increase in profits.

ACCOUNTING TREATMENT

The financial statements of the Company are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the applicable Indian Accounting Standards.

CAUTIONARY STATEMENT

Statement in the Management Discussion and Analysis Report describing company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Rajiv Sharma
Chairman

DIN : 07418337

Place: Ghaziabad
Date: 12th August, 2025

CORPORATE GOVERNANCE REPORT

Company's philosophy on Code of Governance

SAL Automotive Limited ("SAL" or "Company") governance's philosophy is based on trusteeship, transparency and accountability. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and society at large.

The Company's philosophy on Corporate Governance envisages accomplishment of a high level of transparency, integrity, honesty and accountability in the conduct of its businesses and puts due prominence towards regulatory compliances. The Company firmly believes that sound practices adopted in the governance of its affairs based on openness, transparency, capability and accountability are essential elements for long-term success, building the confidence of its stakeholders and its functioning and conduct of its business.

Your Company always strives to adopt best global practices in Corporate Governance and remains abreast with the continuous developments in the industry's Corporate Governance systems. The Company's governance framework is based on the following principles which adhere to sound Corporate Governance practices of transparency and accountability with an ultimate aim of enhancing shareholder value:

- (a) Constitution of Board of Directors with an appropriate blend of Executive and Non- Executive Directors committed to discharge their responsibilities and duties.
- (b) Strict compliance with all governance codes, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), all other applicable laws and regulations.
- (c) Timely and balanced disclosure of all material information relating to the Company to all stakeholders.
- (d) Adoption of 'Code of Conduct' for Directors and Senior Management and 'Code of Ethics' and 'Policy on Prohibition of Insider Trading' and effective implementation thereof.
- (e) Sound system of Risk Management and Internal Control.
- (f) Regular update of SAL Automotive Limited on website i.e., www.salautomotive.in to keep stakeholders informed.

1. BOARD OF DIRECTORS

The Composition of the Board is in accordance with the Listing Regulations. The Company has Non-Executive Chairperson and the number of Independent Directors is 2 out of the 6 i.e. total number of Directors on the Board of the Company. The number of Non-Executive Directors is more than one half of the total number of Directors. The Non-Executive Directors bring wide range of experience and independent judgment to the Board's deliberations and decisions.

The primary role of the Board is that of trusteeship, to protect and enhance shareholders' value through strategic supervision of Company's operations. The Board also provides direction and exercises appropriate control to ensure that the Company fulfils the stakeholders' aspirations and societal expectations.

Apart from the remuneration detailed under the relevant section and the reimbursement of expenses incurred in discharge of their duties and the remuneration that some of the Non-Executive Directors would be entitled to under the Companies Act, 2013, none of the Directors has any other material pecuniary relationship or transactions with the Company or its holding company, their Promoters, or Directors, its Senior Management and associates which in their judgment would affect their independence.

I. Composition of the Board

As on March 31, 2025 the Board of Directors of the Company has a strength of Six (6) members comprising of two (2) Non- Independent Non-Executive Directors, two (2) Executive Directors i.e. the Managing Director and Whole Time Director and remaining two (2) being Non-Executive Independent Directors. The Number of Non-Executive Director who bring wide range of experience and independence to Boards deliberations and decisions, is more than one half of the total number of Directors. The Company has Non -Executive Chairperson and two Independent Director.

The number of Non-Executive Director, who bring wide range of Experience and facilitate independence to Board's Deliberation and decision is more than one half of the total number of Directors and decision is more than one half of the total number of Directors. The company has Non-Executive Chairperson and Two Independent Director.

Composition of Board of Directors of the Company and their Directorship(s)/ Committee Membership(s)/Chairmanship(s), number of meetings held and attended by them etc. during the financial year ended March 31, 2025 are provided below:

Name of the Director	Category	Board meetings held during Director's tenure in the F.Y. 2024-25	Whether last AGM attended Yes/No	Directorship in companies	Name of other listed entities in which director holds directorship and category of directorship	No. of Memberships/ Chairmanships of other Board Committees**	
						Member-ship***	Chairman-ship
Mr. Rajiv Sharma	Non-Executive - Non-Independent Director	4	Yes	1	NIL	1	0
Mr. R. K. Sharma	Executive Director, MD	4	Yes	9	NIL	1	0
Mr. Kailash Nath Aggarwal	Non-Executive - Independent Director, Shareholder Director	4	Yes	NIL	NIL	2	1
Mr. Jamil Ahmad*	Non-Executive -Non-Independent Director	4	Yes	NIL	NIL	1	1
Mrs. Namrata Jain	Executive Director, Whole Time Director	4	Yes	NIL	NIL	0	0
Mr. Uttam Sahay	Non-Executive - Independent Director, Shareholder Director	4	Yes	1	NIL	2	0

* Continuation of Mr. Jamil Ahmad (DIN: 07171910) as a Non-Executive Non-Independent Director of the Company, beyond the age of 75 years was approved vide special resolution dated September 25, 2024 passed at the Annual General Meeting.

**Only Audit Committee and Stakeholders Relationship Committee have been considered in terms of Regulation 26 of the Listing Regulations.

***Membership in the aforesaid committees also includes Chairmanship in those Committees.

Note:

- As on March 31, 2025, none of the non-executive Directors of the Company hold equity shares in the Company.
- The Company has not issued any convertible instruments.
- The Directors of the Company are not related to each other.
- None of the Directors of the Company holds directorship in any other listed entity.

II. Independent Directors

All the Independent Directors on the Company's Board:

- are Independent as per the criteria stipulated under section 149(6) of the Act read with the rules made thereunder Regulation 25 of the Listing Regulations as well as qualified to act as an Independent Director. The maximum tenure of the Independent Director is in compliance with the Act.
- are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- have furnished a declaration before the Board of Directors that they satisfy the conditions of their being independent as laid down under Regulation 16 (1)(b) of Listing Regulations and under section 149(6) of the Act and all such declarations were placed before the Board. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.
- apart from receiving sitting fee, they do not have any pecuniary relationship or transactions with the Company, its promoters/ promoter group, its directors, its senior management, its subsidiaries and associates, which may affect independence of the Directors.

The terms of appointment of Independent Directors has been issued and disclosed in Board of Directors section on website of the Company viz.

<https://salautomotive.in/wp-content/uploads/2017/01/SAL-Terms-of-Appointment-of-Independent-Directors-2020.pdf>

In compliance with the Listing Regulations, Directors of the Company do not serve as an Independent Director in more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies.

Familiarization Programme of the Independent Directors

The Familiarization Programme for Independent Directors aims to help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively discharge his / her role as a Director of the Company. The Independent Directors have complete access to the information within the Company.

The Company conducts training sessions for the Independent Directors where specific presentations were provided to them about the Company's strategy, business model, operations, markets, organization structure, product offerings, finance, risk management framework, competitor's analysis and various other factors affecting the company's business.

All-important corporate communications/announcements are forwarded to all the Independent Directors on regular basis to keep them abreast with what is happening in the Company. Independent Directors have the freedom to interact with the Company's management as and when required.

The details of Familiarization programmes are uploaded on the website of the Company at

<https://salautomotive.in/wp-content/uploads/2022/05/SAL-Familiarisation-process-of-Directors-1.pdf>

Board Procedure

The Board meets at regular intervals and a detailed Agenda is sent to each Director prior to Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Board is apprised at every meeting regarding the overall performance of the Company. The Board also inter alia reviews strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any, adoption of quarterly/half-yearly/annual results, significant labour issues, and Minutes of Meetings of the Audit and other Committees of the Board.

During the financial year ended March 31, 2025, the Board met four (4) times May 29, 2024, August 09, 2024, November 11, 2024 and February 10, 2025 and the gap between two consecutive Board Meetings did not exceed one hundred and twenty days (120).

The 49th Annual General Meeting (AGM) was held on September 25, 2024.

Meeting(s) of Independent Directors

The Independent Directors of the Company meet at least once in every financial year without the presence of Non- Independent Directors, Executive Director and any other management personnel. The meeting(s) is conducted in a manner to enable the Independent Directors to discuss matter pertaining to, inter alia, review of performance of Non- Independent Directors, Chairman of the Company and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year, Two meeting of Independent Directors was held on November 12, 2024 and March 19, 2025.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings.

Chart setting out the list of core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board is given below:

The table below summarizes the key qualifications, skills and attributes which are taken into consideration while nominating Directors on the Board.

Leadership	Ability to inspire, motivate and offer direction and leadership to others and represent the Company before internal and external stakeholders
Management	Knowledge or expertise or understanding of sound management and business principles or experience of working in senior management position of any organization
Financial expertise	An understanding of financial statements and the accounting principles used by the Company to prepare its financial statements; including the ability to assess the general application of such accounting principles in connection with the accounting for the Company
Governance	Commitment to the highest standards of governance, including experience with a major organisation on governance practices along with clear understanding of roles and responsibilities of Board of a company and responsibilities as Director
Strategy Development and Implementation	Experience in developing and implementing business strategies or ability to give strategic insights to key business objectives.
Knowledge of sector	Understanding of the working of Sector including but not limited to areas like challenges, opportunities, business models, revenue streams, business processes & practices etc.
Information Technology	Knowledge and experience in the strategic use and governance of information management and information technology within the organisation.
Risk Management	Experience in enterprise risk management in the relevant industry, and understanding of the Boards, role in the oversight of risk management principles
Human Resource	Experience in developing strategies or handling matter like development of talent and retention, succession planning and driving change in long-term

In the table below, specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of the mark against a member's name does not necessarily mean the member does not possess the corresponding skill or qualification.

Key Board Qualifications:

Name of Directors	Areas of Expertise								
	Leadership	Management	Financial Expertise	Governance	Strategy Development and Implementation	Knowledge of Sector	Information Technology	Risk Management	Human Resources
Mr. Rajiv Sharma	✓	✓	✓	✓	✓	✓	-	✓	✓
Mr. Rama Kant Sharma	✓	✓	✓	✓	✓	✓	-	✓	✓
Mr. Jamil Ahmad	✓	✓	✓	✓	-	✓	-	✓	✓
Mr. Kailash Nath Agarwal	-	✓	✓	✓	-	✓	-	-	✓
Ms. Namrata Jain	-	-	✓	-	✓	✓	✓	-	-
Mr. Uttam Sahay	✓	✓	-	✓	-	✓	-	-	✓

2. BOARD COMMITTEES

In accordance with legal obligations, the Board has established several Committees with defined responsibilities and areas of focus. The aim is to efficiently address various matters and promptly resolve them. These Committees function as authorized representatives of the Board, operating within the guidelines specified in their charter or terms of reference. They convene regularly to fulfil their entrusted duties and take appropriate actions. The minutes of the Committee Meetings are presented to the Board for acknowledgement.

a) Audit Committee

As on March 31, 2025, the Audit Committee comprised of three (3) Directors. All members of the Committee possess knowledge of corporate finance, accounts and corporate laws. The Chairman of the Committee is having expertise in financial management and the Company Secretary acts as the Secretary to Committee.

The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Brief description of terms of reference

Terms of reference of the Audit Committee (as per the Act and Listing Regulations) includes the following:

- Examination and overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing, with the management, the annual and quarterly financial statements and auditor's report thereon before submission to the Board for approval.
- Recommending to the Board, the appointment, remuneration and terms of appointment of the statutory and internal auditors of the Company.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of the audit process.
- Approving payment to statutory auditors' for any other services rendered by the statutory auditors.
- Reviewing the application of funds raised through public issue, rights issue, preferential issue, etc. and related matters.
- Approving, recommending or any subsequent modification of transactions of the Company with related parties as applicable.
- Scrutinizing inter-corporate loans and investments.
- Approving the valuation of undertakings or assets of the Company, whenever it is necessary
- Reviewing the Internal Audit Reports.
- Reviewing and evaluating internal financial controls, adequacy of the internal control and risk management systems.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the functioning of the Whistle Blower Mechanism.
- Approving the appointment of Chief Financial Officer after assessing the qualifications, experience, suitability and background, etc. of the candidate.

- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on Company and its shareholders.
- Such other duties and roles as may be specified by the Board from time to time.

The Audit Committee also considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of Listing Regulations and provisions of Section 177 of the Act.

The meetings of the Audit Committee are also attended by the Company Secretary and other senior functionaries of the Company as and when required.

Meetings & Attendance of the Audit Committee

During the financial year 2024-25, the Audit Committee met four (4) times on May 29, 2024, August 09, 2024, November 11, 2024 and February 10, 2025. The gap between the two consecutive meetings did not exceed 120 days. Requisite quorum was present in all meetings of the Committee.

The Statutory Auditors, Internal Auditors and Senior Executives of the Company are invited to attend the meetings of the Committee.

The composition of the committee as on March 31, 2025, and details of attendance of members at the meetings of Audit Committee held during financial year 2024-25 are given below:

S. No.	Name of the Director	Designation	Category	No. of Meetings held during his / her tenure and attended	
				Held	Attended
1	Mr. Kailash Nath Agarwal	Chairman	Non-Executive Independent Director	4	4
2	Mr. Rajiv Sharma	Member	Non-Executive Non-Independent Director	4	4
3	Mr. Uttam Sahay	Member	Non-Executive Independent Director	4	4

b) Stakeholders' Relationship Committee

In compliance with the Regulation 20 of the Listing Regulations and provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders' Relationship Committee. As on March 31, 2025, the Committee comprises three (3) members and detail of the same is provided hereinunder.

The role of the committee inter alia includes the following:

- (1) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

- (5) Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.

Meetings & Attendance of the Stakeholders' Relationship Committee

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests / grievances are redressed within stipulated time period.

During the financial year 2024-25, the Stakeholders' Relationship Committee met three (3) times i.e. on August 09, 2024, August 20, 2024 and September 25, 2024. Requisite quorum was present in all the meetings of the Committee.

The composition of the committee as on March 31, 2025 and details of attendance of members at the meetings of Stakeholders' Relationship Committee held during financial year 2024-25 are given below:

S. No.	Name of the Director	Designation	Category	No. of Meetings held / attended	
				Held	Attended
1	Mr. Jamil Ahmad	Chairman	Non-Executive - Non-Independent Director	3	3
2.	Mr. R. K. Sharma	Member	Executive Director	3	3
3.	Mr. Kailash Nath Agarwal	Member	Non-Executive Independent Director	3	3

Mr. Gagan Kaushik, Company Secretary, is the Compliance Officer of the Company.

The Company had received three requests for Duplicate, Duplicate-cum-transmission and name correction from the shareholder during the financial year 2024-25 and the same has been resolved to the satisfaction of such shareholders. At the end of the financial year, there was no pending complaints.

Mr. Jamil Ahmad, Chairman of Stakeholders Relationship Committee, attended the Annual General Meeting held on September 25, 2024, to answer the shareholders queries.

c) Nomination and Remuneration Committee

As on March 31, 2025, the Nomination and Remuneration Committee ("**NRC**") comprises of three (3) members and details of the same is provided hereinunder. The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Company Secretary acts as the secretary of the Committee.

The purpose of the Committee inter alia includes identification and selection of persons who may be appointed as directors / independent director(s) or as key managerial personnel or in senior management based on certain laid down criteria, formulate policy relating to the remuneration for the directors, key managerial personnel and other employees, to decide on the stock options to be granted, if any, to the eligible employees, directors including non-executive directors; and to deal with such other matters and functions as may be prescribed from time to time.

Role/ Terms and references of the Nomination and Remuneration Committee is briefed below:

The terms of reference of Nomination and Remuneration Committee is in terms of the Act and Part D of Schedule II of the Regulation 19(4) of the Listing Regulations, which inter alia, include the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- (i) use the services of an external agencies, if required;
- (ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
- (iii) consider the time commitments of the candidates.
- (c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (d) Devising a policy on diversity of board of directors;
- (e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- (f) To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) Formulation & review of remuneration policy of the Company;
- (h) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- (i) Such other matters as may be required under the Act and Listing Regulations, the Board may, from time to time, request the committee to examine and recommend/ approve.

Succession Planning:

The successors for the Independent Directors shall be identified by the NRC. In case of separation of Independent Directors due to resignation or otherwise, successor will be appointed at the earliest but not later than the immediate next Board meeting or three months from the date of such vacancy, whichever is later.

The successors for the Executive Director(s) shall be identified by the NRC from among the Senior Management or through external source as the Board may deem fit. The NRC will accord due consideration for the expertise and other criteria required for the successor.

Meetings & Attendance of the Nomination and Remuneration Committee

During the financial year 2024-25, the Nomination and Remuneration Committee met two (2) times on August 09, 2024 and November 11, 2024. Requisite quorum was present in all the meetings of the Committee.

The composition of the committee as on March 31, 2025 and details of the attendance of members at the meetings of Nomination and Remuneration Committee held during financial year 2024-25 are given below :

S. No.	Name of the Director	Designation	Category	No. of Meetings held / attended	
				Held	Attended
1	Mr. Kailash Nath Agarwal	Chairman	Non-Executive Independent Director	2	2
2	Mr. Uttam Sahay	Member	Non-Executive Independent Director	2	2
3	Mr. Jamil Ahmad	Member	Non-Executive Non-Independent Director	2	2

*Mr. Kailash Nath Agarwal, Chairman of the Nomination and Remuneration Committee, attended the Annual General Meeting held on September 25, 2024 to answer the shareholders queries.

3. PERFORMANCE EVALUATION

The Company believes that an effective governance framework requires periodic evaluation of the functioning of the Board as a whole, its committees and individual director's performance evaluation. Keeping this belief in mind, the Company on the recommendation of the NRC has established the Performance Evaluation criteria for (a) The Board as a whole including its Committees; (b) Chairperson of the Board; and (c) Individual Directors as required under the Act and provisions of Listing Regulations.

Some of the performance indicators for such evaluation include:

1. Attendance at Board Meetings/Committee Meetings.
2. Quality of participation in Meetings.
3. Ability to provide leadership.
4. Commitment to protect/enhance interests of all the stakeholders.
5. Contribution in implementation of best governance practices.
6. Understanding critical issues affecting the Company.
7. Bringing relevant experience to Board and using it effectively.

As part of the Evaluation Process:

1. The Board annually evaluates the performance of the Board as a whole and identify changes, if any, to further enhance its effectiveness.
2. The Chairperson of each Board Committee will annually share with Board, based on discussions among Committee members, an evaluation of the Committee's functioning.
3. The Nomination and Remuneration Committee shall arrange to carry out a confidential process of performance evaluation of every Director by the entire Board of Directors excluding the Director being evaluated.
4. The Independent directors shall hold at least one meeting a year to review performance of Chairperson, Non-Independent Directors and the Board as a whole.

The Directors were satisfied with the evaluation results, which reflected the overall engagement and the effectiveness of the Board and its committees. All the Directors effectively contributed to the decision-making process by the Board. Further, all the Committees were duly constituted and were functioning effectively. The Board also expressed its satisfaction in relation to the provision of supporting documents to the Board enabling it to assess the policy & procedural requirements for proper functioning of the Company. The Board expressed its satisfaction with the decision-making and decision implementing procedure followed by it.

4. REMUNERATION TO DIRECTORS

a) Policy for Remuneration to Directors

i. Non-Executive Director including Independent Directors/ Criteria of making payments to non-executive directors:

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, Listing Regulations and the Articles of Association of the Company, from time to time.

Currently, the sitting fees is paid as under:

- Rs.50,000 for every Board Meeting.
- Rs.40,000 for every Committee(s) Meeting (other than Stakeholders Relationship Committee).
- Rs.7,500 for every Stakeholders Relationship Committee Meeting.

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 consist of fixed and variable compensation and may be paid as salary, perquisites & allowances, and fringe benefits, if any, as approved by the Board and within the overall limits specified in the Shareholders resolution.

b) The details of Directors' remuneration for 2024-25 is as follows:**Non-Executive Directors/ Independent Directors**

(Rs. in Lakhs)

Name of the Directors who were in receipt of sitting	Sitting Fees for Board and Committee Meetings paid during FY 2024-25
Mr. Rajiv Sharma	3.60
Mr. K. N. Agarwal	4.88
Mr. Jamil Ahmad	3.67
Mr. Uttam Sahay	4.80

During the FY 2024-25, there were no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.

Executive Directors

(Rs.in Lakhs)

Name of Director	Salary (Basic and Allowance)	Commission	Contribution to Provident Fund	Other Perquisites	Stock Option	Total	Service Contract (Tenure)
Mr. Rama Kant Sharma (Managing Director)	108.00	-	-	-	-	108.00	12 Months
Ms. Namrata Jain (Whole Time Director)	34.79	-	1.79	-	-	36.58	12 Months

- Notes : (i) The Company is not having any Stock Option Plan/ Scheme.
(ii) Executive Directors are not eligible for any severance fees and their notice period is as per employment contract.

5. General Body Meetings

Details of last three Annual General Meetings (AGMs) of the Company are given below :

Year	Date & Time	Venue	Special Resolutions passed, if any
2022	September 26, 2022 at 3.00 P.M.	Video Conferencing	No special resolution passed
2023	September 12, 2023 at 3.00 P.M.	Video Conferencing	No special resolution passed
2024	September 25, 2024 at 3.00 P.M.	Video Conferencing	Approve continuation of Mr. Jamil Ahmad (DIN: 07171910) as a Non-Executive Non-Independent director beyond the age of 75 years

6. Resolution passed through Postal Ballot/E-voting

The members of the Company on March 14, 2025 passed the following resolution through Postal Ballot (conducted through remote e-voting only) for,

1. Increase in the Authorised Share Capital of the Company and consequent amendment to the Memorandum of Association of the Company
2. Issue of Bonus Shares to the existing shareholders at the ratio of 1:1:

Voting Pattern of the resolution passed through Postal Ballot for Increase in the Authorised Share Capital of the Company and consequent amendment to the Memorandum of Association of the Company, is as follows:

Particulars	Remote e-Voting
a) Total number of Valid Votes	1832969
b) Votes cast in favour of the Resolution	1801593
c) Votes cast against the Resolution	31376
d) Number of Invalid Votes	-

Voting Pattern of the resolution passed through Postal Ballot for Issue of Bonus Shares to the existing shareholders at the ratio of 1:1, is as follows:

Particulars	Remote e-Voting
e) Total number of Valid Votes	1832969
f) Votes cast in favour of the Resolution	1801593
g) Votes cast against the Resolution	31376
h) Number of Invalid Votes	-

Procedure followed for Postal Ballot/ E-voting

- a. In terms of the General Circular No.14/2020 dated April 8, 2020 and General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 8, 2021, General Circular No. 03/2022 dated May 5, 2022, General Circular No. 11/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and 09/2024 19th September, 2024 (the "MCA Circulars"), issued by the Ministry of Corporate Affairs, Government of India (the "MCA"), the postal ballot process was conducted by way of electronic voting only. The Company engaged the services of National Securities Depository Limited ("NSDL") for the purpose of providing e-voting facility.
- b. In accordance with the MCA Circulars, the Notices of Postal Ballot along with the instructions regarding e-voting were sent only by e-mail to all those Shareholders.
- c. The Members were informed vide the Postal Ballot Notice dated February 10, 2025 that they were required to give their assent for or dissent against the proposal through e-Voting facility which was kept open from February 12, 2025 (9:00 AM IST) to March 14, 2025 (5:00 PM IST)
- d. Mr. Ajay K. Arora, Practicing Company Secretary (Membership No.2191), Proprietor - M/s. A. Arora & Co., Company Secretaries, was appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
- e. After due scrutiny of e-voting received up to the close of working hours as mentioned above, scrutinizer had submitted its final report on March 15, 2025. The result of the postal ballot/ e-voting was declared on March 17, 2025.

7. Means of Communication

- i) In compliance with the requirements of the Listing Regulations, the Company regularly intimates quarterly unaudited as well as audited financial results to the Stock Exchange immediately after they are taken on record by the Board.
- j) The shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited (BSE) are filed electronically. The Company has complied with filing submissions with BSE through BSE Listing Centre.
- k) These financial results are normally published in the leading financial, national and regional newspapers (i.e. Financial Express and Ajit) and are also displayed on the Company's website www.salautomotive.in
- l) The official news releases are displayed on the Company's website www.salautomotive.in;

During the year ended March 31, 2025, no presentations were made to institutional investors or analysts.

8. Shareholder Information**50th Annual General Meeting**

Date : **26th September, 2025**

Time : 3.00 P.M.

Through Video Conferencing.

9. Financial Calendar (tentative)

Financial Year: April 01, 2025 - March 31, 2026

The tentative schedule for Board Meetings for consideration of financial results for FY 2025-26 are as follows:

First Quarter Results	Within 45 days of the end of the second quarter
Second Quarter & Half Yearly Results	
Third Quarter & Nine Months Results	Within 60 days of the end of the financial year
Fourth Quarter and Annual Results	

10. Dividend Payment:

The Board of Directors have recommended final Dividend of 25% (Rs. 2.5 per equity share of Rs. 10 each) for the financial year ended March 31, 2025. The dividend, if declared by the members of the Company will be paid within 30 days of the Annual General Meeting.

11. Listing on Stock Exchange

BSE Ltd. (BSE)

25th Floor, P.J. Towers, Dalal Street, Mumbai - 400001

Listing Fee for F.Y. 2024-25 and 2025-26 of BSE has been paid.

12. Stock Code

BSE Ltd. (BSE) : 539353

SAL AUTOMOTIVE LIMITED

13. Stock Price Data

The Company's shares are listed at BSE Ltd. Accordingly, monthly High - Low Quotations of shares traded at BSE Ltd. for FY 2024-25 are as under:

Month	BSE Ltd.	
	High (Rs.)	Low (Rs.)
April 2024	573.40	460.75
May 2024	563.85	470.00
June 2024	538.85	439.00
July 2024	619.70	489.85
August 2024	678.00	551.00
September 2024	884.40	600.00
October 2024	699.95	509.40
November 2024	619.50	543.20
December 2024	674.90	540.00
January 2025	577.00	481.00
February 2025	648.60	485.25
March 2025	683.00	447.00

14. Stock Price Performance

SAL Share Price performance relative to BSE Sensitive Index for FY 2024-25 :

Month	Closing price	
	SAL (Rs.)	BSE Sensex (Rs.)
April 2024	538.05	9,100
May 2024	510.55	19,067
June 2024	505.85	13,361
July 2024	586.05	22,994
August 2024	624.30	48,596
September 2024	680.30	60,100
October 2024	559.75	16,686
November 2024	595.15	8,941
December 2024	544.00	10,877
January 2025	512.30	9,614
February 2025	498.15	11,815
March 2025	639.20	19,247

15. Registrar and Transfer Agents

M/s MCS Share Transfer Agent Limited (MCS), at 179-180, 3rd Floor, DSIDC Shed, Okhla Industrial Area, Phase - I, New Delhi - 110 020 are the Registrar and Share Transfer Agent of the Company.

16. Share Transfer/Transmission Systems:

Pursuant to the amendment in the Listing Regulations and subsequent notification(s) issued by SEBI, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In this regard, SEBI had issued a Press Release clarifying that the said amendment does not prohibit an investor from holding shares in physical form. However, any investor who is desirous of transferring shares (which are held in physical form) can do so only after the shares are dematerialized. SEBI had fixed March 31, 2021, as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode only.

In addition to that, as per the amendments to the SEBI LODR effective from January 24, 2022 and SEBI's Circular dated January 25, 2022, it has been mandated that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for (a) issue of duplicate securities certificate; (b) claim from Unclaimed Suspense Account; (c) Renewal / Exchange of securities certificate; (d) Endorsement; (e) Sub-division / Splitting of securities certificate; (f) Consolidation of securities certificates/ folios; (h) Transmission, and (i) Transposition. In accordance with the said Circular, our RTA shall verify and process the service requests and thereafter issue a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder/claimant. Such 'Letter of Confirmation' shall be valid for a period of 120 days from the date of its issuance, within which the securities holder/claimant shall make a request to the Depository Participant for dematerializing the said securities.

The Company seeks to ensure that all transmission/transposition, etc., if any, are approved for registration within the stipulated period.

The Company as required under Regulation 46 (2)(j) of the Listing Regulations, 2015 has designated one mail id viz. Kaushik.gagan@salautonnotive.in for the purpose of registration of complaints, if any, by the investors and expeditious redressal of their grievances and the same has already been hosted on the Company's website.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participant(s) with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.

17. Shareholding Pattern as on March 31, 2025 :

Category of Shareholders	No. of Shareholders	No. of Shares Held	% of Holding
1. Promoters	1	1798285	75
2. Mutual Fund	-	-	-
3. Financial Institution/Bank	1	106389	4.44
4. Govt. (investor education protection fund)	1	16332	0.68
5. Foreign Institutional Investors	-	-	-
6. Bodies Corporate-Indian	14	50850	2.12
7. NRIs	21	1219	0.05
8. Indian Public	2101	401868	16.76
9. OCB/Others	59	22770	0.95
Total	2198	2397713	100

18. Distribution Pattern of Shareholding as on 31st March, 2025

No. of Equity Shares held	No. of Shareholders		No. of Shares Held	
	Numbers	% total	Numbers	% total
1 - 500	2066	93.9945	112139	4.6769
501 - 1000	58	2.6388	42552	1.7747
1001 - 2000	32	1.4559	45436	1.8950
2001 - 3000	15	0.6824	39732	1.6571
3001 - 4000	5	0.2275	17759	0.7407
4001 - 5000	3	0.1365	13710	0.5718
5001 - 10000	10	0.4550	66413	2.7698
And Above	9	0.4095	2059972	85.9140
Total	2198	100	2397713	100

19. Dematerialization of Shares :

As on March 31, 2025, 99.54% of the Company's total equity shares representing 2386799 were held in dematerialized form and 0.46 % equity shares representing 10914 shares were held in physical form.

The ISIN number allotted to the Company for dematerialization of shares is INE724G01014.

20. Commodity price risk or foreign exchange risk and hedging activities:

The Company is not exposed to the Commodity price risk or foreign exchange risk and hedging activities.

21. Plant Location:

- Focal point Kakrala Road, Nabha, Distt. Patiala, Punjab -147201
- 183/1, Belur Industrial Area, Dhardwad, Distt. Dhardwad, Karnataka-580011
- Khasra No - 11, Rameshpur Rudrapur, Distt. Udham Singh Nagar, Uttarakhand-263153
- Plot No. 113, Sector 10, PCNTDA, Bhosari, Chichward, Pune, Maharashtra-411026

22. Address for correspondence:**M/s MCS Share Transfer Agent Limited**

179-180, 3rd Floor, DSIDC Shed,
Okhla Industrial Area,
Phase - I, New Delhi-110 020.

Mr. Gagan Kaushik, Company Secretary & General Counsel

Registered Office: SAL Automotive Limited
(Formerly Swaraj Automotives Limited)
C-127, 4th floor, Satguru Infotech, Industrial Area,
Phase - 8, SAS Nagar (Mohali) Punjab -160062, India
Phone : 0176-5516809
Fax : 0172-4650377
Email : kaushik.gagan@salautomotive.in

23. Credit Rating: The Company did not obtain or revise any credit ratings during the period under review.

24. Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any Convertible instruments, conversion date and likely impact on equity: Not applicable

25. Utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32 (7A) : Not applicable

26. Total fees for all services made to statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part during FY 2024-25:

	Rs. in Lakhs
Statutory Audit Fees	3.00
Other Services	3.89
Reimbursement of Expenses	0.39
Tax Audit Fees	0.60
Total payable to statutory auditor	7.88

27. AFFIRMATIONS & DISCLOSURES

a) Disclosure of transactions with Related Parties.

During FY 2024-25, all transactions entered into with related parties were in the ordinary course of business and on arm's length basis as well not material in nature. The Company has not entered into any transaction of material nature with the promoters, the directors or the management or their relatives etc. that may have potential conflict with the interests of the Company at large. Details of related parties and transactions with them are covered at Note No. 2.36 of the Financial Statements of the Company for the financial year 2024-25.

Save as otherwise disclosed in notes to the financial statements, there is no transaction entered by/ with the Company with any person or entity belonging to the promoter/promoter group of the Company.

Also, the Company has not granted any kind of 'Loans and Advances' in the nature of loans to firms/ companies in which directors are interested.

The policy for related party transactions approved by the Board of Directors of the Company is available at the Company's website <https://salautomotive.in/wp-content/uploads/2025/02/SAL-Related-Party-Transactions-Policy-2025.pdf>

b) Details of non-compliance etc.

BSE Limited, vide its email/letter dated 13th December, 2024, imposed a fine of 11,800/- (including GST) for compliance with Regulation 29 of the Listing Regulations. The delay was due to a technical issue and a mistaken belief that the disclosure had already been uploaded. Upon discovering the error during a subsequent review, the disclosure was promptly re-uploaded, and the SOP fine has been duly paid. Apart from this instance, there has been no non-compliance with any legal provisions of applicable law's, nor has any penalty or stricture been imposed by the Stock Exchanges, SEBI, or any other statutory authorities on any matter related to the capital market during the last three years.

c) Vigil Mechanism/Whistle Blower Policy

The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. Towards this end, the Company has adopted a Code of Conduct for its employees including Members of the Board of Directors referred to as "the Code" and other Policies as may be applicable from time to time which lays down the principles and standards that should govern the actions of the Company and its Employees. Any actual or potential violation of the Code/Policies, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Employees in pointing out such violations of the Code/Policies cannot be undermined. Accordingly, the Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company or Chairman of the Company.

All Employees of the Company are eligible to make Protected Disclosures under the Policy. Protected Disclosures may be in relation to matters concerning the Company. Protected Disclosures should be reported in writing and addressed to the Chairman of the Audit Committee of the Company or Chairman of the Company for investigation. During the year under review, no employee has approached the Audit Committee. Further, none of the personnel of the Company has also been denied access to the Audit Committee.

The details of Whistle Blower Policy are available at the Company's website Disclosure of Accounting Treatment in preparation of Financial Statement. <https://salautomotive.in/wp-content/uploads/2025/05/SAL-Whistle-Blower-Policy-2024.pdf>

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

d) Management Discussion and Analysis Report

Management Discussion and Analysis Report has been attached to the Directors' Report and forms part of this Annual Report.

e) Policy on Material Subsidiary

The Company doesn't have any subsidiary company. Accordingly, Company has not formulated such Policy.

f) Details of Compliances with the Mandatory and Non-mandatory Requirements

In addition to the compliance with mandatory requirements, the Company has also adopted the following non-mandatory requirements in terms of the Listing Regulations:

i. The Board

The Chairman of the Company is a Non- Executive Non-Independent Director.

ii. Audit Qualifications

During the financial year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

iii. Internal Auditor

The internal auditor reports directly to the Audit Committee.

The Company has not adopted the other non-mandatory requirements as specified in Part E of Schedule II of the Listing Regulations during the year.

g) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

There were no complaints received during the financial year under review.

No. of Complaints received during 2024-25	No. of Complaints disposed off during 2024-25	No. of Complaints pending at the end of FY 2024-25
–	–	–

h) Recommendation of Committee(s) of the Board of Directors

During the year, all recommendations of Committees of Board of Directors were accepted by the Board.

i) Disclosures with respect to demat suspense

There are no shares which are lying in demat suspense account/unclaimed suspense account.

28. CODE OF CONDUCT

The Company's Board has laid down a well-defined Code of Ethics & Conduct (the "Code") to be followed by Board Members and employees of the Company for ethical professional conduct. The Code is available on the website of the Company www.salautomotive.in. All Board Members and Senior Management Personnel have affirmed compliance with this Code. A declaration signed by the Managing Director to this effect is enclosed at the end of this Report as **Annexure - A**.

29. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The Company has complied with the requirements of paras 2 to 10 of Part C of Schedule V of the Listing Regulations.

The Company has complied with the requirements of the Schedule V, Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

In terms of the Listing Regulations, the Certificate on compliance of Corporate Governance norms as issued by practicing company secretaries / independent auditors annexed as **Annexure-B** to this report.

30. Particulars of senior management including the changes therein since the close of the previous financial year:-

Name	Designation	Date of Joining in Company	Date of Cessation	Brief Profile
Mr. Gagan Kaushik	Company Secretary & General counsel	04/02/2016	—	Mr. Gagan Kaushik, a fellow member of the Institute of Company Secretaries of India (Membership No. F8080) and having expertise in the field of Secretarial, Legal and Regulatory Compliance of more than 16 years.
Mr. Kulvinder Singh	Finance Controller (KMP)	16/09/2008	—	Mr. Kulvinder Singh currently working with the Company as Finance Controller. Mr. Singh is a Fellow Chartered Accountant by qualification and has 19 years of experience in Finance and Taxation.
Mr. Rajnish Grover	Business Head	01/12/2007	—	Mr. Rajnish Grover is B.Tech. with 31 years of experience in steel and automotive industry. His expertise include quality assurance, marketing and business development.
Mr. Aakash Bhardwaj	Senior VP	13/02/2024	—	Mr. Aakash Bhardwaj is MBA from IILM University with more than 8 years of experience in automobile industry, he is currently spearheading car dealership business with OEM like Tata Motors, KIA India and Citron India.
Ms. Namrata Jain	Executive Director Finances, Chief Financial Officer ("CFO")	03/02/2016	—	Mrs. Namrata Jain is the BA (Hons.) Economics and PGDM in Finance & Marketing and having more than 16 years of experience in corporate finance, project financing and financial research & analysis.

31. Disclosure of Agreements:

Further, in terms of Regulation 30A of Listing Regulations, there are no such agreements which are required to be disclosed in the Annual Report.

32. CEO/MD / CFO/ED-Finance CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and the Executive Director-Finance of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2024. The same is annexed as **Annexure-C**.

33. CERTIFICATE FROM A COMPANY SECRETARY IN PRACTICE

Also, a certificate from a company secretary in practice dated 24.07.2025 that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority is attached as **Annexure-D**.

For and on behalf of the Board

Rajiv Sharma
Chairman

DIN : 07418337

Place: Ghaziabad

Date : 12th August, 2025

ANNEXURE-A TO CORPORATE GOVERNANCE

DECLARATION BY THE MANAGING DIRECTOR UNDER
SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015

To
The Members
of SAL Automotive Limited

This is to confirm that the Board of Directors of SAL Automotive Limited ("the Company") has laid down a Code of Conduct for its members and Senior Management Personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2025.

Rama Kant Sharma
Managing Director
DIN : 00640581

Place: Ghaziabad

Date : 23rd May, 2025

ANNEXURE-B TO CORPORATE GOVERNANCE

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF SAL AUTOMOTIVE LIMITED

1. We have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 2025, as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI Listing Regulations")

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1. Quality Control for firms that perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2025.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

9. This certificate is issued solely for the purpose complying with the aforesaid Listing Regulations, and may not be suitable for any other purposes.

Place : Noida
Date : May 23, 2025
UDIN:25080173BMNXXEQ6513

For **Mangla Associates**
Chartered Accountants
(FRN 006796C)

(A.P. Mangla)
Partner
Membership No. 080173

ANNEXURE-C TO CORPORATE GOVERNANCE

The Board of Directors
SAL Automotive Limited
S.A.S.Nagar (Mohali)
Punjab

Certificate pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

We, Rama Kant Sharma, Managing Director and Namrata Jain, ED- Finance & CFO, of SAL Automotive Limited, to the best of our knowledge and belief certify that:

- (a) We have reviewed the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st March, 2025 and all its schedules and notes on accounts, as well as Cash Flow Statement and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee
 - (i) Significant changes, if any, in internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Namrata Jain
ED– Finance & CFO

Date : 23rd May, 2025
Place : Ghaziabad

Rama Kant Sharma
Managing Director

Date : 23rd May, 2025
Place : Ghaziabad

ANNEXURE-D TO CORPORATE GOVERNANCE**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
SAL Automotive Limited
C-127, 4th Floor, Sat Guru Infotech,
Industrial Area, Phase VIII,
S.A.S. Nagar, Mohali.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SAL Automotive Limited having CIN: L45202PB1974PLC003516 and having registered office at C-127, 4th Floor, Sat Guru Infotech, Industrial Area, Phase VIII, S.A.S. Nagar, Mohali, Punjab (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Rama Kant Sharma	00640581	03.02.2016
2.	Mr. Rajiv Sharma	07418337	03.02.2024
3.	Mr. Jamil Ahmad	07171910	03.02.2016
4.	Ms. Namrata Jain	07310940	03.02.2016
5.	Mr. Kailash Nath Agarwal	08829437	20.08.2020
6.	Mr. Uttam Sahay	08608518	31.01.2024

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Ajay K. Arora
(Proprietor)

M No. 2191

C P No. 993

Peer Review Cert No. 2120/2022

Date: 24.07.2025

Place: Chandigarh

UDIN: F002191G000854548

INDEPENDENT AUDITOR'S REPORT

To the Members of SAL Automotive Limited

Report on Audit of the Standalone Financial Statements

We have audited the standalone Indian Accounting Standards (Ind AS) financial statements of SAL AUTOMOTIVE LIMITED ("the company"), which comprise the Balance Sheet as at 31 March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, give the information required by the Companies, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ('Ind AS') and other principles generally accepted in India including the Ind AS;

- a) of the state of affairs (financial position) of the Company as at March 31, 2025; and
- b) its profit (financial performance including other comprehensive income)' and
- c) its Cash Flows and the changes in equity for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under these Standards are further described in the Auditors' Responsibilities section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information other than the Standalone Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's information, but does not include the Standalone Financial Statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and

maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company's or to cease operations, or has no realistic alternative to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

- A. Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standard on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
- B. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - i) Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and operating effectiveness of such controls.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements, or if, such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- C. Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.
- D. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- E. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- F. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the year ended March 31, 2025, and are therefore the key audit matters. We describe that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
- 2) As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the aforesaid standalone Ind As financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) on the basis of written representations received from the directors as on 31st March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2025, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'B'.
 - g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us.
 - i. the Company has disclosed the impact of pending litigations, if any, on its financial positions in its Standalone financial statements.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.
 - iv.
 - a) the management of the company has represented that to the best of its knowledge and belief, the company has not advanced or leased or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds), to or in any other person(s) or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall whether directly or indirectly lend or invest in other person(s) or entity identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiary") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;
 - b) it has been represented by the management, that to the best of its knowledge and belief, the company has not received any funds from any person(s) or entity including foreign entities ("funding parties"), with the understanding, whether recorded in writing

or otherwise, that the company shall whether, directly or indirectly lend or invest in other person(s) or entity identified in any manner whatsoever by or on behalf of the funding party ("ultimate beneficiary") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

- c) based on such audit procedures that the auditors have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v The final dividend proposed in the previous year, declared and paid by the Company during the year, is in accordance with Section 123 of the Act.

As stated in Note 2.12 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- vi Based on our examination, which includes test checks, the Company has used accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Mangla Associates**
Chartered Accountants
(FRN 006796C)

Place : Noida
Date : May 23, 2025
UDIN : 25080173BMNXEQ6513

(A.P. Mangla)
Partner
Membership No. 080173

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENT OF SAL AUTOMOTIVE LIMITED

- I. (a) (A) The Company is maintaining proper records to show full particulars, including quantitative details and situation of fixed assets (property, plant, and equipment)
(B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) As explained, the company has a regular programme of physical verification of its fixed assets (property, plant and equipment) by which fixed assets (property, plant and equipment) are verified in a phased manner. In accordance with the programme, certain assets (property, plant and equipment) were verified during the year and no material discrepancies were noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, which are disclosed in the financial statements, are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use of assets) and its intangible assets, during the year. Accordingly, the requirements under clause 3(i)(d) of the Order are not applicable to the Company.

- e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2025, for holding any benami property under the Prohibition of Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in clause 3(i)(e) of the Order are not applicable to the Company.
- II. (a) According to the information and explanations given to us, Physical verification of inventory has been conducted during the year by the management and at the year-end by an independent firm of Chartered Accountants. In our opinion, the coverage and procedure of such verification is reasonable. Further no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The company has been sanctioned working capital limit in excess of 5 crores, from a bank on the basis of security of current assets, and according to the information and explanations given to us the quarterly returns/statements filed by the Company with the bank are in agreement with the books of account of the Company.
- III. (a) According to the information and explanations given to us, the Company, during the year, has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Party Partnerships or any other parties. Hence, the requirements under clause 3(iii) of the Order are not applicable to the Company.
- IV. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee, loan, security or made any investment which falls under the provisions of sections 185 and 186 of the Act.
- V. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or deemed deposits covered by clause 3(v) of the order.
- VI. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of the products manufactured by the Company and are of the opinion that prima facie the prescribed accounts have been made and maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.
- VII. (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other statutory dues as applicable.
- (b) According to the information and explanations given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, cess and any other statutory dues on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Central Excise and Service Tax Act, 1994	Input credit of Service Tax	6,29,384	2017-18	Commissioner (Appeals)- Central Goods and Service Tax

- VIII. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence the provisions stated in clause 3(viii) of the Order is not applicable to the Company.

SAL AUTOMOTIVE LIMITED

- IX. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us the Company has not been declared a wilful defaulter by any lender.
- (c) According to the information and explanations given to us the short-term loans raised by the Company have been utilised for the purposes for which the loans were raised.
- (d) According to the information and explanations given to us funds raised by the Company on short terms basis have not been utilised for long-term purposes.
- (e) According to the information and explanations given to us the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) According to the information and explanations given to us the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- X. (a) According to the information and explanations given to us, the Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in clause 3(x)(b) of the Order are not applicable to the Company.
- XI. (a) In our opinion and as per information and explanations given and during the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, we have neither come across any fraud by the Company nor any material fraud on the Company by its officers or employees noticed or reported during the year.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of the audit of the standalone financial statements for the year ended March 31, 2025, accordingly the provisions stated in clause (xi)(b) of the Order is not applicable to Company.
- (c) In our opinion and as per information and explanations given to us, no whistle-blower complaints have been received by the Company during the year. Accordingly, the provisions stated in clause (xi)(c) of the Order are not applicable to Company.
- XII. In our opinion and according to the information and explanation given to us the Company is not a Nidhi Company. Accordingly, the provisions stated in clause 3(xii)(a) to (c) of the Order is not applicable to Company.
- XIII. According to the information and explanations given to us and based on our examination of the records of the Company transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- XIV. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the internal auditors for the period under audit were considered by us.
- XV. According to the information and explanations given to us, in our opinion during the year the Company had not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, provisions stated in clause 3(xv) of the Order are not applicable to the Company.
-

- XVI. (a) According to the information and explanations given to us, in our opinion the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in clause 3(xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financials or Housing Finance Activities without any valid Certificate of Registration from Reserve Bank of India. Hence the reporting under clause 3(xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under clause 3(xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the Provisions stated in clause 3(xvi)(d) of the Order are not applicable to the Company.
- XVII. According to the information and explanations given to us the Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- XVIII. There has been no resignation of the statutory auditor during the year, hence the provisions stated in clause 3(xviii) of the Order are not applicable to the Company.
- XIX. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, are of the opinion that this is not an assurance as to the future viability of the Company.
- We are further of the view that our reporting is based on the facts brought to our notice up-to the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities due within a period of one year from the balance sheet date, will get discharged by the Company as and when they become due.
- XX. (a) According to the information and explanations given to us, in respect of other than ongoing projects there are no unspent amount that are required to be transferred to a fund specified in schedule VI of the Companies Act (The Act), in compliance with second proviso to sub-section 5 of section 135 of the Act.
- (b) According to the information and explanations given to us, there are no unspent amount in respect of ongoing projects, that are required to be transferred to a special account in compliance of provisions of sub-section 6 of section 135 of Companies Act.
- XXI. According to the information and explanations given to us, the Company does not have any Subsidiaries in India. Accordingly. Reporting under clause 3(xxi) of the Order is not applicable.

For Mangla Associates
Chartered Accountants
(FRN 006796C)

Place : Noida
Dated : May 23, 2025
UDIN : 25080173BMNXEQ6513

(A.P. Mangla)
Partner
Membership No. 080173

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIALS STATEMENTS OF SAL AUTOMOTIVE LIMITED

Report on the Internal Financial Control under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of **SAL AUTOMOTIVE LIMITED** (the 'Company') as of 31st March, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparations of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets

of the company: (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Place : Noida
Dated : May 23, 2025
UDIN : 25080173BMNSEQ6513

For **Mangla Associates**
Chartered Accountants
(FRN 006796C)

(A.P. Mangla)
Partner
Membership No. 080173

BALANCE SHEET as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Notes	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment and Intangible Assets			
– Property, Plant and Equipment	2.1	3,470.25	3,134.64
– Capital Work in Progress	2.1	37.24	44.74
– Intangible Assets	2.2	17.71	24.32
– Lease Assets (Right to Use)	2.3	146.79	216.43
– Intangible Assets under Development			
Financial Assets			
(a) Investments		–	–
(b) Loans		–	–
(c) Others	2.4	965.97	499.29
– Deferred Tax Assets (net of provisions) (Refer Note 1.9 (ii))	2.5 (a)	–	9.02
– Other Non-Current Assets	2.6	48.13	82.44
Current Assets			
– Inventories	2.7	2,309.36	2,168.07
– Financial Assets			
(a) Trade Receivables	2.8	4,421.58	3,676.36
(b) Cash & Cash Equivalents	2.9	122.92	67.64
(c) Bank Balances (other than covered in (b) above)	2.9	63.09	442.06
(d) Other Financial Assets	2.10	252.72	109.46
– Income Tax (net of provisions) [Refer Note 1.9 (i)]	2.5 (b)	–	–
– Other Current Assets	2.11	473.32	739.07
TOTAL ASSETS		12,329.08	11,213.54
EQUITY & LIABILITIES			
Equity			
– Share Capital	2.12	239.77	239.77
– Other Equity (Refer SOCE)	2.13	4,062.80	3,643.51
Non-Current Liabilities			
Financial Liabilities			
(a) Interest Bearing Loans & Borrowings	2.14	515.91	15.08
(b) Lease Liabilities	2.3	97.38	165.95
(c) Others	2.15	4.28	5.13
– Deferred Tax Liabilities (net of advances) (Refer Note 1.9 (ii))	2.5 (a)	16.92	–
– Provisions	2.16	152.86	142.37
Current Liabilities			
Financial Liabilities			
(a) Interest Bearing Loans & Borrowings	2.17	1,684.76	2,436.45
(b) Trade Payable			
– MSME	2.18	643.81	316.67
– Others	2.18	4,341.58	3,740.52
(c) Lease Liabilities	2.3	68.58	67.51
(d) Others	2.19	9.82	9.97
– Provisions	2.20	142.15	158.05
– Current Tax Liabilities (net of advances) [Refer Note 1.9 (i)]	2.5 (b)	14.56	6.40
– Other Current Liabilities	2.21	333.90	266.16
TOTAL EQUITY & LIABILITIES		12,329.08	11,213.54
Significant Accounting Policies	1		
Notes to Accounts	2		

As per our report of even date attached

The Notes referred to above form an integral part of these financial statements.

For **MANGLA ASSOCIATES**
Chartered Accountants (FRN006796C)

FOR AND ON BEHALF OF THE BOARD

A.P. MANGLA
Partner
Membership No. 080173
UDIN : 25080173BMNXEQ6513**RAJIV SHARMA**
Chairman

NAMRATA JAIN
Executive Director- Finance & CFO**R.K. SHARMA**
Managing Director

GAGAN KAUSHIK
Company Secretary & General Counsel

Noida, 23rd May, 2025

Ghaziabad, 23rd May, 2025

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2025 (Rs. in Lakhs)

Particulars	Notes	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Income			
Total Income from Operations	2.22	37,775.97	30,751.91
Other Income	2.23	173.14	96.43
Total Income		37,949.11	30,848.34
Expenses			
Cost of Materials Consumed	2.24	30,176.77	23,882.91
Changes in Inventories of Finished Goods and Work-in-Progress	2.25	(54.78)	149.47
Employee Benefits Expense	2.26	4,570.72	3,871.87
Finance Costs	2.27	231.59	278.55
Depreciation & Amortization Expense	2.1, 2.2 & 2.3	428.06	410.61
Other Expenses	2.28	1,809.41	1,576.68
Total Expenses		37,161.77	30,170.09
Profit before exceptional items and tax		787.34	678.25
Exceptional items		-	-
Profit Before Tax		787.34	678.25
Tax Expense			
– Current Tax		189.09	155.93
– Deferred Tax (Net)	2.5 (c)	30.11	12.36
– Tax provision in earlier years (Short / Excess)		28.54	-
Net Profit / (Loss) for the period		539.60	509.96
Other Comprehensive Income			
– Items that will not be reclassified to profit & loss account			
(a) Remeasurement of post employment benefit obligation		(16.58)	(34.04)
(b) Change in revaluation surplus			
(c) Income Tax relating to above items	2.5 (c)	4.17	8.57
– Items that will be reclassified to profit & loss account			
Total Comprehensive Income for the period		527.19	484.49
Earnings Per Share		21.99	20.21

As per our report of even date attached

For **MANGLA ASSOCIATES**
Chartered Accountants (FRN006796C)**A.P. MANGLA**
Partner
Membership No. 080173
UDIN : 25080173BMNXEQ6513

Noida, 23rd May, 2025

The Notes referred to above form an integral part of these financial statements.

FOR AND ON BEHALF OF THE BOARD

RAJIV SHARMA
Chairman

NAMRATA JAIN
Executive Director- Finance & CFO**R.K. SHARMA**
Managing Director

GAGAN KAUSHIK
Company Secretary & General Counsel

Ghaziabad, 23rd May, 2025

1. COMPANY'S OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

SAL Automotive Limited (SAL) is a public limited company incorporated under the provisions of the Companies Act, 1956 on 20th November, 1974 having its registered office at C-127, IV Floor, Satguru Infotech, Phase VIII, Industrial Area, SAS Nagar, (Mohali), Punjab - 160062.

SAL has its principal place of manufacturing at Nabha located in the State of Punjab and other manufacturing plants are located at Dharwad in the State of Karnataka, Rudrapur in the State of Uttarakhand and Pune in the State of Maharashtra.

SAL is engaged in manufacturing business of Automobile Components, which includes Tractor seats, LCV seats, Seat mechanisms and Seat frames for passenger vehicles & commercial vehicles and Agriculture Implements which includes Rotavators, Tractor trailers and Planter etc.

The company is listed at Bombay Stock Exchange Limited (BSE).

1.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies Act 2013 as per the Section 133; read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy thereto in use.

1.2 Use of Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

1.3 Revenue Recognition

- i) Sales Revenue is recognized at the time of dispatches to customers or their respective transporters for onward dispatches and upon transfer of ownership to customers. Hence, finished goods dispatched whose ownership has not been transferred to customers at the end of last working day of the period, have been considered as Finished Goods-In-Transit and are excluded from being recognized as operational revenue.
- ii) Impact of variation in selling price with respect to goods sold, are recognized on a periodical basis based on the agreements with the customers. Sales Revenue is recorded in net of Trade Discounts, Rebates and any taxes or duties collected on behalf of the government if any.
- iii) In respect of Tools and fixtures developed to produce components exclusively for the customer concerned, revenue is recognized on completion of development process for production readiness.
- iv) Incomes from services rendered are booked based on agreements / arrangements with the concerned parties, in proportion to the stage of completion of the transactions at the reporting date when the outcome of the transaction can be estimated reliably.
- v) Interest on fixed deposits is recognized on a time proportion basis considering the underlying interest rate.

1.4 Inventories

- i) Stores, Spare Parts, Loose Tools, Raw Materials, Components and Packing Materials are valued at material cost determined on the basis of moving weighted average cost method with due provisioning for non-useable / obsolete items and impact of provisioning for price variation, if any.
- ii) Work-in-progress and Finished goods are valued at lower of cost or net realizable value as certified by Management, with due provisioning for slow moving / obsolete items. Cost includes material cost and an appropriate portion of manufacturing overheads, wherever applicable, incurred in bringing them to their present location and condition. Finished goods include government taxes, wherever applicable.
- iii) Finished Goods - In - Transit, whose ownership has not been transferred to customers at the end of last working day of the period and are not recognized for Sales revenue, are valued at cost plus taxes as applicable.
- iv) Scrap / damaged goods value is incorporated in books based on expected realizable value.
- v) Rejected goods pending for quality approval are valued at 10% of the actual cost till further disposal/ rework.

1.5 Property, Plant and Equipment

The Cost of an item of Property, Plant and Equipment comprises:

- (a) its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates.
- (b) any attributable expenditure directly attributes for bringing an asset to the location and the working condition for its intended use and.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or because of having used the item during a particular period for purposes other than to produce inventories during that period.
- (d) Depreciation is provided on Straight Line Method based on useful lives of such assets specified in Schedule II to the Companies Act, 2013 except the following assets: -
 - i) Vehicles (cars) where depreciation is charged @ 25%.
 - ii) Capital spares are amortized in a systematic manner over the useful life of the assets to which it relates.
 - iii) Assets individually costing up to Rs. 5000/- are depreciated at 100% within one year from the date of purchase.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such dates are disclosed under 'Capital work-in-progress'.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

1.6 Intangible Assets

Intangible assets are stated at cost less accumulated amount of amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on several factors including the effects of obsolescence, etc.

Intangible Assets (Others than Software) are amortized over a period of 6 years, which is the estimated useful life of the asset. Software expenditure capitalized during the year is amortized over 3 years from the date of its capitalization.

1.7 Employees Benefits**(i) Defined Contribution Plans**

The Company's contribution to the Provident Fund is considered as defined contribution plan and is charged as an expense to the Statement of Profit and Loss for the year when the contributions are due. The Company contributes to Life Insurance Corporation of India to cover its liability towards its master policies of employee's superannuation and gratuity. Payment of gratuity at the time of retirement is routed through the Gratuity Fund created by the company with LIC.

(ii) Defined Benefit Plans

The company operates a defined benefit plan for its employees in the form of gratuity fund. The cost of providing benefits under the plan is determined based on actuarial valuations being carried out at each Balance Sheet date. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognized in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

(ii) Short term / Long term employee benefits

All employee benefits payable within twelve months of receiving the employee services are classified as Short-term employee benefits and benefits payable after twelve months of receiving the employee services are classified as Long-term employee benefits.

The undiscounted amount of short-term employee benefits expected to be paid in exchange of services rendered by employees is recognized during the period when the employee renders services. These benefits include salaries, bonuses, and leave travel allowance and performance incentives.

The employees of the Company are entitled to compensate them for the absences. The Company has a policy for leave encashment, whereby the balance of leave is either availed or encashed in the following year, and hence the same is classified as short term. The short-term leave encashment liability has been measured based on actuarial valuations on the basis of actual leave balance outstanding at the year end.

1.8 Earnings per Share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

Dilutive potential equity shares are determined independently for each period presented.

1.9 Income Taxes

- (i) Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act 1961. Advance tax and provision for current tax are presented in the balance sheet after off-setting advance tax paid and income tax provisions.
- (ii) Deferred Tax is recognised, subject to consideration of prudence, on timing differences, being the difference between carrying amount and tax base of all assets and liabilities that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax charge or credit is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred Tax liabilities are recognised for all timing differences.

Deferred Tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of that there will be sufficient future taxable income available to realise such assets.

Deferred Tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

Deferred Tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set-off.

Deferred Tax Assets are reviewed at each balance sheet date for their realizability.

1.10 Foreign Currency Transactions

Foreign currency transactions are recorded at exchange rates prevailing at the date of the transaction. Exchange differences, if any, arising from settlement of transactions except those relating to fixed assets are recognized as income or expense in the year in which they arise.

In the case of fixed assets, the cost is adjusted for exchange differences arising on payment of liabilities incurred for the purpose of acquiring such fixed assets.

1.11 Dividends

Dividends are recommended by the board in the board meeting while approving annual financial results and subsequently approved by the shareholders in the annual general meeting. Post approval of dividend in AGM, dividends are paid and recorded in books accordingly.

1.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognized in the balance sheet when the company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial instruments at initial recognition.

1.13 Impairment of assets

Financial assets: The company recognizes loss allowances using the expected credit loss (ECL) model for financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL and charged to the statement of profit & loss account subject to the provisions created so far.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in statement of profit or loss.

Non-financial assets: Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

1.14 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, balances with banks in Current Accounts, demand deposits with banks / corporates and short term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

1.15 Cash Flow Statement

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

1.16 Provisions

A provision shall be recognized when:

- (a) an entity has a present obligation as a result of a past event
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

1.17 Product Warranty

In respect of warranty given by the company on sale of rotavators, the estimated cost of warranty is provided at the time of sale. The estimate for accounting of warranty is reviewed and revisions are made on a quarterly basis. In respect of seat & seat mechanism, warranty cost is recognized as per actuals as and when incurred.

1.18 Segment Reporting

The Company identifies primary segments based on the dominant nature of products, risks and returns, category of customers dealt with and the internal reporting system, organization and management structure.

The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The Company's business is primarily dominated by Automobile components and Agriculture Implements. Revenue and expenses directly attributable to segments are reported under each reportable segment. All other income and expenses which are not attributable or allocable to segments have been disclosed as un-allocable expenses. In addition, corporate assets or liabilities which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

1.19 Leases

Transition to Ind AS 116 notified under Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards). Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements where the lease period is more than 12 months except for leases with a term of twelve months or less (short-term leases) and low value leases.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the lease term of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the company changes its assessment whether it will exercise an extension or a termination option.

1.20 Borrowing Costs

Borrowing costs directly attributable to acquisition or construction or production of qualifying assets, which necessarily take a substantial period to get ready for their intended use are capitalized as part of cost of the asset. Other borrowing costs are recognized as expense in the period in which they are incurred.

SAL AUTOMOTIVE LIMITED**Statement of Changes in Equity (SOCE)****A. CHANGES IN EQUITY SHARE CAPITAL****(Rs in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Outstanding at the beginning of the year	239.77	239.77
Changes during the year of the year	—	—
Outstanding at the end of the year	239.77	239.77

B. CHANGES IN OTHER EQUITY**(Rs in Lakhs)**

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	General Reserve	Retained Earnings	OCI	Total	General Reserve	Retained Earnings	OCI	Total
Opening Balance	1,872.24	1,785.22	(13.95)	3,643.51	1,872.24	1,371.16	11.52	3,254.92
Profit / (Loss) after tax for the period	—	539.60	(12.41)	527.19	—	509.96	(25.47)	484.49
Dividend paid on Equity Shares	—	(107.90)	—	(107.90)	—	(95.90)	—	(95.90)
Closing Balance	1,872.24	2,216.92	(26.36)	4,062.80	1,872.24	1,785.22	(13.95)	3,643.51

For **MANGLA ASSOCIATES**
Chartered Accountants (FRN006796C)

A.P. MANGLA
Partner
Membership No. 080173
UDIN : 25080173BMNSEQ6513

Noida, 23rd May, 2025

FOR AND ON BEHALF OF THE BOARD

RAJIV SHARMA
Chairman

NAMRATA JAIN
Executive Director- Finance

R.K. SHARMA
Managing Director

GAGAN KAUSHIK
Company Secretary & General Counsel
Ghaziabad, 23rd May, 2025

SAL AUTOMOTIVE LIMITED

2.1 PROPERTY, PLANT AND EQUIPMENT as at 31st March, 2025 (Refer Note 1.5) (Rs in Lakhs)

Description of Assets	Land	Buildings	Plant and Equipment	Electrical Installations	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross Carrying Value as at 1st April, 2024	2.73	1,912.57	2,736.26	359.82	316.58	77.41	238.20	5,643.57
Additions during the year	341.29	23.97	236.63	6.91	17.78	10.93	49.91	687.42
Disposals / Adjustments during the year			-		0.41		-	0.41
Gross Carrying Value as at 31st Mar, 2025	344.02	1,936.54	2,972.89	366.73	334.77	88.34	288.11	6,331.40
Accumulated Depreciation as at 1st April, 2024	-	487.94	1,465.78	168.62	208.13	36.54	141.92	2,508.93
Depreciation expense for the year		80.37	183.00	23.23	35.92	6.79	22.91	352.22
Adjustment on disposals during the year			-		-		-	-
Accumulated Depreciation as at 31st Mar, 2025	-	568.31	1,648.78	191.85	244.05	43.33	164.83	2,861.15
Net Carrying Value as at 31st Mar, 2025	344.02	1,368.23	1,324.11	174.88	90.72	45.01	123.28	3,470.25
Net Carrying Value as at 31st Mar, 2024	2.73	1,424.63	1,270.48	191.20	108.45	40.87	96.28	3,134.64
Capital Work in Progress as at 31st Mar, 2025*								37.24
Capital Work in Progress as at 31st Mar, 2024								44.74

* Rs. 22.43 Lakhs is fresh addition in CWIP and Rs. 29.93 Lakhs has been capitalised during FY 2024-25

2.2 INTANGIBLE ASSETS as at 31st March, 2025 (Refer Note 1.6) (Rs in Lakhs)

Description of Assets	Software	Design & Development	Patents	Total
Gross Carrying Value as at 1st April, 2024	110.94	67.45	0.09	178.48
Additions during the year	-	-	-	-
Disposals / Adjustments during the year	(0.41)	-	-	(0.41)
Gross Carrying Value as at 31st Mar, 2025	110.53	67.45	0.09	178.07
Accumulated Depreciation as at 1st April, 2024	90.06	64.04	0.06	154.16
Depreciation expense for the year	6.20	-	-	6.20
Adjustment on disposals during the year	-	-	-	-
Accumulated Depreciation as at 31st Mar, 2025	96.26	64.04	0.06	160.36
Net Carrying Value as at 31st Mar, 2025	14.27	3.41	0.03	17.71
Net Carrying Value as at 31st Mar, 2024	20.88	3.41	0.03	24.32

SAL AUTOMOTIVE LIMITED

2.3 LEASES

- a) Effective from 01 April 2019, the company has adopted Ind AS - 116, "Leases". The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements where lease tenure is more than 12 months.

LEASE ASSETS (Right to Use)		(Rs. in Lakhs)
Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	216.43	286.07
Additions during the year	—	-
Amortisation during the year	(69.64)	(69.64)
Closing Balance	146.79	216.43
LEASE LIABILITIES		(Rs in Lakhs)
Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	233.46	295.05
Additions during the year	-	-
Accretion of Interest	21.30	27.21
Lease Payments	(88.80)	(88.80)
Closing Balance	165.96	233.46
Current Liabilities	68.58	67.51
Non-Current Liabilities	97.38	165.95
Total	165.96	233.46

- b) Contractual maturities of lease liabilities on an undiscounted basis is given below.

Particulars	As at 31st March, 2025	As at 31st March, 2024
Less than One Year	88.80	88.80
One Year to Two Years	189.80	189.80

- c) Rental Expense related to short term leases amounting to Rs. 88.80 Lakhs has been accounted for during the year. (Previous Year - Rs 88.80 Lakhs)

2.4 NON-CURRENT FINANCIAL ASSETS		(Rs. in Lakhs)
Particulars	As at 31st March, 2025	As at 31st March, 2024
Deposits Others (unsecured considered good)	38.22	24.40
Deposits with Govt Authorities	36.19	46.66
Deposits with Banks against OD Limit and Demand Loans	891.56	428.23
	965.97	499.29

Deposits include refundable deposits against rental shed, deposits with Govt. Authorities and earnest money deposits with various State Road Transport Undertakings.

2.5 (a) DEFERRED TAX ASSET / (LIABILITY)**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred Tax Liabilities		
– PPE	(108.33)	(91.97)
Deferred Tax Assets		
– Provision for Gratuity	20.88	30.72
– Provision for Leave Encashment	42.86	42.22
– Provision for Bonus	6.43	6.82
– Provision for Warranty	4.64	5.36
– Provision for Doubtful Debts / Advances	16.60	15.87
Deferred Tax Assets / (Liabilities)	(16.92)	9.02

2.5 (b) Income Tax recognised in Balance Sheet**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
– Income Tax (net of provisions)	(14.56)	(6.40)
	(14.56)	(6.40)

2.5 (c) Income Tax recognised in Profit and Loss Account**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
– Current Tax	217.63	155.93
– Deferred Tax	25.94	3.79
	243.57	159.72

2.5 (d) Reconciliation of income tax provision to the amount computed by applying the statutory income tax rate to the income before income tax is summarised below:-**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Profit before Tax	787.34	678.25
Income Tax expense	198.17	170.72
Income not considered for tax purposes	–	–
Effect of estimated non deductible expenses	–	–
Others (including temporary difference)	(9.08)	(14.79)
Income Tax recognised in profit & loss account	189.09	155.93

SAL AUTOMOTIVE LIMITED**2.6 NON CURRENT OTHER ASSETS****(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Capital Advances	35.98	64.03
Prepaid Expenses	12.15	18.41
	<u>48.13</u>	<u>82.44</u>

2.7 INVENTORIES (Refer Note 1.4)**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Raw Materials & Components *	1,313.03	1,235.43
Work-in-Progress	425.92	268.76
Finished Goods	348.39	464.76
Goods in Transit	93.82	79.83
Stores and Spares	98.13	93.09
Loose Tools	30.07	26.20
	<u>2,309.36</u>	<u>2,168.07</u>

Inventory as at 31st March, 2025 has been physically verified by an independent firm of chartered accountants and certified by the management.

* Includes Goods in Transit of **Rs. 33.83 Lakhs** (2024 - Rs 51.98 Lakhs)

The amount of inventories includes an amount of **Rs. 129.54 Lakhs** (2024 - Rs. 123.12 Lakhs) in respect of slow & non moving items which have been valued at **Rs. 40.44 Lakhs** (2024 - Rs. 38.54 Lakhs) to arrive at its net realizable value.

2.8 TRADE RECEIVABLES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Debts outstanding from the date they are due for payment		
Unsecured		
For more than six months		
– Considered Doubtful	42.58	39.70
Less : Provision for doubtful debts (Refer Note 1.13 and 2.43)	(42.58)	(39.70)
– Considered good	226.65	152.41
For less than six months		
– Considered good	<u>4,194.93</u>	<u>3,523.95</u>
	<u>4,421.58</u>	<u>3,676.36</u>

AGEING SCHEDULE FOR TRADE RECEIVABLES AS AT 31st Mar, 2025

Particulars	Not yet due	Outstanding from due dates of payments					
		< 6 months	6 months - 1 Year	1 - 2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed - Having significant increase in credit risk	2,893.03	1,301.90	43.58	128.85	9.34	44.88	4,421.58
(ii) Undisputed - Credit Impaired	—	—	—	—	—	—	—
(iii) Disputed - Considered Good	—	—	—	—	—	—	—
(iv) Disputed - Having significant increase in credit risk	—	—	—	—	—	—	—
(v) Disputed - Credit Impaired		—	0.06	0.11	0.08	42.33	42.58
Total	2,893.03	1,301.90	43.64	128.96	9.42	87.22	4,464.16

AGEING SCHEDULE FOR TRADE RECEIVABLES AS AT 31st Mar, 2024

Particulars	Not yet due	Outstanding from due dates of payments					
		< 6 months	6 months - 1 Year	1 - 2 Years	2-3 Years	> 3 Years	Total
(i) Undisputed - Having significant increase in credit risk	2,939.02	584.88	40.67	52.86	18.60	40.33	3,676.36
(ii) Undisputed - Credit Impaired	—	—	—	—	—	—	—
(iii) Disputed - Considered Good	—	—	—	—	—	—	—
(iv) Disputed - Having significant increase in credit risk	—	—	—	—	—	—	—
(v) Disputed - Credit Impaired	-	0.06	0.10	0.01	0.08	39.45	39.70
Total	2,939.02	584.94	40.77	52.87	18.68	79.78	3,716.06

SAL AUTOMOTIVE LIMITED**2.9 CASH & BANK BALANCES****(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Cash & Cash Equivalents		
– Cash in hand	12.25	10.97
– Cheques & Drafts in hand	–	–
– Fixed Deposits with Banks maturing within 3 months	–	–
– Balance with Banks	110.67	56.67
Bank Balances other than Cash & Cash Equivalents		
– Earmarked Balances with Banks - Unpaid/Unclaimed Dividend	5.62	6.05
– Fixed Deposits with Banks against OD Limit and Demand Loans	20.00	380.23
– Fixed Deposits with Banks maturing within 12 months	37.47	55.78
	<u>186.01</u>	<u>509.70</u>

Cash and cash equivalents comprise cash balances on hand, bank balance and term deposits with banks.

Cash and cash equivalents as of 31st March, 2025 include restricted bank balances of **Rs.25.62 Lakhs** (2024 - Rs.386.28 Lakhs). The restrictions are primarily on account of deposits with bank held as security against interest and repayment of borrowings lying in the form of OD limit , term loans and balance with banks against payment of unpaid / unclaimed dividends.

2.10 OTHER FINANCIAL ASSETS**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Insurance Claim Recoverable	1.33	1.33
Other Recoverable	164.74	13.10
Loans & Advances to Employees	17.44	9.89
Interest Accrued on Fixed Deposits	45.73	56.21
Deposits Others	15.99	28.93
Deposits with Govt. Authorities	7.49	–
	<u>252.72</u>	<u>109.46</u>

2.11 OTHER CURRENT ASSETS**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Prepaid Expenses	29.06	32.12
Balance with Govt. Authorities (other than income tax)	251.66	474.68
Advances to Suppliers	166.45	211.27
Value Added Tax Recoverable	26.15	21.00
	<u>473.32</u>	<u>739.07</u>

2.12 EQUITY SHARE CAPITAL (refer SOCE)**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Authorised		
Equity Shares, Rs. 10/- par value		
1,00,00,000 (2024 - 30,00,000) Equity Shares*	1,000.00	300.00
Redeemable Cumulative Preference Shares, Rs. 100/- par value		
50,000 (2024 - 50,000) Redeemable Cumulative Preference Shares	50.00	50.00
	1, 050.00	350.00
Issued, Subscribed & Paid-up		
Equity Shares, Rs. 10/- par value		
23,97,713 (2024 - 23,97,713) Equity Shares fully paid-up**	239.77	239.77
	239.77	239.77

The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each Equity Shareholder is entitled to one vote per share.

* **Authorized share capital** of the company has been increased to **Rs. 1050 Lakhs** from Rs 350 Lakhs via shareholders approval dated 15th March, 2025 through Postal ballot.

** Pursuant to the approval of the shareholders on dated 15th March, 2025 via postal ballot and subsequent approvals from stock exchange i.e. BSE Ltd, the company has issued bonus shares on 4th April, 2025 in the ratio of 1:1 i.e one (1) equity share of face value of Rs. 10/- each for every one (1) existing equity share of face value of Rs. 10/-. Accordingly 23,97,713 equity shares got allotted to the eligible share holders on the record date (i.e April 4, 2025) as Bonus Equity Shares. Furtherance to this, **issued and paid-up Equity Share Capital** of the company would get increased to **Rs 479.54 Lakhs** from Rs 239.77 Lakhs by capitalising General Reserve.

Dividend Paid : The Board of Directors in their meeting held on 29th May, 2024 opted for proposing a dividend of Rs. 4.50 per Equity Share for the financial year ended 31-03-2024. Dividend as proposed by the board of directors was approved by the shareholders in their Annual General Meeting held on 25th Sep, 2024.

Proposed Dividend : The company declares and pays dividend in Indian Rupees. The Board of Directors in their meeting held on **23rd May, 2025** proposed a Dividend of **Rs. 2.50 per Equity Share** for the financial year ended **31-03-2025**. Dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Upon approval of the proposed dividend in the Annual General Meeting, same would result in a cash outflow of **Rs. 119.89 Lakhs** and the same shall be taxable in the hands of shareholders.

Shareholding of the promoters as at 31-03-2025 :

– Name of Promoter	b4S Solutions Private Limited
– Nos. of Shares Held	17,98,285
– % of total shares	75%
– % change during the year	Nil

Equity Shareholders holding more than 5% shares :

Particulars	As at 31st March, 2025		As at 31st March, 2024	
Name	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
b4S Solutions Private Limited	17,98,285	75%	17,98,285	75%

SAL AUTOMOTIVE LIMITED**Reconciliation of number of Equity Shares outstanding and the amount of Share Capital :**

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares held	Share Capital (Rs. in Lakhs)	No. of Shares held	Share Capital (Rs. in Lakhs)
Number of equity shares at the beginning of the year	23,97,713	239.77	23,97,713	239.77
Movement in equity shares during the year	—	—	—	—
Number of equity shares at the closing of the year	23,97,713	239.77	23,97,713	239.77

In the last 5 years, the Company has not :

- allotted any shares as fully paid-up pursuant to contract(s) without being received in cash
- allotted any bonus shares
- bought back its shares

2.13 OTHER EQUITY (refer SOCE)**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
General Reserve	1,872.24	1,872.24
Retained Earnings	2,190.56	1,771.27
	<u>4,062.80</u>	<u>3,643.51</u>

2.14 NON-CURRENT BORROWINGS**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Secured Loans		
Loan from Banks	16.84	21.12
Less : Current Maturities of Long-Term Loan (Ref Note No. 2.17)	<u>(6.12)</u>	<u>(6.04)</u>
Drop Line Overdraft - Secured against Factory Land	1,188.62	871.74
Less : Current Maturities of Long-Term Overdrafts (Ref Note No. 2.17)	<u>(683.43)</u>	<u>(871.74)</u>
	<u>515.91</u>	<u>15.08</u>

Loan from Banks is in nature of Vehicle Loan with ICICI Bank and is repayable over a period of maximum upto June, 2028.

Drop Line Overdrafts with ICICI Bank are repayable over a period of maximum upto April, 2029 and carry interest rates which are linked to Repo rate with spread of 3.00% Per annum.

2.15 NON-CURRENT FINANCIAL LIABILITIES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Capital Subsidy	5.13	5.98
Less : Current Maturities of Long Term Subsidy	<u>(0.85)</u>	<u>(0.85)</u>
	<u>4.28</u>	<u>5.13</u>

2.16 NON-CURRENT PROVISIONS**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Employee Benefits (Refer Note 1.7)		
– Provision for Gratuity (Refer Note 2.39)	30.67	22.87
– Provision for Leave Encashment (Refer Note 2.40)	122.19	119.50
	<u>152.86</u>	<u>142.37</u>

2.17 CURRENT FINANCIAL LIABILITIES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Current Maturities of Long-Term Loan (Ref Note No. 2.14)	6.12	6.04
Current Maturities of Long-Term Drop Line Overdrafts (Ref Note No. 2.14)	683.43	871.74
Bank Borrowings:		
– Overdrafts -Secured against FDRs	699.81	751.49
– Cash Credits - Secured against Factory Land *	295.40	807.18
	<u>1,684.76</u>	<u>2,436.45</u>

* Company maintains Cash Credit and Drop Line Overdraft Limits with ICICI Bank Ltd and submits monthly statement of current assets with ICICI Bank in the form as prescribed by the bank.

2.18 TRADE PAYABLES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Trade Payables - Micro & Small Enterprises	643.81	316.67
Trade Payables - Other than Micro & Small Enterprises	4,283.37	3,684.26
Other Accruals	58.21	56.26
	<u>4,985.39</u>	<u>4,057.19</u>

SAL AUTOMOTIVE LIMITED**DISCLOSURE RELATED TO MICRO AND SMALL ENTERPRISES**

Categorization of Micro and Small Enterprises has been revised as per the provisions of amended MSMED Act effecting from July '20. Company has revalidated the MSMED suppliers based on the UDYAM Aadhar Certificates as per the new guidelines and outstanding dues at the year end have been calculated accordingly.

(Rs. in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
a) Dues remaining unpaid as at 31st March		
– Principal	188.59	26.81
– Interest on above	1.13	0.15
b) Interest paid in terms of section 16 of the Act along with the amount of payments made to the supplier beyond the appointed date during the year		
– Principal paid beyond the appointed date	2068.19	204.19
– Interest paid in terms of section 16 of the Act	3.38	–
c) Amount of interest due and payable for the period of delay in payments made beyond the appointed date during the year	25.80	3.23
d) Further interest due and payable even in the succeeding year, until such date when the interest due as above are actually paid to the small enterprises.	–	–
e) Amount of interest accrued and remaining unpaid as at 31st March	26.93	3.38

AGEING SCHEDULE FOR TRADE PAYABLES AS AT 31st Mar, 2025

Particulars	Not yet Due	Outstanding from due dates of payments				
		< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	455.22	188.59	-	-	-	643.81
(ii) Others	2436.15	1873.80	0.93	21.32	9.38	4341.58
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	2891.37	2062.39	0.93	21.32	9.38	4985.39

AGEING SCHEDULE FOR TRADE PAYABLES AS AT 31st Mar, 2024

Particulars	Not yet due	Outstanding from due dates of payments				
		< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
(i) MSME	289.86	26.81	-	-	-	316.67
(ii) Others	2193.97	1515.08	22.09	9.38	-	3740.52
(iii) Disputed Dues - MSME	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-
Total	2483.83	1541.89	22.09	9.38	-	4057.19

2.19 OTHER CURRENT FINANCIAL LIABILITIES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deposits & Earnest Money	3.35	3.07
Unpaid / Unclaimed Dividend *	5.62	6.05
Others	0.85	0.85
	<u>9.82</u>	<u>9.97</u>

* Rs 0.97 Lakhs (2024 - Rs 0.77 lakhs) credited to Investor Education and Protection Fund during the Year.

2.20 CURRENT PROVISIONS**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Provision for Employee Benefits		
– Provision for Gratuity (Refer Note 2.39)	52.28	65.15
– Provision for Leave Encashment (Refer Note 2.40)	48.10	48.25
Others		
– Warranty Claim (Refer Notes 1.17 & 2.42)	18.42	21.30
– Provision against doubtful advances (Refer Note 2.43)	23.35	23.35
	<u>142.15</u>	<u>158.05</u>

2.21 OTHER CURRENT LIABILITIES**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
Advances from Customers	131.73	84.12
Statutory Dues Payable	48.64	41.93
Employees Dues Payable	153.53	140.11
	<u>333.90</u>	<u>266.16</u>

2.22 TOTAL INCOME FROM OPERATIONS**(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Sale of Products (Refer Note 2.38 A)	37,323.04	30,351.65
Other Operating Income		
– Sale of Scrap	442.79	380.15
– Job Charges	10.14	20.11
	<u>37,775.97</u>	<u>30,751.91</u>

2.23 OTHER INCOME**(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Interest Income	62.20	78.76
Miscellaneous Income*	110.94	17.67
	<u>173.14</u>	<u>96.43</u>

*Includes Rs. 106.00 Lakhs towards incentive recoverable on account of incentive available under Punjab Industrial and Business Development Policy' 2017 towards exemption in Electricity Duty from power bill from Apr, 21 to Mar, 24 (2024 Rs 3.12 Lakhs related to written back of excess provisions and Rs 0.40 lakhs related to liabilities).

SAL AUTOMOTIVE LIMITED**2.24 COST OF MATERIALS CONSUMED (Refer Note 2.38 B)****(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Opening Stock	1,261.63	1,408.28
Add : Purchases*	29,913.21	23,381.42
Job Charges	345.03	354.84
	31,519.87	25,144.54
Less : Closing Stock*	(1,343.10)	(1,261.63)
	30,176.77	23,882.91

* Includes Goods in Transit of **Rs 33.83 Lakhs** (2024 - Rs 51.98 Lakhs)**2.25 CHANGES IN INVENTORIES OF FINISHED GOODS & WORK-IN-PROGRESS****(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Opening Stock		
– Work in Progress	268.76	448.48
– Finished Goods	544.59	514.34
	813.35	962.82
Closing Stock		
– Work in Progress	425.92	268.76
– Finished Goods	442.21	544.59
	868.13	813.35
	(54.78)	149.47

2.26 EMPLOYEE BENEFITS EXPENSE**(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Salaries & Wages	4,134.05	3,462.81
Contribution to Provident & Other Funds	116.65	110.96
Gratuity	34.99	29.44
Workmen & Staff Welfare	285.03	268.66
	4,570.72	3,871.87

2.27 FINANCE COSTS**(Rs. in Lakhs)**

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Processing Charges	2.50	2.34
Interest Charges	227.33	274.63
Vehicle Loan Interest	1.76	1.58
	231.59	278.55

SAL AUTOMOTIVE LIMITED

2.28 OTHER EXPENSES

(Rs. in Lakhs)

Particulars	For the year ended	
	31st March, 2025	31st March, 2024
Power, Fuel & Water Charges	679.46	590.50
Consumption of Stores & Spares	26.43	24.80
Rent	79.51	72.01
Rates and Taxes	26.90	23.09
Insurance	26.79	23.55
Repairs and Maintenance		
– Buildings	7.54	9.69
– Machinery	242.77	180.26
– Others	102.29	82.62
Postage & Telephone	8.11	10.23
Printing & Stationery	15.79	14.77
Legal and Professional Charges	24.47	33.72
Advertisement	12.10	9.36
Freight Outward	227.92	195.45
Business Promotion Expenses	7.16	2.49
Festival Expenses	22.84	18.35
Travelling & Conveyance Expenses	112.37	90.74
Provisions for doubtful debts & Advances	–	28.71
Auditor's Remuneration		
– Statutory Audit Fees	3.00	3.00
– Other Services	3.89	4.07
– Reimbursement of Expenses	0.39	1.24
– Tax Audit Fees	0.60	0.60
Cost Auditor's Fees	0.84	0.84
Secretarial Audit Fee	0.72	0.84
Internal Auditor's Fee	5.40	5.40
Internal Auditor's Expenses	0.26	0.45
Director's Sitting Fees	16.95	17.60
Design & Development Expenses	9.44	16.31
Warranty Claims	2.91	9.17
Loss on Sale of Fixed Assets	–	1.30
Bank Charges	3.88	1.31
Interest & Penalties	0.93	0.93
Testing Charges	15.89	3.05
Security Services	85.49	80.50
Miscellaneous Expenses	36.37	19.73
	1,809.41	1,576.68

2.29 CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of company's capital management.

The company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders. The capital structure of the company is based on management's judgment of its strategic and day to day needs with a focus on total equity so as to maintain investors, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure.

A. Debt/Equity Ratio**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
– Net Debts	2,200.67	2,451.53
Total	<u>2,200.67</u>	<u>2,451.53</u>
– Total Equity		
– Share Capital	239.77	239.77
– Other Equity Capital	4062.80	3643.51
Total	<u>4302.57</u>	<u>3883.28</u>
Net Debts to Equity Ratio	0.51	0.63

B. Dividends**(Rs. in Lakhs)**

Particulars	As at 31st March, 2025	As at 31st March, 2024
– Final Dividend for the year ended 31st March, 2024 @ Rs 4.50/- per equity share.	107.90	–
– Final Dividend for the year ended 31st March, 2023 @ Rs. 4.00 per equity share	–	95.91

In addition to above paid dividends, dividend of Rs. 2.50 per equity share proposed by the board of directors for the financial year ended 31st March, 2025 is subject to the approval of the shareholders in the ensuing Annual General Meeting.

2.30 FINANCIAL INSTRUMENTS

(Refer Note 1.12)

Categories of Financial Assets and Liabilities as at 31st March, 2025

(Rs. in Lakhs)

Particulars	Amortised Cost	Fair Value through Profit & Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
– Loans	-	-	-	-	-
– Other Financial Assets	<u>965.97</u>	<u>-</u>	<u>-</u>	<u>965.97</u>	<u>965.97</u>
	<u>965.97</u>	<u>-</u>	<u>-</u>	<u>965.97</u>	<u>965.97</u>
Non Current Liabilities					
– Loans	<u>515.91</u>	<u>-</u>	<u>-</u>	<u>515.91</u>	<u>515.91</u>
– Other Financial Liabilities	<u>4.28</u>	<u>-</u>	<u>-</u>	<u>4.28</u>	<u>4.28</u>
	<u>520.19</u>	<u>-</u>	<u>-</u>	<u>520.19</u>	<u>520.19</u>
Current Assets					
– Trade Recievables	<u>4421.58</u>	<u>-</u>	<u>-</u>	<u>4421.58</u>	<u>4421.58</u>
– Cash & Cash Equivalents	<u>186.01</u>	<u>-</u>	<u>-</u>	<u>186.01</u>	<u>186.01</u>
– Other Financial Assets	<u>252.72</u>	<u>-</u>	<u>-</u>	<u>252.72</u>	<u>252.72</u>
	<u>4860.31</u>	<u>-</u>	<u>-</u>	<u>4860.31</u>	<u>4860.31</u>
Current Liabilities					
– Trade Payables	<u>4985.39</u>	<u>-</u>	<u>-</u>	<u>4985.39</u>	<u>4985.39</u>
– Loans	<u>1684.76</u>	<u>-</u>	<u>-</u>	<u>1684.76</u>	<u>1684.76</u>
– Other Financial Liabilities	<u>9.82</u>	<u>-</u>	<u>-</u>	<u>9.82</u>	<u>9.82</u>
	<u>6679.97</u>	<u>-</u>	<u>-</u>	<u>6679.97</u>	<u>6679.97</u>

Categories of Financial Assets and Liabilities as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Amortised Cost	Fair Value through Profit & Loss	Fair Value through OCI	Total Carrying Value	Total Fair Value
Non-Current Assets					
– Loans	-	-	-	-	-
– Other Financial Assets	<u>499.29</u>	<u>-</u>	<u>-</u>	<u>499.29</u>	<u>499.29</u>
	<u>499.29</u>	<u>-</u>	<u>-</u>	<u>499.29</u>	<u>499.29</u>
Non-Current Liabilities					
– Loans	<u>15.08</u>	<u>-</u>	<u>-</u>	<u>15.08</u>	<u>15.08</u>
– Other Financial Liabilities	<u>5.13</u>	<u>-</u>	<u>-</u>	<u>5.13</u>	<u>5.13</u>
	<u>20.21</u>	<u>-</u>	<u>-</u>	<u>20.21</u>	<u>20.21</u>
Current Assets					
– Trade Receivables	<u>3676.36</u>	<u>-</u>	<u>-</u>	<u>3676.36</u>	<u>3676.36</u>
– Cash & Cash Equivalents	<u>509.70</u>	<u>-</u>	<u>-</u>	<u>509.70</u>	<u>509.70</u>
– Other Financial Assets	<u>109.46</u>	<u>-</u>	<u>-</u>	<u>109.46</u>	<u>109.46</u>
	<u>4295.52</u>	<u>-</u>	<u>-</u>	<u>4295.52</u>	<u>4295.52</u>
Current Liabilities					
– Trade Payables	<u>4057.19</u>	<u>-</u>	<u>-</u>	<u>4057.19</u>	<u>4057.19</u>
– Loans	<u>2436.45</u>	<u>-</u>	<u>-</u>	<u>2436.45</u>	<u>2436.45</u>
– Other Financial Liabilities	<u>9.97</u>	<u>-</u>	<u>-</u>	<u>9.97</u>	<u>9.97</u>
	<u>6503.61</u>	<u>-</u>	<u>-</u>	<u>6503.61</u>	<u>6503.61</u>

SAL AUTOMOTIVE LIMITED

Financial Risk Management Framework

Company activities expose to financial risks viz Credit risks and Liquidity risks.

Credit Risk: -

Credit Risk is the risk of financial loss to the company if a customer or counter party to financial instrument fails to meet its contractual obligations, and arises principally from the company's recoverable from customers, deposits with banks and other financial instruments. The carrying amount of financial assets represents the maximum credit risk exposures.

Credit Risk management

- Majority of the company's receivables pertain to OEM's. Based on the overall credit worthiness of receivables and looking into their past record, company expects minimum risks with regard to its outstanding receivables. There is standard mechanism to periodically track the outstanding amounts and assess the same with regard to its realization and creates the provision against dues doubtful to realize. Company expects all the debtors to be realized in full except the provisions stated in the financials.
- Credit risk on cash and cash equivalents is limited as company generally invests in Fixed deposits with banks.

Liquidity Risk: -

Liquidity risk is the risk that the company will encounter the difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities, when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company's reputation.

Liquidity Risk management

The company's primary source of liquidity includes bank deposits, credit facilities from bank and cash flows from operating activities. The company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and by matching profiles of financial assets and liabilities.

Financial Liabilities include trade payables, capital subsidy, unpaid / unclaimed dividends etc which are in the normal course of business having maturity of less than 1 year and interest bearing loans.

Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term liquidity needs. In addition, the company projects cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans.

Following is the tabulated summary of balance contractual maturity for its financial liabilities with agreed repayment periods based on the date on which these are required to pay.

As at 31st March, 2025

(Rs. in Lakhs)

Particulars	Less than One year	One to Three Years	More than 3 years
– Trade Payables	4953.76	31.63	-
– Other Financial Liabilities	1694.58	-	-
	<u>6648.34</u>	<u>31.63</u>	<u>-</u>

As at 31st March, 2024

(Rs. in Lakhs)

Particulars	Less than One year	One to Three years	More than 3 years
– Trade Payables	4025.72	31.47	-
– Other Financial Liabilities	2446.42	-	-
	<u>6472.14</u>	<u>31.47</u>	<u>-</u>

The Company had a working capital of Rs. 1384.13 Lakhs including unrestricted cash and cash equivalents of Rs.160.39 Lakhs as at 31st March'2025.

The Company had a working capital of Rs.706.62 Lakhs including unrestricted cash and cash equivalents of Rs.123.42 Lakhs as at 31st March'2024.

Accordingly, company does not perceive any liquidity risks.

2.31 ADDITIONAL DISCLOSURE AS PER MCA NOTIFICATION, DATED 24.03.2021

Particulars	As at 31st March, 2025	As at 31st March, 2024
Current Ratios (Times) (Current Assets / Current Liabilities)	1.19	1.10
Debt- Equity Ratio (Times) [(Long-term borrowing including current maturities + short-term borrowing) / Total Equity]	0.51	0.63
Debt Service Coverage ratio (Times) [(Earnings before interest, depreciation, tax and exceptional items) / (Interest expense on short-term and long term borrowings + scheduled principal repayment of borrowings during the year)]	1.89	0.82
Return on Equity ratio (%) (Net Profits after taxes / Average Total Equity for the period)	12.5%	13.1%
Inventory Turnover ratio (Times) (Cost of material consumed / Average inventories)	13.46	10.45
Trade Receivable Turnover Ratio (Times) (Revenue from Sales of goods and services / Average trade receivables)	9.33	8.34
Trade Payable Turnover Ratio (Times) (Cost of goods purchased / Average trade payable)	6.70	5.23
Net Capital Turnover Ratio (Times) (Revenue from contract with customers / Average working capital)	36.13	30.52
Net Profit Ratio (%) (Profit / (loss) for the period / Revenue from operations)	1.4%	1.6%
Return on Capital Employed (%) (Earnings before interest and taxes / Average capital employed)	20.7%	16.6%
Return on Investment (%) (Return on Investment made in FDRs / Average Value of Investment made in FDRs)	6.6%	5.0%

Explanation for change in the ratios by more than 25%:

- (i) **Debt Service Coverage ratio (Times)** :- Debt Service Coverage ratio for current year improved over previous year primarily due to significant repayment of debts and increase in earnings during the year.
- (ii) **Inventory Turnover Ratio (Times)** :- Inventory Turnover ratio for current year increased against previous year primarily due to change in product mix during the year.
- (iii) **Trade Payable Turnover Ratio (Times)** :- Trade Payable Turnover ratio for current year increased against previous year primarily due to change in product mix during the year.
- (iv) **Return on Investment (%)** :- Return on Investment % for current year improved against previous year primarily due to increase in interest rate on FDRs during the year.

SAL AUTOMOTIVE LIMITED**2.32 CONTINGENT LIABILITIES**

(Not provided for in Accounts as certified by the Management)

Particulars	As at 31st March	
	2025 (Rs. in lakhs)	2024 (Rs. in lakhs)
Claims against the company, not acknowledged as debts*		
Employees / Workers	5.00	13.00
Pending C/H-Forms (Tax Value)	—	3.86
Service Tax Credit	6.29	—

* Amounts have been identified based on current status of the cases and does not include interest & other charges, if any.

2.33 CAPITAL COMMITMENTS

Particulars	As at 31st March	
	2025 (Rs. in lakhs)	2024 (Rs. in lakhs)
Estimated amount of contracts remaining to be executed on capital account (Net of advances)	84.96	51.35

2.34 CURRENT ASSETS / CURRENT LIABILITIES

All current assets, loans and advances are in the ordinary course of business and have a value on realisation at least equal to the amount at which they are stated in the financials.

2.35 SEGMENT REPORTING

Company's principal business covers two primary business segments, viz. "Automobile Components" and "Agriculture Implements". Segment revenue, segments results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments and also include amount allocable on reasonable basis. Items which are not directly relatable to the identified segments are shown as unallocated. The disclosure requirements of Ind AS – 108 "Operating Segments" are given below: -

Particulars	For the year ended 31st March	
	2025 (Rs. in lakhs)	2024 (Rs. in lakhs)
Segment Revenue :-		
– Automobile Components	15170.49	14649.84
– Agriculture Implements	22605.48	16102.07
Total	37775.97	30751.91
Segment Results [before finance cost and other unallocable income /(loss)]: -		
– Automobile Components	1022.15	1060.33
– Agriculture Implements	530.37	356.96
Total	1552.52	1417.29
Less :		
– Finance Cost	231.09	278.55
– Unallocable Expense (net of Income)	534.09	460.49
Total	787.34	678.25

Segment Assets :-

– Automobile Components	7660.50	6076.17
– Agriculture Implements	3322.91	3889.51
– Unallocable	1345.67	1247.86
Total	12329.08	11213.54

Segment Liabilities :-

– Automobile Components	3002.71	3215.27
– Agriculture Implements	2808.66	1657.06
– Unallocable	2215.14	2457.93
Total	8026.51	7330.26

2.36 RELATED PARTY DISCLOSURES**Related party disclosures for the year ended 31st March, 2025 are as follows:-**

– Holding Company	b4S Solutions Pvt. Ltd.
– Fellow Subsidiary	SAB Motors Pvt. Ltd.
– Fellow Subsidiary	Insulation & Electrical Products Pvt. Ltd.
– Fellow Subsidiary	b4S Infratech Pvt Ltd
– Fellow Subsidiary	Vascoda Holiday Resort Private Limited
– Fellow Subsidiary	Saral Network Services Private Limited
– Key Management Personnel (Chairman)	Shri Rajiv Sharma
– Key Management Personnel (Managing Director)	Shri Rama Kant Sharma
– Key Management Personnel (Executive Director - Finance)	Smt. Namrata Jain
– Key Management Personnel (Independent Director)	Shri Jamil Ahmad
– Key Management Personnel (Independent Director)	Shri K.N. Aggarwal
– Key Management Personnel (Independent Director)	Shri Uttam Sahay
– Key Management Personnel (Company Secretary)	Shri Gagan Kaushik
– Key Management Personnel (Finance Controller)	Shri Kulvinder Singh

Enterprises over which KMP's exercise significant influence

– Related Entity	ASB Automobiles Pvt.Ltd.
– Related Entity	Bhardwaj Packaging and Components Pvt.Ltd.
– Related Entity	b4S Motors Private Limited
– Related Party	Forris Trading LLP
– Related Party	Bhardwaj Networks
– Related Party	Bhardwaj Enterprises
– Related Party	Can – N – Cans
– Related Party	Aakash Enterprises
– Related Party	Bhardwaj Trading Company
– Related Party	Rams Services
– Related Party	Meraki Hospitality

Relatives of KMP's

– Close relation with Shri Rajiv Sharma	Anuradha Sharma
– Close relation with Shri Rajiv Sharma	Tushar Sharma
– Close relation with Shri Rajiv Sharma	Aditya Sharma
– Close relation with Shri Rajiv Sharma	S.B. Sharma
– Close relation with Shri Rajiv Sharma	Usha Sharma
– Close relation with Shri Rajiv Sharma	Meenu Narang
– Close relation with Shri Rajiv Sharma	Shivani Dutta
– Close relation with Shri Rama Kant Sharma	Kusum Lata Sharma
– Close relation with Shri Rama Kant Sharma	Aakash Bhardwaj
– Close relation with Shri Rama Kant Sharma	Naina Bhardwaj
– Close relation with Shri Rama Kant Sharma	Sagar Bhardwaj
– Close relation with Shri Rama Kant Sharma	Shiv Kant Sharma
– Close relation with Shri Rama Kant Sharma	Rajeev Bhardwaj
– Close relation with Smt. Namrata Jain	Viraja Gupta
– Close relation with Smt. Namrata Jain	Sunil Jain
– Close relation with Smt. Namrata Jain	Sarita Jain
– Close relation with Smt. Namrata Jain	Bharkha Jain
– Close relation with Shri Jamil Ahmad	S.M. Tariq
– Close relation with Shri Jamil Ahmad	S.M. Khalid
– Close relation with Shri Jamil Ahmad	Maryam Sayeda
– Close relation with Shri Jamil Ahmad	Sara Sayeda
– Close relation with Shri Jamil Ahmad	Sheheen Tabassum
– Close relation with Shri Jamil Ahmad	Yasmmen Tabassum
– Close relation with Shri Jamil Ahmad	Sardar Ali
– Close relation with Shri Jamil Ahmad	Mohammad Saif
– Close relation with Shri Jamil Ahmad	Mohd. Yasin
– Close relation with Shri Jamil Ahmad	Aqil Ahmad
– Close relation with Shri Jamil Ahmad	Mohd. Mustaqim
– Close relation with Shri K.N. Aggarwal	Neelam
– Close relation with Shri K.N. Aggarwal	Shubham Shah
– Close relation with Shri K.N. Aggarwal	Ramya Shah
– Close relation with Shri Uttam Sahay	Awantika Sahay
– Close relation with Shri Uttam Sahay	Jayati Sahay
– Close relation with Shri Gagan Kaushik	Neha Kaushik
– Close relation with Shri Gagan Kaushik	Shiv Kumar Kaushik
– Close relation with Shri Gagan Kaushik	Madhubala Sharma
– Close relation with Shri Kulvinder Singh	Amanpreet Kaur
– Close relation with Shri Kulvinder Singh	Sukhwinder Singh
– Close relation with Shri Kulvinder Singh	Swaran Kaur

SAL AUTOMOTIVE LIMITED

A) Transactions with Related Parties:	Holding Company (Rs. in Lakhs)	Associate Company (Rs. in Lakhs)
a) Purchase of Raw Material / Tools & Dies	-	926.60
- Bhardwaj Packaging & Components Pvt. Ltd.	-	(807.44)
- Insulation & Elctrical Products Pvt. Ltd.	-	43.69
	-	(47.53)
	-	882.91
	-	(759.91)
b) Purchase of Fixed Assets	-	-
	(48.76)	(23.36)
- SAB Motors Pvt. Ltd.	-	(23.36)
- b4S Solutions Pvt. Ltd.	-	-
	(48.76)	-
c) Expenditure in respect of services received	1,604.72	1.90
	(1,239.60)	(3.95)
- b4S Solutions Pvt. Ltd.	1,604.72	-
	(1,239.60)	-
- SAB Motors Pvt. Ltd.	-	1.90
	-	(3.95)
d) Dividend Paid	80.92	-
	(71.93)	-
- b4S Solutions Pvt. Ltd.	80.92	-
	(71.93)	-

Note : Previous Year Figures are in Bracket.

B) Closing Balances : Payables / (Receivables) :-

Particulars	As at 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
b4S Solutions Pvt. Ltd.	131.48	65.48
Bhardwaj Packaging and Components Pvt. Ltd.	5.12	2.53
SAB Motors Pvt. Ltd.	0.35	6.81
Insulation & Eletrical Products Pvt. Ltd.	1.93	49.49
	138.88	124.31

C) Key Management Personnel

Particulars	For the Year ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
Remuneration (short-term employee benefits)*	185.62	178.63
Director's Sitting Fee	16.95	17.60
Reimbursement of Expenses	20.73	11.15

*The above said remuneration is excluding provision for Gratuity & Leave Encashment, where the actuarial valuation is done on overall company basis.

SAL AUTOMOTIVE LIMITED**D) Other than above**

Particulars	For the Year ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
Remuneration (Short-term employee benefits)	86.29	6.83

2.37 EARNING PER SHARE (EPS)

Particulars	For the Year ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
a) Profit attributable to equity shareholder (Rs. Lakhs)	527.19	484.49
b) Basic/Weighted average number of equity shares	23,97,713	23,97,713
c) Basic / Diluted Earnings Per Share (a/b)	21.99	20.21

2.38 PRODUCT SALES & CONSUMPTION OF MATERIALS

Information about Production, Sales & Stocks, as certified by the management.

A. Production, Sales & Stock of Finished Goods

Particulars	Units	For the Year ended 31st March	
		2025	2024
i) Seats-Others			
Opening Stock	Nos	145	430
Production	"	27374	11760
Sales	"	27229	12045
Closing Stock	"	290	145
ii) Seats for Tractors			
Opening Stock	Nos	907	1631
Production	"	216890	192643
Sales	"	215651	193367
Closing Stock	"	2146	907
iii) Seat Components			
Opening Stock	Nos	74326	66018
Production	"	2003382	2205280
Sales	"	1949960	2196972
Closing Stock	"	127748	74326
iv) Agriculture Implements			
Opening Stock	Nos	140	210
Production	"	35220	24470
Sales	"	35270	24540
Closing Stock	"	90	140
v) Sales of Products		(Rs in Lakhs)	(Rs in Lakhs)
Seat Components		1629.83	2267.65
Seat - Others		717.21	291.13
Tractor Seats and Parts		8371.61	7786.36
Seat Frames		4067.35	4011.30
Agriculture Implements		22246.99	15882.75
Others incl Tools & Dies		290.05	112.46
		37323.04	30351.65

B a) Consumption of Raw Material & Components

Particulars	Units	For the Year ended 31st March			
		2025		2024	
		Qty. (Rs. in Lakhs)		Qty. (Rs. in Lakhs)	
PU Foam Material	MT	308.61	656.65	222.66	478.10
CRCA COIL & Strip	MT	944.13	742.86	938.74	801.78
Paints & Chemicals	MT	301.54	588.60	240.01	434.88
HR Sheet, Pipe, Tube, Flat etc	MT	10253.06	5926.71	7801.88	4924.96
PVC Cloth/Trim & Components			352.15		464.44
Bought out Parts for Seat Mechanism			790.10		1121.02
Bought out Parts for Seats			3563.75		3045.80
Bought out Parts for Seat Frames			1267.94		1135.51
Bought out Parts for Agricultural Implements			14970.52		10307.24
Packing Materials			134.35		84.91
Job Work Charges			345.03		354.84
Others			838.11		729.43
			<u>30176.77</u>		<u>23882.91</u>

Notes :

- (i) It is not feasible to furnish quantitative information of all the components in view of large number of items varied in size and nature.

Quantities and values of all items in Analysis of Raw Materials consumed represent the issues from stores made during the year. The figure of others is a balancing figure, based on total consumption shown as above and includes adjustments for excess / shortage found on physical verification.

b) Value of imported and indigenous Raw Materials & Components, Stores and Spares etc. consumed & percentage of each to total consumption

Particulars	For the Year ended 31st March			
	2025		2024	
	%age	(Rs. Lakhs)	%age	(Rs. Lakhs)
a) Raw Material & Components				
i) Imported	-	-	-	-
ii) Indigenous	100	30176.77	100	23882.91
	<u>100</u>	<u>30176.77</u>	<u>100</u>	<u>23882.91</u>
b) Stores & Spares				
i) Imported	-	-	-	-
ii) Indigenous	100	26.43	100	24.80
	<u>100</u>	<u>26.43</u>	<u>100</u>	<u>24.80</u>

SAL AUTOMOTIVE LIMITED**2.39 EMPLOYEE DEFINED BENEFITS:**

(Defined benefit plans - as per Actuarial Valuations)

Particulars	As at 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
i) Expenses Recognised in the Statement of Profit & Loss Account		
a) Past Service Cost	—	—
b) Current Service Cost	29.13	24.46
c) Net Interest Cost / (Income)	4.37	3.96
d) Defined benefit cost recognised during the year	33.50	28.42
ii) Amount to be Recognised in the Balance Sheet		
a) Present Value of Obligation at the end of the year	(255.60)	(262.99)
b) Fair Value of Plan Assets at the end of the year	172.65	174.97
c) Funded Status (Surplus / (Deficit))	(82.95)	(88.02)
d) Net Liability arising from Obligation	(82.95)	(88.02)
iii) Change in the Present Value of Obligations		
a) Present value of obligations at the beginning of the year	262.99	310.61
b) — Interest Cost	16.50	18.28
— Past Service Cost	—	—
— Current Service Cost	29.13	24.46
c) Benefits Paid	(70.30)	(125.16)
d) Remeasurement (Gain) / Loss		
— Experience Adjustment	15.05	33.68
— Difference in Present Value of Obligations	2.23	1.12
e) Present value of Obligations at the end of the year	255.60	262.99
iv) Change in the Present Value of Plan Assets		
a) Fair Value of Plan Assets at the beginning of the year	174.97	228.61
b) Expected Return on Plan Assets	12.12	14.32
c) Contribution by the Employer	55.16	56.45
d) Withdrawal	(70.30)	(125.16)
e) Remeasurement Gain / (Loss) : Return on Plan Assets	0.70	0.75
f) Fair Value of Plan Assets at the end of the year	172.65	174.97
v) The major categories of plan assets as a percentage of total plan funded with LIC	100%	100%

vi) Actuarial Assumptions

a) Imputed Rate	7.01%	7.24%
b) Expected rate of return on plan assets	7.24%	7.37%
c) In-Service Mortality	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate
d) Turnover Rate	12% / 5%	12% / 5%
e) Salary Rise - Officers / Workers	8% / 5%	8% / 5%
f) Remaining Working Life	23.20 Yrs	22.68 Yrs

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(Rs. in Lakhs)

Principal Assumptions	Changes in Assumptions	Increase / (Decrease) Impact on defined obligations	
		Increase in Assumption	Decrease in Assumption
Discount Rate	2025	1.00%	(9.34)
	2024	1.00%	(8.30)
Salary Growth Rate	2025	1.00%	9.34
	2024	1.00%	8.26

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous period.

2.40 COMPENSATED ABSENCES (UNFUNDED)

The leave obligations cover the Company's liability for sick and casual leaves. The Company does not have an unconditional right to defer settlement for the obligations shown as current provision balance above.

However, based on the past experience, the company does not expect all employees to take the full amount of accrued leave or require payments within the next 12 months, therefore based on the independent actuarial report only a certain amount of provision has been presented as current and remaining as non-current. An amount of **Rs. 35.36 Lakhs** (2024 Rs. 56.36 Lakhs) has been recognized in the statement of profit & loss.

Particulars	As at 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
Current	48.10	48.25
Non-Current	122.19	119.50

2.41 RESEARCH AND DEVELOPMENT EXPENDITURE

Particulars	For the Year Ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
(a) Revenue Expenditure (Charged to Statement of Profit & Loss)	18.31	16.31
(b) Capital Expenditure (Capitalised under CWIP / Assets)	—	13.50
	<u>18.31</u>	<u>29.81</u>

SAL AUTOMOTIVE LIMITED**2.42 MOVEMENT IN PROVISIONS FOR WARRANTY OBLIGATIONS**

Particulars	For the Year ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
(a) As at the beginning of the year	21.30	15.84
(b) Provided during the year	–	5.46
(c) Reversed during the Year	(2.88)	–
(d) Utilised during the Year	–	–
(e) As at the end of the year	18.42	21.30

2.43 MOVEMENT IN PROVISIONS FOR DOUBTFUL DEBTS AND ADVANCES

Particulars	For the Year ended 31st March	
	2025 (Rs. in Lakhs)	2024 (Rs. in Lakhs)
(a) As at the beginning of the year	63.04	34.33
(b) Provided during the year	2.88	28.71
(c) Written off during the year	–	–
(d) As at the end of the year	65.92	63.04

2.44 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSUREa) **Derivative Outstanding :-**

Currency	Payable / Receivable	As at 31.03.2025	As at 31.03.2024
US\$	–	–	–

b) **Unhedged Foreign Currency Exposures :-**

Currency	Payable / Receivable	As at 31.03.2025	As at 31.03.2024
US\$ / INR	Payable	–	–
US\$ / INR	Receivable	–	–

2.45 AGEING SCHEDULE FOR CAPITAL WORK IN PROGRESS (CWIP)

Particulars	Amount of CWIP				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
(i) Projects in Progress	37.44	–	–	–	37.44
(ii) Projects temporarily Suspended	–	–	–	–	–
Total	37.44	–	–	–	37.44

2.46 Previous year figures have been regrouped/ recasted / rearranged wherever necessary to make them comparable.

As per our report of even date attached

For **MANGLA ASSOCIATES**
Chartered Accountants (FRN006796C)

A.P. MANGLA
Partner
Membership No. 080173
UDIN : 25080173BMNSEQ6513

Noida, 23rd May, 2025

The Notes referred to above form an integral part of these financial statements.

FOR AND ON BEHALF OF THE BOARD

RAJIV SHARMA
Chairman

NAMRATA JAIN
Executive Director- Finance & CFO

R.K. SHARMA
Managing Director

GAGAN KAUSHIK
Company Secretary & General Counsel

Ghaziabad, 23rd May, 2025

CASH FLOW STATEMENT for the year ended 31st March, 2025 (Rs. in Lakhs)

Particulars	For the Year ended	
	31st March, 2025	31st March, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax and Extraordinary Items	787.34	678.25
Adjustments for :		
Depreciation	428.06	410.61
Interest	231.59	278.55
Interest Income	(62.20)	(78.76)
Profit / Loss on Fixed Assets Disposed / Write off	–	1.30
Actuarial Gain / (Loss) on re-measurement of defined benefit Liability	(16.58)	577.66
Operating Profit before Working Capital Changes	1,368.21	1,255.91
Adjustments for:		
Trade Receivables	(745.22)	24.69
Inventories	(141.29)	263.91
Loans & Advances	(309.88)	650.61
Provision for Earned Leave & Gratuity	(2.53)	5.02
Provision for Doubtful Debts, Warranty & Advances	63.86	(37.16)
Trade Payables	928.20	(58.97)
Cash Generated From Operations	1,161.35	1,196.94
Direct taxes refund/(paid)	(209.47)	(103.57)
Net Cash From Operating Activities	951.88	1,093.37
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(658.62)	(420.43)
Sale of Property, Plant & Equipment	–	11.15
Interest received	62.20	(330.52)
Net Cash Used in Investing Activities	(596.42)	(330.52)

SAL AUTOMOTIVE LIMITED

(Rs. in Lakhs)

Particulars	For the Year ended	
	31st March, 2025	31st March, 2024
C. CASH FLOW FROM FINANCING ACTIVITIES		
Bank Loans	423.75	240.58
Repayment of Corporate Loans	(674.61)	(1,389.09)
Dividend paid	(107.90)	(95.90)
Lease Payments	(88.80)	(88.80)
Interest Paid	(231.59)	(278.55)
	<u>(679.15)</u>	<u>(1,611.76)</u>
Net Cash Used in Financing Activities	(679.15)	(1,611.76)
Net Increase/(Decrease) in Cash & Cash Equivalents	<u>(323.69)</u>	<u>(848.91)</u>
Opening Cash & Cash Equivalents	509.70	1,358.61
Closing Cash & Cash Equivalents	186.01	509.70

Notes:

- 1) The above Cash Flow Statement has been prepared in accordance with Ind AS - 7 "Statement of Cash Flow" using indirect method for operating activities.
- 2) Figures in bracket indicates the cash outgo.
- 3) Previous year figures have been regrouped wherever found necessary.

This is the Cash Flow Statement referred to in our report of even date.

For **MANGLA ASSOCIATES**
Chartered Accountants (FRN006796C)

FOR AND ON BEHALF OF THE BOARD

A.P. MANGLA
Partner
Membership No. 080173
UDIN : 25080173BMNXXEQ6513

RAJIV SHARMA
Chairman

NAMRATA JAIN
Executive Director- Finance & CFO

R.K. SHARMA
Managing Director

GAGAN KAUSHIK
Company Secretary & General Counsel

Noida, 23rd May, 2025

Ghaziabad, 23rd May, 2025