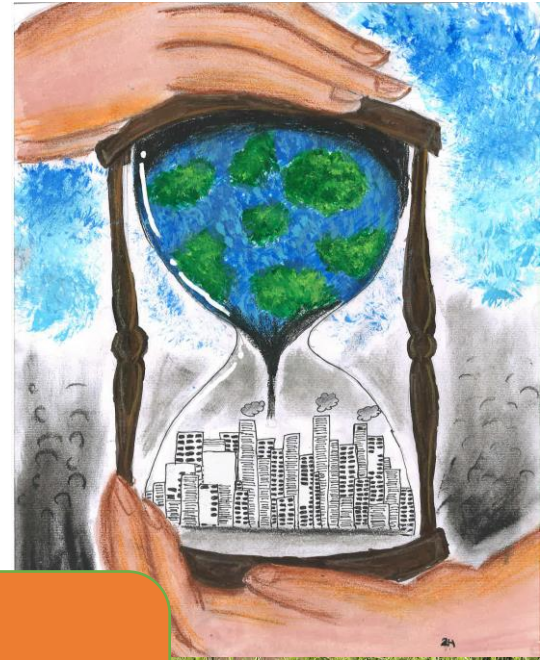




PPAP AUTOMOTIVE LIMITED



ANNUAL REPORT
2023-2024



LET'S GROW TOGETHER



ABOUT PPAP ANNUAL REPORT- FY2024

We are pleased to present the Annual Report for the FY2024 that provides insights into how our Company creates value for our stakeholders in the short, medium, and long term. It provides an overview of our financial as well as non-financial achievements during FY2024. It offers an understanding of our strategies, governance, operating environment, and potential risks and opportunities. We aspire to strengthen our disclosures on year on year and continue to move forward in our journey of living our purpose, delivering growth, and creating value for our stakeholders.

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Company Overview

PPAP AT GLANCE

PPAP Automotive Limited, established in 1978, has grown to become a prominent player in the automotive and ancillary industries, specializing in custom-made extrusion products, plastic and rubber-based extrusions, and plastic injection mouldings. The company's journey towards global excellence began in 1985 with a focus on the automotive sector, expanding over the years to include industrial products.

PPAP has commercialized its tooling facility in 2019, which represents a significant pivot towards manufacturing plastic injection tooling.

PPAP as part of its growth and de-risking strategy has also ventured into the after-market business through its subsidiary focusing on offering high-quality and sustainable automotive spare parts, car accessories, and car care products across India and beyond.

In response to the industry's shift towards electrification, PPAP through its subsidiary has positioned itself as a leading manufacturer of Li-Ion based battery pack solutions, catering to sectors such as 2-wheelers, 3-wheelers, and energy storage.

As globalization accelerates, PPAP recognizes the importance of systematic and innovative research and development in order to capitalize on emerging opportunities, particularly in electric, electronic, and hybrid vehicles. This forward-thinking approach ensures that PPAP remains at the forefront of evolving industry trends.

Beyond business objectives, PPAP is committed to environmental, social, and governance (ESG) standards, integrating sustainability into its operations and supporting CSR activities focused on environmental conservation, education, and health.

In navigating a volatile business environment, PPAP emphasizes dynamism and resilience, anchored by its pursuit of global level excellence across all facets of its operations. This commitment underscores PPAP Automotive Limited's ambition to consolidate its position as a leading provider of product solutions in its core competencies.

Business Philosophy

Vision



To be our customer's No. 1 supplier.

Mission



To be a global level excellence company, with an inspiring work culture for serving our customers and our society, by exceeding the expectations, of all our stakeholders.

Core Values



- 1.Trustworthiness
- 2.Mutual Respect
- 3.Creativity
- 4.Cooperation
- 5.Excellence

Business – at a glance

Automotive Parts	Commercial Tool Room	Industrial Products Business	Li-on Battery Business	Aftermarket
<ul style="list-style-type: none"> ▶ Core competence in developing Automotive Body Sealing systems and Interior and Exterior Injection molded parts ▶ All products are engine agnostic products ▶ Enhancing per car contribution by adding more products and increasing the customer base in all segments (PV/2W/CV/T1) ▶ Focusing on developing dedicated parts for Electric vehicles ▶ Global Level development of value-added products through in house design and technology development capabilities 	<ul style="list-style-type: none"> ▶ Development of Plastic Injection tools up to 1.5m * 1.0m ▶ Established in 2020 as a separate profit center ▶ Focus on development of injection mold for Automotive, White Goods, Medical, Electrical and other related Industries ▶ Global Level facility with Excellence in Tool design and Manufacturing capabilities 	<ul style="list-style-type: none"> ▶ Extension of core competence of Plastic and Rubber processing to neighboring industries other than Automotive ▶ Development Application Engineering products ▶ Focus on various industries – Packaging, White Goods, Household, Construction ▶ Focus on domestic and international market 	<ul style="list-style-type: none"> ▶ 100% owned subsidiary of PPAP ▶ Focus on Mobility (2-Wheeler and 3-Wheeler) and Storage applications ▶ Inhouse design and development capabilities and best in class Manufacturing facility 	<ul style="list-style-type: none"> ▶ Development and sales of spare parts, accessories for after market ▶ 100% owned subsidiary of PPAP ▶ PAN India distribution network for offline sales ▶ e-commerce network for online sales through own website and e-commerce portals ▶ Focus on domestic and international market

Geographical Presence

These strategically positioned manufacturing sites, and a comprehensive distribution network ensure that we realize our consumers' desires in an environmentally responsible way. Each manufacturing site is equipped with state-of-the-art technology and adheres to rigorous quality standards, ensuring consistent product excellence across the globe.

By decentralizing production, we enhance agility, mitigate risks, and optimize supply chain efficiency.



Not to scale - for illustration purpose only



Dealer & Distributors

123

121 Domestic

2 Overseas

Clientele

Our clients are central to our operations, and we collaborate closely with them at each stage. We start by incorporating their insights and feedback to refine product concepts and assess feasibility. Through rigorous design and validation, we ensure that our products meet stringent quality standards. We also meticulously design and validate the tools needed for production, followed by thorough trials to ensure that the tools used in manufacturing are optimized for performance and durability. This thorough and client-focused approach ensures we deliver high-quality products that exceed expectations.

Passenger Vehicle



Two-Wheeler



Commercial Vehicle

Non Automotive



Energy Storage Solutions

Awards and Recognitions



Overall Performance Award - MSIL



Silver Award for Delivery - HCIL



Manufacturing Excellence Award- MSIL



Quality Sustainability Award 2023 -ISO



Best Spare Part Delivery Supplier - Suzuki



Shopfloor Excellence Award- Machinist



2nd Runner- Up- Quality Circle Award



1st Position in Kaizen Competition - TATA



Quality Circle Bronze Award - TKSA



Overall Performance Vendor Award- MSIL



Zero Defect Supplies Award - Toyota



Overall Excellence - MSIL



Overall Gold Award - MSIL



Annual Supplier - TATA MOTORS



Best Performance Award - Toyota



Gold Award - Toyota



Delivery Performance Award- Asahi India



Appreciation Award- Hyundai



First Runner UP -HCI



Regional Contribution Award- Toyota



Silver Award for Delivery- Honda



Bronze Award in Spare Parts- Honda

Product Portfolio

Li-ion Battery



Energy Storage System (ESS)



Telecom Battery



E2W/E3W Battery Pack



Solar Battery Pack



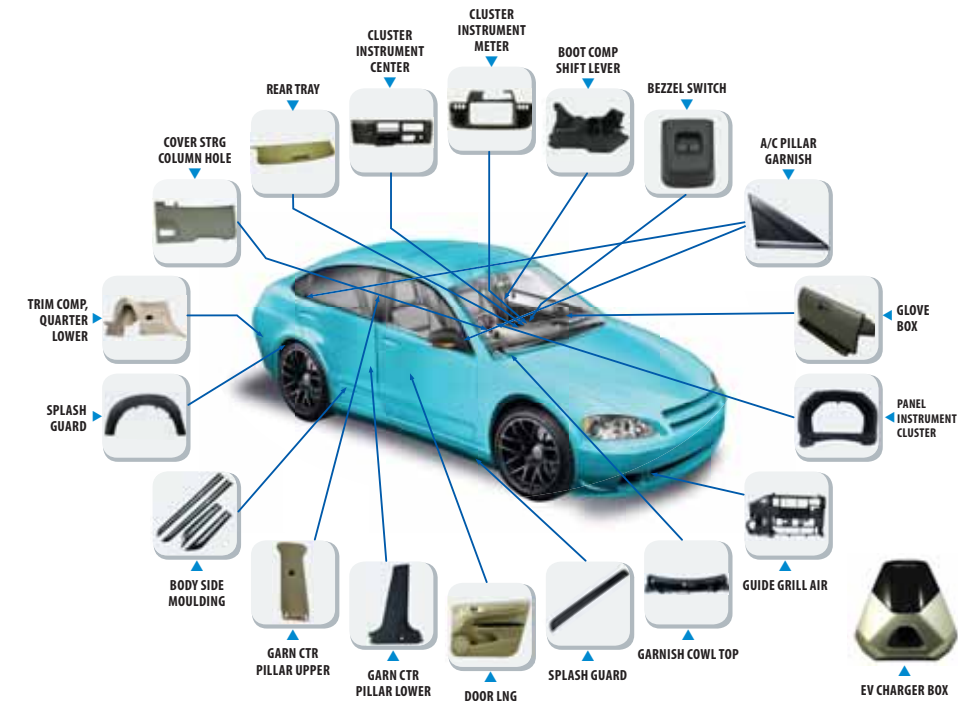
E3W Battery Pack



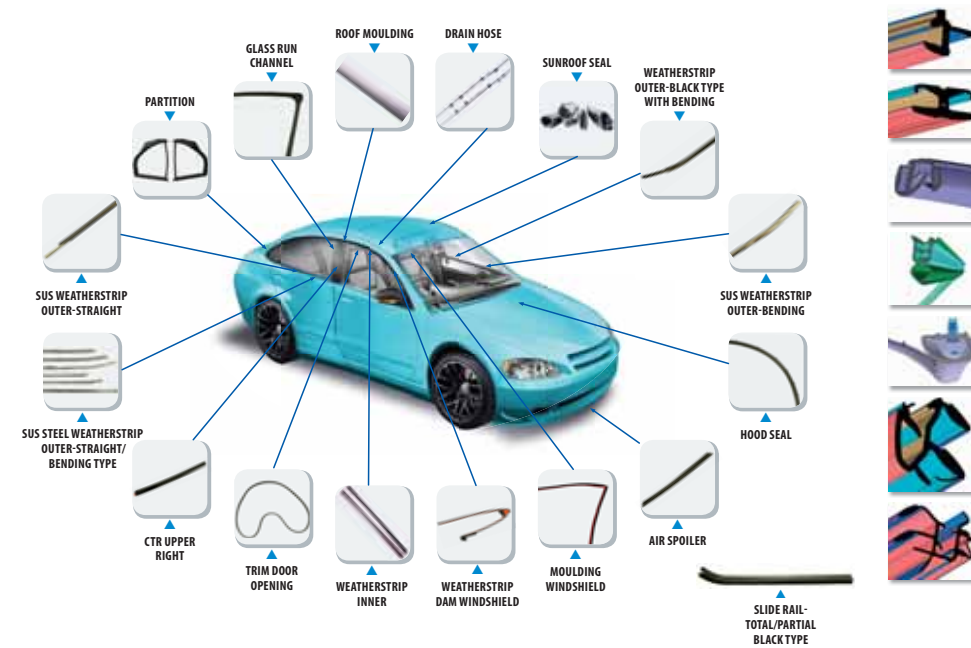
Golf Cart Battery Pack

Automotive Parts

INJECTION MOULDING PRODUCTS



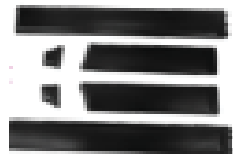
EXTRUSION PRODUCTS



Product Portfolio

After Market

Passenger Vehicle



Body Side Moulding



Bumper



Fender Lining



Wiper



Battery Box



Front Lower Grill



Mud Flap



Horn



Door Visor



Grill



Double Armed Hook



Jimny Power Supply



Glaco Glass Compound

Car Accessories



Smart Phone Holder



Drink Holder



Ash Bottle



Rear Tray



Jimny Drink Holder



Perfume



Trash Box

Industrial Products

Plastic Extrusion



Window Profile



Shower Seal



Bottom Door Seal



Cord Protector



Cable Protector



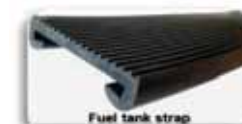
Damper Blade Gasket



Edge Trims



Profile Image of TPE Gasket



TPE Gasket



Fuel tank strap

OGE Gasket for AHU fan damper

Rubber Extrusion



D-Type Solid Gasket



D-Type Hollow Gasket



E-Type Gasket



Hinge Rubber



J Angle



Edge Protector with Steel & Foam



Hood Seal Rear



Seal Hood Front



Trim Door Opening



Side Seal Hood-LH & RH

Injection Moulding



Washing M/C Tub



Washing M/C Base



Cooler body



AC Grill



Paint Dispenser - Base



Refrigerator Freezer Door

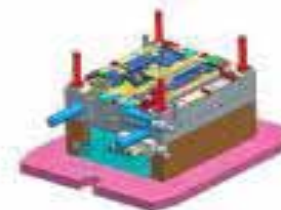
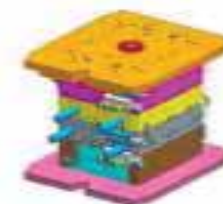


Paint Dispenser - Pump Shell



Pail Containers

Commercial Tooling



Corporate Social Responsibility

At PPAP, Corporate Social Responsibility (CSR) is a core aspect of our business philosophy and is deeply ingrained in our operations. Our CSR initiatives reflect our commitment to positively impacting the communities we serve and promoting sustainable development. Our CSR efforts are driven by a genuine desire to make a difference in society, not just fulfilling statutory obligations. Our commitment to CSR is manifested through impactful initiatives in environment sustainability, education and healthcare.

Environment

PPAP, in association with Vinay & Ajay Jain Foundation, organizes tree plantation drives aimed at enhancing green cover in various regions. These efforts help in improving air quality, conserving biodiversity, and mitigating the effects of climate change.



Education

The company supports educational programs that provide quality learning opportunities for underprivileged children, aiming to uplift communities by ensuring access to essential education resources and fostering academic excellence through Vinay & Ajay Jain Foundation.



Healthcare

Company extends its CSR efforts to healthcare through Vinay & Ajay Jain Foundation which contributes to Akshay Patra Foundation to undertake a project of distributing healthy foods to underprivilege .



Employee's Engagement

Environment Day

PPAP's celebration of World Environment Day was a testament to our ongoing commitment to sustainability, with new initiatives focused on preserving natural resources.



Yoga Day

To nurture a culture of well-being, PPAP enthusiastically participated in International Yoga Day, providing a serene space for employees to unwind and refresh.



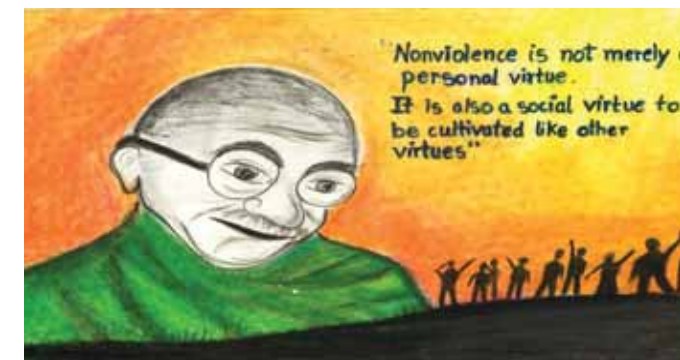
Women Day

We came together to honor the dedication and resilience of the women in our team, reaffirming our support for their continued growth and empowerment.



Kids Engagement

Our dedication to shaping the minds of tomorrow is reflected in the diverse and engaging opportunities we provide for our employee's children to explore, learn, and grow.



Annual Function

The evening unfolded as a tapestry of stories and successes, each one underscoring the spirit of excellence that defines our company. It was a moment to pause and reflect on the strides we've made, while also setting our sights on the exciting challenges and opportunities that lie ahead.



Blood Donation Camp

The successful execution of the blood donation camp highlighted the company's leadership in promoting social good, as employees embraced the opportunity to give back in a meaningful way.



Long Term Service Award

We were honored to celebrate the remarkable tenure of our long-serving employees, whose commitment and passion have played a vital role in our sustained success.



Tech Show

This year's Tech Show was a resounding success, showcasing our commitment to pushing the boundaries of innovation. We introduced groundbreaking products and cutting-edge technologies that reflect our relentless pursuit of excellence. The event not only attracted industry leaders and tech enthusiasts but also reinforced our position as a trailblazer in the field. As we look forward to the future, we remain dedicated to driving technological advancements that shape the world of tomorrow.



Performance Snapshot



Financial Capital

Rs 3.21 Cr

Profit before Tax

Rs 507.63 Cr

Operating Income



Manufactured Capital

Rs 519.43 Cr

Gross Block

5

Manufacturing Facility



Human Capital

9%

Female Workforce Representation

5th

Consecutive year, great place to work



Natural Capital

4.6%

Reduction in GHG emission (Scope 1 & 2)



Intellectual Capital

Rs 0.31 Cr

Cost Saving due to Kaizen initiatives



Social and Relationship Capital

Rs 0.14 Cr

CSR Spend

Corporate Information

BOARD OF DIRECTORS

Chairman & Managing Director
Mr. Ajay Kumar Jain

Chief Executive Officer & Managing Director
Mr. Abhishek Jain

Independent Directors
Mrs. Celine George
Mr. Deepak Kumar Sethi
Mr. Rohit Rajput

Non-Executive Director
Mrs. Vinay Kumari Jain

COMMITTEES OF THE BOARD AUDIT

Mr. Deepak Kumar Sethi- Chairperson
Mr. Rohit Rajput
Mr. Abhishek Jain

NOMINATION AND REMUNERATION

Mrs. Celine George- Chairperson
Mrs. Vinay Kumari Jain
Mr. Rohit Rajput

STAKEHOLDERS RELATIONSHIP

Mrs. Vinay Kumari Jain- Chairperson
Mrs. Celine George
Mr. Deepak Kumar Sethi

CORPORATE SOCIAL RESPONSIBILITY

Mr. Rohit Rajput- Chairperson
Mr. Deepak Kumar Sethi
Mr. Ajay Kumar Jain

CHIEF FINANCIAL OFFICER

Mr. Sachin Jain

COMPANY SECRETARY

Ms. Pankhuri Agarwal

WEBSITE

www.ppapco.in

REGISTERED OFFICE

54, Okhla Industrial Estate,
Phase-III, New Delhi-110020

CORPORATE OFFICE

B-206A, Sector-81, Phase-II,
Noida-201305 Uttar Pradesh

AUDITORS

- M/s. T R Chadha & Co. LLP
(Statutory Auditors)
- M/s. Jangira & Associates
(Cost Auditors)
- M/s. NKJ & Associates
(Secretarial Auditors)

BANKERS

- ICICI Bank Limited
- HDFC Bank Limited
- The Hongkong and Shanghai Banking Corporation Limited
- Axis Bank Limited
- State Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited
Noble Height, 1st Floor, Plot NH2, C-1, Block LSC,
Near Savitri Market, Janakpuri, New Delhi-110058

PLANT LOCATIONS

- B-206A, Sctor-81, Phase-II, Noida-201305, Uttar Pradesh
- B-4, Site V, UPSID, Kasna, Surajpur Industrial Area, Greater Noida-201306, Uttar Pradesh
- SP3-802, R.I.A, Pathredi Industrial Area, Bhiwadi, Alwar-301019, Rajasthan
- G-24, SIPCOT Industrial Park, Vallam Vadagal, Talluk Sriperumbudur, Kancheepuram-602105, Tamil Nadu
- Survey No. 866 Village Ukhlod Taluk Viramgam, Ahmedabad-382150, Gujarat

MEET THE BOARD

PPAP is led by an effective and entrepreneurial Board. The Board defines the Company's purpose, its culture, its principles, its value systems and sets the strategies to deliver superior results. The Board articulates the business model, strategies, and the approach to risks and their mitigation. It takes measures for the short, medium and long-term success, future value creation and future viability of the Company considering the technological changes, geopolitical threats, environmental impacts, changing shareholders' and stakeholders' expectations, etc. The Company's operational and financial performance, statutory and regulatory compliances are reviewed by the Board from time to time. The Board also focuses on idea generation for business growth, opportunity identification, breakthroughs, and innovation. It identifies good and excellent business practices that can make our work culture constantly healthy and agile.

The Company recognizes and embraces the importance of a diverse Board for its success. Your Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender that will help in retaining its competitive advantage.



Ajay Kumar Jain
Chairman and
Managing Director

- Bachelor of Commerce from Shri Ram College of Commerce, Delhi University
- Associated with the Company since inception with experience of over 45 years in polymer processing industry and over 30 years in the automotive industry
- Ex President of Toyota Kirloskar Supplier Association



Abhishek Jain
Chief Executive Officer and
Managing Director

- Bachelor of Science in Industrial Engineering from Purdue University, USA
- Work experience of over 15 years
- President - Honda Suppliers Club
- Coordinator Zone 2 Automotive Component Manufacturers Association Northern Region



Deepak Kumar Sethi
Independent Director

- B.E. (Mech.) from Delhi College of Engineering & M.B.A. from IIM-A
- Work experience of over 40 years primarily in automotive sector. He has worked with Maruti Suzuki for over 38 years
- He was deputed as whole time Director of Suzuki Powertrain India Limited, At Maruti Suzuki as Executive Director of Supply Chain and Quality Assurance

50%

Independent Director



Vinay Kumari Jain
Non-Executive
Director

- Bachelor of Science from Delhi University
- Founding partner of our Company
- Associated with the business since inception
- Work experience of over three decades. She possess a deep understanding of automotive business

33%

Women Representation



Celine George
Independent
Director

- PGDM in Business Economics from Delhi University, PGDIM from IMI Delhi and Chevening Gurukul Scholar from London School of political science & Economics
- In past was associated with ONGC, TCS, Cairn Energy, Max healthcare
- She has over 30 years of experience in the areas of Leadership, Business Transformation and HR



Rohit Rajput
Independent
Director

- MBA finance from MDI, Gurgaon & Graduate in Mechanical Engineering
- Has over 21 years of experience across a variety of disciplines from engineering, banking, entrepreneurship & consulting.
- Former CEO of Max Asset Services and was a director in Max I. Ltd. He was also part of the founding team at Max Ventures.

17%

Non-Executive, Non-Independent Director

FROM THE CHAIRMAN'S DESK



My Dear Stakeholders,

I am delighted to present the Annual Report for the Financial Year 2023-24 on behalf of our esteemed Board of Directors.

The global landscape continues to pose challenges, marked by ongoing geopolitical tensions and supply chain disruptions due to military conflicts. Amidst this global turmoil, India stands resilient as an oasis of opportunity. The Government's strategic initiatives aimed at bolstering the domestic economy, enhancing capital spending, improving business environment, and advancing digital infrastructure have fostered robust GDP growth rates exceeding 7% annually for the past three years, peaking at over 8% in the year under review.

In the automotive sector, we have witnessed significant growth globally, driven by pent-up demand post-pandemic and improved supply chain dynamics. India has emerged as a formidable player, securing the third position globally in vehicle registrations across various categories. However, challenges remain, particularly in achieving comparable vehicle selling prices to more developed markets.

Throughout the fiscal year, we have undertaken substantial reforms and strategic actions within the company to strengthen our operational foundations. Key initiatives include restructuring our HR policies, optimizing internal processes to maximize capacity utilization, fostering collaboration across sales and engineering teams, and enhancing efficiency in manufacturing and supply chain operations.

Throughout the fiscal year, our business verticals have capitalized on opportunities, particularly in expanding our product offerings within the Automotive Parts segment. These strategic efforts, coupled with focused negotiations for advantageous terms with our customers and streamlining of internal processes, have significantly bolstered our overall performance.

I am pleased to announce that our Joint Venture has made substantial strides in reducing losses, positioning itself on a trajectory towards profitability. Based on current trends, we anticipate the JV company to achieve profitability this year, thereby making a positive contribution to our group's financial health.

Furthermore, we have successfully secured contracts with clients gearing up to launch electric vehicles in the future. The stabilization of raw material prices and our internal cost-reduction initiatives have notably enhanced our margins since last year. Our proactive negotiations with customers to mitigate inflationary pressures have yielded favourable outcomes, further strengthening our financial resilience.

In addition, our Commercial Toolroom Division has been rebranded as Meraki Precision Molds, garnering significant traction in the market.

Our Aftermarket Division has expanded its footprint to include 123 distributors across India and is actively venturing into international markets. This year alone, we have introduced over 550 new products, expanding our total to more than 1,080 SKUs. I am confident that these strategic initiatives, coupled with our sustained efforts over the past years, will yield improved outcomes in the current fiscal year, reinforcing the fundamentals of our company and creating enhanced value for all stakeholders.

On the sustainability front, we are proud to achieve EcoVadis Certification and comply with BRSR requirements, underscoring our dedication to responsible business practices. Our ongoing CSR efforts through the Vinay and Ajay Jain Foundation reaffirm our commitment to community development and environmental stewardship.

In recognition of our performance, the Board of Directors has recommended a dividend of Rs. 1.25 per Equity Share for the year ended March 31, 2024, subject to approval at the upcoming Annual General Meeting.

I extend my heartfelt gratitude to our shareholders for their unwavering support, our customers for their continued trust, our suppliers for their seamless collaboration, and above all, our dedicated employees whose commitment drives our success.

Looking ahead, I am confident that our steadfast focus on innovation, sustainability, and operational efficiency will pave the way for sustained growth and value creation for all stakeholders.

Thank you,

Ajay Kumar Jain

Chairman & Managing Director

PPAP AUTOMOTIVE LIMITED

CIN: L74899DL1995PLC073281
Registered Office: 54, Okhla Industrial Estate, Phase-III, New Delhi-110020
Corporate Office: B-206A, Sector-81, Phase-II, Noida-201305, Uttar Pradesh
Tel: +91-120-4093901
Website: www.ppapco.in; E-mail Id: investorservice@ppapco.com

NOTICE

NOTICE is hereby given that the 29th Annual General Meeting ("AGM") of PPAP Automotive Limited ("Company") will be held through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), on Friday 13th September, 2024 at 11:30 A.M. to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a) The audited standalone financial statements of the Company for the financial year ended 31st March, 2024, together with the reports of the Board of Directors and Auditors' thereon; and
 - b) The audited consolidated financial statements of the Company for the financial year ended 31st March, 2024, together with the Report of the Auditors thereon.
2. To declare final dividend of ` 1.25/- (12.5%) per equity share (face value of ` 10/- each) for the financial year ended 31st March, 2024.
3. To appoint a Director in place of Mrs. Vinay Kumari Jain (DIN:00228718), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

4. **Re-appointment of Mr. Abhishek Jain, Chief Executive Officer and Managing Director of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17(6) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the members of the Company be and is hereby accorded to re-appointment of Mr. Abhishek Jain (DIN: 00137651) as Chief Executive Officer and Managing Director of the Company, liable to retire by rotation, for a term of 3 years from 1st April, 2025 to 31st March, 2028.

RESOLVED FURTHER THAT the terms and conditions of re-appointment of Mr. Abhishek Jain (DIN: 00137651) as Chief Executive Officer and Managing Director of the Company are as follows:

A. Basic Salary:

` 3.00 Lacs per month with the authority to the Board of Directors (hereinafter referred to as the 'Board' which term shall include a duly constituted Committee of

Directors) to determine the salary and grant increases from time to time considering the performance of the Company, subject to a ceiling of ` 12.00 Lacs per month.

B. Commission:

Maximum up to 2% of net profit before tax of the company as calculated under the provisions of section 198 of the Companies Act, 2013.

Category A

- i. Housing:
 - a. The expenditure incurred by the Company on hiring furnished accommodation for the Chief Executive Officer and Managing Director.
 - b. In case no accommodation is provided by the Company, the Chief Executive Officer and Managing Director shall be entitled to House Rent Allowance @ 50% of the salary.
- ii. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- iii. Medical reimbursement: Expenses incurred on medical treatment for self and family members, whether in India or abroad.
- iv. Leave travel concession: For self and his family, once a year, incurred in accordance with any rules specified by the Company.
- v. Club fees: Fees of clubs, subject to a maximum of two clubs. This will not include admission and life membership fees.
- vi. Personal accident insurance: Premium on Personal accident policy for self and his family.
- vii. Any other perquisites and allowances as may be determined by the Board of the Company from time to time within the overall limits specified in the Companies Act, 2013.

For Category A, family means the spouse, the dependent children and dependent parents of Chief Executive Officer and Managing Director.

Category B

- i. Contribution to Provident Fund, Superannuation Fund or Annuity Fund per the rules of the Company.
- ii. Gratuity payable shall be calculated as per the provisions of The Payment of Gratuity Act, 1972 and amendment thereof.
- iii. Entitlement for leave with full pay or encashment thereof as per policy of the Company.

Category C

- i. Provision of mobile, telephone, internet for official and personal use.
- ii. Car with driver maintained for business and personal use.

The perquisites shall be valued as per the Income Tax Rules, 1962, wherever provided or applicable and in the absence of any such rules, perquisites shall be evaluated at cost.

RESOLVED FURTHER THAT in the event of any loss or inadequacy of profits of the Company in any financial year during the period of 3 years from the date of appointment i.e., 1st April 2025 to 31st March 2028, the remuneration mentioned above shall be paid to Mr. Abhishek Jain (DIN: 00137651) as minimum remuneration.

RESOLVED FURTHER THAT Board of Directors and/ or key managerial personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or desirable for the purpose of giving effect to the above resolution.”

5. **Ratification of remuneration of the Cost Auditor for the financial year 2024-25.**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provision of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any amendment, modification(s) or variation thereto, for the time being in force) the members hereby ratify the remuneration of ₹ 1,75,000/- (Rupees One lakh seventy five thousand only), exclusive of applicable taxes, payable to M/s Jangira & Associates, (Firm Registration No. 103597), Cost Accountants, New Delhi, who have been appointed by the Board of Directors on the recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company, as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the financial year 2024-25.

RESOLVED FURTHER THAT the Board of Directors and/or key managerial personnel of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution.”

By order of the Board
For PPAP Automotive Limited

Place: Noida
Date: 18th May, 2024

Pankhuri Agarwal
Company Secretary
ACS:59103

Notes:

1. In compliance with the Ministry of Corporate Affairs (“MCA”) Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 19/2021 dated 8th December, 2021, Circular No. 21/2021 dated 14th December, 2021, Circular No. 2/2022 dated 5th May, 2022, Circular No. 11/2022 dated 28th December, 2022, and Circular No. 9/2023 dated 25th September 2023 and Securities and Exchange Board of India (“SEBI”) SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (hereinafter referred to as (“Circulars”), Annual General Meeting (“AGM”) will be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without physical presence of members. Deemed venue of the AGM shall be the Registered Office of the Company i.e. 54, Okhla Industrial Estate, Phase-III, New Delhi-110020.
2. The Board of Directors have considered and decided to include the item no. 4 to 5 given above as special business in the 29th AGM, as they are unavoidable in nature. Explanatory statement pursuant to the provisions of section 102 of the Companies Act, 2013 (“the Act”) in respect of item no. 4 to 5 of the notice are annexed hereto.
3. Pursuant to the Circulars since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the 29th AGM. Hence, proxy form and attendance slip are not annexed to this notice.
4. Corporate / Institutional members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or through e-voting at the AGM. Corporate / Institutional members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the board resolution / authorization letter to the scrutinizer at e-mail ID chetan.gupta@apacandassociates.com with a copy marked to the Company at investorservice@ppapco.com, authorizing its representative(s) to attend and vote through VC / OAVM on their behalf at the AGM, pursuant to section 113 of the Act.
5. In line with the Circulars, the annual report including notice of the 29th AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent only by email, to all the members whose email address are registered with the Company/ Depository Participant (DP). The Company shall send the physical copy of annual report 2023-24 to those Members who request the same at investorservice@ppapco.com mentioning their Folio No./DP ID and Client ID.

Further, in terms of the applicable provisions of the Act, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (“the Listing Regulations”), read with the Circulars, the annual report including notice of the 29th AGM of the Company will also be available on the website of the Company at www.ppapco.in. The same can also be accessed from the websites of the stock exchange i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com respectively and on the website of Link Intime India Private Limited, i.e. https://instavote.linkintime.co.in.

6. The members can join the AGM through VC / OAVM mode 15 minutes before scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. Access will be open throughout the proceeding of AGM as well. The facility of participation at the AGM through VC will be made available for 1,000 Members on first come first served basis. However, this number does not include the large members i.e. members holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman 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.
7. Since this AGM is being held through VC / OAVM, the route map for this AGM is not annexed with this notice.
8. The Company has engaged the services of Link Intime India Private Limited, Registrar and Share Transfer Agent (“RTA”) as the authorized agency for conducting this AGM through VC or OAVM and to provide e-voting facility for the AGM.
9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum as per the provisions of section 103 of the Act.
10. The register of members and share transfer books of the Company will remain closed from Saturday, 7th September, 2024 to Thursday, 12th September, 2024 (both days inclusive) for the purpose of the AGM and final dividend.
11. In case of joint holders, the member whose name appears as the first holder in the order of names as per the register of members of the Company will be entitled to vote during the AGM and dividend.
12. Relevant details of Director as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India (“ICSI”) in respect of Director seeking re-appointment is separately annexed with this notice as ‘Annexure-1’.
13. In terms of the provisions of Regulation 40 of the Listing Regulations and various notifications issued in this regard, requests for effecting transfer of securities shall not be processed from 1st April, 2024 unless the securities are held in the dematerialized form with the depositories, except in case of request received for transmission or transposition and re-lodged transfers of shares.

14. Registers of Directors & Key Managerial Personnel and their shareholding, Register of Contracts and other relevant documents referred to in the accompanying notice calling the AGM would be available for inspection by the members electronically on VC / OAVM platform during the AGM.

15. Pursuant to the amendments in the Income Tax Act 1961, dividend income is taxable in the hands of the members from 1st April 2020 and the company is required to deduct tax at source (“TDS”) from dividend paid to the members at prescribed rates. The members are requested to submit requisite documents on the https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before Monday, 9th September, 2024 to enable the Company to determine the appropriate TDS rate applicable. For details, members may refer to the Communication related to “Communication to members-Tax Deduction on Dividend” available in the “Investors” section on the website of the Company at www.ppapco.in.

16. The members desirous of seeking any information on the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before Tuesday, 10th September, 2024 on investorservice@ppapco.com. The same will be replied by the Company suitably.

17. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs if the shares are held by them in demat form and to Company’s RTA if the shares are held by them in physical form in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021.

SEBI vide its Circular No SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 mandated that the Members (holding securities in physical form), whose folio(s) are not updated with the KYC details (any of the details viz., PAN; Choice of Nomination; Contact Details; Mobile Number; Bank Account Details and signature) shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from 1st April, 2024, Members are requested to refer to and follow the process detailed in the said circular to update KYC details.

However, SEBI vide its Circular No. SEBI/HO/MIRSD/POD1/P/ CIR/2023/181 dated 17th November, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of

securities certificate; Endorsement; Subdivision/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website. It may be noted that any service request can be processed only after the folio is KYC compliant.

19. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31st, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 4th, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated July 31st, 2023 (updated as on August 11th, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>)

20. Final dividend for the financial year ended 31st March, 2024, as recommended by the Board of Directors, if approved, by the members at the AGM, will be paid within 30 days from the date of AGM, to those members whose names appear in the register of members as on Friday, 6th September, 2024.

21. Members who have not so far en-cashed their dividend paid by the Company upto and during the financial year ended 31st March, 2024, may immediately approach the Company / RTA for claiming dividend amount. Information in respect of the unclaimed dividend as on 31st March, 2024, will be uploaded on the website of Investor Education and Protection Fund ("IEPF") of the Government (www.iepf.gov.in) and on the website of the Company (www.ppapco.in). Dividends, if not en-cashed for a consecutive period of 7 years, from the date of transfer to unpaid/ unclaimed dividend account of the Company, are liable to be transferred to IEPF. Further, the shares of a member who does not en-cash his dividend for a continuous period of 7 years, are also liable to be transferred to the Demat account of IEPF Authority. In view of this, members, who have not yet claimed their dividend, are requested to claim their dividends from the Company / RTA, within the stipulated timeline. The members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same as well as the corresponding dividend by making an application to the IEPF Authority, in Form IEPF-5 available on www.iepf.gov.in.

22. Process for updating / registration of email address and mobile numbers and updation of bank account details:

Members who have registered their email address with the Company / RTA/Depositories, log in details for e-voting are being sent on the registered email address.

a. Registration of email id for members holding physical shares:

The members of the Company holding Equity Shares of the Company in physical form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and email id and also upload the image of PAN, Aadhar Card, share certificate & Form ISR-1, ISR-2 in PDF or JPEG format (upto 1 MB) .

On submission of the members details an OTP will be received by the shareholder which needs to be entered in the link for verification.

b. For permanent registration for demat members:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

c. For temporary registration for demat members:

The members of the Company holding Equity Shares of the Company in demat form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://liiplweb.linkintime.co.in/EmailReg/Email_Register.html and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id and also upload the image of CML, PAN, Aadhar Card & Form ISR-1 in PDF or JPEG format (upto 1 MB).

On submission of the members details an OTP will be received by the shareholder which needs to be entered in the link for verification.

In case of any queries, members may write to rnt.helpdesk@linkintime.co.in, under Help section or call on Tel no.: 022-49186000.

23. Voting through electronic means:

I. The businesses as set out in the notice may be transacted through electronic voting system and the Company will provide a facility for voting through electronic means. The facility of e-voting shall be provided by the RTA.

II. The remote e-voting period begins on Monday, 9th September, 2024 (9:00 a.m. IST) and ends on Thursday, 12th September, 2024 (05:00 p.m. IST). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 6th September, 2024, may cast their vote electronically. The remote e-voting module shall be disabled by RTA for voting thereafter.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at the AGM.

IV. Members who have acquired shares of the Company after the dispatch of this notice and holding shares as on the cut-off date may approach the Company / RTA at enotices@linkintime.co.in for issuance of User ID and Password for exercising their right to vote by electronic means.

V. The members present in the AGM through VC / OAVM facility and have not cast their vote on the resolutions through remote e-voting, shall be eligible to vote during the AGM through Insta Poll.

VI. A member can opt for only single mode of voting i.e. through remote e-voting or Insta Poll. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the AGM shall be treated as "INVALID".

VII. In compliance with the provisions of section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, Regulation 44 of the Listing Regulations and SS-2 issued by the ICSI, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by RTA, on the resolutions set forth in this notice. The Company has appointed Mr. Chetan Gupta, Practicing Company Secretary (CP No. 7077) and Managing Partner at APAC & Associates LLP, Company Secretaries, as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

VIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

IX. The results shall be declared not later than two working days from conclusion of the meeting by posting the same on the website of the Company (www.ppapco.com), website of RTA (<https://instavote.linkintime.co.in>) and by filing with the BSE Ltd. and National Stock Exchange of India Ltd. It shall also be displayed on the Notice Board at the Registered Office & Corporate Office of the Company.

X. Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the AGM i.e. 13th September, 2024.

24. Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

➤ Select the "Company" and 'Event Date' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

- Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
- Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Members holding shares in physical form shall provide Folio Number registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

➤ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Members to Speak during the Annual General Meeting through InstaMeet:

1. Members who would like to speak during the meeting must register their request on or before Tuesday, 10th September, 2024, with the company at investorservice@ppapco.com.

2. Members will get confirmation on first cum first basis.

3. Members will receive "speaking serial number" once they mark attendance for the meeting.

4. Other Members may ask questions to the panellist, via active chat-board during the meeting.

5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

6. The Company reserves the right to restrict the number of speakers as appropriate for the smooth conduct of the Annual General Meeting. To give all speakers an opportunity to participate members are requested to keep their queries brief, and restrict their speaking time to 3 minutes.

Members are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Members VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and once you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Members, who will be present in the Annual General Meeting through InstaMeet 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 facility during the meeting. Members who have voted through remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact Mr. Rajiv Ranjan, Asst. Vice President, C-101, 247 Park, L.B.S. Marg, Vikhroli (West) Mumbai 400083, contact no. 022- 49186000 and email-enotices@linkintime.co.in..

25. Remote e-Voting Instructions for members:

As per the SEBI circular dated December 9th, 2020, individual members holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual members holding securities in demat mode is given below:**Individual members holding securities in demat mode with NSDL:****METHOD 1 - If registered with NSDL IDeAS facility****Users who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsd.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User who have not registered for NSDL IDeAS facility:

- a) To register, visit URL: <https://eservices.nsd.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsd.com/>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual members holding securities in demat mode with CDSL:**METHOD 1 – If registered with CDSL Easi/Easiest facility****Users who have registered for CDSL Easi/Easiest facility.**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/home/login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users who have not registered for CDSL Easi/Easiest facility.

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual members holding securities in demat mode with Depository Participant:

Individual members can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual members holding securities in physical form/ Non-Individual members holding securities in demat mode is given below:

Individual members of the company, holding shares in physical form / Non-Individual members holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
 2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -
 - A. **User ID:** Members holding shares in physical form shall provide Event No + Folio Number registered with the Company. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.)
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
- * Members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
* Members holding shares in **NSDL form**, shall provide 'D' above
- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click "confirm" (Your password is now generated).
 3. Click on 'Login' under 'SHARE HOLDER' tab.
 4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on 'Submit'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional members ("Corporate Body/ Custodian/Mutual Fund"):**STEP 1 – Registration**

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up at Sr.No. 2 above). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on "Investor Mapping" tab under the Menu Section
- c) Map the Investor with the following details:
 - a. 'Investor ID' -
 - i. Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID e.g., IN00000012345678
 - ii. Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

- b. 'Investor's Name' - Enter full name of the entity.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
 - e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate members can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) You will be able to see the notification for e-voting in inbox.
- c) Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- d) Download sample vote file from 'Download Sample Vote File' option.
- e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual members holding securities in physical form/ Non-Individual members holding securities in demat mode:

Members facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual members holding securities in demat mode:

Individual members holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual members 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.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual members 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 22 55 33

Forgot Password:**Individual members holding securities in physical form has forgotten the password:**

If an Individual member holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the members can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case members is having valid email address, Password will be sent to his / her registered e-mail address. Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for members holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for members holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for members holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional members (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:

If a Non-Individual members holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘Corporate Body/ Custodian/Mutual Fund’ tab and further Click ‘forgot password?’
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

In case members is having valid email address, Password will be sent to his / her registered e-mail address. Members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual members holding securities in demat mode with NSDL/ CDSL has forgotten the password:

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

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013.**ITEM NO.4**

Mr. Abhishek Jain was appointed as the Chief Executive Officer & Managing Director of the Company for a period of three years effective 1st April, 2022 to 31st March, 2025, liable to retire by rotation, and the said appointment was approved by the members on 3rd September 2021.

Mr. Abhishek Jain is a Bachelor of Science in Industrial Engineering from Purdue University, USA. He joined the Company in 2003, after gaining professional experience in USA. He became the Chief Executive Officer & Managing Director after successfully managing various divisions of the Company. Since then, he has been driving the company towards achieving Global Level Excellence. He is the President of the Honda Suppliers Club. He is also the coordinator for Northern Region of ACMA. Under his leadership PPAP group has grown multifold and diversified the business into various markets, industries and products.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on 18th May, 2024, re-appointed Mr. Abhishek Jain as the Chief Executive Officer & Managing Director of the Company for a period of three years from 1st April, 2025 to 31st March, 2028.

Mr. Abhishek Jain has provided his consent to act as a Director and a declaration to the effect that he is not disqualified under 164(2) of the Companies Act, 2013. (“the Act”) Also, he is not debarred from holding the office of director by virtue of any order of the Securities and Exchange Board of India or any other such authority.

A copy of memorandum containing terms of re-appointment and remuneration of Mr. Abhishek Jain, Chief Executive Officer & Managing Director as required under Section 190 of the Act, would be available for inspection by the members electronically on VC / OAVM platform during the annual general meeting.

The Board while re-appointing Mr. Abhishek Jain as the Chief Executive Officer and Managing Director of the Company, considered his skills, experience, knowledge and contributions to the Company.

Details pursuant to Schedule V of the Act are as under:

Sr.	Particulars			
I.	General Information			
a.	Nature of Industry	Auto component		
b.	Date of commencement of commercial production	The Company commenced its business on 1 st November, 1995 (certificate of commencement)		
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA		
d.	Financial performance of the Company based on given indicators	` In Lacs		
	Particulars	2023-24	2022-23	2021-22
	Total Income	50763.66	49561.91	41106.86
	Profit before interest, tax, depreciation and amortization expense	4761.82	4885.15	4104.59
	Less: Interest	1226.33	1029.83	598.30
	Depreciation and amortization expense	3213.79	2954.00	2895.09
	Profit / (loss) before exceptional and extraordinary items and tax	321.70	901.32	611.20
	Profit / (loss) for the period	(467.25)	681.02	458.82
e.	Foreign investments or collaborations, if any	The Company has a technical collaboration with Tokai Kogyo Co. Ltd, Japan and Nissen Chemitec Corporation, Japan.		
	Information about the Appointee			
a.	Background details	Mr. Abhishek Jain is a Bachelor of Science in Industrial Engineering from Purdue University, USA. He joined the Company in 2003, after gaining professional experience in USA. He became the Chief Executive Officer & Managing Director after successfully managing various divisions of the Company. Since then, he has been driving the company towards achieving Global Level Excellence. He is the President of the Honda Suppliers Club. He is also the coordinator for Northern Region of ACMA. Under his leadership PPAP group has grown multifold and diversified the business into various markets, industries and products.		
b.	Past Remuneration	Details of remuneration paid during FY24 are mentioned in Corporate Governance Report section of the Annual Report.		
c.	Recognition or awards	Under the dynamic leadership of Mr. Abhishek Jain, Chief Executive Officer and Managing Director, the Company has won several prestigious awards including Manufacturing Excellence by Maruti Suzuki, Quality Sustainability Award, State Safety Award by Government of Rajasthan, Shopfloor Excellence Award by Machinist and Best Spare Part Delivery Supplier Award from Suzuki Motorcycle India Private Limited.		
d.	Job Profile and Suitability	Mr. Abhishek Jain has joined the Company in 2003 and he became the director in 2006. He has been elevated to Chief Executive Officer and Managing Director in April 2017 after successfully managing the Company. He has a vast and rich experience of automotive and automotive component industry. He looks after planning, production, quality and overall operations of the Company. The responsibilities of the managerial personnel have increased substantially with the growth and de-risking strategy of the Company.		
e.	Remuneration proposed	As mentioned in item no. 4		
f.	Comparative remuneration, profile with respect to industry, size of the Company, profile of the position and person	Remuneration of Mr. Abhishek Jain commensurate with his qualifications, experience and with the remuneration levels in the industry and the responsibilities placed on him as Chief Executive Officer and Managing Director of the Company		
g.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Mr. Abhishek Jain owns 7.16% equity stake of the Company and with his other family members and relatives’ control 65.01% of equity share capital of the Company. Mr. Ajay Kumar Jain and Mrs. Vinay Kumari Jain are his relatives.		
	Other Information			
a.	Reasons of loss or inadequate profits	NA		
b.	Steps taken or proposed to be taken for improvement	NA		
c.	Expected increase in productivity and profits in measurable terms	NA		

Details of Mr. Abhishek Jain pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") are provided in the 'Annexure-I' to the Notice.

The Board recommends the special resolution set out at item no. 4 of the accompanying notice for approval by the members.

Mr. Abhishek Jain is interested in the resolution as set out at item no. 4 of the notice. Mr. Ajay Kumar Jain and Mrs. Vinay Kumari Jain, Directors of the Company being relatives of Mr. Abhishek Jain, may be deemed to be concerned or interested in the resolution set out at item no. 4.

Save and except the above, none of the other Directors/ Key Managerial Personnel of the company/ their relatives are, in any way, concerned or interested, financially or otherwise at item no. 4 of the notice.

ITEM NO. 5

The Company is required to have its costs records audited by a Cost Accountant in practice. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, have approved the appointment of M/s. Jangira & Associates (Firm Registration No. 103597), Cost Accountants, New Delhi as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the financial year 2024-25 at a remuneration of ₹ 1,75,000 (Rupees one lac seventy-five thousand only) plus payment of applicable taxes and re-imbursment of out-of-pocket expenses incurred by the Cost Auditors in connection with the aforesaid audit.

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, members of the Company are required to ratify the remuneration proposed to be paid to the Cost Auditors and pass the resolution as an ordinary resolution.

Accordingly, the Board of Directors recommends the ordinary resolution set out at item no. 5 of the accompanying notice for approval by the members.

None of the Directors, Key Management Personnel of the Company and their relatives, are in any way concerned or interested financially or otherwise at item no. 5 of the notice.

By the order of the Board
For **PPAP Automotive Limited**

Pankhuri Agarwal
Company Secretary
ACS-59103

Place: Noida
Date: 18th May, 2024

Annexure - 1

Details of Director seeking re-appointment as required under Regulation 36 of the Listing Regulations and Secretarial Standard- 2 issued by ICSI on General Meetings.

Name of the Director	Mr. Abhishek Jain	Mrs. Vinay Kumari Jain
Director Identification Number (DIN)	00137651	00228718
Nationality	Indian	Indian
Date of Birth and Age	24 th September, 1981 (42 years)	February 20, 1956 (68 Years)
Date of first appointment	1 st December, 2006	26 th December, 2013
Qualification	Bachelor of Science in Industrial Engineering from Purdue University, West Lafayette, USA	Graduate in Science from Delhi University
Expertise in specific functional area	Having vast experience in automotive industry.	Having vast experience in automotive industry.
Terms and condition of appointment/re-appointment	Refer Item No. 4 of this notice	Refer Item No. 3 of this notice
Details of remuneration last drawn (Financial year 2023-24) and sought to be paid, if applicable	127.70 lakhs	3.33 lakhs
Number of Board meetings attended during the financial year 2023-24	5 (Five)	5 (Five)
Relationships with other Directors, Manager and other Key Managerial Personnel	Son of Mr. Ajay Kumar Jain, Chairman and Managing Director & Mrs. Vinay Kumari Jain, Non-Executive Director	Spouse of Mr. Ajay Kumar Jain, Chairman and Managing Director & Mother of Mr. Abhishek Jain, Chief Executive officer and Managing Director
List of Directorships held in other companies (excluding foreign, private and section 8 Companies) as on 31 st March 2024.	PPAP Technology Limited	Nil
Name of listed entities from which the Director has resigned during last 3 years.	None	None
Memberships/ Chairmanships of Audit and Stakeholders Relationship Committees across Public companies including PPAP Automotive Limited	Member of Audit Committee of PPAP Automotive Limited	Nil
No. of shares held in the company (a) Own (b) For other persons on a beneficial basis	10,02,404 equity shares	5,33,890 equity shares
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Refer corporate governance report	Refer corporate governance report

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DIRECTORS' REPORT

Dear Members,

PPAP Automotive Limited

Your directors have pleasure in presenting the Twenty Ninth Annual Report of PPAP Automotive Limited ("Company") along with the audited financial statements and the auditors' report thereon for the year ended 31st March, 2024.

Financial highlights and state of Company's affairs

The financial performance of the Company for the year ended 31st March, 2024, on a standalone and consolidated basis, is summarized below:

(` in lacs)

Particulars	For the year ended			
	Standalone		Consolidated	
	31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
Revenue from Operations (net of excise)	50,386.22	49232.17	52291.77	51111.22
Other Income	377.44	329.74	166.24	141.07
Profit / loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	4761.82	4885.15	4076.32	3774.02
Less: Depreciation / Amortization / Impairment	3,213.79	2954.00	3414.53	3112.19
Profit / loss before Finance Costs, Exceptional items and Tax Expense	1548.03	1931.15	661.79	661.83
Less: Finance Costs	1,226.33	1029.83	1467.21	1173.12
Profit / loss before Tax Expense	321.70	901.32	(805.42)	(511.29)
Less: Tax Expense (Current & Deferred)	788.95	220.30	498.45	83.14
Profit / loss for the year	(467.25)	681.02	(1,303.87)	(594.43)
Other Comprehensive Income / loss	51.11	(14.99)	52.01	(17.90)
Total	(416.14)	666.03	(1,251.86)	(612.33)

Dividend

The Board of Directors of the Company are pleased to recommend a final dividend of ` 1.25 per equity share (12.5%) of face value of ` 10 (Rupees ten) each subject to the approval of shareholders at the ensuing Annual General Meeting ("AGM").

In terms of the provisions of the Income Tax Act, 1961, as amended by the Finance Act, 2020, dividend paid or distributed by a company on or after 1st April, 2020 is taxable in the hands of the shareholders. The tax shall be deducted at the rates prescribed under the Income Tax Act, 1961, as amended, which varies based upon the category and residential status of the shareholder. Shareholders are requested to update their residential status, KYC including PAN with their depository participants, in case of shares held in demat mode and with the Registrar and Share Transfer Agent of the Company, in case the shares are held in physical mode for determining the applicable rate of tax deducted at source.

Transfer to Reserves

During the year under review, no amount has been transferred to general reserve of the Company.

Change in the Nature of Business

During the year under review, there was no change in the nature of business of the Company.

Share capital

The authorized share capital of the Company is ` 20,00,00,000 (Rupees Twenty Crores) comprising of 2,00,00,000 (Two Crores) equity shares of ` 10 each during FY2024. The issued, subscribed and paid-up share capital of the Company is ` 14,00,00,000 (Rupees Fourteen Crores) comprising of 1,40,00,000 (One Crore Forty Lakh) equity shares of ` 10 each. During the year under review, there is no change in share capital of the Company.

Deposits

The Company has not accepted any deposits, within the meaning of provisions of Chapter V of the Companies Act, 2013 ("the Act"), read with the Companies (Acceptance of Deposits) Rules, 2014 as amended.

Technical collaboration

The Company has technical collaborations with Tokai Kogyo Co. Limited, Japan; Nissen Chemitec Corporation, Japan; and Tokai Kogyo Seiki Co. Limited, Japan.

The technology partners of your Company have extended their continuous support in terms of new product development, innovations, design, latest technology, quality, productivity, safety, etc. as per the needs of your Company.

Annual return

The annual return of your Company as on 31st March, 2024, in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, is available on your Company's website at https://www.ppapco.in/assets/pdf/annual_reports/Annual_return_24_Form_MGT_7%20Final.pdf

Meetings of the Board of Directors

The Board of Directors met five times during FY2024, the details of which are given in the corporate governance report that forms part of this annual report. The intervening gap between every two meetings during the year under review were in compliance with the period prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Directors and key managerial personnel

In accordance with the provisions of the Act, and in terms of Articles of Association of the Company, Mrs. Vinay Kumari Jain (DIN: 00228718), Director of the Company retires by rotation and being eligible, offers herself for re-appointment at the 29th AGM.

The Board of Directors upon the recommendation of Nomination and Remuneration Committee has re-appointed Mr. Abhishek Jain (DIN: 00137651) as Chief Executive Officer & Managing Director of the Company for a further period of three years w.e.f. 1st April, 2025 to 31st March, 2028, subject to the approval of shareholders at the ensuing AGM.

Mr. Rohit Rajput (DIN: 07944150), was appointed as an Additional Director (Independent) by the Board of Directors, subject to shareholder approval for first term of five consecutive years with effect from 9th November, 2023 to 8th November, 2028.

Mr. Rohit Rajput appointment as an Independent Director for first term of five consecutive years with effect from 9th November, 2023 to 8th November, 2028 was approved by the shareholders by postal ballot on 20th January, 2024.

The Board of Directors are of the opinion that Mr. Rohit Rajput, Independent Director possess integrity, necessary expertise, relevant experience and proficiency.

Mr. Bhuwan Kumar Chaturvedi (DIN: 00144487), was reappointed in the 23rd AGM as an Independent Director for the second term of five consecutive years from 26th December 2018 to 25th December, 2023. The tenure of Mr. Bhuwan Kumar Chaturvedi as an Independent Director has completed on 25th December, 2023.

Mr. Pravin Kumar Gupta (DIN: 06491563), was reappointed in the 23rd AGM as an Independent Director for the second term of five consecutive years from 1st April 2019 to 31st March 2024. The tenure of Mr. Pravin Kumar Gupta as an Independent Director has completed on 31st March 2024.

The disclosure as required under the provisions of the Companies Act, 2013, read with Secretarial Standards issued by Institute of Company Secretaries of India and Listing Regulations forms part of the Notice convening AGM.

Declaration by independent directors

The Company has received declarations from all the independent directors of the Company confirming that they meet with criteria of independence as prescribed under Section 149(6) of the Act and the Listing Regulations. Further, all the Independent Directors have registered their names in the data bank maintained and managed by Indian Institute of Corporate Affairs.

During the year, the Independent Directors of your Company had no pecuniary relationship or transactions with your Company other than sitting fees accrued to them for attending meetings of the Board and its committee(s) and remuneration.

The terms and conditions of appointment of the Independent Directors are placed on the website of the Company under the link: https://www.ppapco.in/assets/pdf/policies/Template_for_appointment_of_Independent_Director.pdf

Directors' responsibility statement

In terms of and pursuant to Section 134(3)(c) of the Act, as amended from time to time, in relation to the financial statements for the year ended 31st March, 2024, to the best of their knowledge and belief your Directors confirm the following:

- that in the preparation of annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- that the directors have selected such accounting policies and applied them consistently and made judgments 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, 2024 and of the profit and loss of the Company for the financial year ended 31st March, 2024;
- that the proper and sufficient care has been taken 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;
- that the annual accounts for the financial year ended 31st March, 2024 have been prepared on a "going concern basis";
- that the internal financial controls are adequate and are operating effectively; and
- that proper systems to ensure compliance with the provisions of all applicable laws are adequate and operating effectively.

Compliance with secretarial standards

Your Company has complied with the applicable secretarial standards issued by the Institute of Companies Secretaries of India (SS-1 and SS-2) respectively relating to meetings of the Board and its committees and general meetings.

Evaluation of the Board's performance

Pursuant to the provisions of the Act, and the Listing Regulations, the Board of Directors has carried out annual evaluation of its own performance, Directors, Chairman and its committees. The

manner in which the evaluation has been carried out is given in the corporate governance report that forms part of this annual report.

Nomination and remuneration policy

The remuneration paid to the Directors is in accordance with the nomination and remuneration policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The salient aspects covered in the nomination and remuneration policy have been given hereunder:

In accordance with the nomination and remuneration policy, the nomination and remuneration committee has, inter alia, the following responsibilities:

1. Ensure appropriate induction and training program: The committee shall ensure that there is an appropriate induction and training program in place for new Directors, Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) and review its effectiveness.
2. Formulating the criteria for appointment as a Director: The committee shall formulate criteria and review it on an ongoing basis, for determining qualifications, skills, experience, expertise, qualities, attributes, etc. required to be a Director of the Company.
3. Identify persons who are qualified to be Directors / Independent Directors / KMPs / SMPs: The committee shall identify persons who are qualified to become Directors / Independent Directors / KMPs / SMPs and who satisfy the criteria laid down under the provisions of the Act, Rules made thereunder, the Listing Regulations or any other enactment, for the time being in force.
4. Nominate candidates for Directorships subject to the approval of the Board: The committee shall recommend to the Board the appointment of potential candidates as Non-Executive Director or Independent Director or Executive Director, as the case may be.
5. Evaluate the performance of the Board: The committee shall determine a process for evaluating the performance of the Board, Director, Chairman and Committees of the Board, on an annual basis.
6. Remuneration of Managing Director / Directors: The committee shall ensure that the tenure of Executive Directors and their compensation packages are in accordance with applicable laws and in line with the Company's objectives, shareholders' interests and benchmarked with the industry.
7. Review performance and compensation of Independent Directors: The committee shall review the performance of Independent Directors of the Company. The committee shall ensure that the Independent Directors may receive remuneration by way of commission and/or sitting fees for attending the meetings of Board or committee(s), thereof

provided that the amount of such fees shall be subject to ceiling / limits as provided under the Act and Rules made thereunder or any other enactment, for the time being, in force.

8. Review performance and compensation of KMPs / SMPs: The committee shall ensure that the remuneration to be paid to KMPs / SMPs shall be based on their experience, qualifications and expertise and governed by the limits, if any, prescribed under the Companies Act, 2013 and Rules made thereunder or any other enactment, for the time being, in force.
9. Directors' and Officers' Insurance: The committee shall ensure that the insurance taken by the Company on behalf of its Directors, KMPs / SMPs either for indemnifying them against any liability or any other matter as may be deemed fit, the premium paid on such insurance, shall not be treated as part of the remuneration payable, to any such personnel.
10. Succession plans: The committee shall address and review sufficiently in advance the succession plans in order to ensure smooth transition and maintain an ideal balance of skills, experience and expertise on the Board.
11. Evaluation of Independent Director: For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate for the balancing the holistic set of skills, knowledge, wisdom, and experience on the Board. Based on such evaluation, prepare the role and responsibilities, qualifications, and capabilities required of an incoming independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. To identify suitable candidates, the Committee may:
 - a) use the services of an external agencies,
 - b) consider candidates from a wide range of backgrounds having due regard to diversity and,
 - c) consider the time commitments of the candidates.

Employee Stock Option Scheme

PPAP Automotive Limited Employee Stock Option Plan 2022 ("ESOP Scheme") was introduced by the Company to promote success of the Company by rewarding and motivating the employees, attract and retain talents, link interests of employees with shareholders, foster ownership and reward for loyalty to employees.

The ESOP Scheme has been implemented in accordance with the provisions of the Act and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (including any statutory modification(s) and/or reenactment(s) thereof for the time being in force) ("SEBI SBEB Regulations").

The Company has obtained a Certificate from the Secretarial Auditors stating that the ESOP Scheme has been implemented in accordance with the SEBI SBEB Regulations and in accordance

with the resolution of the Company passed in the annual general meeting. The said Certificate will be made available for inspection through electronic mode by writing to the Company at investorservice@ppapco.com from the date of circulation of the AGM Notice till the date of the AGM.

The applicable disclosures as stipulated under Regulation 14 of SEBI SBEB Regulations with regard to Employees Stock Option Plan of the Company are available on the website of the Company at www.ppapco.in and web link for the same is https://www.ppapco.in/financials#shareholders_meeting.

Particulars of employees

The information required under Section 197 of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) in respect of Directors / employees of the Company, annexed as 'Annexure-A' to this report.

Subsidiaries, joint ventures and associate companies

During FY2024 no company has become or ceased to be subsidiary, joint venture or associate of the company.

The Company has two subsidiary companies and a joint venture company. ELPIS Automotives Private Limited (Formerly Elpis Components Distributors Private Limited) and PPAP Technology Limited are wholly owned subsidiary companies of the Company. PPAP Tokai India Rubber Private Limited is a joint venture company of the Company.

A statement containing the salient features of the financial statements of subsidiary / associates / joint venture company, as per Section 129(3) of the Companies Act, 2013, is part of the consolidated financial statements. The audited financial statements of the wholly owned subsidiary companies have been placed on the website of the Company.

Corporate governance report

Your Company is committed to maintain high standards of corporate governance and adhere to the corporate governance requirements set out under the Listing Regulations. The Company constantly strive to evolve and follow up on the corporate governance guidelines and its best practices.

The compliance report on corporate governance and a certificate from M/s NKJ & Associates, Company Secretaries, regarding the compliance of the conditions of corporate governance, as stipulated under Chapter IV of the Listing Regulations, is annexed to this annual report.

Management discussion and analysis report

As required under Regulation 34(2) of the Listing Regulations, a detailed management discussion and analysis report is annexed to this annual report.

Business responsibility and sustainability report

The Company has provided Business responsibility and sustainability report (BRSR) based on the National Guidelines on Responsible Business Conduct describing initiatives undertaken from an environmental, social and governance perspective.

Material changes and commitments affecting financial position between end of the financial year and date of report

There has been no material change and commitment, affecting the financial performance of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Particulars of loans, guarantees and investments.

During the year under review, your Company has not given any loan or guarantee which is covered under the provisions of Section 186 of the Act. However, details of investments made during the year, are given under Note no. 7 of the standalone financial statements of the Company.

Related party transactions

During FY2024, all contracts / transactions entered by your Company with related parties under Section 188(1) of the Act were in the ordinary course of business and on an arm's length basis. During FY2024, your Company has not entered into any contracts / arrangements / transactions with related parties which could be considered 'material' in accordance with its policy on materiality of related party transactions. Thus, there are no transactions required to be reported in form AOC-2.

The details of the related party transactions as per Ind AS-24 are set out in Note no. 40 to the standalone financial statements of the Company.

Auditors and Auditor's report

Statutory auditors

M/s. TR Chadha & Co LLP (ICAI Firm Registration No. 006711N/ N500028), Chartered Accountants, New Delhi, has been appointed as the statutory auditors of the Company at the 28th AGM held on 15th September, 2023, for the period of five years i.e. up to the conclusion of the 33rd AGM to be held in the year 2028. Pursuant to section 139 and 141 of the Act, read with the Companies (Audit and Auditors) Rules 2014, M/s. TR Chadha & Co LLP has furnished a certificate of their eligibility and consent as the Auditors of the Company.

Statutory auditors' report

The Auditors' report does not contain any qualification, reservation(s) or adverse remark(s). The notes on financial statements referred to in the auditors' report are self-explanatory and do not call for further comments.

Secretarial auditors

Pursuant to the provisions of Section 204 of the Act and rules framed thereunder, M/s NKJ & Associates, Practising Company Secretaries were appointed as secretarial auditors of the Company for FY2024.

The secretarial audit report for FY2024 in form MR-3 is attached as 'Annexure- B' to this report.

Secretarial auditors' report

The report of secretarial auditors, part of this annual report does not contain any qualification(s), reservation(s) or adverse remark(s) or

disclaimer in the said report and do not call for further comments.

• Cost auditors

The Board of Directors, on recommendation of the audit committee, appointed M/s Jangira & Associates, Cost Accountants, (Firm Registration No. 103597) as cost auditors to audit the cost accounts of the Company for FY2025 pursuant to the provisions of section 148 of the Act. The remuneration payable to the cost auditors is required to be ratified by the shareholders at the AGM. Accordingly, resolution ratifying the remuneration payable to M/s Jangira & Associates, Cost Accountants, (Firm Registration No. 103597) shall be placed for the approval of the shareholders at the 29th AGM.

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

The Company had filed the cost audit report for FY2023 on 8th September, 2023, in compliance under the Companies (Cost Records and Audit) Amendment Rules, 2014.

Reporting of frauds by auditors

During the year under review, the auditors of the Company have not reported to the audit committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers and employees.

Corporate social responsibility

Your Company has been taking initiatives under Corporate Social Responsibility (CSR) for the society at large. The Company has a well-defined policy on CSR as per the requirement of Section 135 of the Act.

During the year, your Company thrives to constantly contribute towards the betterment of the local community in which it operates and the upliftment of the marginalised section of our society, through "Vinay and Ajay Jain Foundation", a registered trust for focused implementation of CSR activities of the Company majorly in the field of environment, education and health.

The CSR Policy is also available on the website of the Company and can be accessed by web link https://www.ppapco.in/assets/pdf/policies/Corporate_Social_Responsibility_Policy.pdf CSR report, pursuant to Section 134(3)(o) of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014. Report on CSR Activities is annexed as 'Annexure- C' to this report.

Internal financial control systems, its adequacy and risk management

Internal Financial Control and Risk Management are integral to the Company's strategy and for the achievement of the long-term goals. Our success as an organization depends on our ability to identify and leverage the opportunities while managing the risks.

Your Company has effective internal controls and risk-mitigation system, which is constantly assessed and strengthened with new/ revised standard operating procedures.

The internal auditors evaluate the efficacy and adequacy of the internal control system, its compliance with operating systems

and policies of the Company at all the locations of the Company. Based on the report of internal audit function, the process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, thereon, are reported to the audit committee.

The Company's internal control system commensurate with its size, scale and complexities of operations. In the opinion of the Board, the Company has robust internal financial controls which are adequate and effective during the year under review.

The Company has a risk management policy for identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. The Company's risk management processes focus on ensuring that risks are identified promptly, and mitigation action plan is formulated and executed timely.

The Company endeavors to continually sharpen its risk management systems and processes in line with a rapidly changing business environment. During the year under review, there were no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report which forms part of this Annual Report.

Policy on sexual harassment of women at workplace

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation, and abuse.

Your Company has in place a policy on prevention of sexual harassment at workplace. This policy is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Law"). While the POSH law is only intended to protect women employees, the Company is committed to providing a workplace free of Sexual Harassment for all, and so Company policy on prevention of sexual harassment at workplace applies uniformly in case of sexual harassment of any person, irrespective of the gender of the parties.

The Company has constituted Internal Complaints Committees at various locations as per requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 for redressal of complaints relating to sexual harassment against woman at workplace. Your Company has been conducting awareness campaign across all its manufacturing units to encourage its employees to be more responsible and alert while discharging their duties.

During the year under review, the Company has not received any complaint on sexual harassment.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

No significant and material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Whistle blower policy

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated whistle blower policy which is in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations.

The whistle blower policy provides a vigil mechanism for the Director / employee to report, without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the code of conduct of the Company, etc. which are detrimental to the organization's interest and reputation. The mechanism protects whistle blower from any kind of discrimination, harassment, victimization or any other unfair employment practice.

The Directors and employees in appropriate or exceptional cases have direct access to the Chairman of the audit committee. The said policy is placed on the website of the Company at www.ppapco.in.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

The information as required under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, annexed as 'Annexure- D' to this report.

Other Disclosures

- Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016- Not applicable
- Details of 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- Not applicable
- There are no transactions of the Company with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding with the Company.

Acknowledgements

The Directors place on record their appreciation for the hard work and valuable contribution made by every member of PPAP family.

Your Directors are thankful to your technology partners, suppliers, as well as vendors, our shareholders, business associates, banks, financial institutions for their continued support and for the confidence reposed in the Company.

For and on behalf of the Board

Place: Noida
Date: 18th May, 2024

Ajay Kumar Jain
Chairman &
Managing Director
DIN: 00148839

Abhishek Jain
CEO &
Managing Director
DIN: 00137651

Annexure-A to the Directors' Report

Pursuant to Section 197 of the Companies Act, 2013 ('the Act') read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of remuneration of each Director# to the median remuneration of all the employees of your Company for the financial year 2023-24

Name of Directors	Designation	Ratio to median remuneration
Mr. Ajay Kumar Jain	Chairman & Managing Director	38.06
Mr. Abhishek Jain	Chief Executive Officer & Managing Director	38.06

ii. The percentage increase in remuneration each Director#, Chief Financial Officer, Company Secretary in the financial year 2023-24

Name of Employee	Designation	% increase in remuneration
Mr. Ajay Kumar Jain	Chairman & Managing Director	-
Mr. Abhishek Jain	Chief Executive Officer & Managing Director	-
Mr. Sachin Jain	Chief Financial Officer	8%
Ms. Pankhuri Agarwal	Company Secretary	15%

**The Non-Executive and Independent Directors did not receive remuneration, except sitting fees for attending Board / Committee meetings, therefore, the ratio of remuneration and percentage increase are not considered for the above purpose. However, Mr. Deepak Kumar Sethi, Independent Director received remuneration by way of commission during FY2024 pursuant to shareholder approval dated 31st March 2023 and 20th January 2024. The ratio of remuneration to median remuneration is 0.9 and % increase is 100% (no commission was paid during FY2023).*

iii. The percentage increase in the median remuneration of employees in the financial year 2023-24 – 7.19%.

iv. Number of permanent employees on the rolls of the Company as on 31st March, 2024 – 1,295 employees

v. Average percentiles increase already made in the salaries of employees other than managerial personnel in the 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 – Nil

vi. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(2) of the Act read with Rule 5(2) of the Companies (Appointment Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the registered office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request.

For and on behalf of the Board of Directors

Place: Noida
Date: 18th May, 2024

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Annexure-B to the Directors' Report

Form No. MR-3

[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]

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2024**

To
The Members,
PPAP AUTOMOTIVE LIMITED
54, Okhla Industrial Estate,
Phase-III, Delhi-110020

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PPAP Automotive Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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. We hereby submit the report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- The Companies Act, 2013 ('Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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'):

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including erstwhile regulation);
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable
 - 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 to the extent of securities issued;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable; and
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the date applicable.
- vi. Following are the other acts applicable on the Company;
- The Air (Prevention and Control of Pollution) Act, 1981;
 - The Water (Prevention Control of Pollution) Act, 1974;
 - The Environment (Protection) Act, 1986; and
 - The Petroleum Act, 1934.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited to the date applicable.

We further report that

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 period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that

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.

For NKJ & Associates
Company Secretaries

Neelesh Kumar Jain
(Proprietor)
FCS No.: 5593
C P No.: 5233
PR No. : 688/2020
UDIN: F005593F000373532

Place: New Delhi
Date: 18th May, 2024

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report

Annexure A

To
The Members,
PPAP AUTOMOTIVE LIMITED
54, Okhla Industrial Estate,
Phase-III, Delhi-110020

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: New Delhi
Date: 18th May, 2024

For NKJ & Associates
Company Secretaries

Neelesh Kumar Jain
(Proprietor)
FCS No.: 5593
C P No.: 5233
PR No. : 688/2020
UDIN: F005593F000373532

Annexure-C to the Directors' Report

Corporate Social Responsibility Activities

[Pursuant to Section 135 of the Companies Act, 2013 ("the Act")]

1. Brief outline on CSR Policy of the Company:

We seek to deliver long-term sustainable growth while reducing our environmental footprint and increasing our positive social impact. The CSR initiatives of your Company aim towards our contribution to the society through a range of social and environmental activities. Your Company is devoted on the development of communities around the vicinity of our manufacturing plants in the field of education, health, hygiene and environment. Our focus is on the upliftment of the economically weaker sections of our society. Your Company conducts its CSR programs through its foundation viz. Vinay and Ajay Jain Foundation ("Foundation"). The Foundation was envisioned for focused and proper implementation of CSR activities undertaken by the Company. Such activities are guided and monitored by the CSR committee of the Company from time to time. Our sustainability focus also extends to the communities around which we work and the society at large. Our CSR activities during the year were consistent with our focus areas of Environment, Education and Health.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Bhuwan Kumar Chaturvedi	Chairman, Independent Director	2	2
2	Mrs. Vinay Kumari Jain	Member, Non-Executive Director	2	2
3	Mr. Abhishek Jain	Member, Executive Director	2	2
4	Mr. Rohit Rajput	Chairman, Independent Director	0	0
5	Mr. Deepak Kumar Sethi	Member, Independent Director	0	0
6	Mr. Ajay Kumar Jain	Member, Executive Director	0	0

Note: The Board of Directors in the meeting held on 9th November, 2023 has reconstituted Corporate Social Responsibility Committee.

Composition of CSR Committee upto 9 th November, 2023		Composition of CSR Committee w.e.f. 9 th November, 2023	
Mr. Bhuwan Kumar Chaturvedi, Chairman		Mr. Rohit Rajput, Chairman	
Mrs. Vinay Kumari Jain, Member		Mr. Deepak Kumar Sethi, Director	
Mr. Abhishek Jain, Member		Mr. Ajay Kumar Jain, Director	

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:

- (a) Composition of CSR committee: <https://www.ppapco.in/financials#boardmembers>
 (b) CSR Policy: https://www.ppapco.in/assets/pdf/policies/Corporate_Social_Responsibility_Policy.pdf
 (c) CSR projects: https://www.ppapco.in/assets/pdf/annual_reports/CSR_Project.pdf

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, if applicable: Not applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135: ` 713.52 Lacs

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ` 14.27 Lacs

(c) Surplus arising out of the CSR Projects or program or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: ` 44.49 Lacs

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ` 58.58 Lacs

(b) Amount spent in Administrative Overheads: ` 0.22 Lacs

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ` 58.80 Lacs

(e) CSR amount spent or unspent for the Financial Year: (` in lacs)

Total Amount Spent for the Financial Year (in `) (In Lacs)	Amount Unspent (in `) (In Lacs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
58.80	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in `) (in Lacs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	14.27
(ii)	Total amount spent for the Financial Year	58.80
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]*	89.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	89.02

* Excess amount spend is the sum of total amount spend for the financial year and amount carried forward from previous year after setting off current financial year obligation.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (in `)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (in `)	Amount Spent in the Financial Year (in `)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any (in `)	Amount remaining to be spent in succeeding Financial Years (in `)	Deficiency, if Any
					Amount	Date of Transfer	
1	FY-1	-	-	-	-	-	-
2	FY-2	-	-	-	-	-	-
3	FY-3	-	-	-	-	-	-

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

If Yes, enter the number of Capital assets created/ acquired: Not Applicable

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration No., 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 sub-section (5) of section 135: Not applicable

On behalf of Board of Directors
PPAP Automotive Limited

Place: Noida
Date: 18th May, 2024

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Rohit Rajput
Chairman of CSR Committee
DIN: 07944150

Annexure-D to the Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A. Energy conservation

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. This also helps the Company in reducing carbon footprint across all its operations and improve the bottom-line under its 'Mission Sustainability'. Your Company works on the greenhouse gases reduction and always focuses on 3R concept (Reduce, Reuse and Re-cycle).

The Company is also ISO 50001 standard certified, which defines the energy management system.

i. Steps taken or impact on conservation of energy

- Compressed air pressure reduced from 6.8 kg/cm² to 5.8 kg/cm² to reduce load as well as energy consumption.
- Compressed air leakage reduced from 15% to 10% by minimizing the air leakage points.
- Timers have been installed for idle stop in eight injection molding machines.
- Motion sensors installed in office areas to automate the light, fan switch off when not in use.
- Power factor has been improved up to 1.0 by implementing IGBT based Automatic Power Factor Correction ("APFC") system.
- Booster pump 2KW installed instead 5 KW normal pump to clean packing BINs.
- Injection molding machines heating start time optimized according to process requirements to reduce energy consumption.
- Retro-fitment of Toshiba 1300T Injection molding machine, from hydraulic to servo hydraulic and 50% energy saved.
- An energy-efficient IE5 rated inbuilt VFD 11.0 KW pump has been installed at Cooling Tower for Shed-2.
- Cooling tower water pressure optimized from 3.5 kg/cm² to 2.5 kg/cm² in shed 1.
- Cooling tower water pressure optimized from 3.0 kg/cm² to 2.0 kg/cm² in shed 2.
- Switch-off cooling tower fans during extreme winter.
- Timer provided in Quality lab, training room & office air conditioners for scheduled operation.
- All extrusion line machineries operation interlocked with main extruder to stop unwanted running.
- Flocking machines blower motor operational stop when idle.
- Separate chilled water line with different temperature provided for extruder feed jacket cooling and cooling trough.
- Motion sensor installed on injection molding and inspection table lights to stop unwanted use.
- HVLS fan installed in extrusion area to eliminate wall mounted fans to reduce energy as well as maintenance efforts.
- Air booster provided in plant to feed high air pressure, by keeping the source pressure low, @6.0 kg/cm².

ii. Utilizing alternate sources of energy

The Company has done the feasibility study of mapping solar energy and estimated that 837 KW solar energy can be generated by using roof top of all the plants of the Company which is equivalent to 6% of the total estimated power requirement.

iii. Capital investment on energy conservation equipment

The Company continuously endeavors to discover new technologies and tools to save the energy and reduce consumption. The Company has spent ₹ 45.78 lacs as capital investment on energy conservation equipment during FY2024.

B. Technology absorption

The Company is working with following technology partners for its technology requirements:

S. No.	Name	Country	Year	Purpose	Has the technology fully absorbed	If not, when to be absorbed
1	Tokai Kogyo Co. Limited	Japan	1989	Automotive sealing system	Yes	-
2	Nissen Chemitec Corporation	Japan	2007	Interior and exterior injection products	Yes	-
3	Tokai Kogyo Seiki Co. Limited	Japan	2015	Tools and dies	Yes	-

Over the years, the Company has fully absorbed the manufacturing and tooling knowhow from its technology partners. The Company is now capable of designing the products that are made by it along with the designing and manufacturing of the tools and machines required to manufacture those products. The Company has a well-established inhouse research and development center which supports material evaluation as well as product evaluation. Today, the Company is well placed to offer a one-stop shop solution to its customers.

Apart from technology development, the Company focuses on improving its digital footprint by extensive use of software's as well as new industry concepts.

The Research and Development (R&D) team of the Company continuously carries out the activities to build the Company technological self-reliance by promoting in house research, innovation, design and new product development. The following are some of the activities carried out by R&D team in FY2024:

- Designed & developed SUS cover type waist seal outer belt to enhance the waistline harmony of the car. The technology part is developed for the first time in India.
- Designed & developed polymer injection molded waist seal outer belt in high gloss black for passenger car. The technology part is developed for the first time in India.
- Introduced injection moulded parts with 2K moulding process to enhance the aesthetics and elimination of separate process.

Expenditure on R&D

(` in lacs)

Particulars	For the year ended	
	31 st March, 2024	31 st March, 2023
Capital expenditure	17.74	93.22
Revenue expenditure	166.83	66.96
Total	184.57	160.18
Total R&D expenditure as a % turnover	36.63	0.33

Foreign exchange earnings and outgo

(` in lacs)

Particulars	For the year ended	
	31 st March, 2024	31 st March, 2023
Foreign exchange earning	130.02	0.00
Foreign exchange outgo	2346.20	473.10

For and on behalf of the Board of Directors

Place: New Delhi
Date: 18th May, 2024

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Abhishek Jain
CEO & Managing Director
DIN: 00137651

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

PPAP Automotive Limited's ("PPAP" or "Company") philosophy for corporate governance is aimed at achieving the highest standards of corporate governance, accountability, sustainability, and compliance of all the laws, in the letter and spirit.

We continuously follow ethical standards in all our business transactions which are guided by the Company's culture, our principles, and our value system. The Company continues to implement national, as well as, international corporate governance practices, in order to achieve global level excellence in its functioning and to provide long-term value to its shareholders, stakeholders and to our society.

The values of our Company are integrity, respect, innovation, openness, transparency, excellence, teamwork, responsibility and accountability, trust, honesty, safety and a shared and common purpose. The Company strongly believes that effective and good corporate governance practices build a strong foundation of trust and confidence which in turn attracts superior human capital which leads to sustainable and exceptional financial performance.

The Company continuously endeavors to improve all aspects of its business operations and adopts innovative approaches for leveraging all our resources, converting challenges into opportunities through empowerment and motivation of our human capital enabling the Company a higher growth trajectory.

Governance Structure

The Company's governance practices are based upon self-performance and self-governance by all employees, depicting our culture of the trusteeship which is deeply ingrained in our culture, our principles and our value system.

The Company is driven by the directions set by its Board of Directors who align the Company's purpose of existence with the short-medium and long-term expectations of its shareholders, as well as its stakeholders.

The Board along with its sub committees, reviews the performance of the Company periodically and guides the management. The Board has established a framework of prudent and effective controls, which enable the risks to be assessed timely and prudently managed. The Board oversees how the management and the leadership team work according to the established principles, the culture and the values of the Company. The Board acts as a mentor to our management and gives its wisdom and valuable insights to overcome current and future challenges and to constantly outperform the competition.

The leadership team of our Company percolates the directions set by the Board throughout the organization, through policy deployment, responsibility and accountability matrix, daily work management, plan, check, act and reviews etc. This structure ensures that the entire organization is aligned to the common goal of challenging the status quo to achieve breakthrough results.

In line with the above, the Company has formed three tiers of corporate governance structure:

Board Leadership

PPAP is led by an effective and entrepreneurial Board. The Board defines the Company's purpose, its culture, its principles, its value systems and sets the strategies to deliver superior results. The Board articulates the business model, strategies, and the approach to risks and their mitigation. It takes measures for the short, medium and long-term success, future value creation and future viability of the Company considering the technological changes, geopolitical threats, environmental impacts, changing shareholders' and stakeholders' expectations, etc. The Company's operational and financial performance, statutory and regulatory compliances are reviewed by the Board from time to time. The Board also focuses on idea generation for business growth, opportunity identification, breakthroughs, and innovation. It identifies good and excellent business practices that can make our work culture constantly healthy and agile.

Board Committees

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific activities which concern the Company and need a closer and systematic review. The Board Committees are set up with the approval of the Board. There are four committees set up by Board:

1. Audit Committee,
2. Stakeholders Relationship Committee,
3. Nomination & Remuneration Committee and
4. Corporate Social Responsibility Committee.

Leadership Team

The leadership team of the Company is responsible for the execution of the directions set by the Board. They are empowered to take decisions in their respective domains to discover out of the box solutions to achieve the breakthrough results.

Key elements of PPAP corporate governance

- Number of Board meetings exceed the statutory requirement, including meeting dedicated to discussing strategy, operating plans and risk.
- The Company's Board comprises directors from diverse backgrounds and substantial experience, who can provide appropriate guidance to the executive management.
- Presentations by executive management team members of the Company and its joint venture, subsidiaries are regularly made to familiarize directors with key elements of each business.

1. Board of Directors

i) Composition of Board

The Company has a balanced and diverse Board. The Board provides leadership, strategic guidance, objective, and independent views to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of corporate ethics, transparency, professionalism, and disclosure, which drive the Company to sustainable excellence in performance. They take active part in the Board and Committee meetings and are committed to drive the Company's superior performance.

The composition of the Board is governed by the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Board comprises of an optimum combination of Executive and Non-Executive Directors including an Independent Woman Director.

Composition of the Board as on 31st March, 2024 is given herein below:

Category of Directors	No. of Directors	% of total no. of Directors
Executive	2	28.57
Independent	4	57.14
Non-Executive	1	14.29
Total	7	100

The names and categories of the Directors on the Board and the number of directorships and committee chairmanship(s) / membership(s) held by them in other companies as on 31st March, 2024 are given herein below:

Sl. no	Name of Directors	Category	As on 31 st March, 2024			
			Directorship in other Companies ⁽¹⁾		Membership and chairmanship of the committees of the Board of other Companies ⁽²⁾	
			Public companies	Private companies	Chairman	Member
1	Mr. Ajay Kumar Jain	Chairman & Managing Director	2	2	-	-
2	Mr. Abhishek Jain	Chief Executive Officer & Managing Director	2	3	-	-
3	Mr. Pravin Kumar Gupta ⁽³⁾	Independent Director	-	-	-	-
4	Mrs. Celine George	Independent Director	1	1	-	-
5	Mr. Deepak Kumar Sethi	Independent Director	-	-	-	-
6	Mr. Rohit Rajput ⁽⁴⁾	Independent Director	-	-	-	-
7	Mrs. Vinay Kumari Jain	Non-Executive Director	-	1	-	-

⁽¹⁾Includes directorships held in public and private limited companies and excludes directorship in PPAP Automotive Limited.

⁽²⁾For the purpose of determination of limit of the Board committees, chairmanship and membership of the audit and stakeholders relationship committees in other public limited companies have been considered. None of the Directors of your Company is a member of more than 10 committees or is the chairman of more than five committees across all the companies in which he / she is a director.

⁽³⁾Stepped down as an Independent Director of the Company consequent to the completion of his second term w.e.f. close of business hours of 31st March, 2024.

⁽⁴⁾Appointed w.e.f. 9th November, 2023

All directors of the Company hold directorship in one listed company i.e. PPAP Automotive Limited. Mrs. Celine George is an Independent Director in Uniparts India Limited.

ii) Skill, expertise and competencies of Directors

The following core skills/expertise/competencies, as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of directors.

Skills	Mr. Ajay Kumar Jain	Mr. Abhishek Jain	Mrs. Celine George	Mr. Deepak Kumar Sethi	Mr. Rohit Rajput	Mrs. Vinay Kumari Jain
Knowledge / experience						
Experience of CEO or senior management of similar industry or track record of superior results	✓	✓	✓	✓	✓	-
Understanding of relevant laws, rules, regulation and policies	✓	✓	✓	✓	✓	✓
Sound understanding of human capital enrichment	✓	✓	✓	✓	✓	✓
Technical skills / experience						
Administration	✓	✓	✓	✓	✓	✓
Financial literacy	✓	✓	✓	✓	✓	-
Sales and Marketing	✓	✓	-	✓	✓	-
Compliances and risk mitigation	✓	✓	✓	✓	✓	-
Behavioral competencies						
High ethical standards of integrity and probity	✓	✓	✓	✓	✓	✓
Leadership and interpersonal skills	✓	✓	✓	✓	✓	✓
Mentoring abilities	✓	✓	✓	✓	✓	✓

iii) Change in Directors

Pursuant to the provisions of the Act, Mrs. Vinay Kumari Jain (DIN: 00228718), Director, being liable to retire by rotation, shall retire at the ensuing AGM and being eligible offer herself for re-appointment at the 29th Annual General Meeting ("AGM").

The Board of Directors upon the recommendation of Nomination and Remuneration Committee has re-appointed Mr. Abhishek Jain (DIN: 00137651) as Chief Executive Officer & Managing Director of the Company for a further period of three years w.e.f. 1st April, 2025 to 31st March, 2028, subject to the approval of shareholders at the ensuing AGM.

Mr. Rohit Rajput (DIN: 07944150), was appointed as an Additional Director (Independent) by the Board of Directors, for first term of five consecutive years with effect from 9th November, 2023 to 8th November, 2028.

Further Mr. Rohit Rajput appointment as an Independent Director for first term of five consecutive years with effect from 9th November, 2023 to 8th November, 2028 was approved by the shareholders by postal ballot on 20th January, 2024.

Mr. Bhuwan Kumar Chaturvedi (DIN: 00144487), was reappointed in the 23rd AGM as an Independent Director for the second term of five consecutive years from 26th December 2018 to 25th December, 2023. The tenure of Mr. Bhuwan Kumar Chaturvedi as an Independent Director has completed on 25th December, 2023.

Mr. Pravin Kumar Gupta (DIN: 06491563), was reappointed in the 23rd AGM as an Independent Director for the second term of five consecutive years from 1st April 2019 to 31st March 2024. The tenure of Mr. Pravin Kumar Gupta as an Independent Director has completed on 31st March 2024.

The disclosure as required under the provisions of the Companies Act, 2013 read with Secretarial Standards issued by Institute of Company Secretaries of India and Listing Regulations forms part of the Notice convening 29th AGM.

iv) Board procedures

The Company Secretary, in consultation with the Chairman & Managing Director and Chief Executive Officer & Managing Director, plans the agenda of the meetings well in advance and circulates the agenda and other related documents to the members of the Board and committees within the prescribed time limit to enable them to have sufficient time to study, to facilitate meaningful and focused discussions at the meetings and take informed decisions.

The agenda along with documents are circulated 7 (seven) days before the date of the meeting(s) in compliance with the Companies Act, 2013 and secretarial standards issued by Institute of Company Secretaries of India.

The members of the Board have always expressed their views & opinion and decisions are taken based on consensus arrived at after detailed discussions. The Board members bring up any matter for discussion at the Board meetings in consultation with the Chairman.

During the financial year 2023-24 the Board has accepted all the recommendations of the committees of Board.

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed, investors' queries are handled promptly and reports to the Board.

The Company Secretary attends all the meetings of the Board and its committees and is, inter alia, responsible for recording the minutes of the meetings of the Board and its committees. The draft minutes of the Board and its committees are sent to the Directors for their comments in compliance with the secretarial standards.

Senior management personnel are invited to the Board meetings as and when required to enable them to make requisite presentations on relevant issues or to provide necessary insights into the operations of the Company. Presentations are made by various departments to the Board on the progress of business activities and performance updates.

v) Independent directors

The Independent Directors of the Company are individuals of eminence & repute in their respective fields and help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments, corporate governance and standards of conduct.

The Independent Directors provide an annual confirmation that they meet the criteria of independence as per Regulation 16(1) (b) of the Listing Regulations and Section 149(6) of the Act, along with rules framed thereunder. Further, in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence and are independent from the management.

Independent Director's databank registration

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs ("MCA"), all the Directors have renewed the registration with the independent directors' databank. Requisite disclosures have been received from the Independent Directors in this regard.

Separate meeting of the Independent Directors

The Independent Directors are fully kept informed of the Company's business activities in all areas. The Independent Directors meet without the presence of non-independent Directors. This meeting enables the Independent Directors to interact and discuss matters including review of the performance of the non-independent Directors and the Board as a whole, review of the performance of the Chairman of the Company, taking into account views of executive and non-executive Directors and assessing 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 its duties.

The Independent Directors met on 23rd March, 2024, during the FY2024.

Performance evaluation criteria of independent directors

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance and that of its committees, chairman and individual directors.

The manner in which formal annual evaluation of performance was done by the Board is given below:

- The Company sent an email which informed directors regarding the automated process to carry out annual performance evaluation in accordance with the criteria approved by nomination and remuneration committee.
- From the individual ratings received from the directors, a report on summary of the ratings in respect of performance evaluation of the Board, committees, the chairman and directors for FY2024 and a consolidated report thereof were arrived at.
- This report was then discussed and noted by the Board at their meeting held on 18th May, 2024.
- The nomination and remuneration committee reviewed the implementation and compliance of the performance evaluation. Based on the report of performance evaluation, the Board and nomination and remuneration committee, determined as required under law that the appointment of independent directors may continue.

Details of the Board meetings and annual general meeting held during the year

The details of attendance at the Board meetings held during FY2024 and at annual general meeting of the Company are as below:

Name of Directors	Attendance					
	Meeting 1 19 th May, 2023	Meeting 2 12 th August, 2023	Meeting 3 9 th November, 2023	Meeting 4 10 th February, 2024	Meeting 5 23 rd March, 2024	Last AGM 15 th September, 2023
Mr. Ajay Kumar Jain	✓	✓	✓	✓	✓	✓
Mr. Abhishek Jain	✓	✓	✓	✓	✓	✓
Mr. Bhuwan Kumar Chaturvedi ⁽⁵⁾	✓	✓	✓	NA	NA	✓
Mr. Pravin Kumar Gupta ⁽⁶⁾	✓	✓	✓	✓	✓	✓
Mrs. Celine George	✓	✓	✓	✓	✓	✓
Mr. Deepak Kumar Sethi	✓	✓	✓	✓	✓	NA
Mr. Rohit Rajput ⁽⁷⁾	NA	NA	✓	✓	✓	NA
Mrs. Vinay Kumari Jain	✓	✓	✓	✓	✓	✓

⁽⁵⁾Stepped down as an Independent Director of the Company consequent to the completion of his second term w.e.f. close of business hours of 25th December, 2023.

⁽⁶⁾Stepped down as an Independent Director of the Company consequent to the completion of his second term w.e.f. close of business hours of 31st March, 2024.

⁽⁷⁾Appointed w.e.f. 9th November, 2023.

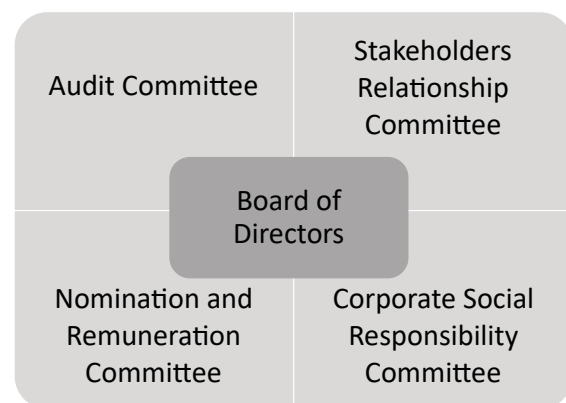
vi) Committees of the Board

The Board has constituted a set of committees with specific terms of references and ensure expedient resolution of diverse matters and achieve objectivity. The minutes of the meetings of all committees of the Board are placed before the Board for confirmation.

Each committee of the Board is guided by its terms of reference, which defines the scope and powers of the committee.

These committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific activities which concern the Company and need a closer review.

The Company Secretary of the Company acts as the Secretary to all the committees.



A. Audit committee

Your Company has a duly constituted Audit Committee ('the Committee') and its composition as well as charter are in line with the requirements of the Act and the Listing Regulations.

All members of the Committee are financially literate and have accounting or related financial management expertise as mandated by the Listing Regulations.

The Committee is governed by a charter which is in line with the regulatory requirements mandated by Regulation 18 of the Listing Regulations. The functioning and terms of reference of the Committee including the role, powers and duties, quorum for meeting and frequency of meetings, have been devised keeping in view the requirements of the Act, and the Listing Regulations are broadly as under:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.

- c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the board to take up steps in this matter.
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
 8. Approval or any subsequent modification of transactions of the listed entity with related parties.
 9. Scrutiny of inter-corporate loans and investments.
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
 11. Evaluation of internal financial controls and risk management systems.
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 14. Discussion with internal auditors of any significant findings and follow up there on.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 16. 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.
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the functioning of the whistle blower mechanism.
 19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
 20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
 21. 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 including existing loans / advances / investments existing as on the date of coming into force of this provision.
 22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
 23. Management discussion and analysis of financial condition and results of operations
 24. Management letters / letters of internal control weaknesses issued by the statutory auditors
 25. Internal audit reports relating to internal control weaknesses.
 26. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 27. Statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The details of the Committee meetings and attendance of the members of the Committee during FY2024 are as below:

Meetings, attendance & composition of the audit committee:

Name of the Committee Member	Designation	Category of Director		Attendance			
		Independent	Executive	Meeting 1 19 th May, 2023	Meeting 2 12 th August, 2023	Meeting 3 9 th November 2023	Meeting 4 10 th February, 2024
Mr. Pravin Kumar Gupta ⁽⁸⁾	Chairman	✓	-	✓	✓	✓	✓
Mr. Bhuwan Kumar Chaturvedi ⁽⁹⁾	Member	✓	-	✓	✓	✓	NA
Mr. Abhishek Jain	Member	-	✓	✓	✓	✓	✓
Mr. Deepak Kumar Sethi ⁽¹⁰⁾	Chairman	✓	-	NA	NA	NA	✓
Mr. Rohit Rajput ⁽¹¹⁾	Member	✓	-	NA	NA	NA	✓

⁽⁸⁾ Ceased to be Chairman of Audit Committee w.e.f. 9th November, 2023.

⁽⁹⁾ Ceased to be Member of Audit Committee w.e.f. 9th November, 2023.

⁽¹⁰⁾ Appointed as Chairman of Audit Committee w.e.f. 9th November, 2023.

⁽¹¹⁾ Appointed as Member of Audit Committee w.e.f. 9th November, 2023.

Note: The Board in their meeting held on 9th November 2023 reconstituted Audit Committee.

In addition to the members of the Committee, these meetings were attended by Chief Financial Officer, Chief Operating Officer, internal auditors and statutory auditors of the Company, and those executives of the Company who were considered necessary for providing inputs to the Committee.

Mr. Pravin Kumar Gupta, Chairman of the Committee was present at the annual general meeting of the Company held on 15th September, 2023, to answer shareholders' queries.

The Committee relies on the expertise and knowledge of the management, the internal auditors, and the statutory auditor, in carrying out its oversight responsibilities. The management is responsible for the preparation, presentation and integrity of the Company's financial statements including consolidated statements, accounting, and financial reporting principles. The management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with Indian accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal controls. The recommendations of Committee were duly accepted by the Board of Directors.

B. Nomination and Remuneration Committee

The Company has a duly constituted Nomination and Remuneration Committee ("NRC"), which inter-alia, identifies and recommends persons who are qualified to become Directors.

The NRC also has the responsibility of setting criteria for appointment of Directors, senior management, and Key Managerial Personnel (KMP) of the Company, recommending appointment & remuneration to the Board, performance evaluation of Directors and the Board, board diversity etc. The recommendations of NRC were duly accepted by the Board of Directors.

The Committee is governed by a charter which is in line with the regulatory requirements mandated by Regulation 19(4) of the Listing Regulations. The functioning and terms of reference of the NRC including the role, powers and duties and quorum for meeting, have been devised keeping in view the requirements of the Companies Act, 2013 and the Listing Regulations are broadly as under:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal and to carry out evaluation of every director's performance.
- 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.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.

- To formulate the criteria for evaluation of independent directors and the board.
- To devise a policy on board diversity.
- To extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of Independent directors.
- To recommend / review remuneration of managing director / whole-time director.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate for the balancing the holistic set of skills, knowledge, wisdom, and experience on the Board. Based on such evaluation, prepare the role and responsibilities, qualifications, and capabilities required of an incoming independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. To identify suitable candidates, the Committee may:
 - use the services of an external agencies,
 - consider candidates from a wide range of backgrounds having due regard to diversity and,
 - consider the time commitments of the candidates.

The committee also acts as a compensation committee for implementation of the PPAP Automotive Limited Employee Stock Option Plan 2022.

Meetings, attendance & composition of the NRC:

During the year, the NRC met two times and quorum was present in the meeting.

The details of the NRC meeting and attendance of the members of NRC during FY2024 is as below:

Name of Committee Member	Designation	Category of Director		Attendance	
		Independent	Non-Executive	Meeting 1 19 th May, 2023	Meeting 2 9 th November, 2023
Mrs. Celine George	Chairperson	✓	-	✓	✓
Mr. Pravin Kumar Gupta ⁽¹²⁾	Member	✓	-	✓	✓
Mr. Bhuwan Kumar Chaturvedi ⁽¹³⁾	Member	✓	-	✓	✓
Mr. Rohit Rajput ⁽¹⁴⁾	Member	✓	-	NA	NA
Mrs. Vinay Kumari Jain ⁽¹⁵⁾	Member	✓	-	NA	NA

⁽¹²⁾ Ceased to be Member of NRC w.e.f. 9th November, 2023.

⁽¹³⁾ Ceased to be Member of NRC w.e.f. 9th November, 2023.

⁽¹⁴⁾ Appointed as Member of NRC w.e.f. 9th November, 2023.

⁽¹⁵⁾ Appointed as Member of NRC w.e.f. 9th November, 2023.

Note: The Board in their meeting held on 9th November 2023 reconstituted NRC.

Mrs. Celine George, Chairperson of the NRC, was present at the AGM of the Company held on 15th September, 2023, to answer shareholders' queries.

Remuneration to the Directors

The appointment of the executive directors is governed by resolutions passed by the shareholders of the Company, which covers the terms and conditions of such appointment, read with the service rules of the Company. A separate service contract is not entered into by the Company with executive directors. No notice period or severance fee is payable to any Director.

The independent directors were also paid sitting fees for their separate meeting held during the year.

Details of remuneration paid and securities held by executive directors during FY2024:

Name of Directors	Salary and perquisite	Bonus	Commission	Others	Total	No. of equity shares held
Mr. Ajay Kumar Jain (Chairman & Managing Director)	120.40	0.17	-	-	120.57	38,67,180 90,123 ⁽¹⁶⁾
Mr. Abhishek Jain (CEO & Managing Director)	120.40	0.10	-	7.2	127.70	10,02,404

⁽¹⁶⁾ Holding equity shares in the name of Ajay Kumar Jain HUF as Karta.

The executive directors are not entitled to stock option and performance linked incentive.

Non-executive directors are paid sitting fees for attending the meeting of Board and Committees of Board. Non-executive directors are also entitled to remuneration in accordance with shareholder approval dated 31st March 2023.

Details of sitting fees and remuneration paid to non-executive directors and equity shares held by them during FY2024:

(` in lacs)

Name of Directors	Sitting Fees	Remuneration	No. of Equity shares held
Mr. Bhuwan Kumar Chaturvedi ⁽¹⁷⁾	4.14	-	-
Mr. Pravin Kumar Gupta ⁽¹⁸⁾	5.04	-	-
Mrs. Celine George	3.42	-	-
Mr. Deepak Kumar Sethi	3.06	9	-
Mr. Rohit Rajput ⁽¹⁹⁾	2.25	-	-
Mrs. Vinay Kumari Jain	3.33	-	5,33,890

⁽¹⁷⁾Stepped down as an Independent Director of the Company consequent to the completion of his second term w.e.f. close of business hours of 25th December, 2023.

⁽¹⁸⁾Stepped down as an Independent Director of the Company consequent to the completion of his second term w.e.f. close of business hours of 31st March, 2024.

⁽¹⁹⁾Appointed as an Independent Director w.e.f. 9th November, 2023.

Inter-se relationship between Directors

The Directors' inter-se relationship are as follows:

Name of Directors	Relationship with other Directors
Mr. Ajay Kumar Jain	Husband of Mrs. Vinay Kumari Jain and father of Mr. Abhishek Jain
Mrs. Vinay Kumari Jain	Wife of Mr. Ajay Kumar Jain and mother of Mr. Abhishek Jain
Mr. Abhishek Jain	Son of Mr. Ajay Kumar Jain and Mrs. Vinay Kumari Jain

There are no pecuniary relationships or transactions held with the non-executive director, other than the sitting fees/ remuneration drawn by the non-executive directors.

Mr. Ramesh Chander Khanna, Chief Operating Officer, Mr. Sachin Jain, Chief Financial Officer, Mr. Deepak Singh, Vice President, and Ms. Pankhuri Agarwal, Company Secretary and Compliance Officer are the senior management personnel of the Company. During FY2024 there is no change among the senior management personnel of the Company.

C. Stakeholders Relationship Committee

Stakeholders Relationship Committee ("SRC") is responsible for redressal of shareholders complaints. The Board of Directors of the Company has with a view to expediting the process of share transfers, has delegated the power to Company Secretary who resolve the requests of share transfer.

The Committee is governed by a charter which is in line with the regulatory requirements mandated by Regulation 20(4) read with Part D of Schedule II of the Listing Regulations. The functioning and terms of reference of the SRC including the role, powers and duties and quorum for meeting, have been devised keeping in view the requirements of Section 178 of the Companies Act, 2013 and the Listing Regulations are broadly as under:

1. Consider and resolve the grievances of security holders of the Company, including complaints related to transfer/ transmission of securities, 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; and
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.

Meetings, attendance & composition of the SRC:

During the year, the SRC met once. The quorum was present in the meeting.

The details of the SRC meeting and attendance of the members of SRC during FY2024 are as below:

Name of Committee Member	Designation	Category of Director			Attendance
		Independent	Non-Executive	Executive	Meeting 1 19 th May, 2023
Mr. Pravin Kumar Gupta ⁽²⁰⁾	Chairman	✓	-	-	✓
Mrs. Vinay Kumari Jain ⁽²¹⁾	Chairperson	-	✓	-	✓
Mr. Abhishek Jain ⁽²²⁾	Member	-	-	✓	✓
Mr. Deepak Kumar Sethi ⁽²³⁾	Member	✓	-	-	NA
Mrs. Celine George ⁽²⁴⁾	Member	✓	-	-	NA

⁽²⁰⁾Ceased to be Chairman of SRC w.e.f. 9th November, 2023.

⁽²¹⁾Redesignated as Chairperson from Member of SRC w.e.f. 9th November, 2023.

⁽²²⁾Ceased to be Member of SRC w.e.f. 9th November, 2023.

⁽²³⁾Appointed as Member of SRC w.e.f. 9th November, 2023

⁽²⁴⁾Appointed as Member of SRC w.e.f. 9th November, 2023

Note: The Board in their meeting held on 9th November, 2023 reconstituted SRC.

Ms. Pankhuri Agarwal, Company Secretary & Compliance Officer act as Secretary to SRC.

Mr. Pravin Kumar Gupta, Chairman of the SRC, was present at the AGM of the Company held on 15th September, 2023, to answer shareholders' queries.

Details of investors' complaints handled by the Company and its registrar & share transfer agent during FY2024 are as below:

Number of complaints remaining unresolved as on 1 st April, 2023	0
Number of complaints received during the year	0
Number of complaints resolved during the year	0
Number of complaints remaining unresolved as on 31 st March, 2024	0

D. Corporate Social Responsibility Committee

In terms of Section 135 of the Act, read with the Companies (Corporate Social Responsibility) Rules, 2014 as amended, the Board of Directors have approved a Corporate Social Responsibility ("CSR") Policy that strives towards welfare and sustainable development of the different segments of our society.

Your Company believes in making lasting impact towards creating a just, equitable, humane, and sustainable society. The Company's endeavour to continuously evolve and ramp up the CSR activities in both social and environmental spheres improving the quality of life of our society through its CSR endeavours. The CSR initiatives of the Company are categorized into environment, education, and health care.

The CSR Policy is also available on the website of the Company and can be accessed by web link https://www.ppapco.in/assets/pdf/policies/Corporate_Social_Responsibility_Policy.pdf

The Committee is governed by a Charter which is in line with the regulatory requirements mandated under Section 135 of the Act. The functioning and terms of reference of the CSR committee including the role, powers and duties and quorum for meeting, have been devised keeping in view the requirements of Section 135 of the Act, are broadly as under:

1. To frame the CSR policy and its review from time to time.
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Monitor implementation and adherence to the CSR policy of the Company from time to time.
4. To ensure compliance with the laws, rules & regulations governing the CSR; and
5. Such other activities as the Board of Directors may determine from time to time.

Meetings, attendance & composition of the CSR Committee:

During the year, the CSR committee met two times and quorum was present in both the meetings.

The details of the CSR committee meetings and attendance of the members of the CSR committee during FY2024 are as below:

Name of Committee Member	Designation	Category of Director			Attendance	
		Independent	Non-Executive	Executive	Meeting 1 19 th May, 2023	Meeting 2 9 th November, 2023
Mr. Bhuwan Kumar Chaturvedi ⁽²⁵⁾	Chairman	✓	-	-	✓	✓
Mrs. Vinay Kumari Jain ⁽²⁶⁾	Member	-	✓	-	✓	✓
Mr. Abhishek Jain ⁽²⁷⁾	Member	-	-	✓	✓	✓
Mr. Rohit Rajput ⁽²⁸⁾	Chairman	✓	-	-	NA	NA
Mr. Deepak Kumar Sethi ⁽²⁹⁾	Member	✓	-	-	NA	NA
Mr. Ajay Kumar Jain ⁽³⁰⁾	Member	-	-	✓	NA	NA

⁽²⁵⁾ Ceased to be Chairman of CSR w.e.f. 9th November, 2023.

⁽²⁶⁾ Ceased to be Member of CSR w.e.f. 9th November, 2023.

⁽²⁷⁾ Ceased to be Member of CSR w.e.f. 9th November, 2023.

⁽²⁸⁾ Appointed as Chairman of CSR w.e.f. 9th November, 2023.

⁽²⁹⁾ Appointed as Member of CSR w.e.f. 9th November, 2023.

⁽³⁰⁾ Appointed as Member of CSR w.e.f. 9th November, 2023.

Note: The Board in their meeting held on 9th November, 2023 reconstituted CSR.

2. General body meetings**a) Annual General Meetings:**

Details of last three years annual general meetings of the Company are as under:

For the year	Venue	Day, Date & Time	Number of special resolutions
2022-23	Conducted through video conferencing / other audio-visual means. Deemed location is the registered office of the Company at 54, Okhla Industrial Estate, Phase – III, New Delhi-110020.	Friday, 15 th September, 2023 at 11:30 a.m.	2
2021-22	Conducted through video conferencing / other audio-visual means. Deemed location is the registered office of the Company at 54, Okhla Industrial Estate, Phase – III, New Delhi-110020.	Friday, 16 th September, 2022 at 11:30 a.m.	4
2020-21	Conducted through video conferencing / other audio-visual means. Deemed location is the registered office of the Company at 54, Okhla Industrial Estate, Phase – III, New Delhi-110020.	Friday, 3 rd September, 2021 at 11:30 a.m.	3

b) Postal ballot

The Company has issued Postal Ballot Notice dated 27th November, 2023, in compliance with Section 110 read with Section 108 and other applicable provisions, if any, of the Act, read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (“the Rules”) read with the General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17 / 2020 dated 13th April, 2020, in relation to extension of framework “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid - 19”, General Circular No. 11/2022 dated 28th December, 2022 and General Circular No. 9/2023 dated 25th September, 2023 in relation to extension of the framework provided in the aforementioned circulars up to 30th September, 2024 (“MCA Circulars”), issued by the Ministry of Corporate Affairs, Government of India, Regulation 44 of the Listing Regulations including

any statutory modification or re-enactment thereof for the time being in force, Secretarial Standard -2 issued by the Institute of Company Secretaries of India and any other applicable laws and regulations to transact the below mentioned special businesses through special resolution by the members of the Company through Postal Ballot by remote e-voting process (e-voting) only.

- Appointment of Mr. Rohit Rajput (DIN:07944150) as an Independent Director of the Company
- Payment of remuneration by way of commission to Mr. Deepak Kumar Sethi (DIN: 03605973), Independent Director of the Company for FY2024.

Voting rights were reckoned on the paid-up value of shares registered in the name of the members on Friday, the 8th December, 2023.

The remote e-voting period commenced on Friday, 22nd December, 2023 at 9:00 A.M. and ended on Saturday, 20th January, 2024 at 05:00 P.M.

The Company has appointed Mr. Chetan Gupta, Practicing Company Secretary (CP No. 7077) and Managing Partner at APAC & Associates LLP, Company Secretaries, as the Scrutinizer to ensure that the Postal Ballot process is conducted in a fair and transparent manner.

The results were declared on Monday, 22nd January, 2024 by posting the same on the website of the Company (www.papco.in), website of RTA ((https://instavote.linkintime.co.in) and by filing with BSE Ltd. (www.bseindia.com) and National Stock Exchange of India Ltd. (www.nseindia.com) where shares of the Company are listed. It were also be displayed on the Notice Board at the Registered Office & Corporate Office of the Company.

Consolidated summary of results of Postal Ballot is as under:

- Appointment of Mr. Rohit Rajput (DIN:07944150) as an Independent Director of the Company for the first term of five consecutive years with effect from 9th November, 2023 to 8th November, 2028.

Number of votes polled	No. of votes in favour	No. of votes against
9103149	9103123	26

- Payment of remuneration by way of commission to Mr. Deepak Kumar Sethi (DIN: 03605973), Independent Director of the Company for FY24.

Number of votes polled	No. of votes in favour	No. of votes against
9103149	9103123	26

Currently, no special resolution is proposed to be passed through postal ballot.

3. Disclosures**(a) Related party transactions**

All related party transactions entered during year under review are on an arm's length basis and in the ordinary course of business. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The statement of transactions entered pursuant to the omnibus approval so granted is placed before the Audit Committee for review on a quarterly basis.

For reference, the details of related party transactions in accordance with IND AS-24 are given in note no. 40 in the notes to the Financial Statements.

No material related party transactions i.e. transactions exceeding one thousand crore or ten percent of the annual consolidated turnover as per the last audited financial statements whichever is lower were entered during the year under review.

The policy on related party transactions has been uploaded on the website of the Company and can be accessed at: https://www.papco.in/assets/pdf/policies/Related_Party_Transactions_Policy1.pdf.

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or Securities and Exchange Board of India (SEBI) or any statutory authority

The Company has complied with the requirements of the Securities and Exchange Board of India and other statutory authorities on all matters relating to capital markets during the last three years.

No penalties have been imposed or strictures passed against the Company by the stock exchanges, the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.

(c) Disclosure of accounting treatment

The Company has adopted Indian Accounting Standards as amended (“Ind AS”) and accordingly the financial statements have been prepared in accordance with the recognition and measurement principles laid down in Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 and other relevant provisions of

the Companies Act, 2013 and the other accounting principles generally accepted in India.

(d) Whistle blower policy (Vigil mechanism)

The Company has adopted whistle blower policy that provides a formal vigil mechanism for directors, employees and all stakeholders to report genuine concerns about the unethical behaviour, actual or suspected frauds of violation of the Company's Code of Conduct and Ethics. The directors and employees are not only encouraged but required to report their genuine concerns and grievances under this policy. The vigil mechanism under the whistle blower policy provides adequate safeguard against victimization of the directors and employees who avail of the mechanism and provide for direct access to the Chairman of the audit committee in exceptional cases. The Company affirms that no employee of the Company was denied access to the Chairman of the audit committee.

This policy is also available on the Company's website and is accessible at https://www.ppapco.in/assets/pdf/policies/WHISTLE_BLOWER_POLICY_.pdf

(e) Declaration by independent directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Section 149(7) of the Act read with the Schedules and Rules issued thereunder and Regulation 16 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

(f) Training of board members

The Directors on Board are experienced professionals having wide range of expertise in diverse fields. They keep themselves abreast with latest developments in the field of management, technology and business environment through various symposiums, seminars etc.

(g) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has an internal complaints committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, to redress the complaints received regarding sexual harassment. The following is the summary of sexual harassment complaints received and disposed off during FY2024:

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

(h) Payment of dividend through electronic means

The Company provides the facility for direct credit of the dividend to the shareholders' bank account. The Listing Regulations also mandate companies to credit the dividend to the shareholders electronically. Shareholders who hold shares in demat mode should inform their depository participant, whereas shareholders holding shares in physical form should inform the Company their updated bank account details. In accordance with SEBI Master Circular bearing reference no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024 any payment including dividend, interest or redemption payment in respect of physical folios is permitted only through electronic mode w.e.f. 1st April, 2024, and such payment shall be made electronically only upon furnishing of PAN, KYC details and Nomination by holders of physical securities.

(i) Foreign currency exchange rates

Foreign currency transactions are initially recorded in INR at exchange rates prevailing on the date of the transaction. Foreign currency monetary assets and liabilities are reported at the exchange rates prevailing at the year end and exchange differences arising on settlement or translation are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(j) Risks associated with foreign currency fluctuations

The Company uses foreign exchange forward, option and futures contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The use of hedging instruments is governed by the Company's hedging policy as approved by the Board of Directors.

(k) Disclosure of compliance of Regulation 17 to 27 and clauses (b) to (i) of sub-Regulation (2) of Regulation 46

The Company has complied with all the applicable mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the Listing Regulations.

(l) Certificate for transfer of shares and reconciliation of share capital

As stipulated by the Securities and Exchange Board of India, practising company secretary conducts the reconciliation of share capital audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a reconciliation of share capital audit certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed.

(m) Discretionary requirements under Regulation 27 of the Listing Regulations

The status of compliance with discretionary recommendations of the Regulation 27 of the Listing Regulations with stock exchanges are provided below:

- The Board: As the Chairman of the Company is an executive chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of non-executive chairperson is not applicable.
- Shareholder rights: The quarterly and year to date financial statements are published in newspapers and uploaded on Company's website.
- Modified opinion in auditors' report: The auditors have expressed an unmodified opinion on the financial statements of the Company for FY2024.
- Reporting of internal auditor: Internal auditors periodically apprise the audit committee on findings and observation, if any of internal audit and actions taken thereon.

4. Evaluation of the Board's performance

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board has adopted a policy to evaluate performance of each Director, the Board as a whole, its Committees and the Chairman. Evaluation is carried out by the Board, NRC and by the Independent Directors. A structured questionnaire was prepared for the Directors considering various factors for evaluation including contribution to the Board work, domain expertise, strategic vision, industry knowledge, participation, effectiveness, and quality of discussions etc. The Company has conducted online survey for evaluation of the Board and its Committees, Independent Directors, Non-Executive Directors, Executive Directors, and the Chairman of the Company.

Performance of the Board was evaluated by each Director on the parameters such as its roles and responsibilities, business risks, contribution to the development of strategy and effective risk management, understanding of operational programmes, availability of quality information in a timely manner etc. Independent Directors also carried out evaluation of the Board performance.

Board committees were evaluated by Board members on the parameters such as role and responsibilities, effectiveness of the committee vis-a-vis assigned role, appropriateness of committee composition, timely receipt of information by the committee, knowledge updation by the committee members etc.

Directors were also evaluated individually by all other Directors (except the Director himself) on the parameters of his / her vigilance at the board meetings, devotion of time and efforts to understand the Company and its business, quality in contributions at the board meetings, application of knowledge and experience while considering the strategy, effectiveness of follow-up in the areas of concern, communication with board members, senior management and KMP.

The Directors expressed their satisfaction with the entire evaluation process.

5. Total fees paid to statutory auditors

The total fees for all services paid by the Company, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

(` in lacs)	
Type of Service	31 st March, 2024
Audit fees	22.40
Tax fees	1.55
Others	0.23
Total	24.18

6. CEO and CFO certification

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of requirements of the Regulation 17(8) of the Listing Regulations. The Chief Executive Officer and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of requirements of the Regulation 33 (2) of the Listing Regulations.

In terms of Regulation 17(8) of the Listing Regulations, the certificate duly signed by the Managing Director & Chief Executive Officer and the Chief Financial Officer of the Company was placed before the Board, certifying the accuracy of financial statements (standalone & consolidated) and the adequacy of internal controls pertaining to financial reporting for FY2024 and is annexed to this report.

7. Familiarization program for Independent Directors

Familiarization program for Independent Directors form a part of the Board process. The Board familiarization program consists of detailed induction for all new Independent Directors when they join the Board of Directors of the Company and ongoing sessions on business strategy, operational and functional matters.

The exhaustive induction for Independent Directors enables them to be familiarized with the Company, its history, its culture, its principles, its values, and its purpose of existence. The Managing Director & CEO also makes presentations in order to facilitate clear understanding of the business of the Company and the environment in which the Company operates.

The Independent Directors are updated on an on-going basis at the Board / Committee meetings, inter-alia, on the following:

- Nature of the industry in which the Company operates.
- Business important developments.
- Important changes in regulatory framework having impact on the Company.
- Discussion on the state of economy, preparedness for changes etc.; and
- The manufacturing facilities of the Company at its various locations.

The Company provides an overview to its Directors by way of detailed presentations by the various business & functional heads at Board meetings. Besides these, the Directors are updated about Company's new projects, research & development initiatives, changes in regulatory environment and strategic direction. The Company also arranges for visits to the Company's Plants to enable them to get understanding of the processes and operations of the Company.

The familiarization program along with details imparted to the Independent Directors during the year are available on the Company's website and is accessible at https://www.ppapco.in/financials#familiarization_programme

8. Code of conduct and ethics

The Company has code of conduct for all employees including the members of the Board and senior management personnel. All members of the Board and senior management personnel have affirmed compliance with the said code of conduct for FY2024.

The declaration to this effect signed by the CEO & Managing Director of the Company forms part of this Report.

The code of conduct and ethics for Board members and senior management can be accessed at the following link: https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V6.pdf

9. Subsidiary companies

All the subsidiary companies are managed by their respective board of directors. Their boards have the rights and obligations to manage such companies in the best interest of their stakeholders.

The Company has the policy for determining material subsidiaries and can be accessed at: https://www.ppapco.in/assets/pdf/policies/POLICY_FOR_DETERMINING_MATERIAL_SUBSIDIARIES1.pdf

During FY2024 the Company has no material subsidiary.

10. Code of conduct for prevention of insider trading

Pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has code of conduct for regulating, monitoring, and reporting of trading by designated persons ('the code of conduct') and the code of practices and procedures for fair disclosure of unpublished price sensitive information ("code of practice"). The code of conduct ensures reporting of trading by the designated persons and their immediate relatives. The code of practice ensures fair disclosure of events and occurrences that could impact price discovery in the market.

11. Compliance certificate from the practicing company secretaries regarding compliance of conditions of corporate governance

The certificate from the practicing company secretaries regarding compliance of conditions of corporate governance is annexed and forms an integral part of this report.

12. Compliance certificate from the Practicing Company Secretaries regarding debarred or disqualified Directors

The certificate from the Practicing Company Secretaries regarding debarred or disqualified Directors not being appointed or continuing as Directors of Company by the Securities and Exchange Board of India / MCA or any such statutory authority is annexed and forms an integral part of this report.

13. Unclaimed securities suspense account

As per SEBI directive, outstanding unclaimed shares have been transferred to unclaimed securities suspense account and the voting rights on these shares remain frozen till the rightful owner claims such shares:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as on 1 st April, 2023.	28	1,687
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year.	-	-
Number of shareholders and aggregate number of shares transferred to the unclaimed suspense account during the year.	-	-
Aggregate number of shareholders and outstanding shares in the suspense account lying as on 31 st March, 2024.	28	1,687

14. Transfer of Shares to the Investor Education and Protection Fund (IEPF)

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), if a shareholder does not claim the dividend amount for a consecutive period of seven years or more, then the shares held by him / her shall be transferred to the demat account of Investors Education and Protection Fund Authority ('IEPFA') constituted in accordance with the Rules.

During FY2024, the Company has transferred 2113 shares in IEPFA. The total 11499 equity shares are lying with the IEPFA as on 31st March 2024. The details of the shareholders whose shares are transferred with IEPFA are also posted on the website of the Company i.e. www.ppapco.in. The unclaimed shares which have been transferred, can be claimed back by the shareholders from IEPFA by following the procedure as prescribed in the Rules.

15. Credit rating

CRISIL, the reputed rating agency, has assigned the credit rating of the Company on the long-term bank facilities at 'CRISIL A/ Negative' and short-term bank facilities at 'CRISIL A1 (Reaffirmed)' as on 31st March 2024.

16. Details of loans and advances in which directors are interested are given in note no. 14 in the notes to the Financial Statements.

17. Means of communication

The Company, from time to time and as may be required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the online portal of the stock exchanges, the annual reports and uploading relevant information on its website.

a. **Quarterly and annual financial results:** Pursuant to Regulation 33 of the Listing Regulations, the Company furnishes the quarterly as well as annual financial results, (within 30 minutes of closure of the Board meeting) by online filings, to both the stock exchanges i.e. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). Such information has also been simultaneously displayed in the 'Investors' section on the Company's website at www.ppapco.in.

Quarterly and annual financial results are published in all the editions of 'Business Standard' newspaper (English & Hindi) and Financial Express (Gujarati).

b. **Presentations to institutional investors / analysts:** Presentations made to institutional investors or to the analysts are displayed on Company's website at www.ppapco.in. and intimated to both the stock exchanges i.e. National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)

c. **Website:** Pursuant to Regulation 46 of the Listing Regulations, the Company's website www.ppapco.in contains a dedicated functional segment called 'Investors' where all the information needed by shareholders is available including information on Directors, shareholding pattern, quarterly reports, financial results, annual reports and various policies of the Company.

d. **SEBI complaints redress system (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of action taken reports by concerned companies and online viewing by investors of actions taken on the complaint and its status.

e. **Designated exclusive email-id:** The Company has designated the e-mail id investorservice@ppapco.com for investor servicing. Investors can also mail their queries to Registrar and Share Transfer Agent at delhi@linkintime.co.in.

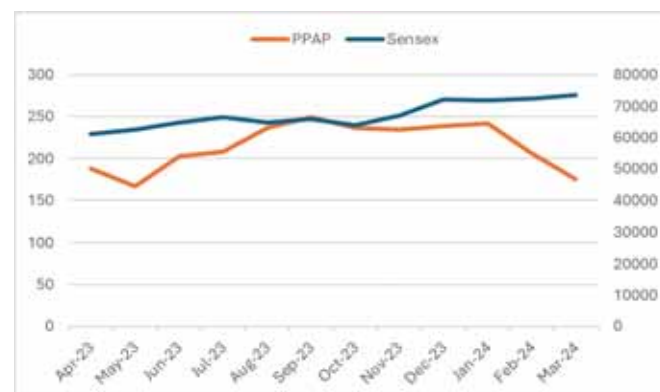
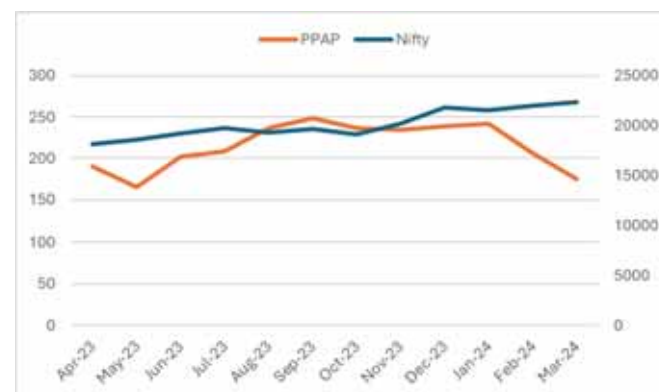
f. **A Greener Environment-now and for future:** The Company's philosophy focuses on making the environment greener for the benefit of posterity. To leverage technology and reducing paper consumption, the Company circulates to its directors, notes for board / committee meetings through an electronic platform. Your Company encourages its shareholders to register / update the e-mail ids for communication purpose thereby contributing to the environment.

18. Shareholders' information

i) AGM	:	
Day	:	Friday
Date	:	13 th September, 2024
Time	:	11:30 a.m.
Mode	:	Through video conferencing / other audio-visual means (Deemed venue-54, Okhla Industrial Estate, Phase-III, New Delhi-110020)
ii) Financial year	:	1 st April to 31 st March
iii) Quarterly Unaudited Financial Results	:	
Quarter ending 30 th June, 2024	:	On or before 14 th August, 2024
Quarter ending 30 th September, 2024	:	On or before 14 th November, 2024
Quarter ending 31 st December, 2024	:	On or before 14 th February, 2025

iv) Annual Audited Financial Results		
Year ending 31 st March, 2025	:	On or before 30 th May, 2025
v) Date of Book closure	:	Saturday, 7 th September, 2024 to Thursday, 12 th September, 2024 (both days inclusive)
vi) Dividend Payment Date		
Final dividend 2023-2024 of ₹ 1.25/- per equity share recommended by the Board of Directors at its meeting held on 18 th May, 2024 subject to the approval of shareholders	:	If approved, will be paid within 30 days from the date of AGM.
vii) Listing on stock exchanges		
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai-400051		BSE Limited Phiroje Jeejeebhoy Towers Dalal Street, Mumbai 400001
viii) Stock code		
BSE	:	532934
NSE	:	PPAP
ISIN No.	:	INE095I01015
ix) Listing fees		
The Company has paid listing fees up to the financial year ended 31 st March, 2025 to BSE Limited and National Stock Exchange of India Limited where Company's securities are listed.		
x) Market price data		
Market price of shares on NSE and BSE during FY2024 is as below:		

Month	Nifty close	PPAP Share Price (NSE)			Sensex Close	PPAP Share Price (BSE)		
		High	Low	Close		High	Low	Close
Apr-23	18065.00	192.90	160.00	190.00	61,112.44	201.00	158.20	188.05
May-23	18534.40	207.90	163.65	165.20	62,622.24	214.65	162.65	166.45
Jun-23	19189.05	217.65	163.00	202.45	64,718.56	217.40	161.00	202.65
Jul-23	19753.80	217.95	199.10	208.10	66,527.67	217.70	196.45	207.95
Aug-23	19253.80	246.00	195.25	236.75	64,831.41	246.00	195.70	236.10
Sep-23	19638.30	294.00	219.85	248.35	65,828.41	294.70	201.00	248.75
Oct-23	19079.60	280.00	222.35	236.25	63,874.93	280.45	222.35	236.20
Nov-23	20133.15	276.70	230.05	234.00	66,988.44	278.00	232.05	234.25
Dec-23	21731.40	247.80	212.10	238.55	72,240.26	247.00	211.55	238.85
Jan-24	21725.70	264.00	223.35	242.00	71,752.11	269.00	225.35	242.25
Feb-24	21982.80	247.90	203.05	205.95	72,500.30	247.05	202.50	205.80
Mar-24	22326.90	212.70	172.00	174.65	73,651.35	217.00	172.00	174.60



Source: www.nseindia.com & source: www.bseindia.com

xi) Compliance officer		
Name	:	Ms. Pankhuri Agarwal
Designation	:	Company Secretary & Compliance Officer
Tel	:	+91-120-4093901
Email	:	investorservice@ppapco.com
xii) Address of Registrar and Share Transfer Agent	:	Link Intime India Private Limited Noble Heights, 1 st Floor, Plot NH 2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi - 110058 Email: delhi@linkintime.co.in Website: www.linkintime.co.in Tel: +91-11-41410592 / 93 / 94

xiii) Share transfer system
SEBI had mandated that, effective from 1st April, 2019, securities of listed companies can only be transferred in dematerialized form except where the claim is lodged for transmission or transposition of shares. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Further SEBI vide Circular dated 25th January, 2022 on "Issuance of Securities in dematerialized form in case of Investor Service Requests" has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Subdivision/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition.

As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained the certificate from the Company Secretary in practice for due compliance of share transfer formalities

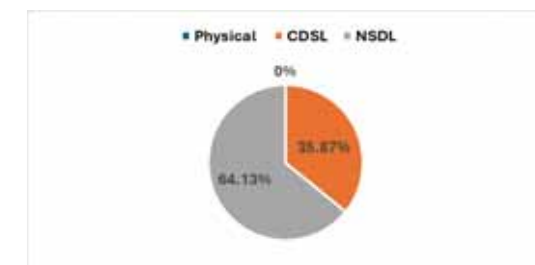
xiv) Information of dividend
Information in respect of the unclaimed dividend as on 31st March, 2024, will be uploaded on the website of Investor Education and Protection Fund ("IEPF") of the Government (www.iepf.gov.in) and on the website of the Company (www.ppapco.in). Dividends, if not en-cashed for a consecutive period of 7 years, from the date of transfer to unpaid/ unclaimed dividend account of the Company, are liable to be transferred to IEPF. Further, the shares of a member who does not en-cash his dividend for a continuous period of 7 years, are also liable to be transferred to the Demat account of IEPF Authority.

xv) Distribution of shareholding
Details of category wise shareholding as on 31st March, 2024 are as below:

Categories	No. of shareholders	Percentage	No. of shares held	Percentage
1-500	16395	95.1207	1240530	8.8609
501-1000	440	2.5528	350284	2.5020
1001-2000	189	1.0965	285132	2.0367
2001-3000	78	0.4525	197735	1.4124
3001-4000	37	0.2147	134058	0.9576
4001-5000	20	0.116	94018	0.6716
5001-10000	39	0.2263	286343	2.0453
10001-above	38	0.2205	11411900	81.5136
TOTAL	17236	100.00	1,40,00,000	100.00

xvi) Dematerialization of shares
The equity shares of the Company are being traded under compulsorily demat form as per SEBI notification. The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

S. No.	Mode of holding	No. of shares	% of total share capital
1.	Physical	94	0.00
2.	CDSL	50,22,184	35.87
3.	NSDL	89,77,722	64.13
	Total	1,40,00,000	100.00



xvii) Details of Shareholding Pattern as on 31st March, 2024 are as below:

S. No.	Category	Total number of shares	% of total number of shares
A.	Promoters & Promoters' Group		
i	Individual / Hindu Undivided Family	5539137	39.57
ii	Bodies Corporate	3561730	25.44
Total Shareholding of Promoters & Promoters' Group (A)		91,00,867	65.01
B.	Public Shareholding		
i	Foreign Portfolio Investor	805597	5.75
ii	Bodies Corporate	409784	2.93
iii	Foreign Companies	225000	1.61
iv	Individuals	2843894	20.31
v	Others		
	Non Resident Indians	449750	3.21
	IEPF Authority	11505	0.08
	Trusts	-	-
	HUF	153246	1.09
	Clearing Members	357	0.01
Total Public Shareholding (B)		4899133	34.99
Total (A+B)		1,40,00,000	100.00

xviii) Outstanding GDR / ADR / Warrants or any convertible instrument, conversion date and likely impact on equityNo outstanding GDR / ADR / Warrants or any convertible instrument as on 31st March, 2024.**xix) Details of utilisation of funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7) of the Listing Regulations**

No funds are raised through preferential allotment or qualified institutional placement

xx) Securities are not suspended from trading during FY2024.**xxi)** The Company's plants are located at Noida (Uttar Pradesh), Surajpur (Uttar Pradesh), Pathredi (Rajasthan), Vallam Vadagal (Tamil Nadu) and Viramgam (Gujarat).

xxii) Registered office : 54, Okhla Industrial Estate, Phase-III, New Delhi-110020
Tel: +91-011-26311671 / 26910777
E-mail: investorservice@ppapco.com

Address for correspondence and corporate office : B-206A, Sector-81, Phase-II, Noida-201305, U.P.
Tel: +91-120-4093901
E-mail: investorservice@ppapco.com

xxiii) No agreements are entered during FY2024 under clause 5A of paragraph A of Para A of Schedule III of the Listing Regulations.**CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY
FOR YEAR ENDED 31st MARCH, 2024****The Board of Directors,
PPAP Automotive Limited**

We, the undersigned, in the capacities as Chief Executive Officer & Managing Director and Chief Financial Officer of PPAP Automotive Limited ("the Company"), to the best of our knowledge and belief, hereby certify that:

- We have reviewed financial statements (standalone and consolidated) of the Company for the year ended on 31st March, 2024 and that to the best of our knowledge and belief we state that :
 - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
- There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- We have indicated to the auditors and the audit committee:
 - Significant changes in internal control, if any, over financial reporting during the year;
 - Significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - 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 listed entity's internal control system over financial reporting.

Place: Noida
Date: 18th May, 2024**Abhishek Jain**
CEO & Managing Director**Sachin Jain**
Chief Financial Officer**DECLARATION UNDER PART D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**Dear Members,
PPAP Automotive Limited

I hereby confirm that all the members of the Board and Senior Managerial Personnel of the Company have affirmed due observance of the Code of Conduct and Ethics of the Company during the financial year 2023-24.

Place: Noida
Date: 18th May, 2024**Abhishek Jain**
Chief Executive Officer & Managing Director

CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members,
PPAP Automotive Limited
 54, Okhla Industrial Estate,
 Phase III, Delhi-110020

- We have reviewed the implementation of the corporate governance procedures by PPAP Automotive Limited ("the Company") during the year ended March 31st 2024, with the relevant records and documents maintained by the Company, furnished to us for our review and report on Corporate Governance, as approved by the Board of Directors.
- The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
- We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has to conduct the affairs of the Company.
- On the basis of our review and according to the best of our information and according to the explanation given to us, the Company has been complying with conditions of Corporate Governance, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For NKJ & ASSOCIATES
 Company Secretaries

NEELESH KR. JAIN
 Proprietor
 FCS No.: 5593
 C.P. No.: 5233
 UDIN: F005593F000415530

Place: New Delhi
 Date: 18th May, 2024

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,
PPAP Automotive Limited "hereinafter referred to as the Company"
 54, Okhla Industrial Estate,
 Phase-III, Delhi-110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PPAP Automotive Limited** having **CIN L74899DL1995PLC073281** and having registered office at **54, Okhla Industrial Estate, Phase III Delhi 110020** (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 and 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 31.03.2024, have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Directors	Current Designation	DIN	Date of original appointment in Company	Date of appointment at current designation	Date of cessation, if any	Remarks
1	Mr. Ajay Kumar Jain	Chairman and Managing Director	00148839	18.10.1995	01.11.2023	-	-
2	Mr. Abhishek Jain	Managing Director and Chief Executive Officer	00137651	01.12.2006	01.04.2022	-	-
3	Mr. Bhuwan Kumar Chaturvedi	Independent Director	00144487	26.12.2013	26.12.2018	25.12.2023	Tenure Completion
4	Mrs. Celine George	Independent Director	02563846	16.04.2020	16.04.2022	-	-
5	Mr. Pravin Kumar Gupta	Independent Director	06491563	01.04.2014	01.04.2019	31.03.2024	Tenure Completion
6	Mr. Deepak Kumar Sethi	Independent Director	03605973	04.02.2023	04.02.2023	-	-
7	Mrs. Vinay Kumari Jain	Non-Executive Director	00228718	26.12.2013	26.12.2013	-	-
8	Mr. Rohit Rajput	Independent Director	07944150	09.11.2023	09.11.2023	-	-

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 management has conducted the affairs of the Company.

For VLA & Associates
 Company Secretaries

Vishal Lochan Aggarwal
 (Proprietor)
 Membership No.: F7241
 C. P. No.: 7622
 UDIN: F007241F000370780

Place: New Delhi
 Date: 18.05.2024

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

PREFACE

The Securities & Exchange Board of India (SEBI) through a notification dated 5 May 2021 has made amendments to certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). As per the notification, companies would be required to submit a new report on ESG parameters, namely Business Responsibility and Sustainability Report (BRSR). The Indian capital markets regulator, SEBI, shall get credit for taking the lead in developing the BRSR framework. It is a comprehensive framework, which calls for more measurable, quantitative metrics to facilitate better benchmarking. The top 1,000 Indian listed entities based on market capitalization on the BSE Limited and National Stock Exchange of India Limited, are required to submit a Business Responsibility and Sustainability Report (BRSR).

PPAP is voluntarily disclosing its 3rd Business Responsibility and Sustainability Report for FY 2023-24, providing information on key business environment, social and governance responsibility initiatives undertaken by the company. The ESG performance of the company is assessed quarterly by PPAP's top management.

We are dedicated towards developing engagement with our stakeholders to achieve our mission to be a global-level excellence company.

SECTION A: GENERAL DISCLOSURES

I. Company details

S.No.	Details	
1	Corporate Identity Number (CIN):	L74899DL1995PLC073281
2	Name:	PPAP AUTOMOTIVE LIMITED
3	Year of incorporation:	18-10-1995
4	Registered office address:	54, Okhla Industrial Estate, Phase-III, New Delhi-110020
5	Corporate address:	B-206A, Sector-81, Phase-II, Noida-201305, Uttar Pradesh
6	E-mail:	compliance@ppapco.com
7	Telephone:	91-120-4093901
8	Website:	https://www.ppapco.in/
9	Financial year for which reporting is being done:	2023-24
10	Name of the Stock Exchange(s) where shares are listed	Equity shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital (in INR Cr)	14,00,00,000
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Ramesh Chander Khanna Landline number: +91-120-4093901 Email Id: sustainability@ppapco.com
13	Reporting boundary	Disclosures made in this report are on a standalone basis and limited to PPAP Automotive Limited
14	Name of Assurance Provider	DQS India (Assurance provided for Sustainability Report data)
15	Type of Assurance obtained	Type 2, Moderate Level Assurance

II. Products/ Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity group	Description of Business Activity	% of Turnover of PPAP
1	Manufacturing of automotive parts	Manufacturing of automotive parts for passenger vehicles & two-wheelers	90%

17. Products/Services sold by the entity (accounting for 90% of the turnover):

S. No.	Product/ Service	NIC Code	% of total Turnover contributed
1	Manufacture of parts and accessories for motor vehicles	34300	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	5	3	8
International	Nil	Nil	Nil

19. Markets served by PPAP:

a. Locations	Number
National (No. of States)	9
International (No. of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity? Nil

c. A brief on types of customers

PPAP's esteemed clientele includes all major OEM vehicle manufacturer and tier-2 suppliers of OEM:

Passenger vehicles clientele includes Maruti Suzuki India Limited, Honda Cars India Limited, Toyota Kirloskar Motors, Hyundai, Toyota Boshoku, Kia Motors, Volkswagen, Renault Nissan, ISUZU, Mahindra, Magna Corp, Hyundai Mobis, Motherson, Unitex, TS Tech Limited, Asahi India Glass Limited, Saint-Gobain, Polyplastics Industries Private Limited, Henkel, JSG Innotech, Krishna Maruti Ltd., Lumax Industries, Yanfeng, MTI, etc.

Commercial vehicle clientele includes SML ISUZU, ISUZU, Faurecia.

Two-wheeler clientele includes Suzuki, UNO Minda, Motovolt, Sankei Pragati India Private Limited, JRG Automotive Industries India Private Limited, etc.

Tooling clientele includes IAC, Amber, Havells, Aisin Group, etc.

Pail Containers clientele includes Dayal Group, MD Biocoals Private Limited.

IV. Employees**20. Details as at the end of FY 2023-24:**

a. Employees (including differently abled):			Employees			
S. No.	Particulars	Total	Male (%)		Female (%)	
			No.	%	No.	%
1	Permanent	1260	1243	99%	17	1%
2	Other than Permanent	927	780	84%	147	16%
3	Total	2187	2023	93%	164	7%

b. Differently abled Employees			Employees			
S. No.	Particulars	Total	Male (%)		Female (%)	
			No.	%	No.	%
1	Permanent	-	-	-	-	-
2	Other than Permanent	-	-	-	-	-
3	Total differently abled employees	-	-	-	-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

21. Participation/Inclusion/Representation of women:

	Total	No. and % of Females	
		No.	%
Board of Directors	7	2	28.57
Key Management Personnel (KMP)	4	1	25.00

22. Turnover rate for permanent employees and workers:

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	4.26%	0.22%	4.48%	9%	2%	11%	10%	1%	11%
Other Than Permanent	11%	1%	12%	19%	3%	22%	35%	2%	37%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

V. Holding, Subsidiary and Associate Companies (including joint ventures)**23. Names of holding/subsidiary/associate companies/joint ventures:** As of March 31, 2024

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	PPAP Technology Limited	Wholly owned subsidiary	100%	Yes, PPAP positively influences and encourages its group companies to adopt Business Responsibility (BR) initiatives.
2	ELPIS Automotives Private Limited	Wholly owned subsidiary	100%	
3	PPAP Tokai India Rubber Private Limited	Joint Venture	50%	

VI. CSR Details:

- 24. (a) (i) Whether CSR is applicable as per section 135: (Yes/No)** Yes, applicable.
(ii) Turnover (in `): 5038622042.14
(iii) Net worth (in `): 3129914379.06

VII. Transparency and Disclosures Compliances**25. Complaints/Grievances on any aspect of the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place	2023-24			2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	-	-	-	-	-	-
Employees	Yes	7	0	-	5	0	-
Customers	Yes	41	0	-	30	0	-
Value Chain Partners	Yes	-	-	-	-	-	-

PPAP has established a code of conduct & ethics policy, code of fair disclosure policy and whistle-blower policy to allow for the expression of concerns and grievances. This policy is consistent with PPAP's dedication to the highest possible standards of ethical, moral and legal business conduct with commitment to open communication. During the reporting year, 7 and 41 complaints from employees and customers were received respectively and all the concerns were closed on a timely basis.

Links of the same are as follows:

https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics- V6.pdf

https://www.ppapco.in/assets/pdf/policies/Code-of_Fair_Disclosure.pdf

https://www.ppapco.in/assets/pdf/policies/WHISTLE_BLOWER_POLICY-1_2.pdf

26. Overview of PPAP's material business conduct issues.

PPAP's key material issues identified in the materiality matrix are divided under Environment, Social and Governance (ESG). The materiality assessment process is in accordance with Global Reporting Initiative (GRI) framework which is reviewed and approved by the PPAP's steering committee. The identification of material issues was rated considering their importance and impact on business and stakeholders.

S. No.	Material Issue identified	Risk or Opportunity (R/O)	Rationale for identifying the risk or opportunity	In case of risk, approach to adapt or mitigate	Positive/Negative Implications
1	Energy & Emissions	Opportunity	Being a responsible company, we are making continuous efforts into creating a value chain with a low carbon footprint, from planning and designing to purchasing and manufacturing. We are focusing on implementing an array of practices to reduce energy consumption and improve energy efficiency in our processes by using cutting-edge technology across all our facilities to reduce CO2 emissions.	Not Applicable	Positive
2	Material Management	Risk	Supply chain disruptions, if not managed, could have an adverse effect on production volume, revenue, profitability, customer satisfaction and reputation.	An effective supply chain risk management framework enables early, proactive, engagement with our suppliers to identify and mitigate potential disruptions in supply of RM.	Negative
3	Water Management	Opportunity	We typically optimize water use in our facilities through technological interventions. Keeping track of water usage using innovative technology and equipment effectively increases water saving.	Not Applicable	Positive
4	Waste Management	Risk	Hazardous waste generated from high-end equipment to operate our facilities, require authorized treatment procedures.	The hazardous waste is sent for disposal to the treatment, storage, and disposal facility authorized by respective SPCB. Disposal of waste in compliance with operating permits and hazardous waste authorizations.	Negative
5	Supplier environmental and social assessment	Risk	We view suppliers as partners in our growth and view their position as being of utmost importance. Hence, the proper identification of an adequate supplier base aligning with our sustainability goals is crucial to our business demands.	New suppliers are screened, rated and assessed on the actual and prospective negative environmental and social repercussions. Relevant actions to prevent, reduce, or remediate the consequences are implemented.	Negative
6	Biodiversity	Opportunity	PPAP commenced its journey of afforestation using self-created SOPs in the degraded forest around the 600-year-old Tughlaqabad Fort. Using 125 different native species trees, we were able to successfully conduct a plantation drive on 70 acres of land at Tughlaqabad Biodiversity Park because of our initiative. We continuously partner with organizations like schools, and NGOs for plantation activities.	Not Applicable	Positive

7	Employment	Risk	Retaining key talent is of vital importance in the manufacturing industry and higher turnover could lead to increased cost of rehiring and diminishing morale among the existing workforce.	One of the primary goals of our people strategy is to align employees with strategic business imperatives. We have also continually invested in the growth and development of our employees.	Negative
8	Employee Diversity	Opportunity	We believe that an inclusive work atmosphere motivates individuals to perform better, resulting in increased business success.	Not Applicable	Positive
9	Labor Management	Opportunity	We are dedicated to ensuring a motivated, skilled and diverse staff capable of meeting our objectives by facilitating our employees' professional development in accordance with their goals and skills.	Not Applicable	Positive
10	Occupational Health & Safety	Risk	PPAP has a large number of employees working across all sites. As a result, safeguarding the safety of its employees is vital for the company's continuous regulatory and social license to operate, particularly in regard to process-related hazards. If the Company's safety-related procedures or performance are deemed inadequate, or if a safety incident occurs, it will have a negative impact on the health, well-being, and morale of employees, as well as a bad reputational impact on the Company. It may also cause the Company to incur operational and financial losses, including the potential partial shutdown of the plant.	We prioritize the health, safety, and overall well-being of our employees. We have a well-defined safety organization that focuses on implementing appropriate safety measures. Our EHS policy, objectives and SOPs are all aimed at making PPAP a very safe and healthy place to work.	Negative
11	Local Communities	Opportunity	PPAP is committed towards the upliftment of the marginalized and economically weaker sections of the society through improving environment, education, health and hygiene.	Not Applicable	Positive
12	Anti-corruption & Anti-competitive behavior	Risk	We may face reputational damage, which could materially impact our brands and sales, if we fail to maintain the mandated environmental compliances.	We are subject to a continually evolving laws, regulations and policies that have an influence on our products and operations. Hence, Robust mechanism for ensuring proactive compliance and continual compliance evaluation.	Positive
13	Customer Privacy	Risk	Data Privacy and Security breach could cause us significant business disruption, not only affecting our ability to deliver products to our customers but the personal safety of our customers and employees. Failure to meet the data protection obligations could result in enforcement action, fines, and reputational and financial damage.	Since, we work in a highly automated environment and use cutting-edge technology to support a variety of operations. To mitigate information technology-related risks, we have implemented a governance framework, information security practises, and a business continuity plan.	Negative
14	Economic Performance	Opportunity	Economic performance is critical to maintain stability and positive momentum. Delivering on our business and strategic objectives is the key to realizing our planned future profitability and cash generation through return on our investments.	Not Applicable	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1.a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
c. Web Link of the Policies, if available	Some policies may also comprise a combination of internal PPAP policies that are available to all internal stakeholders and are available on PPAP's website. https://www.ppapco.in/financials#codes_and_policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	NA	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards adopted by your entity and mapped to each principle.	Most of the policies are aligned to various standards such as IATF 16949 (Quality Management System), ISO 14001 (Environment Management System), ISO 45001 (Occupational Safety & Health Management System), ISO 50001 (Energy Management System), ISO/IEC 27001 (Information Security Management System), GRI Standards and BRSR Guidelines.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	PPAP sustainability approach for FY24 includes: <ul style="list-style-type: none"> • Betterment of the local community in which we operate and the upliftment of the marginalized section of our society by providing education through the Vinay and Ajay Jain Foundation. • Endeavour to preserve water and clean air and ensure responsible management of hazardous & non-hazardous waste. • We aim to achieve 50% CO2 reduction (Scope 1 & 2) by 2030 and Net Zero by 2045. • Increase the share of renewable energy and maximize energy efficiency. • Commitment to increase the percentage of women workforce to at least 10% on the shopfloor. 								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	PPAP strongly believes that sustainability is a journey and is constantly working on it.								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements.	Please refer to the 'Message from Chairman & Managing Director' section of the Sustainability Report FY 23-24								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(s).	Mr. Abhishek Jain, Chief Executive Officer & Managing Director								
9. Does the entity have a specified Committee of Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, PPAP's sustainability initiatives inter alia plantation, education etc are monitored by corporate social responsibility committee and Board at periodic intervals.								

10. Details of Review of NGRBCs by PPAP:	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
Subject for Review	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The policies of PPAP are reviewed on a need or periodic basis by the Committees of Board or Board of Directors of PPAP.								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	PPAP complies with the extant regulations as applicable.								
Frequency (Annually, Half Yearly, Quarterly, Any other)	The policies are reviewed internally at least once in a year and brought before the Board Committee/Board as and when required.								

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policies are reviewed internally, and external assistance is availed whenever required.								

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)								NA	
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.



Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training & awareness programs held	Topics /principles covered under the training and its impact	% Coverage by awareness programmes
Board of Directors	2	PPAP shares business presentations periodically at the meetings of the board of directors and the committees to inform the directors about the strategy, operations, and functions of PPAP. At various board meetings, presentations are also made on safety, health and environment, risk management, PPAP policies, and changes in the regulatory environment.	100%
Key Managerial Personnel	2	PPAP's basic policy for training and development is the cultivation of "Teach and be Taught". Training is based on the 70-20-10 principle i.e., 10% of the time of trainee goes in the classroom, 20% of learning is supported by the coach, and 70% action on projects which enable an employee to complete the learning cycle and understand the processes in depth.	100%
Employees other than BOD and KMPs	305		100%

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings with regulators/ law enforcement agencies imposed on your company by regulatory/ judicial institutions in the financial year:

	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					
	Non-Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment			Nil		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed. Not Applicable.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. anti-bribery and anti-corruption are covered in PPAP's code of conduct and ethics. The policy reiterates PPAP's zero-tolerance approach to bribery and corruption. The policy makes ethical decision-making easier and reinforces PPAP's culture of transparency in all its business relationships. This policy applies to all stakeholders or persons associated with PPAP or acting on behalf of PPAP.

Link is as follows: https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-_V6.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors		
KMPs	Nil	Nil
Employees		

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. Not Applicable.

8. Number of days of accounts payables ((Accounts payable*365)/Cost of goods/services procured) in the following format:

	FY 2023-24	FY 2022-23
Number of days of accounts payables	72.41	66.14

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	24.56	28.04
	b. Number of trading houses where purchases are made from	22	21
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	94.40	95.93
Concentration of Sales	a. Sales to dealers/distributors as % of total sales		
	b. Number of dealers/distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Not Applicable	
Share of RPTs in	a. Purchases (Purchases with related parties/ Total Purchases)	2%	2%
	b. Sales (Sales to related parties/Total Sales)	3%	3%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	97%	99%
	d. Investments (Investments in related parties /Total Investments made)	88%	91%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programs held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Sustainability Training	57%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

Yes, PPAP has procedures in place to avoid/manage conflict of interest involving members of the Board and the same has been embedded in the code of conduct & ethics policy and related party transactions policy as follows:

https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics-V6.pdf
https://www.ppapco.in/assets/pdf/policies/Related_Party_Transactions_Policy1.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.



Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively:

	2023-24	2022-23	Details of improvements in environmental and social impacts
R&D	-	83.5%	Reduction in RM consumption by material weight and design
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No):

Yes, PPAP has procedures in place for sustainable sourcing. At PPAP, we work with our suppliers so that the environmental and social impacts can be prevented or mitigated at the stage of structuring contracts or other agreements, as well as, through ongoing collaborations with suppliers. PPAP's suppliers are assessed for a range of environmental and social criteria, including human rights (such as child labour and forced or compulsory labour), employment practices, health and safety practices, industrial relations, incidents (such as abuse, coercion, or harassment), wages and compensation, and working hours. PPAP has a quality, environment, health, and safety policy and encourages its suppliers to ensure compliance with these policies. It covers various issues like safety measures, SOC, and POP substance declaration under PPAP's supplier manual including policy for responsible sourcing of raw material. PPAP assessed 100% of its new suppliers in FY 2023-24 per PPAP's environment and social criteria.

2 b. If yes, what percentage of inputs were sourced sustainably? Product/Service: 100%

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

We monitor material consumption, minimize waste, and use more recycled materials to optimize our resource management. The circularized packaging materials are the number of bins & trolleys at the plant level that is returned from the customer, eliminating the need for extra packing material. The same bins will be reused until the end of their life cycle. For e-waste disposal, PPAP works with authorized e-waste handlers and approximately 0.69 tonne of e-waste was generated and recycled by authorized recyclers.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

We have registered for the EPR for Plastic waste management with CPCB in line with our commitment of responsible management of waste.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

N I C Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)
34300	Manufacture of parts and accessories for motor vehicles	100%	Cradle to Gate	No	No

PPAP is IATF-16949, ISO-14001, ISO-45001 & ISO-50001 certified and PPAP follows all these standards while producing its products.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective /Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Life Cycle Assessment has not been conducted. However, significant social and environmental risks have been already identified during production. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them as per the ISO 14001 standard.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2023-24	FY 2022-23
Plastics	1.74%	1.51%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonne) reused, recycled, and safely disposed, as per the following format:

No product and packaging material is reclaimed at the end of life of products, as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.



Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance No. (B)	% (B/A)	Accident insurance No. (C)	% C/A	Maternity benefits No. (D)	% (D/A)	Paternity Benefits No. (E)	% (E/A)	Day Care facilities No. (F)	% (F/A)
Permanent Employee											
a. Male	1243	226	18%	0	0	0	0%				
b. Female	17	1	6%	0	0	1	6%			NA	
c. Total	1260	227	18%	0	0	1	0%				
Other than Permanent employees											
a. Male	780	780	100%	0	0	0	0				
b. Female	147	147	100%	0	0	0	0			NA	
c. Total	927	927	100%	0	0	0	0				

Note: b. PPAP does not have any workers as defined in the guidance note on BRSR.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of the total revenue of the company	0.042%	0.35%

Employees have always been an asset of PPAP. PPAP endeavours to establish long-term relationships with its employees by providing an atmosphere that is motivating and enjoyable to work in, with the goal of moving toward a high-performance socio-economic work culture at all levels.

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

Benefits	FY 2023-24		FY 2022-23	
	No. of employees covered as a % of total employees	Deducted and de-positd with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Yes	100%	As per Act
Gratuity	100% (As per Act)	Yes	100% (As per Act)	As per Act
ESI	100% (As per Act)	Yes	100% (As per Act)	As per Act

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Currently, there is no facility available at the plant. However, PPAP is working towards making its plants accessible to differently abled people.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Equal opportunity policy is combined in PPAP's code of conduct & ethics policy, link for the same is available: https://www.ppapco.in/assets/pdf/policies/Code_of_conduct_and_Ethics_V6.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Other than Permanent employees	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	-	-
Female	1	100%	-	-
Total	1	100%	-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes (Monthly Town Hall Meeting, Online help desk, Grievance register/Gate Meeting/ Female Samvad)
Other than Permanent Employees	

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

There are no employee associations at PPAP. PPAP, however, acknowledges and respects the right to freedom of association and does not oppose collective bargaining and follows all local laws for representation of labour.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety/wellness measures No. (B)	% (B/A)	On skill upgradation No. (C)	% (C/A)	Total (A)	On health and safety/wellness measures No. (B)	% (B/A)	On skill upgradation No. (C)	% (C/A)
Permanent & Other than Permanent Employees										
Male	2023	2023	100%	2023	100%	2020	2020	100%	2020	100%
Female	164	164	100%	164	100%	172	172	100%	172	100%
Total	2187	2187	100%	2187	100%	2192	2192	100%	2192	100%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Permanent & Other than Permanent employees						
Male	2423	2423	100%	2020	2020	100%
Female	205	205	100%	172	172	100%
Total	2628	2628	100%	2192	2192	100%

Note: As per Company Policy, we follow the Calendar Year (Jan 23 to Dec 23) for performance review. Hence, the data considers the manpower strength as on 31st Dec 2023. PPAP does not have any workers as defined in the guidance note on BRSR.

10. a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, PPAP is ISO 45001 (Occupational Safety & Health Management System) certified. Extracts from the Company's "Quality Environment Health & Safety (QEHS) Policy" are displayed at the manufacturing plants in English as well as in regional languages. The Company has also developed visitor safety security procedures and entry regulations at factory with safety communication to ensure the same at all levels. PPAP covers 100% of its employees under the Occupational Safety & Health Management System.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Environment, Health and Safety (EHS) is the main focal area for PPAP since it is committed to providing a safe, secure, and healthy workplace for its employees. The company has a well-defined safety team that is in charge of conducting all safety, electrical and fire audits, risk assessments, safety meetings, and implementing necessary safety measures on identified unsafe conditions and acts (Hiyari Hatto Points) in order to prevent any near-miss or accidents. The safety team periodically conducts numerous training sessions for the employees to increase awareness regarding the work-related hazards. PPAP ensures that all the safety standards and guidelines are complied with.

c. Whether you have processes for employees/workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Yes, all the work-related hazards reported by employees is listed and a dedicated team under the safety officer is assigned to analyse and implement the countermeasures to close all work-related hazards which are communicated in DWM (Daily Work Management), safety committee meetings and townhall meeting.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, PPAP believes in creating a safe working environment for all its employees by having tie up with hospitals for employees and their families.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)		1.3	-
Total recordable work-related injuries	Employees	-	10
No. of fatalities		-	-
High consequence work-related injury or ill-health (excluding fatalities)		-	-

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

PPAP emphasizes the importance of providing a safe and healthy workplace for all its employees and third-party contractors. PPAP regularly evaluates its workplace health, safety, and environmental performance. Along with that, following measures are continuously monitored and implemented across all units:

- Assurance of machine safety by installing safety devices during the design phase of machine manufacturing.
- EHS mobile app for reporting unsafe acts and unsafe conditions on digital platforms.
- PPAP has done the Hazard identification and Risk assessment (HIRA) of all the activities inside the premises.
- Training provided on the work-related activities as per weekly and monthly basis.
- SOP and OCP's are prepared and followed for the all the routine and non-routine activities.
- Daily KYT (Kiken yochi training or hazard prediction activity) is conducted to raise awareness among employees.
- For improvement of OHS conditions at workstations KAIZENS (continuous improvements) done.

13. Number of Complaints on the following made by employees and workers:

Category	Year	FY 2023-24			FY 2022-23		
		Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Health and safety practices		2	0	Resolved	2	0	Resolved
Working Conditions		5	0	Resolved	3	0	Resolved

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	100%
Working Conditions	100%

All units of PPAP are assessed against ISO 45001:2018 standard. PPAP complies with all the health and safety-related laws and rules.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No significant risks/concerns arising from assessments of health and safety practices.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)? No

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

PPAP ensures that the statutory dues are deducted and remitted in conformity with regulations for transactions. Complinty software is also implemented for adherence of Legal compliance and dues. The internal and statutory audits review this activity as well. PPAP expects its value chain partners to adhere to employee well-being and uphold the values of Supplier's code of conduct & ethics.

3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Employees	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
	Nil	Nil	Nil	Nil

Given the nature of operations, safety has always been an important aspect of PPAP's working culture and it has been the Company's constant endeavour to extend this safety culture among all its employees. Regular health monitoring and check-ups by external hospitals are conducted as a measure of identification of any work-related ill-health. At PPAP, health & safety are a part of the company's guiding principles on employees' well-being.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, PPAP provides transition assistance programs to facilitate continued employability through retainership & advisory engagement.


5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	48%
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/concerns observed from assessments of health and safety practices and working conditions of value chain partners.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.



Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

PPAP has identified its stakeholders as entities or individuals that can reasonably be expected to be significantly affected by the organisation’s activities, products, or services. Stakeholders are also those whose actions can reasonably be expected to affect the ability of the organisation to implement its strategies or achieve its objectives.

PPAP believes that the stakeholder engagement process serves as a tool for understanding the reasonable expectations and interests of stakeholders and their information needs.



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication	Frequency	Purpose & Scope of Engagement including key topics and concerns raised during such engagement
Investors	No	AGM, Investor conferences, press releases and newsletters, Updates on website of the Company	Quarterly	Growth of the Company, Reward to shareholders, ROCE, Governance and risk management
Suppliers	Yes	Suppliers / Vendors meet via Networking & Exhibition Suppliers feedback and periodic site visits	Need based, Monthly, Quarterly	Payment terms, Growth of suppliers, Fair & transparent dealing, Logistics
Employees	No	Town hall/ Suggestions/ DWM meetings Award and Annual functions	Monthly, Quarterly	Growth opportunities, Safe working environment, Hygiene & sanitation, Talent attraction, retention, Training & development
Community	Yes	Community meetings and visits, Interaction with local bodies	Need based, Monthly, Quarterly	Livelihood support & Local employment, Healthcare facilities, Education, Air and water pollution
Customers	Yes	Customer satisfaction surveys, Direct customer relationship satisfaction initiatives	Need based, Monthly, Quarterly	Product quality and delivery, Health and safety aspects, Innovation

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Economic, environment and social topics are discussed in the Board meeting. The consultation with stakeholders delegated to corporate governance and other concerned functions where they engage with stakeholders, take their feedback and communicate to management and board about the activity of engagement and feedback received.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, PPAP uses stakeholder consultation while deciding the sustainability materiality matrix. Materiality assessment was conducted by the steering committee via an online survey to understand the feedback of different stakeholders on ESG material issues. PPAP believes that the stakeholder engagement process serves as a tool for understanding the reasonable expectations and interests of stakeholders and their information needs. Improvement in gender diversity was taken as one of the material topics in consultation with Board of directors.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder group.

PPAP recognizes its responsibility and identifies underprivileged communities around its business locations as disadvantaged, vulnerable, and marginalized stakeholders, and engages with all such stakeholders and thrives to constantly contribute towards the betterment of the local community in which it operates and the upliftment of the vulnerable/marginalised section of our society, through “Vinay and Ajay Jain Foundation”, a registered trust for focused implementation of CSR activities of the Company majorly in the field of environment, education, and Healthcare (CSR Policy available on website).

Environment: The foundation has undertaken several plantation projects in Tughlaqabad Biodiversity Park and development of a Nursery near Dera Mandi. This initiative led to employment generation of 15 beneficiaries.

Education: PPAP has sponsored School Uniforms, Books, Tuition Fees, Bus Fees for children from underprivileged sections of society and has aided education of 75 students.

Healthcare: 350 beneficiaries impacted through donation to Akshaya Patra Foundation and through health check-up camps, ration distribution.

Principle 5: Businesses should respect and promote human rights.**Essential Indicators****1. Employees and workers who have been provided training on human rights issues and policy(s) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total	No.	%	Total	No.	%
Employees						
Permanent	1260	1260	100%	1212	635	52.39%
Other than permanent	927	927	100%	980	597	60.92%
Total Employees	2187	2187	100%	2192	1232	56.20%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

2. Details of minimum wages paid to employees and workers, in the following format:

	FY 2023-24					FY 2022-23				
	Total	Equal to Minimum Wage		More than Minimum Wage		Total	Equal to Minimum Wage		More than Minimum Wage	
	(A)	No. (B)	% (B/A)	No. (B)	% (B/A)	(A)	No. (B)	% (B/A)	No. (B)	% (B/A)
Employees										
Permanent	1260			1260	100%	1212			1212	100%
Male	1243			1243	100%	1193			1193	100%
Female	17	NA		17	100%	19	NA		19	100%
Other than Permanent	927			927	100%	980			980	100%
Male	780			780	100%	827			827	100%
Female	147			147	100%	153			153	100%

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

3. Details of remuneration/salary/wages, in the following format:**a. Median Remuneration/wages:**

Segments	Male		Female	
	Number	Average remuneration/ salary/ wages	Number	Average remuneration/ salary/ wages
Board of Directors	5	25.10	2	7.50
Key Managerial Personnel	3	280.75	1	12.30
Employees other than BOD and KMP	2023		164	

*PPAP does not have any workers as defined in the guidance note on BRSR.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wages	3.72	3.58

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, PPAP has instituted an Internal Complaints (IC) Committee for redressal of human rights issue and for ensuring time-bound treatment of such complaints.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

PPAP is committed to the highest standards of ethical, moral, and legal business conduct. PPAP's dedication to human rights and fair treatment is outlined in its code of conduct and ethics policy. The company is committed to the fundamental principles of human rights & labor rights, a workplace free of harassment, and prohibition of child labor. The company sets a standard of 'zero tolerance' for any kind of violation of human rights.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

Note: PPAP does not have any workers as defined in the guidance note on BRSR.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

PPAP views all incidents of discrimination and harassment cases, very seriously and encourages employees to report any incidents of harassment to the Internal Complaints Committee (ICC) formed under Policy of Prevention of Sexual Harassment at the workplace of the Company ("POSH Policy"). Any aggrieved individual may make, in writing, a complaint of Sexual Harassment at the workplace to the Committee giving details of the harassment.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, PPAP follows its policy on Human Rights which are embedded in the Code of Conduct and Ethics of the Company. The Code of Conduct and Ethics extends to the Company and its subsidiary Companies. The Company is committed to the fundamental principles of human rights & labour rights, workplace free of harassment, and prohibition of child labour. The Company sets a standard of 'zero tolerance' for any kind of discrimination or harassment, extends to value chain partners as per the contracts during supplier manual agreement.

10. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Other human rights-related issues	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant risk was observed in this reporting period.

Leadership Indicators**1. Details of a business process being modified/introduced to address human rights grievances/complaints.**

No human rights grievance/complaint was received during the reporting period.

2. Details of the scope and coverage of any Human rights due diligence conducted.

No human rights due diligence was conducted during the reporting period.

3. Is the premise/office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Currently, there is no facility available at the plant. However, PPAP is working towards making its workplace accessible to differently-abled people.

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual Harassment	29%
Discrimination at workplace	29%
Child Labour	29%
Forced Labour/Involuntary Labour	29%
Wages	29%
Other	29%

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

No significant risks/concerns observed in the assessment of suppliers.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

**Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	FY 2023-24	FY 2022-23
From Renewable Energy Sources		
Total electricity consumption (A)- Giga Joules	2912	3268
Total fuel consumption (B)-Giga Joules	0	0
Energy consumption through other sources (C)-Giga Joules	0	0
Total energy consumed from renewable sources (A+B+C)	2912	3268
From Non- Renewable Energy Sources		
Total electricity consumption (D)- Giga Joules	54205	52941
Total fuel consumption (E)-Giga Joules	6835	7725
Energy consumption through other sources (F)-Giga Joules	0	0
Total energy consumed from non-renewable sources (D+E+F)	61040	60666
Total energy consumed (A+B+C+D+E+F)- Giga Joules	63952	63934
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	142.71	145.03
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	-	-
Energy intensity in terms of physical output	-	-
Energy intensity (optional) –	-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No designated consumers entity in PPAP.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	31464.26	35436.31
(iii) Third- party water	13819.99	14108
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	45284.26	49544.31
Total volume of water consumption (in kilolitres)	45284.26	49544.31
Water intensity per crore of turnover (Total water consumption/Revenue from operations)	101.05	112.39
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		0

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, PPAP has implemented a mechanism for Zero Liquid Discharge. The wastewater generated from cooling towers was previously drained out in municipal drains, it is currently being stored in underground storage tanks and then used for gardening. The wastewater is recycled in-house and reused for various purposes including (but not limited to) the following:

- Water is being reused from the cooling extrusion for the greenbelt development and horticulture.
- Numerous water saving initiatives led to 7359 KL of water saving in the reporting period.
- Rainwater harvesting tanks are installed to recharge the groundwater.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Kg	226.63	427.39
SOx	Kg	71.96	-
Particulate matter (PM)	Kg	30.75	67.59
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
CO	Kg	25.83	203.11

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions	Metric tonnes of CO ₂	443.35	492.43
Total Scope 2 emissions	equivalent	10780.76	11911.66
Total Scope 1 and Scope 2 emissions per crore of turnover		25.05	28.17
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the reduction of resources forms an integral part of PPAP's continuous focus on reducing its carbon footprint on the environment.

- Installation of the energy-efficient lighting system and implementation of energy-saving kaizens (including fuel) in the existing machinery has helped us achieve the potential of annual energy saving of 13556.44 GJ and reduction of 176.12 tonnes of CO₂ emissions. We periodically hold awareness training across all our business units to spread energy-saving habits among our staff.
- Localisation of our raw materials has further led us to save 12.25 tonnes of CO₂ emissions.
- Waste saving initiative has led us to save 0.128 tonnes of CO₂ emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1136.46	1060.53
E-waste (B)	0.69	0.83
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	5.03	5.53
Other Non-hazardous waste generated (H). Please specify, if any.	399.74	318.74
Total (A+B + C + D + E + F + G+ H)	1541.92	1385.63
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	1447.43	1375.55
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	1447.43	1375.55

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	1.56	1.51
(ii) Landfilling	92.71	-
(iii) Other disposal operations	-	-
Total	94.27	1.51

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

PPAP recognizes that the natural resources are finite and therefore need to be conserved and recycled. In the endeavour to achieve the same it continues to evaluate opportunities for technology upgradation, improved processes for waste reduction. PPAP always focuses on 5R concept (Refrain, Reform, Reduce, Reuse and Re-cycle). PPAP has installed the bio-composter for canteen waste and recycle the food waste produced by PPAP. PPAP is using reclaimed packaging materials in the form of bins that will return from the customer, eliminating the need for single use packaging. The same bins will be reused until the end of their life cycle.

PPAP follows the international standard of materials as per IMDS and verify the SOC/POP free material to protect against any toxicity.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not Applicable.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, PPAP gives highest priority to ensure environment-friendly practices, having all valid consent to operate (Air & Water), hazardous waste authorization by concerned pollution control boards, ensuring compliance with applicable environmental laws, rules, regulations, and guidelines.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Delhi NCR, Chennai (Tamil Nadu), Ahmedabad (Gujarat), Pathredi (Rajasthan).

(ii) Nature of operations: Manufacturing of Automotive sealing parts (Extrusion, Injection Moulding, Assembly).

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	31464.26	35436.31
(iii) Third party water	13819.99	14108
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	45284.26	49544.31
Total volume of water consumption (in kilolitres)	45284.26	49544.31
Water intensity per crore of turnover (Water consumed / turnover)	101.05	112.39
Water intensity (optional) – the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		Not Applicable
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Currently, PPAP monitors the following 8 categories of Scope 3 emissions viz Category 1, Category 3, Category 4, Category 5, Category 6, Category 7, Category 8, Category 9:

Parameters	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	51119.14	-
Total Scope 3 emissions per rupee of turnover		114.07	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Assurance of data was conducted by DQS India (Third-party independent assurer).

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. Not Applicable.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S.No.	Initiative undertaken	Details of the initiative	Outcome of the initiative
1.	Energy Conservation Initiatives	Installation of the energy-efficient lighting system and implementation of energy-saving kaizens (including fuel) in the existing machinery.	The potential of annual energy saving of 13556.44 GJ and reduction of 176.12 tonnes of CO2 emissions.
2.	Water saving initiatives	Installation of water-efficient technology and water-saving taps	It has led to 7359 KL of water saving in the reporting period.
3.	Waste Management Initiatives	Installation of PADCARE bins for safe disposal of sanitary napkins	It has led us to save 0.128 tonnes of CO2 emissions.
4.	Supply Chain initiatives	Localization of raw material	It has led us to save 12.25 tonnes of CO2 emissions.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, PPAP has a well-defined risk, business continuity and disaster management plan. The plan outlines all the contingencies along with the overall governance and monitoring of the business continuity function. Business continuity spans people, processes, and technology. Requisite training programs have been conducted for the teams to be prepared to respond in a crisis. Most of the business functions are supported through automation with the help of technology.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

No significant adverse impact has been observed to the environment, arising from the value chain.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

29% suppliers assessed.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.



Essential Indicators

- Number of affiliations with trade and industry chambers/ associations.**
PPAP is a member of 7 business associations.
 - List the top 10 trade and industry chambers/ associations you are a member of/are affiliated to, on the basis of no. of members.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Automotive Component Manufacturers Association of India (ACMA)	
2	Bhiwadi Manufacturers Association (BMA)	
3	Confederation of Indian Industries (CII)	
4	HCI Supplier's Club Society	Association
5	Maruti Suzuki Suppliers Welfare Association (MSSWA)	
6	Tools and Gauge Manufacturers Association of India (TAGMA)	
7	Toyota Kirloskar Suppliers Association (TKSA)	

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity.

PPAP is currently not engaged in public advocacy.

Principle 8: Businesses should promote inclusive growth and equitable development.



Essential Indicators

- Details of Social Impact Assessments (SIA) undertaken by PPAP for projects in the current Financial Year.**
SIA activity has not been started yet, however, PPAP has been planning to undertake the SIA in the upcoming years.
- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format: Nil**
- Describe the mechanisms to receive and redress grievances of the community.**
Register of grievances is kept and maintained to receive and redress grievances of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

PPAP undertakes initiatives to build capacities of the suppliers. PPAP supports the MSMEs in nearby locations of its plants for raw material sourcing/packaging/consumable etc. The supply chain team of PPAP periodically visits the facilities of the vendors for their continuous upgradation and suggest them improvement points.

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	21%	15%
Sourced directly from within India	92%	92%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

	FY 2023-24	FY 2022-23
Rural	23%	31%
Semi-urban	12%	9%
Urban	38%	36%
Metropolitan	27%	24%

Leadership Indicators**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments.**

Not Applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Nil

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

We do not have a preferential policy. However, we support the local and small-scale suppliers such as MSMEs.

b) From which marginalized/vulnerable groups do you procure?

PPAP supports the MSMEs and small suppliers in nearby locations of its plants for raw material sourcing/packaging/consumables etc.

(c) What percentage of total procurement (by value) does it constitute?

During the reporting period, it constituted around 21% of the total procurement.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable.

5. Details of corrective actions taken in intellectual property-related cases wherein usage of traditional knowledge is involved:

Not Applicable.

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Environment	15	100%
2	Education	75	100%
3	Health Care	350	100%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP has a customer complaint handling system based on IATF16949:2016 and business policy of each customer. PPAP provides immediate containment action and awareness training to all concerned team members to stop out flow of suspected material to the customers. Detailed countermeasure with simulation and 4M/why-why analysis is shared with customer within two weeks from the date of complaint received. After receiving effectiveness confirmation of action, PPAP does the horizontal deployment of the action taken wherever possible and standardize the standard operating procedure and related documents. No customer complaints are pending at the end of financial year.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Product/Services	As a % to total turnover
Environmental and social parameters relevant to the product	
Safe and responsible usage	NIL
Recycling and safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2023-24			FY 2022-23		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy						
Advertising						
Cybersecurity		Nil			Nil	
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						

Note: PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	-	NA
Forced recalls	-	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, PPAP has policy for cyber security and certified ISO 27001: 2013. Web-link of the policy is as follows: https://www.ppapco.in/assets/pdf/policies/Privacy_policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

During the reporting period, there was no observance of any issue related to cyber security, data privacy and safety of products and services.

7. Provide the following information relating to data breaches:

- a. Number of instances of data breaches: 0
- b. Percentage of data breaches involving personally identifiable information of customers: 0%
- c. Impact, if any, of the data breaches: None

Leadership Indicators**1. Channels / platforms where information on products and services of PPAP can be accessed (provide web link if applicable).**

Information on products and services can be availed from the official website of PPAP. Link for the same is as follows: <https://www.ppapco.in/>

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. Safe and responsible usage of product ensured by collaboration of OEM customers with their terms of manufacturing and delivery of products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP has contingency plan of covering the risk of disruption/discontinuation of essential services and very well informed to all customers.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief.

Not applicable as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP displays product label on part by laser printing as per customer requirements. The label displays information related to part manufacturing date, time and material used. We also provide details about the material used to customer like SOC (Substances of Concern) free, Conflict Mineral free, POP (Persistent Organic Pollutants) free and compliance with RoHS (Restriction of Hazardous Substances).

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not applicable as PPAP supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user. However, PPAP engages with its customers at various platforms to understand their expectations and has a well-defined system to measure customer satisfaction at regular intervals. Customer satisfaction are one of the most important factors of any business. Customer Satisfaction trends are compiled, monitored, and reviewed by top management on a periodic basis and action plans are discussed with customers.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**World Economic Overview:**

In the prevailing global economic milieu, resilience of trade and commerce is widely discussed and numerous formidable challenges persist. Fluctuations in commodity prices has led to inflation in both developed and developing nations, persistent geopolitical issues have resulted in supply chain disruptions. Additionally, the global economy recorded the sharpest increase in interest rates in 40 years. As a result, the global growth decreased from 3.5% in FY 2023 to 3.2% in FY 2024.

Several economies have demonstrated resilience in these times of adversity. Emerging markets and developing nations such as India, Mexico and Vietnam observed robust growth and foreign capital inflows. Furthermore, with debottlenecking of supply chains and easing of restrictive monetary policies, global inflation fell from its peak in FY 2023 to 5.9% in FY 2024. Certain low-income and frontier economies also reclaimed their position in the market.

Indian Economic Overview:

Despite grappling with various global challenges, India maintained its position as one of the world's fastest-growing major economies in FY 2024. With a robust macroeconomic framework, burgeoning domestic demand, and prudent monetary policies implemented by the Reserve Bank of India (RBI), India's real GDP expanded by 8%.

In FY 2024 the industrial production experienced a notable peak. The manufacturing sector emerged as a key driver of industrial growth, registering a steady 11.6% increase throughout FY 2024. Notably, enhanced capacity utilization across manufacturing propelled economic expansion further.

Despite the declining inflation rates coupled and heightened credit demand an atmosphere of economic optimism prevailed. Efforts to streamline supply chains and increased government expenditure shielded India from significant economic disruptions. India is increasingly viewed as a viable alternative to China and is projected to become the world's third-largest economy by 2027.

Auto Industry

In fiscal year 2023-24, the global automobile industry saw significant expansion, driven by several factors that revitalized demand and eased supply chain bottlenecks post-COVID-19. According to the Organisation Internationale des Constructeurs d'Automobiles (OICA), global vehicle sales surged by approximately 12%, highlighting a robust recovery and growing consumer confidence.

India emerged as a prominent player in the global automotive landscape, securing the third position in terms of vehicle registrations across diverse categories including passenger cars, light commercial vehicles (LCVs), heavy commercial vehicles (HCVs), and buses. This achievement underscores India's growing importance as a market and as a manufacturing hub within the industry.

Despite these strides, India's average vehicle selling price remains comparatively lower than more developed markets, positioning it

in the mid-tier range by value according to JATO Dynamics. This pricing dynamic reflects both the competitive pricing strategies employed by manufacturers to capture market share and the income levels prevalent among Indian consumers.

Domestically, the Indian Automobile Industry experienced substantial growth, as reported by the Society of Indian Automobile Manufacturers (SIAM), with a notable 10% year-over-year increase in vehicle sales. This growth trajectory indicates a positive outlook for the sector, fuelled by rising consumer demand, favourable fiscal policies of the government, and ongoing investments in manufacturing and infrastructure.

Looking ahead, the global automotive industry continues to navigate challenges such as evolving regulatory landscapes, technological advancements, and sustainability imperatives. However, the impressive performance observed in FY 2024 highlights resilience and adaptability within the sector, positioning it for continued growth and innovation in the years ahead.

Auto Ancillary Market in India

The auto ancillary market was valued at INR 4,799.01 Bn in FY 2023 and is expected to reach INR 9,359.32 Bn by FY 2028, expanding at a compound annual growth rate (CAGR) of ~14.75% during FY 2024 - FY 2028. The Introduction of BS-VI standards of safety, a shift towards electric mobility, robust growth in domestic automobile production, competitive advantage facilitating the emergence of outsourcing hubs, and favourable government policies are some of the major growth drivers of the Indian auto ancillary market. According to the Department of Scientific and Industrial Research, Government of India, as of April 2024, there are more than four hundred significant players, operating in the Indian auto ancillary market.

Group Overview

PPAP Automotive Limited, established in 1978, has grown to become a prominent player in the automotive and ancillary industries, specializing in custom-made extrusion products, plastic and rubber-based extrusions, and plastic injection mouldings. The company's journey towards global excellence began in 1985 with a focus on the automotive sector, expanding over the years to include industrial products.

PPAP has commercialized its tooling facility in 2019, which represents a significant pivot towards manufacturing plastic injection tooling.

PPAP as part of its growth and de-risking strategy has also ventured into the after-market business through its subsidiary focusing on offering high-quality and sustainable automotive spare parts, car accessories, and car care products across India and beyond.

In response to the industry's shift towards electrification, PPAP has positioned itself as a leading manufacturer of Li-Ion based battery pack solutions, catering to sectors such as 2-wheelers,

3-wheelers, and energy storage. This strategic move underscores PPAP's adaptability and readiness to embrace the new technologies shaping the automotive landscape.

As globalization accelerates, PPAP recognizes the importance of systematic and innovative research and development in order to capitalize on emerging opportunities, particularly in electric, electronic, and hybrid vehicles. This forward-thinking approach ensures that PPAP remains at the forefront of evolving industry trends.

Beyond business objectives, PPAP is committed to environmental, social, and governance (ESG) standards, integrating sustainability into its operations and supporting CSR activities focused on environmental conservation, education, and health. Initiatives like biodiversity parks demonstrate the company's dedication to enhancing environmental conditions and contributing positively to the society.

In navigating a volatile business environment, PPAP emphasizes dynamism and resilience, anchored by its pursuit of global level excellence across all facets of its operations. This commitment underscores PPAP Automotive Limited's ambition to consolidate its position as a leading provider of product solutions in its core competencies.

Automotive Parts Business:

PPAP is a prominent player in the Indian automotive industry, renowned for its expertise in manufacturing automotive sealing systems and injection-moulded products. The Company has demonstrated a steadfast commitment to excellence and innovation throughout its journey.

PPAP has established strong relationships with major OEMs in India's passenger vehicle segment and has successfully expanded its presence into the commercial vehicle, as well as the 2 and 3-wheeler segments. This broad market coverage underscores its role as a key supplier across diverse automotive sectors.

PPAP leverages advanced technology across its operations, including extruders, Injection Moulding with 2K (Double Injection) technology, assembly lines, and specialized machines like SUS stretch bending and S-type heat bending machines.

The Company's product portfolio for automotive part business is shown at page no.11.

The automotive part business has its manufacturing presence in Noida & Greater Noida (Uttar Pradesh), Pathredi (Rajasthan), Vallam Vadagal (Tamil Nadu) and Virangam (Gujarat). Further sales offices are operating from Pune and Chennai.

The combination of technological prowess, commitment to sustainability, and customer-centric approach, positions PPAP as a leader in the automotive ancillary sector in India. Its ongoing investments in technology, sustainability, and customer relations ensure it remains at the forefront of innovation and competitiveness in the evolving automotive industry landscape.

After market and spare parts business:

The Company has ventured into the after-market business as part of its growth and de-risking strategy. The Company through its wholly owned subsidiary company, namely, Elpis Automotives Private Limited ("Elpis") is engaged in this business.

Elpis focuses on offering high-quality and sustainable automotive spare parts, car accessories, and car care products across India and beyond.

Elpis aims to cater to both B2B and B2C segments with a comprehensive product range that includes:

- Engineering Plastics: Essential for various automotive applications.
- Rubber Sealing Products: Critical for ensuring vehicle performance and sealing solutions.
- Car Accessories: Enhancing vehicle aesthetics and functionality.
- Car Care Products: Maintenance and protection solutions for vehicle owners.
- Automotive Glass Care Products: Ensuring visibility and safety on the road.

The Elpis product portfolio for aftermarket business is shown at page no.12.

Elpis started this business with a warehouse in Okhla, New Delhi. Subsequently, it has restructured and consolidated its spare parts business in its facility located at Greater Noida, Uttar Pradesh. This centralized facility serves as a hub for supplying parts and products to the aftermarket across India, including neighbouring countries like Nepal, Bhutan, and GCC countries through Dubai, UAE. This strategic location facilitates efficient logistics, and timely delivery to a wide customer base.

Elpis has established a distribution network and is foraying into e-commerce by promoting the products on e-commerce websites (Amazon) as well as its own online shopping portal (shopelpis.com).

Elpis is committed to expanding its product portfolio and enhancing its distribution capabilities further. The focus remains on maintaining high standards of product quality, sustainability, and customer satisfaction across all channels. With a strong foundation in place and a proactive approach to market dynamics, Elpis is poised to capitalize on opportunities in the aftermarket segment and continue its growth trajectory.

Commercial Tooling Business:

The Company has commercialized its tooling facility in 2019, which represents a significant pivot towards manufacturing plastic injection tooling.

The tooling facility boasts advanced capabilities, ranging from Gas assist molds to multi-cavity molds, hot runner systems, and specialized techniques like 2K molding and over molding. PPAP's Tooling facility serves diverse industries, including Automotive, Electrical, and White Goods, aligning its offerings with specific industry demands and standards.

The Company's product portfolio for tooling business is shown at page no.13.

The Tooling facility is located at Greater Noida, Uttar Pradesh.

PPAP Automotive Limited's strategic focus on transforming its Tooling facility into 'Meraki Precision Molds' reflects its commitment to excellence, innovation, and customer satisfaction. With advanced capabilities, sector diversification, and strategic growth initiatives, PPAP is well-positioned to lead in the precision

tooling market, delivering superior quality and service to a wide range of industries in India and beyond.

Electric Vehicle Component Business

The Company has also ventured into the Electric Vehicle ("EV") market by establishing a wholly owned subsidiary PPAP Technology Limited ("PTech") in 2020.

P-Tech positions itself as an engineering solutions provider, emphasizing application-specific engineering to meet the unique needs of its customers.

Ptech have state-of-the-art facilities for design, development, and manufacturing of Li-Ion Battery Pack. The facility comprises complete manufacturing, testing and validation of Battery Packs. P-Tech manufactures Lithium-Ion battery packs for mobility and storage segments. It customizes the battery packs as per customer requirements. The Company's product portfolio for electric vehicle component business is shown on page no.10.

Ptech manufacturing facility is located at Noida, Uttar Pradesh.

Industrial Product Business

Industrial product business aims to explore plastic extrusion, plastic injection moulding and rubber extrusion in areas outside the automotive industry.

It manufactures parts for robots for solar panel cleaning, paint dispensers, pail buckets, building materials and housing equipment, home appliances including electrical home appliances & modern bath fittings. The Company's portfolio for industrial product business is shown at page no. 13

It manufactures parts for AHU Sector, white goods Sector, paint dispensers, pail buckets, building materials.

The industrial product business is expanding into international market. By venturing into exports, the company is tapping into new revenue streams and diversifying customer base beyond domestic borders. This initiative not only enhances market reach but also strengthens PPAP's position in the global automotive and ancillary industries.

The facility is located at Surajpur Industrial Area, Uttar Pradesh.

Opportunities and threats

Growth drivers and future opportunities:

- Accessible, affordable, and transparent financing options, improving road infrastructure and increasing disposable income have been the major factors catapulting the growth of the auto industry in India.
- India's increasing adoption of electric vehicles is set to enhance the industry's influence, further establishing the nation as a prominent global automotive centre. Shifting consumer preferences, increasing exports, and government support will be pivotal in shaping the future of the industry.
- The emerging trends and growing focus of automakers on integrating cutting-edge technologies in car manufacturing has opened up massive investment opportunities in the India auto sector. Significant technological strides in electric vehicles, autonomous driving, connectivity, the adoption of digital sales, and a strong emphasis on safety measures are anticipated to unlock vast opportunities for the industry.

Challenges:

Despite significant growth prospects, the industry is also confronted with a range of issues including the following:

- Logistics and supply chain disruptions
- Escalating energy costs
- Shortages in skilled labour
- Complex economic and political landscape
- Growing expectations of an increasingly discerning and demanding consumer base
- Persisting high interest rate environment could impact affordability to some extent for potential buyers.

These economic challenges present formidable obstacles for the automotive industry, necessitating strategic adaptation and resilience to navigate through turbulent times.

Risks

- Technological Disruptions: Rapid advancements in technology, including autonomous vehicles, connectivity, and electric mobility, created both opportunities and risks. Failure to keep pace with technological advancements could result in a loss of market share and competitiveness.

Mitigation Strategies: We prioritized investments in research and development to stay at the forefront of technological innovation.

- Economic and Market Volatility: Economic downturns, changes in consumer spending patterns, and market uncertainties posed risks to our sales volumes, pricing power, and financial performance.

Mitigation Strategies: We conduct regular market research and analysis to anticipate changes in consumer preferences and adjust our product offerings accordingly.

Outlook

The automotive industry is poised for significant growth driven by several key factors. Foremost among these is the rapid adoption of new technologies, coupled with robust government support policies. With increasing awareness about environmental issues, there's a notable shift towards alternate fuel vehicles like CNG and EVs, which is expected to further boost sector growth. Moreover, factors such as rising per capita incomes, evolving demographic profiles, low vehicle penetration rates, and favorable policy environments, including infrastructure development, are all contributing to a steady rise in industry demand. However, potential challenges such as a global economic slowdown and higher interest rates could temporarily impact demand. Yet, the industry's ability to innovate and adapt will be pivotal as it continues to evolve, ensuring its resilience and sustained growth in the long run.

Financial Performance

The Company registered a turnover of ` 503.86 Crores and EBITDA of ` 43.84 Crores during FY 2024.

Significant changes in key financial ratios along with explanation forms part of Note no. 45 of standalone financial statements.

Internal Control System and their adequacy

The Indian industry has witnessed a major shift towards better internal controls with mandatory implementation of internal financial controls (IFC). The Company has put in place strong internal controls, systems and processes and keeps reviewing their adequacy from time to time. There are strong systems for both internal reviews, as well as review by external independent auditors.

Human Resources

The Human Resources (HR) function is pivotal in driving our company's growth and success. HR team of PPAP focuses on attracting, developing, and retaining top talent to ensure a motivated and high-performing workforce. Key responsibilities include recruitment and selection, employee training and development, performance management, and employee relations. HR team also plays a crucial role in designing and implementing compensation and benefits programs, promoting workplace culture, and ensuring compliance with labour laws and regulations. In the past year, HR team has launched several initiatives to enhance employee engagement and professional growth. These include revamped training programs, leadership development opportunities, and wellness initiatives aimed at fostering a positive work environment. Additionally, HR team has streamlined processes to improve operational efficiency and support our strategic objectives.

Our HR team remains committed to supporting employees at every stage of their career journey and aligning HR practices with the company's overall goals. By prioritizing these areas, HR contributes significantly to our organizational success and helps build a resilient and agile workforce ready to meet future challenges.

Safety, Health, and Environment

We are strongly committed to safeguarding the environment in which we operate for the benefit of current and future generations. As a responsible business, we adhere to and follow all the

applicable environmental laws and regulations. We strive to make the best use of our resources while minimizing operational impacts and reducing our environmental footprint.

Our commitment to reduce freshwater consumption, energy consumption, mindful resource utilization, and waste generation exemplifies our efforts to address climate threats to become a low-carbon organization for the environment.

Several certifications acquired by PPAP in this area are elaborated below:

Location	I I 16949: 2009	S A 2015	O T 2018	I 45001: 2018	S 50001: 2018	O
PPAP						
Plant at (Noida)	Y	Y	Y	Y	Y	
Plant at (Surajpur)	Y	Y	Y	Y	Y	
Plant at (Pathredi)	Y	Y	Y	Y	Y	
Plant at (Vallam Vadagal)	Y	Y	Y		*	
Plant at (Viramgam)	Y	Y	Y		*	

* Planned during FY25

Cautionary Statement

Statements in the management discussion & analysis report describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable laws. Actual results may differ materially from those expressed in the statement. Crucial factors that could influence the Company's operations include global and domestic demand and supply conditions affecting selling prices, raw material availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PPAP AUTOMOTIVE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of PPAP Automotive Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2024, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial ").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing ("SA") specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
1. Revenue Recognition Revenue is recognized to the extent that economic benefit will flow to the Company and the revenue can be reliably measured. It is measured at fair value consideration received or receivable, net of returns and allowances, discounts and rebates. The Company recognizes revenue when it satisfies its performance obligation by transferring the goods to the customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as discounts and price adjustments. Since there is significant judgement and estimate involved in calculation of price variations to be recorded as at the year end, revenue recognition has been identified as a key audit matter.	Principal Audit Procedures We performed the following procedures: <ul style="list-style-type: none"> We understood business revenue recognition policy and how they are applied, including the relevant controls, and tested the controls over revenue recognition; Analytical review of the revenue recognized over the year; Agreeing on a sample basis amounts of revenue to customer contracts and verifying the extent, timing and customer acceptance of goods, where relevant. We performed cut-off testing for a sample of revenue transactions around the period end date, to check that they were recognized in the appropriate period; and We discussed key contractual arrangements with management and obtained relevant documentation and communication with customers; and Also tested, on sample basis, debit/credit notes in respect of agreed price variations passed on to the customers Based on our audit procedures we did not identify any evidence of material misstatement in the revenue recognized for the year in the standalone financial statements.

2. Recognition of Assessment of impairment of investments in subsidiaries and joint venture

The management assesses at least annually, the existence of impairment indicators of each non-current investments, and in case of such existence, these assets are subject to an impairment test. For the purpose of the impairment testing, value in use has been determined by considering forecasting and discounting future cash flows.

Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows. Further, the determination of the recoverable amount of the investments of unquoted non-current investments involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these investments.

Accordingly, the impairment of non-current investments was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

Principal Audit Procedures

We performed the following procedures:

- We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates.
- We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment.
- We tested the arithmetical accuracy of the models.
- We evaluated the adequacy of disclosures in the Standalone Financial Statements related to management's assessment on the impairment tests and as required under Indian Accounting Standard (Ind-AS) -36 Impairment of Assets
- We also assessed the objectivity and independence of Company's specialists involved in the process.

Based on the work carried out, we did not have any reason to believe that the investments were not properly valued.

Other Matter

The financial statements for the year ended March 31, 2023, included in the accompanying financial statements have been audited by predecessor auditor whose audit report dated May 19, 2023 expressed unmodified opinion. Our opinion is not modified in respect of this matter.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Report on Corporate Governance and Director's Report including Annexures to Director's Report, Business Responsibility and Sustainability Report and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. The aforesaid report is expected to be made available to us after the date of this auditor's report.

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 Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Company's annual report and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors 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 or to cease operations or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SAs 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 Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.

- Obtain an understanding of internal control 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 an adequate internal financial controls system with reference to the Standalone Financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and the Board of Directors.
- 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- 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.

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 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 financial statements.

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.

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.

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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine 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. A. As required by Section 143(3) of the Act, based on our report, we report that:

- 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;
- In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 1(B)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
- The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this report are in agreement with the books of account;
- In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
- The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(A) (b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;
- With respect to the adequacy of the internal financial controls over financial reporting with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

B. With respect to the other matters to be included in the Auditor's 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:

- The Company has disclosed the impact of pending litigations as at March 31, 2024, on its financial position in its Standalone Financial Statements. Refer Note 39 to the Standalone Financial Statements;

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
- d. (i) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 57(vi) to the Standalone Financial Statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 51(vi) to the Standalone financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The company has not paid interim dividend during the year. As stated in note 50 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.
- f. Based on our examination, which included test checks, the Company, in respect of financial year commencing on 1st April 2023, has used an accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in accounting software, except that the audit trail feature is not enabled at the database level and some data tables level. During the course of performing our procedures, except for the aforesaid instances of audit trail not maintained where the question of our commenting on whether the audit trail has been tampered with does not arise, we did not notice any instance of audit trail feature being tampered with.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
- C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended,
- In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which is required to be commented upon by us.
2. 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 B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 24057986BKEERB7667

Place: Noida
Date: 18th May, 2024

Annexure A to the Independent Auditors' Report on the Standalone Financial Statements of the PPAP Automotive Limited for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 (g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Opinion

We have audited the internal financial controls over financial reporting of **PPAP Automotive Limited** ("the Company") as of March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls were operating effectively as at March 31, 2024, based on the internal financial controls 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 (hereinafter referred to as "the Act").

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 and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 whether 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 the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of misstatement of the Standalone 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 audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting include 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Place: Noida
Date: 18th May, 2024

Neena Goel
Partner
Membership No. 057986
UDIN: 24057986BKEERB7667

Annexure B to the Independent Auditors' Report**Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of PPAP Automotive Limited on the Standalone financial statements for the year ended March 31, 2024**

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of the audit, we state that:

- i) **In respect of the Company's Property, Plant and Equipment and Intangible Assets:**
- a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets covered under Ind AS 116, 'Leases'.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Company has a program of verification of property, plant and equipment, so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Properties, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. Based on the examination of the registered sale deed, and conveyance deed provided to us, we report that the title deeds of all the immovable properties of land and buildings disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from the Bank.
 - d. The Company has not revalued any of its Property, Plant and Equipment and Intangible assets during the year.
 - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024, for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) **In respect of the Company's Inventory:**
- a. The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - b. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks, on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly statements comprising of Stock statements and book debt statements, filed by the Company with banks are in agreement with the unaudited books of account of the Company of the respective quarters other than those mentioned in Note 19 of the Standalone Financial Statements.
- iii) (a) According to the information and explanations given to us, the Company has not made investments or provided bank guarantee or security during the year. The Company has granted unsecured loans during the year to a Wholly Owned Subsidiary.
- (A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances in the nature of loan to wholly owned subsidiary are as follows: in Lakhs

Particulars	Guarantees		Unsecured Loan	
	Aggregate amount granted/ provided during the year	Balance outstanding as at 31.03.2024	Aggregate amount granted/ provided during the year	Balance outstanding as at 31.03.2024
Subsidiary	-	1000.00	967.00	2336.50

(B) In our opinion and according to information and explanations given to us, the Company has not given loans or advances in the nature of loan or guarantees or security to parties other than subsidiary during the period under Audit.

- (b) In our opinion and according to information and explanations given to us, the terms and conditions of the grant of all loans given during the year are, prima facie, not prejudicial to the company's interest.
- (c) The Company has granted loan to the subsidiary which is repayable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal and interest has not been stipulated by the Company, in our opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)
- (d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan.
- (f) The Company has granted loan or advance in the nature of loan which are repayable on demand or without specifying any terms or period of repayment, as per details below: in Lakhs

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A)	2336.50	-	2336.50
Agreement does not specify any terms or period of repayment (B)	-	-	-
Total (A+B)	2336.50	-	2336.50
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

iv) **Compliance with the sections 185 and 186**

According to the information and explanation given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees and security, as applicable.

v) **Public Deposits**

According to the information and explanations given to us, the Company has not accepted deposits or amount which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi) **Cost Records**

The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) **Statutory Dues**

In respect of statutory dues:

- a. Undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have been generally deposited regularly by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2024, for a period of more than six months from the date they became payable.

- b. In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of the audit and to the best of our knowledge and belief, we state that there are no dues of income tax or sale tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except as mentioned in table below:

Sr#	Name of the Statute	Nature of Dues	Amount in Lakh	Period to which the amount relates	Forum where the dispute is pending
1	Income Tax Act, 1961	Income Tax	41.37	2017-18	CIT(Appeals)
2	Central Excise Act, 1944	Excise Duty	2.12	May, 2004 to July, 2004	Appellate Tribunal (CESTAT), Delhi
3	Central Excise Act, 1944	Excise Duty	70.72	April, 2015 to March, 2016	Appellate Tribunal (CESTAT), Delhi
4	Goods & Service Tax	GST	6.71	F.Y. 2018-19	Joint/ Additional Commissioner (Appeals), CGST, Jaipur
5	Goods & Service Tax	GST	33.66	F.Y. 2017-18	Joint/ Additional Commissioner (Appeals), CGST, Jaipur
6	Goods & Service Tax	GST	3.40	F.Y. 2017-18	Appellate Authority/ Spl. Commissioner SGST, Department of Trade and Taxes, New Delhi
7	Goods & Service Tax	GST	52.03	F.Y. 2018-19	First appellate authority, Ahmedabad*

*The company has 3 months' time from the date of order i.e. 23rd April 2024 for filing appeal with first appellate authority, Ahmedabad.

viii) **Undisclosed Income**

According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

ix) **Borrowings**

- a. In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b. According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- c. To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d. On an overall examination of the financial statements of the Company, funds raised on a short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial statements of the Company, 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. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.

x) **Issue of securities**

- a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
- b. During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi) **Fraud**

- a. To the best of our knowledge and information and explanations given by the management, we report that no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. As represented to us by the Management, there were no whistle-blower complaints received by the Company during the year.

xii) **Nidhi Company**

The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii) **Related parties**

In our opinion, the Company is in compliance with sections 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

xiv) **Internal Audit**

- a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports of the Company issued till date for the period under audit.

xv) **Non-cash transactions**

In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi) **Section 45-IA of the Reserve Bank of India Act, 1934**

- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses (xvi)(a), (b), and (c) of the Order is not applicable.
- b. The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

xvii) **Cash loss**

The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii) **Resignation of statutory auditors**

There has been resignation of the statutory auditors of the Company during the year and no issue, objection or concern was raised by the erstwhile auditor.

xix) **Ability to pay liabilities**

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that the 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, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) **CSR unspent amount**

The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of section 135(6) of the Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable to the Company.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Place: Noida
Date: 18th May, 2024

Neena Goel
Partner
Membership No. 057986
UDIN: 24057986BKEERB7667

BALANCE SHEET

AS AT 31st MARCH, 2024

Particulars	Notes	(` in lacs)	
		As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	28,481.94	29,255.26
Capital work-in-progress	3a	1,468.09	891.74
Right of use assets	4	335.42	84.22
Investment properties	5	74.50	90.39
Other intangible assets	6	865.95	746.40
Intangible assets under development	6a	198.07	172.68
Financial assets			
a. Investments	7	6,504.28	6,504.28
b. Other financial assets	8	299.22	254.47
Tax assets (net)	9	168.70	113.82
Other non-current assets	10	1,260.09	964.34
		39,656.26	39,077.60
Current assets			
Inventories	11	5,850.43	5,812.34
Financial assets			
a. Investments	7	624.72	445.48
b. Trade receivables	12	7,008.76	6,191.14
c. Cash and cash equivalents	13	97.75	41.32
d. Other balances with banks	14	11.21	11.38
e. Loans	15	2,398.62	1,480.91
f. Other financial assets	8	68.71	180.73
Other current assets	16	1,081.63	974.80
		17,141.83	15,138.10
Total Assets		56,798.09	54,215.70
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,400.00	1,400.00
Other equity	18	29,899.12	30,249.10
		31,299.12	31,649.10
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	19	6,391.99	6,718.69
Lease liabilities	4	199.65	33.19
Other financial liabilities	20	12.03	15.82
Provisions	21	533.16	578.27
Deferred tax liabilities (net)	22	1,589.45	785.37
Current liabilities			
Financial liabilities			
Borrowings	19	7,469.20	5,529.56
Lease liabilities	4	104.54	54.46
Trade payables	23		
- total outstanding dues of micro enterprises and small enterprises		1,112.94	1,022.79
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,534.94	5,194.56
Other financial liabilities	20	699.59	569.73
Other current liabilities	24	2,748.87	1,964.85
Provisions	21	102.60	99.31
Total Liabilities		25,498.96	22,566.60
Total Equity and Liabilities		56,798.09	54,215.70

Material accounting policy information
The accompanying Notes 3 to 57 form an integral part of these financial statements. 2

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

Place: Noida
Date: 18th May, 2024

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH, 2024

Particulars	Notes	(` in lacs)	
		Year ended 31.03.2024	Year ended 31.03.2023
INCOME			
Revenue from operations	25	50,386.22	49,232.17
Other income	26	377.44	329.74
Total Income (I)		50,763.66	49,561.91
Expenses			
Cost of materials consumed	27	30,095.26	30,971.45
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(188.64)	(887.16)
Employee benefits expense	29	9,072.95	7,904.21
Finance costs	30	1,226.33	1,029.83
Depreciation and amortization expense	31	3,213.79	2,954.00
Other expenses	32	7,022.27	6,688.26
Total Expenses (II)		50,441.96	48,660.59
Share of profit of Joint venture			
Share of profit of Associates			
Profit / (loss) before exceptional items and tax from continuing operations (I-II)		321.70	901.32
Profit / (loss) before tax from continuing operations (I-II)		321.70	901.32
Tax expenses	22		
Current tax		-	93.17
Adjustment of tax relating to earlier periods		(23.69)	44.12
Deferred tax		812.64	83.01
Profit / (loss) for the year		(467.25)	681.02
Other Comprehensive Income (OCI)	33		
Items that will not be reclassified to profit & loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		68.30	(20.03)
Share of other comprehensive income of associates and joint venture			
Income tax effect on such items		(17.19)	5.04
Total other comprehensive income for the year, net of tax		51.11	(14.99)
Total comprehensive income for the year, net of tax		(416.14)	666.03
Earnings per equity share (computed on the basis of profit for the year)	34		
(1) Basic (in `)		(3.34)	4.86
(2) Diluted (in `)		(3.34)	4.84

Material accounting policy information 2
The accompanying Notes 3 to 57 form an integral part of these financial statements.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

Place: Noida
Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
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Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in lacs)

Particulars	Year ended	
	31.03.2024	31.03.2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	321.70	901.32
Adjustments for		
Depreciation and amortisation expense	3,213.79	2,954.00
Interest expense	1,128.49	894.65
Balances written off	-	5.69
Provision for bad & doubtful debts	16.17	(1.06)
Profit on sale of investments	(13.36)	(13.75)
Employees share based payments	127.60	45.98
Fair valuation gain on investment in mutual funds	(38.60)	(61.92)
Unrealised exchange Loss/(Gain)	(1.38)	(3.30)
Profit on cancellation of lease	(1.35)	-
Interest income	(184.24)	(233.18)
	4,247.13	3,587.11
Operating Profit before Working Capital Changes	4,568.82	4,488.43
Working capital adjustments		
Decrease / (Increase) in inventories	(38.09)	(1,520.94)
Decrease / (Increase) in trade and other receivables	(1,145.39)	(541.15)
Movement in trade and other payables	307.21	1,723.42
Movement in provisions	123.10	(48.63)
	(753.19)	(387.30)
Cash generated from operations	3,815.64	4,101.13
Direct taxes refunded / (paid)	(168.69)	(206.99)
Net cash from operating activities (A)	3,646.95	3,894.14
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant, equipment	(2,142.51)	(1,714.96)
Purchase of assets in CWIP	(576.36)	(2,903.62)
Purchase of intangible assets	(315.80)	(73.50)
Purchase of Intangible assets under development	(25.39)	(172.68)
Sale of tangible fixed assets	38.18	3.18
Sale / (purchase) of current investments	(140.64)	(113.82)
Sale / (purchase) of non current investments	-	(203.13)
Profit on sale of investments	13.36	13.75

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in lacs)

Particulars	Year ended	
	31.03.2024	31.03.2023
Investment in fixed deposits (purchased) / matured	0.17	1.84
Interest income	184.24	233.18
Net cash used in investing activities (B)	(2,964.75)	(4,929.76)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan	(917.71)	(730.40)
Payment of lease liabilities	(133.25)	(45.05)
Interest (including interest on lease liabilities) paid	(1,117.76)	(894.65)
Proceeds / (repayment) of long term borrowings	(326.70)	(518.36)
Proceeds / (repayment) of short term borrowings	1,939.64	3,592.34
Dividends paid	(70.00)	(350.00)
Net cash flow from financing activities (C)	(625.76)	1,053.88
Net increase in cash and cash equivalents (A+B+C)	56.43	18.26
Cash and cash equivalents at the beginning of the year	41.32	23.06
Cash and cash equivalents at the end of the year	97.75	41.32
Components of cash and cash equivalents at the end of the year		
Cash on hand	42.60	23.71
Balance with banks		
On current accounts	55.15	0.93
Deposits with maturity of less than 3 months	-	16.68
	97.75	41.32

Material accounting policy information 2

The accompanying Notes 3 to 57 form an integral part of these financial statements.

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows'.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

Place: Noida
Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

STATEMENT OF CHANGES IN EQUITY

AS AT 31st MARCH, 2024

A. Equity share capital (refer note 17)

(` in lacs)

Equity shares of ` 10 each issued, subscribed and fully paid	No. of Shares	Amount
At 1 st April, 2022	14,000,000	1,400.00
Issue of share capital	-	-
As at 31 st March, 2023	14,000,000	1,400.00
Issue of share capital	-	-
As at 31 st March, 2024	14,000,000	1,400.00

B. Other equity

Particulars	Reserves and Surplus				Items of Other comprehensive income	Total equity (refer note 18)
	General Reserve	Securities Premium	Retained earnings	Employee Stock Options reserve	Re-measurement gains / (losses) on defined benefit plans	
At 1 st April, 2022	1,158.95	7,000.00	21,790.06		(64.69)	29,884.31
Net income / (loss) for the year	-	-	681.02	-	-	681.02
Share based payments (Refer note 36)	-	-	-	48.76	-	48.76
Other comprehensive income (note 33)	-	-	-	-	(14.99)	(14.99)
Total comprehensive income	-	-	681.02	48.76	(14.99)	714.80
Final dividend	-	-	(350.00)	-	-	(350.00)
At 1 st April, 2023	1,158.95	7,000.00	22,121.08	48.76	(79.68)	30,249.10
Net income / (loss) for the year	-	-	(467.25)	-	-	(467.25)
Share based payments (Refer note 36)	-	-	-	136.17	-	136.17
Other comprehensive income (note 33)	-	-	-	-	51.11	51.11
Total comprehensive income	-	-	(467.25)	136.17	51.11	(279.97)
Final dividend	-	-	(70.00)	-	-	(70.00)
As at 31 st March, 2024	1,158.95	7,000.00	21,583.83	184.93	(28.57)	29,899.13

Material accounting policy information

2

The accompanying Notes 3 to 57 form an integral part of these financial statements.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
 Chartered Accountants
 FRN No. 006711N/N500028

Neena Goel
 Partner
 Membership No: 057986

Place: Noida
 Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
 Chairman & Managing Director
 DIN: 00148839

Sachin Jain
 Chief Financial Officer

Place: Noida
 Date: 18th May, 2024

Abhishek Jain
 CEO & Managing Director
 DIN: 00137651

Pankhuri Agarwal
 Company Secretary

Notes to Financial Statements

for the year ended 31st March, 2024

1. Corporate information

PPAP AUTOMOTIVE LIMITED ("PPAP" or "the Company") is a limited company domiciled in India and was incorporated on 18th October, 1995. The registered office of the Company is located at 54, Okhla Industrial Estate Phase III New Delhi - 110020, India.

The company's core competence is in developing plastic and driver-based extrusion systems as well as plastic injection moulding systems for various industries. The Company's state of the art manufacturing facilities are located in Uttar Pradesh, Tamil Nadu, Rajasthan and Gujarat.

The Company is listed on the BSE Limited and the National Stock Exchange of India Limited.

The financial statements of the Company for the year ended 2024 were authorized for issue in accordance with a resolution of the Directors on 18th May, 2024.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The financial statements have been prepared on accrual and going concern basis under the historical cost convention, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in INR and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

2.2 Material accounting policy information

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset/ liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b. Property, plant and equipment

i. Tangible assets

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition/ installation], net of accumulated depreciation and accumulated impairment losses, if any.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Company derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection/overhaul/repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Notes to Financial Statements for the year ended 31st March, 2024

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses/gains arising in case retirement/disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant and equipment are provided to the extent of depreciable amount on the straight line (SLM) Method. Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except on some assets, where useful life has been taken based on internal technical evaluation as given below:

Particulars	Useful lives
Dies and Molds	15 years

Leasehold Land and Leasehold Improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

The residual values, useful lives and methods of depreciation/ amortization of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii. Capital work in progress

Capital work in progress includes construction stores including material in transit/ equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

c. Investment properties

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Depreciation is charged on a straight line basis over their estimated useful lives. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software and technical know-how are capitalised and amortised on straight line method over their estimated useful economic life of six years.

Internally generated: Research & development Costs

- Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.
- Product development costs incurred on new dies and molds and new products are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development costs is amortised over the life of the related product, being a period of 6 years. Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product engineering in progress until development is complete.

e. Borrowing costs

Borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

Notes to Financial Statements for the year ended 31st March, 2024

f. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

g. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material, stores and spares, packing materials, trading and other products are determined on moving weighted average basis. Work-in-progress is carried at cost or net realisable value whichever is lower.

h. Revenue Recognition

The Company derives revenues primarily from manufacturing and sale of automotive components and molds.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for sale of automotive components and molds are mostly on a fixed – price basis.

Revenue from fixed-price contracts are recognised when the performance obligations are satisfied upon delivery of components to the customers and where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Also, when the level of discount varies with increase in levels of revenue transactions, the Company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Dividend income is recognized when the right to receive payment is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

Foreign currency transactions

The Company's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end.

Notes to Financial Statements

for the year ended 31st March, 2024

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

i. Taxes on income

Current tax

Current tax is measured at the amount expected to be paid/ recovered to/from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity/other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT), paid in accordance with the Income Tax Act, 1961 gives rise to expected future economic benefits in the form of adjustment of future tax liability arising within a specified period, is recognised as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j. Employee benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within twelve months of rendering the service are recognised in the period in which the employee renders the related service and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Other long-term employee benefits are recognised as an expense in the Statement of Profit and Loss as and when they accrue. The Company determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the Statement of Profit and Loss.

Post-employment obligations

Defined contribution plans:

The Company makes payments made to defined contribution plans such as provident fund and employees' state insurance

Notes to Financial Statements

for the year ended 31st March, 2024

fund. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Defined benefit plans:

The Company has defined benefit plan namely gratuity fund for employees. The gratuity fund is recognised by the income tax authorities and is administered through trust set up by the Company. Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

k. Employee Share based Payments

The Company operates equity settled share based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date using Black-Scholes model. Such fair value of the equity settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee stock option reserve. The Company recovers the expenses incurred on behalf of its subsidiary for the stock options granted to the employees of the subsidiaries.

l. Royalty

The Company pays/ accrues for royalty in accordance with the relevant licence agreement with the technical know-how provider. The lump sum royalty incurred towards obtaining technical assistance/ technical know-how and engineering support to manufacture new parts, ownership of which rests with the technical know-how provider, is recognised as an intangible asset. Royalty payable on sales of products i.e. running royalty is charged to the Statement of Profit and loss as and when incurred.

m. Leases

As a lessee:

The Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease Liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement

Notes to Financial Statements for the year ended 31st March, 2024

date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.3, Impairment of non-financial assets.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

Lease liability and ROU asset is separately presented in the balance sheet and lease payments is classified as financing cash flows.

As a lessor :

The Company enters into lease arrangements as a lessor with respect to some of its investment properties and buildings.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

n. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and 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 recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

Notes to Financial Statements for the year ended 31st March, 2024

o. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

p. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

q. Fair value measurement

The Company measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

r. 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.

a) Financial assets

Classification

The Company classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

• Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets

Notes to Financial Statements

for the year ended 31st March, 2024

and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

- **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries, joint ventures and associates

The Company has accounted for its investment in subsidiaries, joint ventures and associates at cost less impairment loss, if any.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables and all lease receivables resulting from transactions within the scope of Ind AS 116.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates the following provision matrix at the reporting date:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
Default rate	0.05%	1.00%	50.00%	75.00%	100.00%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Notes to Financial Statements

for the year ended 31st March, 2024

b) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

e) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Notes to Financial Statements

for the year ended 31st March, 2024

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

f) **Unless specifically stated to be otherwise, these policies are consistently followed.**

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to Financial Statements

for the year ended 31st March, 2024

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

3. Property, plant and equipment

Particulars	Land	Factory Building	Plant & Machinery	Furniture & fixtures	Vehicle	Office Equipment	Dies & Moulds	Computer	Total
Cost									
As at 1 st April, 2022	2,210.27	10,982.31	19,791.85	806.28	893.58	407.89	4,460.11	446.70	39,998.99
Additions	-	1,099.16	3,768.53	165.05	29.34	93.53	590.48	59.42	5,805.51
Disposals	-	-	14.28	0.30	7.98	-	-	0.69	23.25
As at 31 st March, 2023	2,210.27	12,081.47	23,546.10	971.03	914.94	501.42	5,050.59	505.43	45,781.25
Additions	-	11.91	1,407.83	23.41	72.39	18.30	584.34	24.33	2,142.51
Disposals	-	-	43.66	-	75.20	-	-	-	118.86
As at 31 st March, 2024	2,210.27	12,093.38	24,910.27	994.44	912.13	519.72	5,634.93	529.76	47,804.90
Depreciation									
As at 1 st April, 2022	69.16	1,815.05	8,795.72	348.77	527.80	313.73	1,679.53	311.25	13,861.01
Depreciation charge for the year 2022-23	21.06	400.85	1,844.60	77.21	83.76	32.97	182.94	41.67	2,685.06
Disposals	-	-	13.56	0.29	5.57	-	-	0.65	20.07
As at 31 st March, 2023	90.22	2,215.90	10,626.76	425.69	605.99	346.70	1,862.47	352.27	16,526.00
Depreciation charge for the year 2023-24	21.06	432.64	1,953.04	84.56	64.12	35.53	233.80	52.90	2,877.65
Disposals	-	-	31.99	-	48.69	-	-	-	80.68
As at 31 st March, 2024	111.28	2,648.54	12,547.81	510.25	621.42	382.23	2,096.27	405.17	19,322.97
Net book value									
As at 31 st March, 2024	2,098.99	9,444.84	12,362.46	484.19	290.71	137.49	3,538.66	124.59	28,481.94
As at 31 st March, 2023	2,120.05	9,865.57	12,919.34	545.34	308.95	154.72	3,188.12	153.16	29,255.26

Note : Property, plant & equipment refer material accounting policy information no 2.2b

(i) Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021

- I. Refer note 19 for property, plant and equipment pledged / hypothecated as security for borrowing by the Company.
- II. The Company has not revalued its Property, Plant and Equipment during the year.
- III. The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

3a. Capital work-in-progress

Particulars	Building Construction	Plant & Machinery	Furniture & Fixtures	Office Equipment	Dies & Moulds	Computer	Total
As at 1 st April, 2022	298.90	1,752.55	23.85	3.03	0.31	0.01	2,078.66
Additions	794.44	1,902.27	98.67	49.85	45.37	13.02	2,903.62
Disposals / capitalizations	994.68	2,882.34	120.52	52.29	27.69	13.03	4,090.55
As at 31 st March, 2023	98.66	772.48	2.00	0.59	17.99	-	891.74
Additions	435.87	1,388.79	37.89	22.90	3.87	86.19	1,975.51
Disposals / capitalizations	11.91	1,346.57	21.83	13.60	2.18	3.06	1,399.15
As at 31 st March, 2024	522.62	814.70	18.06	9.89	19.68	83.13	1,468.09

a) Ageing of Capital work-in-progress as at 31.03.2024

Capital work-in-progress	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,074.87	393.23	-	-	1,468.10
Projects temporarily suspended	-	-	-	-	-

b) Ageing of Capital work-in-progress as at 31.03.2023

Capital work-in-progress	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	891.74	-	-	-	891.74
Projects temporarily suspended	-	-	-	-	-

- i) There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

4. Right of use assets

Particulars	Leasehold Building	Vehicle	IT Assets	Total	Lease liabilities
As at 1 st April, 2022	55.45	58.40	-	113.85	113.82
Additions	-	18.87	-	18.87	18.87
Depreciation	24.07	24.43	-	48.50	-
Finance cost	-	-	-	-	7.45
Lease payments	-	-	-	-	(52.50)
As at 31 st March, 2023	31.38	52.84	-	84.22	87.65
Additions	323.95	62.11	7.56	393.62	358.59
Cancellation of lease	55.28	-	-	55.28	(19.54)
Depreciation	87.20	36.39	0.40	124.00	-
Accumulated Depreciation on	36.86	-	-	36.86	-
Cancellation of lease	-	-	-	-	10.73
Finance cost	-	-	-	-	(133.25)
Lease payments (outflow)	-	-	-	-	-
As at 31 st March, 2024	249.71	78.55	7.15	335.42	304.19
Non-current portion					199.65
Current portion					104.54
As at 31 st March, 2024					304.19
Non-current portion					33.19
Current portion					54.46
As at 31 st March, 2023					87.65

The maturity analysis of lease liabilities are disclosed in Note 44.

The weighted average incremental borrowing rate applied to lease liabilities is 7.55%-9.02%.

Amounts recognised in the statement of profit & loss related to leases are as under:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation expense of right-of-use assets	124.00	48.50
Interest expense on lease liabilities	10.73	5.07
Expense relating to short term and low value leases (included in other expenses)- Ref. Note 37	4.50	20.99
Total	139.23	74.56

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)		
	Land	Factory Building	Total
5. Investment properties			
Cost as at 1 st April, 2022	14.89	186.29	201.18
Disposals	-	-	-
As at 31 st March, 2023	14.89	186.29	201.18
Disposals	-	-	-
As at 31 st March, 2024	14.89	186.29	201.18
Depreciation			
Depreciation as at 1 st April, 2022	0.54	94.35	94.90
Depreciation charge for the year 2022-23	0.18	15.71	15.89
Disposals	-	-	-
As at 31st March, 2023	0.72	110.07	110.79
Depreciation charge for the year 2023-24	0.18	15.71	15.89
Disposals	-	-	-
As at 31st March, 2024	0.90	125.78	126.68
Net book value			
As at 31 st March, 2024	13.98	60.51	74.50
As at 31 st March, 2023	14.17	76.23	90.39

(a) Amount recognised in profit and Loss for Investment Properties are as under:

	(` in lacs)	
	Year ended 31.03.2024	Year ended 31.03.2023
Rental income	(56.81)	(45.91)
Direct operating expenses (including repairs and maintenance) on properties generating rental income	0.85	1.55
Depreciation and Amortization	15.89	15.89
Direct operating expenses (including repairs and maintenance) on properties not generating rental income	-	-

(b) The Company has no contractual obligations to purchase, construct or develop Investment Properties or for repairs, maintenance and enhancements. There is no restrictions on the realisability of investment properties or the remittance of income and proceeds of disposal on the Company.

(c) The fair value of the Company's Investment properties as at March 31, 2024, has been arrived at on the basis of valuation carried out at the respective date. The fair value measurement for all the investments properties has been categorised as Level 2 based on the inputs to the valuation technique used. Considering the type of the assets, market approach (sales comparable method) to estimate the fair value of the subject properties is adopted.

The significant assumption used in the determination of fair value was the market price (per sqf).

Under market approach, fair value is estimated based on comparable transactions. The market approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. The unit of comparison applied by the Company is the price per square feet ('sqf').

Fair Value of Investment Properties:

	As at 31.03.2024	As at 31.03.2023
	Level 2	
Land & Building	2,269.04	1,308.25
Total	2,269.04	1,308.25

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)			
	Software	Technical Know How	Product Development	Total
6. Other Intangible assets				
Cost				
As at 1 st April, 2022	551.39	1,532.05	-	2,083.45
Additions	15.45	58.05	-	73.50
Disposals	-	-	-	-
As at 31 st March, 2023	566.84	1,590.10	-	2,156.95
Additions	48.33	129.63	137.84	315.80
Disposals	-	-	-	-
As at 31st March, 2024	615.17	1,719.73	137.84	2,472.75
Amortisation				
As at 1 st April, 2022	279.04	926.95	-	1,205.99
Amortization charge for the year 2022-2023	69.00	135.55	-	204.55
Disposals	-	-	-	-
As at 31 st March, 2023	348.04	1,062.50	-	1,410.54
Amortization charge for the year 2023-2024	62.97	129.53	3.76	196.25
Disposals	-	-	-	-
As at 31st March, 2024	411.01	1,192.03	3.76	1,606.79
Net book value				
As at 31 st March, 2024	204.16	527.70	134.08	865.95
As at 31 st March, 2023	218.80	527.60	-	746.40

	Software	Intangible Asset- Product Development	Total
6a. Intangible assets under development			
As at 1 st April, 2022	-	-	-
Additions	1.33	172.68	174.01
Disposals / capitalizations	1.33	-	1.33
As at 31 st March, 2023	-	172.68	172.68
Additions	37.08	162.00	199.08
Disposals / capitalizations	34.00	139.69	173.69
As at 31st March, 2024	3.08	194.99	198.07

a) Ageing of intangible assets under development as at 31.03.2024

Particulars	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	110.36	87.71	-	-	198.07
Projects temporarily suspended	-	-	-	-	-

b) Ageing of intangible assets under development as at 31.03.2023

Particulars	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	172.68	-	-	-	172.68
Projects temporarily suspended	-	-	-	-	-

i) There is no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

7. Investments	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(a) Investments in equity shares of Subsidiaries at cost				
Unquoted				
PPAP Technology Limited 1,37,99,235 (31 st March, 2023: 1,37,99,235) equity shares of ` 10 each fully paid up	1,379.92	1,379.92	-	-
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited 5,00,000 (31 st March, 2023: 5,00,000) equity shares of ` 10 each fully paid up	50.00	50.00	-	-
Other Equity Investment- Fair Value of Financial Guarantee given for PPAP Technology Limited *	21.36	21.36	-	-
	1,451.28	1,451.28	-	-
(b) Investment in equity shares of joint venture company at cost				
Unquoted				
PPAP Tokai India Rubber Private Limited 4,85,00,000 (31 st March, 2023 : 4,85,00,000) equity shares of ` 10 each fully paid up	4,853.00	4,853.00	-	-
	4,853.00	4,853.00	-	-
Other Investments				
(c) Investment in Preference Shares at fair value through profit or loss				
Unquoted				
0.001% Compulsorily Convertible Preference Shares of Motovolt Mobility Private Limited: 4,87,800 (March 31, 2023: 4,87,800) Shares of ` 10 each fully paid up #	200.00	200.00	-	-
	200.00	200.00	-	-
(d) Investment in mutual fund at fair value through profit or loss				
Quoted				
ICICI Mutual Fund: 3124.821 (March 31, 2023: 2,69,773.741) units	-	-	12.02	63.70
PGIM Flexi Cap: 41080.896 (March 31, 2023: 26,138.897) units	-	-	13.76	6.43
ABSL Multicap: 84268.6 (March 31, 2023: 51,895.347) units	-	-	14.00	6.20
Aditya Birla Sunlife Mutual Fund: 19,51,999.543 (March 31, 2023: 9,83,821) units	-	-	522.62	338.77
Canara Robecco Emerging Equities: 6496.21 (March 31, 2023: 3964.579) units	-	-	14.04	6.51
Axis Midcap: 15446.494 (March 31, 2023:10079.176) units	-	-	12.83	6.48
SBI Contra: 4862.165 (March 31, 2023: 3175.039) units	-	-	16.29	7.19
Mirae Asset Focused Equity: nil (March 31, 2023: 33551.121) units	-	-	-	5.98
HDFC Large And Midcap Fund: 3392.036 (March 31, 2023: 1426.197) units	-	-	9.76	2.74
Mahindra Manulife Multi Cap Badhat Yojana: 31434.071 (March 31, 2023: 4882.258) units	-	-	9.41	1.48
	-	-	624.72	445.48
Total	6,504.28	6,504.28	624.72	445.48

* Financial guarantees given to subsidiary was initially recognised at fair value will continue to be accounted as Other Equity Investment until the investment in subsidiary is derecognised or impaired.

These preference shares are non-cumulative. Cost is treated as fair value as there is no significant observable input available for the same.

Aggregate value of quoted investments	624.72	445.48
Aggregate value of unquoted investments	6,504.28	6,504.28
Aggregate amount of impairment in value of investments	-	-

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

8. Other financial assets (Unsecured, considered good)	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Security Deposits	234.81	227.77	-	-
Bank deposits (maturing after 12 months from the Balance Sheet date)*	64.41	26.70	-	-
Bank deposits with original maturity of more than three months but less than 12 months*	-	-	10.32	92.29
Interest accrued on deposits	-	-	2.41	35.18
Insurance claim receivable	-	-	43.81	43.77
Share based Payments to employees of Subsidiary & Joint Venture	-	-	11.35	2.78
Derivative instruments at fair value through profit or loss				
Foreign exchange forward contracts not qualifying or not designated in hedge accounting relationships	-	-	0.82	6.71
Total	299.22	254.47	68.71	180.73

Derivative instruments at fair value through profit or loss

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

* Bank deposits

Bank deposits are held as security against letter of credit and bank guarantees.

9. Tax Assets (net)	As at 31.03.2024	As at 31.03.2023
Tax assets (net of provision for income tax)	168.70	113.82
Total	168.70	113.82
10. Other non-current assets (Unsecured, considered good)	As at 31.03.2024	As at 31.03.2023
Capital advances	1,218.20	871.21
Prepaid expenses	20.93	20.93
Other non current assets	20.96	72.20
Total	1,260.09	964.34
11. Inventories	As at 31.03.2024	As at 31.03.2023
Raw materials	2,864.58	2,961.17
Work-in-progress	682.90	1,162.44
Finished goods	1,986.31	1,318.13
Stores and spares	311.13	365.18
Goods in transit	5.51	5.43
Total	5,850.43	5,812.34

Note:

- Refer note 19 (V) for inventory pledged / hypothecated as security for borrowing by the Company.
- For mode of valuation refer material accounting policy information number 2.2 (g)

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	As at 31.03.2024	As at 31.03.2023
12. Trade receivables		
Unsecured, considered good	7,008.76	6,191.14
Unsecured, credit impaired	16.86	0.69
	7,025.62	6,191.83
Less: Impairment allowance for trade receivable - credit impaired	16.86	0.69
Total	7,008.76	6,191.14

Trade receivables	As at 31.03.2024							
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Other	Total
Outstanding for following periods from due date of payment								
(i) Undisputed Trade receivables – considered good	6,370.83	579.58	44.72	13.59	0.05	-	-	7,008.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.29	0.45	15.98	0.14	-	-	16.86
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	6,370.83	579.87	45.17	29.57	0.19	-	-	7,025.62
Less: Impairment allowance for trade receivable - credit impaired								(16.86)
Net Trade receivables	6,370.83	579.87	45.17	29.57	0.19	-	-	7,008.76

Note: Trade receivables includes amount to be billed to the customers amounting to ` 1,044.39 lakhs (31st March 2023: nil) included under "Not Due" category.

Trade receivables	As at 31.03.2023							
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Other	Total
Outstanding for following periods from due date of payment								
(i) Undisputed Trade receivables – considered good	5,510.20	645.47	34.19	1.28	-	-	-	6,191.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.33	0.36	-	-	-	-	0.69
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	5,510.20	645.80	34.55	1.28	-	-	-	6,191.83
Less: Impairment allowance for trade receivable - credit impaired								(0.69)
Net Trade receivables	5,510.20	645.80	34.55	1.28	-	-	-	6,191.14

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	As at 31.03.2024	As at 31.03.2023
Trade receivables		
Trade receivable are due from directors or other officers of the Company either severally or jointly with any other person	-	-
Due from firms or private companies respectively in which any director is a partner, a director or a member	326.88	168.67

	As at	
	31.03.2024	31.03.2023
13. Cash and cash equivalents		
Balances with banks		
On current accounts	55.15	0.93
Deposits with maturity of less than 3 months	-	16.68
Cash on hand	42.60	23.71
Total	97.75	41.32
For the purpose of statement of cash flows, cash and cash equivalents comprises the following:		
Balance with banks		
On current accounts	55.15	0.93
Deposits with original maturity of less than 3 months	-	16.68
Cash on hand	42.60	23.71
Total	97.75	41.32

	As at	
	31.03.2024	31.03.2023
14. Other balances with banks		
Bank Balance: unpaid dividend account (earmarked balances with banks)	11.21	11.38
Total	11.21	11.38

	As at	
	31.03.2024	31.03.2023
15. Loans		
Loans to related parties		
(Considered good, unsecured)		
Loan to subsidiary company #	2,336.50	1,472.65
Other loans		
(Unsecured, considered good)		
Loan to staff	42.81	-
Labour welfare receivable	19.31	8.26
Total	2,398.62	1,480.91

Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Loan to subsidiary is repayable on demand.

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

	As at 31.03.2024	As at 31.03.2023
16. Other current assets (Unsecured, considered good)		
Advance to suppliers & contractors	87.57	164.77
Prepaid expenses	282.18	235.51
Balances with government authorities	667.39	574.52
Other current assets	44.49	-
Total	1,081.63	974.80
17. Equity share capital		
Authorized		
2,00,00,000 equity shares of ` 10 each (2,00,00,000 equity shares of ` 10 each)	2,000.00	2,000.00
Subscribed and fully paid up		
1,40,00,000 equity shares of ` 10 each (1,40,00,000 equity shares of ` 10 each)	1,400.00	1,400.00
Total	1,400.00	1,400.00

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	1,40,00,000	1,400.00	1,40,00,000	1,400.00

B. Terms / Rights attached to equity shares

The Company has only one class of equity share having face value of ` 10 per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The holder of share is entitled to voting rights proportionate to their share holding.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive assets of the Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

C. Following shareholders hold equity shares more than 5% of the total equity shares of the Company:

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Ajay Kumar Jain	3,867,180	27.62%	3,867,180	27.62%
Abhishek Jain	1,002,404	7.16%	1,002,404	7.16%
Kalindi Farms Private Limited	3,200,000	22.86%	3,200,000	22.86%

D. Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash

Particulars	As at 31.03.2024	As at 31.03.2023
Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash	Nil	Nil

E. Details of Promoter's Shareholding

S. No.	Promoter's Name	As at 31.03.2024		As at 31.03.2023		%age change during the year
		No. of Shares	% of shares held	No. of Shares	% of shares held	
1	Ajay Kumar Jain	3,867,180	27.62%	3,867,180	27.62%	0.00%
2	Abhishek Jain	1,002,404	7.16%	1,002,404	7.16%	0.00%
3	Vinay Kumari Jain	533,890	3.81%	533,890	3.81%	0.00%
4	Ajay Kumar Jain (HUF)	90,123	0.64%	90,123	0.64%	0.00%
5	Rashi Jain	45,540	0.33%	45,540	0.33%	0.00%
6	Kalindi Farms Private Limited	3,200,000	22.86%	3,200,000	22.86%	0.00%
7	Prism Suppliers Private Limited	193,700	1.38%	193,700	1.38%	0.00%
8	Smart Commotrade Private Limited	168,030	1.20%	168,030	1.20%	0.00%

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)
	Amount
18. Other equity	
a) Securities premium	
As at 1 st April, 2022	7,000.00
Issue of equity shares	-
As at 1 st April, 2023	7,000.00
Issue of equity shares	-
As at 31 st March, 2024	7,000.00
b) Actuarial gains / losses on defined benefit employee obligations	
As at 1 st April, 2022	(64.69)
Other comprehensive income for the period	(14.99)
As at 1 st April, 2023	(79.68)
Other comprehensive income for the period	51.11
As at 31 st March, 2024	(28.57)
c) Employee Stock Options reserve	
As at 1 st April, 2022	-
Employee Stock Options reserve for the period	48.76
As at 1 st April, 2023	48.76
Employee Stock Options reserve for the period	136.17
As at 31 st March, 2024	184.93
d) General reserve	
As at 1 st April, 2022	1,158.95
Add: Transferred from retained earnings	-
As at 1 st April, 2023	1,158.95
Add / (Less): Movement during the year	-
As at 31 st March, 2024	1,158.95
e) Retained earnings	
As at 1 st April, 2022	21,790.05
Profit for the period	681.02
Less: Final dividend paid	(350.00)
As at 1 st April, 2023	22,121.07
Profit for the period	(467.25)
Less: Final dividend paid	(70.00)
As at 31 st March, 2024	21,583.81
Total other equity	
As at 31 st March, 2024	29,899.12
As at 1 st April, 2023	30,249.10

Nature and purpose of reserves

- Securities premium**
The amount received in excess of face value of the equity shares is recognised in securities premium.
- Actuarial gains / losses on defined benefit employee obligations**
The amount of actuarial gains / losses recognised on post employment defined benefit employee obligations till date. Actuarial gains / losses are differences between any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans which are recognised in 'other comprehensive income' and subsequently not reclassified to the statement of profit and loss.
- Employee Stock Options reserve**
The Company has share option scheme under which options to subscribe for the Company's shares have been granted to certain executives and senior employees.
The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer Note 36 for further details of these plans.
- General reserve**
The general reserve is free reserve which is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.
- Retained earnings**
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors.

Notes to Financial Statements

for the year ended 31st March, 2024

	Non-current		Current	
	As at	As at	As at	As at
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
19. Borrowings				
Secured				
Term loans				
Term loan from banks (refer note 1 below)	8,521.07	8,002.35	-	-
Term loan from financial institution (refer note II below)	481.92	393.97	-	499.71
Vehicle loans (refer note III below)				
From banks	109.48	83.45	-	24.24
Less: Current maturities	(2,720.48)	(1,761.08)	2,720.48	1,736.84
Working capital loans from banks (refer note V below)				
Short Term Loans from banks:				
Unsecured				
Supplier Finance Arrangements (refer note VII below)	-	-	155.00	-
Total	6,391.99	6,718.69	7,469.20	5,529.56

Terms of borrowings

Type of loan	Loan outstanding		MCLR/ Repo. Rate	Spread	Repayment terms
	As at 31.03.2024	As at 31.03.2023	(% per annum)	(% per annum)	
AXIS bank term loan	425.93	648.15	6.50	2.90	Repayable in 23 monthly installment ` 18.52 lakhs each.
	1,419.44	1,906.11	6.40	2.90	Repayable in 35 monthly installment ` 40.56 lakhs each.
	200.93	269.81	6.40	2.90	Repayable in 35 monthly installment ` 5.74 lakhs each.
	1,800.00	-	6.50	2.40	Repayable in 20 quarterly installment ` 90.00 lakhs each.
HDFC bank term loan	900.00	-	6.50	2.40	Repayable in 20 quarterly installment ` 45.00 lakhs each.
	630.00	990.45	9.25	0.45	Repayable in 7 quarterly installment ` 90.00 lakhs each.
	110.53	173.24	9.25	0.45	Repayable in 7 quarterly installment ` 15.79 lakhs each.
HSBC bank term loan	1,555.56	2,000.00	8.70	0.45	Repayable in 14 quarterly installment ` 111.11 lakhs each.
	192.53	328.43	8.75	0.25	Repayable in 17 monthly installment ` 11.33 lakhs each.
Term loan from financial institution (PICUP) - see Note II below	1,019.67	1,341.67	8.90	0.25	Repayable in 38 monthly installment ` 26.83 lakhs each.
	266.50	344.50	8.48	0.25	Repayable in 41 monthly installment ` 6.50 lakhs each.
Vehicle loans from banks- see Note III below	481.93	893.68	-	-	Repayable in one installment after seven years from the date of disbursement i.e. 02.11.2018 for ` 432.99 lakhs and 30.03.2022 for ` 121.66 lakhs.
Working capital loans from banks- see Note VI & VII below	109.48	83.45	7 % to 8.36% per annum	-	Repayable in equal monthly instalments of 1 to 60 months
	4,593.72	3,268.77	see Note V & VI below		On demand

Note I:

Term loans from banks are secured by first pari passu charge on current assets, moveable fixed assets and factory land and building of the Company situated at Kasna, Greater Noida. Further, term loan from Axis bank is secured by first pari passu charge on immovable property situated at Sector-81, B Block, Phase -II, Noida.

Note II:

Loan from State Owned Corporation, viz. The Pradeshiya Industrial & Investment Corporation of U.P. Limited is secured by bank guarantee equivalent to 100% of loan amount.

Notes to Financial Statements for the year ended 31st March, 2024

(₹ in lacs)

Note III:

Secured by way of hypothecation of vehicles.

Note IV:

The company has used the loans for the purpose for which these were taken.

Note V:

Working capital loans from banks are secured by hypothecation of inventories, book debts, other current assets and factory land & building situated at Sector-81, Phase-II, Noida on first pari passu basis. Further, working capital facilities from Axis Bank & ICICI Bank are secured by first pari passu charge on immovable property situated at Kasna, Greater Noida.

Note VI:

Bank	Facility	Limit	MCLR / Repo. Rate (% per annum)	Spread (% per annum)
HSBC Bank	CC	2,000.00	8.60	0.85
HDFC Bank	CC	1,800.00	9.15	-
ICICI Bank	CC	2,200.00	9.00	0.10
Axis Bank	CC	100.00	8.90	-

Note VII:

Supplier finance arrangement (reverse factoring) with Mynd Solutions Private Limited at bid rate of 7.35- 7.70 % and repayment period 15-90 days after invoice date.

In pursuant to borrowing taken by the Company from banks on security of current assets, the Company is required to submit the information periodically which includes the stock statement, trade receivable and trade payable etc. During the current year, the Company has submitted the following financial information to all banks from whom working capital demand loan has been taken on quarterly basis which in some of these cases is not reconciled with books as follows:

Particulars/ Quarter ending	Amount as per books of accounts	Amount as reported in the quarterly return / statement	Difference	Reason for material discrepancies
Inventories				
30.06.2023	6,721.96	6,104.76	617.20	
30.09.2023	5,740.57	5,277.11	463.46	Due to timing differences in reporting to bank and routine book closure process.
31.12.2023	6,299.57	6,099.19	200.38	
31.03.2024	5,850.43	5,718.65	131.78	
Trade Receivables				
30.06.2023	5,594.53	5,709.02	(114.49)	
30.09.2023	5,551.67	5,606.72	(55.05)	Due to timing differences in reporting to bank and routine book closure process.
31.12.2023	5,000.67	5,045.75	(45.08)	
31.03.2024	5,707.32	5,770.49	(63.17)	
Trade Payables				
30.06.2023	3,680.63	3,682.27	(1.64)	
30.09.2023	3,734.52	3,736.51	(1.99)	Due to timing differences in reporting to bank and routine book closure process.
31.12.2023	3,346.13	3,346.13	(0.00)	
31.03.2024	3,710.18	3,736.83	(26.65)	
Inventories				
30.06.2022	4,758.10	4,327.99	430.11	
30.09.2022	5,535.47	4,769.89	765.58	Due to timing differences in reporting to bank and routine book closure process.
31.12.2022	6,195.32	5,505.85	689.47	
31.03.2023	5,812.34	5,672.02	140.32	
Trade Receivables				
30.06.2022	6,393.51	6,258.46	135.05	
30.09.2022	5,532.00	5,618.22	(86.22)	Due to timing differences in reporting to bank and routine book closure process.
31.12.2022	6,366.67	6,070.40	296.27	
31.03.2023	6,191.17	5,861.52	329.65	
Trade Payables				
30.06.2022	3,306.67	3,289.78	16.89	
30.09.2022	3,364.11	3,357.85	6.26	Due to timing differences in reporting to bank and routine book closure process.
31.12.2022	3,524.35	3,524.37	(0.02)	
31.03.2023	3,852.34	3,868.95	(16.61)	

Notes to Financial Statements for the year ended 31st March, 2024

(₹ in lacs)

20. Other financial liabilities

	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Security deposits	4.03	4.03	-	55.16
Interest accrued on borrowings	-	-	32.73	43.06
Unclaimed dividends	-	-	11.21	10.82
Fair Value of Financial Guarantee given*	8.00	11.79	3.79	3.45
Other Payables (including payable to employees)	-	-	651.86	457.24
Total	12.03	15.82	699.59	569.73

* Maximum exposure to the credit risk, if the guarantee is called on, is ₹ 443.07 lakhs (PY ₹ 583.07 lakhs)

(₹ in lacs)

21. Provisions

	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits				
Provision for gratuity	354.35	424.41	73.79	74.07
Provision for compensated absences (Refer note 35 for Ind AS 19 disclosures)	178.81	153.86	28.81	25.24
Total	533.16	578.27	102.60	99.31

22. Income TaxesThe major components of income tax expense for the year ended 31st March, 2024 and 31st March, 2023 are:**A. Statement of profit and loss****(i) Profit & loss section**

Particulars	As at 31.03.2024	As at 31.03.2023
Current income tax charge	-	93.17
Adjustments in respect of current income tax of previous year	(23.69)	44.12
Deferred tax		
Relating to origination and reversal of temporary differences	812.64	83.01
Income tax expense reported in the statement of profit & loss	788.95	220.30

(ii) OCI section**Deferred tax related to items recognised in OCI during the year:**

	As at 31.03.2024	As at 31.03.2023
Net (loss) / gain on remeasurements of defined benefit plans	(17.19)	5.04
Income tax charged to OCI	(17.19)	5.04

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for financial year ended 31st March, 2024 and 31st March, 2023.

Particulars	As at 31.03.2024	As at 31.03.2023
Accounting profit before tax from continuing operations	321.70	901.32
Profit / (loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	321.70	901.32
At India's statutory income tax rate of 25.168% (31 st March, 2023: 25.168%)	80.97	226.85
Adjustments in respect of current income tax of previous years	23.69	44.12
Net disallowances on which deferred tax is not recognised	27.25	8.10
Adjustment for taxable timing difference	729.69	-
Income taxed at special rate	(2.00)	(1.81)
Exempted income / deductions	(5.98)	(18.25)
Incremental deferred tax on account of financial assets and other items	(64.66)	(38.70)
	788.95	220.30
Income tax expense reported in the statement of profit and loss	788.95	220.30
Income tax attributable to a discontinued operation	-	-
	788.95	220.30

C. Deferred tax

Deferred tax relates to the following:

Particulars	Balance sheet		Statement of profit and loss / OCI	
	As at 31.03.2024	As at 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
Adjustment for timing difference on- accelerated depreciation for tax purposes	1,851.07	986.54	(864.53)	(150.76)
Provision for gratuity & leave encashment	(253.25)	(257.73)	(4.48)	27.80
Present valuation of borrowings & other items of temporary differences	17.39	56.56	39.17	44.99
Modification of financial liability	(25.77)	-	-	-
Deferred tax (expense) / income			(829.84)	(77.97)
Net deferred tax (assets) / liabilities	1,589.45	785.37		

Reflected in the balance sheet as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
Deferred tax assets	253.25	257.73
Deferred tax liabilities	(1,842.70)	(1,043.10)
Deferred tax liabilities (net)	(1,589.45)	(785.37)

Reconciliation of deferred tax liabilities (net)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance	(785.37)	(707.42)
Tax (income) / expense during the period recognized in profit & loss	(812.64)	(83.01)
Tax (income) / expense during the period recognized in OCI	(17.20)	5.06
Modification of financial liability	25.77	-
Closing balance	(1,589.45)	(785.37)

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

23. Trade payables

	As at 31.03.2024	As at 31.03.2023
total outstanding dues of micro and small enterprises	1,112.94	1,022.79
total outstanding dues of creditors other than micro and small enterprises	4,534.94	5,194.56
Total	5,647.88	6,217.35

Trade payables	As at 31.03.2024						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Other	
Outstanding for following periods from due date of payment							
(i) MSME	1,092.87	20.06	-	-	-	-	1,112.94
(ii) Others	3,117.17	1,384.36	33.41	-	-	-	4,534.94
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4,210.04	1,404.42	33.41	-	-	-	5,647.88

Trade payables	As at 31.03.2023						Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Other	
Outstanding for following periods from due date of payment							
(i) MSME	727.53	295.26	-	-	-	-	1,022.79
(ii) Others	3,612.17	1,582.39	-	-	-	-	5,194.56
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4,339.70	1,877.65	-	-	-	-	6,217.35

24. Other current liabilities

	As at 31.03.2024	As at 31.03.2023
Advance from customers	2,167.12	1,376.81
Advance to staff	-	5.75
Statutory dues payable	581.75	582.29
Total	2,748.87	1,964.85

25. Revenue from operations

	Year ended 31.03.2024	Year ended 31.03.2023
Sale of products		
Automotive parts	47,632.43	45,987.20
Moulds	2,556.11	3,181.78
	50,188.54	49,168.98
Other operating revenue		
GST subsidy	194.47	63.19
Investment subsidy on employment	3.21	-
Total	50,386.22	49,232.17

Note 25.1: Performance Obligation and disaggregation of revenue

The Company recognised revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer and there is no unsatisfied performance obligation at the year end. The company operates and generates major revenue in domestic market.

Note 25.2: Timing of revenue recognition

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Goods transferred at a point in time	50,188.54	49,168.98

Note 25.3: Contract Balances

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Trade Receivables (including unbilled revenue)	7,008.76	6,191.14
Contract Liabilities (Advance from customers)	2,167.12	1,376.81

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	Year ended 31.03.2024	Year ended 31.03.2023
26. Other income		
Other non operating income		
Interest income	184.24	233.18
Profit on sale of investment	13.36	12.10
Gain on fair valuation of current investments	38.60	1.65
Foreign exchange gain	22.86	-
Profit on cancellation of leased assets	1.35	-
Rent received	79.15	68.25
Unclaimed balances written off	-	5.69
Hedging gain	-	1.61
Other Income	33.15	1.47
Allowance for credit loss (net)	-	1.06
Guarantee/ Commission Income	4.73	4.73
Total	377.44	329.74
27. Cost of materials consumed		
	Year Ended 31.03.2024	Year ended 31.03.2023
Raw material	27,651.74	28,258.51
Dyes & chemicals	237.83	281.34
Packing material	1,036.63	944.86
Steel	513.54	508.77
Dies & molds	655.52	977.97
Total	30,095.26	30,971.45
28. Changes in inventories of finished goods, stock in trade and work-in-progress		
	Year ended 31.03.2024	Year ended 31.03.2023
Inventories at the beginning of the year		
Work-in-progress	1,162.44	513.55
Finished goods	1,318.12	1,079.85
Total inventories at the beginning of the year (A)	2,480.56	1,593.40
Inventories at the end of the year		
Work-in-progress	682.90	1,162.44
Finished goods	1,986.30	1,318.12
Total inventories at the end of the year (B)	2,669.20	2,480.56
Total (A-B)	(188.64)	(887.16)
29. Employee benefits expense		
	Year ended 31.03.2024	Year ended 31.03.2023
Salaries and wages	8,073.71	6,942.53
Contribution to provident and other funds	359.87	324.90
Staff welfare expenses	639.37	636.78
Total	9,072.95	7,904.21

Notes to Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	Year ended 31.03.2024	Year ended 31.03.2023
30. Finance costs		
Interest expense	1,215.60	1,022.38
Interest on lease liabilities	10.73	7.45
Total	1,226.33	1,029.83
31. Depreciation and amortization expense		
	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation of Property, Plant and Equipment (refer note 3)	2,877.64	2,685.06
Depreciation of Right of Use Assets (refer note 4)	124.00	48.50
Depreciation of Investment Properties (refer note 5)	15.89	15.89
Amortization of Intangible Assets (refer note 6)	196.25	204.55
Total	3,213.79	2,954.00
32. Other expenses		
	Year ended 31.03.2024	Year ended 31.03.2023
Other manufacturing expenses		
Stores and spares consumed	255.78	302.40
Power and fuel	1,465.39	1,297.34
Factory expenses	363.61	316.09
Repair & maintenance		
Building	19.83	105.18
Machinery	484.56	377.20
Others	326.31	253.29
Administrative and other expenses		
Rent	4.50	20.99
Rates & taxes	15.08	29.76
Listing expenses	13.85	5.60
Postage & telephone expenses	37.38	39.56
Printing & stationery	66.33	60.69
Traveling & conveyance expenses	673.87	659.23
Office electricity & water	6.16	10.20
Insurance charges	200.94	192.56
Factory security	161.54	133.34
Foreign exchange loss	-	59.81
Foreign exchange hedging loss	5.23	-
Legal & professional charges	475.03	370.04
Meeting expenses	0.15	0.04
Motor car expenses	34.50	25.42
Bank charges	16.99	26.78
Fees & subscription	64.13	42.23
Allowance for credit loss (net)	16.17	-
Corporate social responsibility expenses (refer note 52)	14.27	60.94
Directors sitting fees	23.60	20.80
Payment to collaborators / royalty	327.42	299.21
Charity & donation	-	0.40
Discount and short recovery	5.87	-
Miscellaneous expenses	143.31	121.46
Auditors' remuneration		
As audit fees	20.60	8.45
For tax audit, certification & tax representations	1.00	3.51
For reimbursement of expenses	0.67	-
Selling & distribution expenses		
Freight & forwarding expenses	1,745.00	1,804.99
Advertisement, publicity & sales promotion	33.19	40.75
Total	7,022.27	6,688.26

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

33. Components of other comprehensive income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended 31 st March, 2024	Actuarial gains / losses on defined benefit employee obligations	Total
Remeasurement gains / (losses) on defined benefit plans	68.30	68.30
Income tax effect	(17.19)	(17.19)
Total	51.11	51.11

During the year ended 31 st March, 2023	Actuarial gains / losses on defined benefit employee obligations	Total
Remeasurement gains / (losses) on defined benefit plans	(20.03)	(20.03)
Income tax effect	5.04	5.04
Total	(14.99)	(14.99)

34. Earnings Per Share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS are calculated by dividing the profit for the year attributable to the equity holders of the Company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Profit attributable to equity holders of the Company for basic earnings for the year	(467.25)	681.02
Profit attributable to equity holders of the Company for basic earnings for the year	(467.25)	681.02
	No. of Shares	
Weighted average number of equity shares in calculating basic earnings per share	14,000,000	14,000,000
Weighted average number of equity shares in calculating diluted earnings per share (refer note below)	14,097,105	14,084,797
Earnings per equity share		
Basic (in ₹)	(3.34)	4.86
Diluted (in ₹)	(3.34)	4.84
Note: Weighted average number of equity shares used as denominator		
	No. of Shares	
Weighted average number of equity shares used as denominator in calculating basic earnings per shares	14,000,000	14,000,000
Adjustments for calculation of diluted earnings per share:		
Outstanding employee stock options (For details relating to stock options, refer note 36)	97,105	84,797
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	14,097,105	14,084,797
Face value of each equity share (in ₹)	10	10
Weighted average number of equity shares in calculating diluted EPS	14,097,105	14,084,797

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

35. Employee benefit plans

Defined contribution plans - general description

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the provident fund. The Company's contribution to the provident fund is ₹ 302.96 lakhs (31st March, 2023: ₹ 265.04 lakhs).

Defined benefit plans - general description

Gratuity:

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The benefit vests on the employee completing 5 years of service. The Company makes provision of such gratuity asset / liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarise the components of net benefit expense recognised in the statement of profit & loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:	31.03.2024	31.03.2023
Defined benefit obligation at the beginning of the year	971.81	883.33
Current service cost	84.76	77.82
Past service cost	-	-
Interest cost	71.53	63.42
Benefits paid	(33.54)	(70.23)
Actuarial (gain) / loss on obligations-OCI	(13.90)	17.47
Defined benefit obligation at the end of the year	1,080.65	971.81

Changes in the fair value of plan assets are as follows:	31.03.2024	31.03.2023
Fair value of plan assets at the beginning of the year	492.63	329.19
Contribution by employer	160.00	166.00
Benefits paid	(31.13)	(19.29)
Expected interest income on plan assets	-	-
Actual gain / (loss) on plan asset	35.10	16.73
Fair value of plan assets at the end of the year	656.60	492.63

Reconciliation of fair value of plan assets and defined benefit obligation	31.03.2024	31.03.2023
Fair value of plan assets	656.60	492.63
Defined benefit obligation	(1,080.65)	(971.81)
Amount recognised in the balance sheet	(424.06)	(479.18)

Amount recognised in statement of profit and loss	31.03.2024	31.03.2023
Current service cost	84.76	77.82
Net interest expense	35.27	39.79
Past service cost	-	-
Amount recognised in statement of profit and loss	120.03	117.61

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

	31.03.2024	31.03.2023
Amount recognised in other comprehensive income		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	13.55	(16.73)
Remeasurement return on plan assets excluding amount included in interest income	-	-
Actuarial (gain) / loss arising from experience adjustments	(27.45)	34.20
Amount recognised in other comprehensive income	(13.90)	17.47

The principal assumptions used in determining gratuity liability for the Company's plans are shown below:

	31.03.2024	31.03.2023
Discount rate	7.22%	7.36%
Expected rate of return on plan assets	7.22%	7.36%
Future salary increases	5.25%	5.25%
Attrition rate (up to 30 years)	3.00%	3.00%
Attrition rate (from 31 to 44 years)	2.00%	2.00%
Attrition rate (above 44 years)	1.00%	1.00%
Retirement age	58 years	58 years

A quantitative sensitivity analysis for significant assumption as at 31st March, 2024 and 31st March, 2023 is as shown below:

Gratuity plan	Sensitivity level		Impact on defined benefit obligation	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Assumptions				
Discount rate	+0.50%	+0.50%	(47.66)	(44.65)
	-0.50%	-0.50%	51.18	48.02
Future salary increases	+0.50%	+0.50%	51.01	48.12
	-0.50%	-0.50%	(48.18)	(45.28)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

Company's best estimate of expense for the next Annual reporting period is ` 129.78 lakhs (31st March, 2023: ` 127.30 lakhs).

The expected maturity analysis of undiscounted gratuity is as follows:	31.03.2024	31.03.2023
Within the next 12 months (next annual reporting period)	73.80	74.07
Between 1 to 2 years	40.19	20.36
Between 2 to 3 years	58.99	39.94
Between 3 to 4 years	46.35	53.23
Between 4 to 5 years	54.12	40.58
Between 5 to 6 years	53.25	46.88
Over 6 years	753.96	696.75
Total expected payments	1,080.66	971.81

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 16.10 years (31st March, 2023: 16.42 years)

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

36. Employee Share-based Payments

Refer paragraph k for accounting policy on Employee Share-based Payments.

The Company has formulated employee share-based payment schemes with the objective to reward the employees for their association and performance, to motivate them to contribute to the growth and profitability of the Company, to create a variable pay structure for the different employees, incentivize them in line with Company's performance, to retain and motivate senior and critical human resources, to promote loyalty to the Company and to achieve sustained growth and create shareholder's value by aligning the interests of the employees with the long-term interests of the Company.

The shareholders of the Company by way of special resolution dated 16th September, 2022 approved the Plan authorizing the Committee to Grant not exceeding 7,00,000 Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 7,00,000 Shares of face value of ` 10 each fully paid up (which is 5% of the paid up capital of the Company as on date), with each such Option conferring a right upon the Employees to apply for one Share in the Company in accordance with the terms and conditions as may be decided under the Plan.

The maximum number of Options that may be granted per Employee and in aggregate shall be decided by the Committee depending upon the designation and the appraisal/ assessment process. However, the Grant of Options to identified Employees, shall not, at any time exceed the total Option pool size approved by the shareholders for ESOP 2022.

This Employee Stock Option Plan is called 'PPAP Employee Stock Option Plan 2022' ("ESOP 2022"/ "Plan") : The ESOP 2022 is established with effect from date of shareholders' approval i.e. 16th September, 2022 on which the shareholders of the Company have approved it and shall continue to be in force until (i) its termination by the Board/ Committee as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the ESOP 2022 have been issued and exercised, whichever is earlier.

The fair value at grant date of stock options granted during the year ended 31/03/2024 was ` 234.45 . The fair valuation has been carried out by an independent valuer by applying Black and Scholes Model. The inputs to the model include the exercise price, the term of option, the share price at grant date and the expected volatility, expected dividends and the risk free rate of interest for terms of options.

The details of options granted, the key assumptions for Fair Value on the date of grant are as under:

Particulars	ESOP 2022	
	Tranche- 2	Tranche- 1
Grant Date	09.11.2023	12.11.2022
Vesting period	18 months	18 months
Share price on grant date (`)	245.85	205.50
Risk free interest rate (zero-coupon government issues of the country with a remaining term equal to the expected term of the option)	7.13%	7.51%
Dividend Yield	0.66%	0.73%
Expected Volatility (Standard Deviation)	52.77%	42.05%
The measure of volatility used in the Black Scholes options Pricing models is the annualised standard deviation of the continuously compounded rates of return on the company's share over life of the options		
Fair Value of option on grant date	234.45	196.60
Average time to maturity of option	1.75	1.75
Exercise Price	10	10
Weighted average exercise price per option	10	10
Weighted average remaining contractual life (months)	14	8
Options outstanding at beginning of the year	-	-
Options granted during the year	32,564	89,288
Options forfeited/ lapsed during the year	-	-
Options cancelled during the year	-	1,112
Options vested during the year	-	-
Options exercised during the year	-	-
Options expired during the year	-	-
Options outstanding at year end	32,564	88,176
Options vested and exercisable at year end	-	-
Vesting conditions	As per policy approved by Shareholders	
During the year, the company has recognised an expense of ` 127.60 lakhs (Previous year- ` 45.98 lakhs).		

Notes to Financial Statements for the year ended 31st March, 2024

(₹ in lacs)

37. Leases

Operating leases taken

The Company has taken certain building on operating lease arrangements. The lease expense recognized in the statement of profit and loss is ₹ 4.50 lakhs (31st March, 2023: ₹ 20.99 lakhs). The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 31.03.2024	As at 31.03.2023
Not later than one year	6.72	10.78
Later than one year and not later than five years	-	-
Later than five years	-	-
	6.72	10.78

Operating leases given

The Company has given certain properties on operating lease arrangements. The lease income recognised in the statement of profit and loss is ₹ 79.15 lakhs (31st March, 2022: ₹ 68.25 lakhs). The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 31.03.2024	As at 31.03.2023
Not later than one year	79.15	68.25
Later than one year and not later than five years	-	-
Later than five years	-	-
	79.15	68.25

38. Commitments

- (i) Capital Commitments towards future liability for capital expenditure in respect of which contracts have been made (net of advances) are ₹ 398.80 lakhs (31st March, 2023: ₹ 473.64 lakhs)

Notes to Financial Statements for the year ended 31st March, 2024

(₹ in lacs)

39. Contingent liabilities not provided for in respect of

	As at 31.03.2024	As at 31.03.2023
Letters of guarantees	1,081.03	1,593.94
Income tax appeal	-	-
For assessment year 2017-18 (Note i)	41.37	41.37
GST appeals (includes excise and sales tax demands) (Note ii, iii, v, vi, viii)	168.65	73.27
Show Cause Notice for short payment of excise duty (Note iv)	-	18.95
Total	1,291.05	1,727.53

Notes:

- (i) A demand of ₹ 41.37 lakhs has been raised for the assessment year 2017-18 for disallowance of 25% of royalty expense. The company has filed an appeal before Hon'ble CIT(Appeals) against the order of disallowance of the royalty amount.
- (ii) Demand of excise duty of ₹ 1.06 lakhs along with penalty of ₹ 1.06 lakhs was imposed on the Company by Additional Commissioner, Central Excise, Delhi, for cenvat credit taken on payment of duty through DEPB license, under the Central Excise Act, 1944. The Company had filed an appeal against the aforesaid order with Commissioner of Central Excise, Okhla. The Commissioner of central excise has rejected the appeal. Thereafter, the Company has filed the appeal with the Central Excise & Service Tax Appellate Tribunal (CESTAT) and the appeal is pending.
- (iii) Demand of excise duty of ₹ 35.36 lakhs along with penalty of ₹ 35.36 lakhs was imposed on the Company by Additional Commissioner, Central Excise, Delhi, for cenvat credit taken on payment of duty through DEPB license, under the Central Excise Act, 1944 and was outstanding as on 31.03.2016. The Company had filed the appeal with the Central Excise & Service Tax Appellate Tribunal (CESTAT) and CESTAT has decided the case in favour of Company and set aside the demand. The Company approached the Delhi High Court against the order of CESTAT and the High Court has remanded the case back to CESTAT for hearing it again. The matter is pending in CESTAT, Delhi.
- (iv) The Company has received show cause notice dated 12.03.2019 from Directorate General of Goods and Service Tax Intelligence, Gurugram, Zonal Unit, alleging short payment of central excise duty (including education cess and S & H cess) to the tune of ₹ 410.05 lakhs for the period F.Y. 2013-14 to 30.06.2019 on the value of design / drawings / specifications supplied by Maruti Suzuki India Limited on FOC basis to the Company. ₹ 384.57 lakhs relates to B-45, B-206A and B-4, Kasna, Uttar Pradesh Plants and ₹ 25.47 lakhs relates to Pathredi plant. However, the jurisdiction of the case has been transferred from Gurugram, Haryana to the Additional Director General (Adjudication) DGGSTI, New Delhi on 26.07.2019. The Company has disputed the matter and filed the reply with the Additional Director General (Adjudication) of Goods & Service Tax Intelligence, New Delhi on 26.02.2021 to quash the notice. Considering the reply, the Additional Director General (Adjudication), New Delhi has passed an order no.48-67/2022-CE dated 29-07-2022 and dropped the demand of ₹ 366.72 Lakhs for our B-45, B-206A & B-4, Kasna, U.P. Plants and also dropped the demand of ₹ 24.37 lakhs for our Pathredi Plant. Further, the Company has challenged the remaining demand of ₹ 17.85 lakhs for our U.P. Plants and ₹ 1.10 lakhs for our Pathredi Plant and filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), R K Puram, New Delhi on 15th November, 2022. The CESTAT has pronounced its order on 12th March, 2024 in favour of the Company and set aside the demand.
- (v) Demand of ₹ 5.97 lakhs plus interest @ 18% p.a. and penalty of ₹ 0.74 lakhs was issued by Central GST, Bhiwadi, Rajasthan for availment of excess ITC for FY 2018-19. The department has disallowed the ITC on account of non-filing of GSTR- 3B by suppliers. The company has disputed the demand and filed an appeal with The Joint/ Additional Commissioner (Appeals), CGST, Jaipur.
- (vi) Demand of ₹ 33.66 lakhs against penalty on short paid GST was issued by Central GST, Bhiwadi, Rajasthan related to FY 2017-18. The company has disputed the demand and filed an appeal with The Joint/ Additional Commissioner (Appeals), CGST, Jaipur.
- (vii) Demand of ₹ 1.60 lakhs along with interest of ₹ 1.60 lakhs and penalty of ₹ 0.20 lakh was imposed on the Company by SGST, Delhi for incorrect admissibility of ITC of tax paid or deemed to been paid related to FY 2017-18. The company has disputed the demand and filed an appeal with Appellate Authority/ Spl. Commissioner SGST, Department of Trade and Taxes, New Delhi.
- (viii) Demand of ₹ 25.12 lakhs along with interest of ₹ 24.40 lakhs and penalty of ₹ 2.51 lakh was imposed on the Company by SGST, Gujarat for availment of excess ITC for FY 2018-19 on 23rd April, 2024. The company has disputed the demand and will file an appeal with first appellate authority, Ahmedabad within the limitation period of 3 months from the date of demand order passed.

Notes to Financial Statements

for the year ended 31st March, 2024

40. Related party disclosures

A. List of related parties

(a) Joint Venture	1.	PPAP Tokai India Rubber Private Limited
(b) Key Management Personnel (KMP)	1	Mr. Ajay Kumar Jain, Chairman & Managing Director
	2	Mr. Abhishek Jain, CEO & Managing Director
	3	Mr. Bhuwan Kumar Chaturvedi, Independent Director (upto 25.12.2023)
	4	Mr. Pravin Kumar Gupta, Independent Director (upto 31.03.2024)
	5	Mrs. Celine George, Independent Director
	6	Mrs. Vinay Kumari Jain, Non-Executive Director
	7	Mr. Deepak Kumar Sethi, Independent Director (w.e.f 04.02.2023)
	8	Mr. Rohit Rajput, Independent Director (w.e.f 09.11.2023)
	9	Mr. Sachin Jain, Chief Financial Officer
	10	Mrs Shivani Sehgal, Company Secretary (upto 25.04.2022)
	11	Ms. Pankhuri Agarwal, Company Secretary (w.e.f 13.05.2022)
(c) Related Parties in the group where common control exists	1.	Vinay and Ajay Jain Foundation
(d) Wholly owned subsidiaries	1.	Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)
	2.	PPAP Technology Limited
(e) Other Related Party-Post employment benefit plan of the Company	1.	PPAP Automotive Limited Employees Group Gratuity Fund Trust

The following transactions were carried out with related parties in the ordinary course of business:

Related party transactions	Period	Related Parties where common control exists	Joint Ventures	Wholly Owned Subsidiaries	Other Related Party-Post employment benefit plan of the Company	Total
CSR expenses						
Vinay and Ajay Jain Foundation	31.03.2024	58.80	-	-	-	58.80
	31.03.2023	60.94	-	-	-	60.94
Material / purchased						
PPAP Technology Limited	31.03.2024	-	-	-	-	-
	31.03.2023	-	-	1.56	-	1.56
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)	31.03.2024	-	-	-	-	-
	31.03.2023	-	-	7.59	-	7.59
PPAP Tokai India Rubber Private Limited	31.03.2024	-	508.51	-	-	508.51
	31.03.2023	-	563.99	-	-	563.99
Loan given						
PPAP Technology Limited	31.03.2024	-	-	1,124.91	-	1,124.91
	31.03.2023	-	-	2,414.35	-	2,414.35
Loan repayment received						
PPAP Technology Limited	31.03.2024	-	-	261.06	-	261.06
	31.03.2023	-	-	1,853.95	-	1,853.95
Receipts for other services*						
PPAP Tokai India Rubber Private Limited	31.03.2024	-	286.74	-	-	286.74
	31.03.2023	-	120.77	-	-	120.77
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)	31.03.2024	-	-	9.00	-	9.00
	31.03.2023	-	-	9.00	-	9.00
PPAP Technology Limited	31.03.2024	-	-	56.81	-	56.81
	31.03.2023	-	-	226.20	-	226.20
Sales						
PPAP Tokai India Rubber Private Limited	31.03.2024	-	158.22	-	-	158.22
	31.03.2023	-	172.06	-	-	172.06
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)	31.03.2024	-	-	1,108.20	-	1,108.20
	31.03.2023	-	-	1,123.73	-	1,123.73
Contribution to fund: Employer's contribution towards gratuity fund						
PPAP Automotive Limited Employees Group Gratuity Fund Trust	31.03.2024	-	-	-	160.00	160.00
	31.03.2023	-	-	-	166.00	166.00

* Other services include management support fee, reimbursement of expenses, job work charges, interest received on loan given and rental income.

Notes to Financial Statements

for the year ended 31st March, 2024

Remuneration to key management personnel

Particulars	FY 2023-24	FY 2022-23
Mr. Ajay Kumar Jain	120.57	120.57
Mr. Abhishek Jain	127.77	74.77
Mr. Sachin Jain	32.40	28.89
Ms. Pankhuri Agarwal	12.30	9.69
Total	293.05	233.93

As the liabilities for gratuity and compensated absences are provided on an actuarial basis for the company as a whole, the amounts pertaining to the key management personnel are not included above.

Details relating to remuneration of KMP other than MD / Manager / Whole Time Director/ Chief Financial Officer / Company Secretary

Name of KMP	FY 2023-24			FY 2022-23		
	Remuneration	Short-term employee benefits	Sitting Fees	Remuneration	Short-term employee benefits	Sitting Fees
Mrs. Vinay Kumari Jain	-	-	3.70	-	-	3.20
Mr. Bhuwan Kumar Chaturvedi	-	-	4.60	-	-	6.40
Mr. Pravin Kumar Gupta	-	-	5.60	-	-	6.00
Mrs. Celine George	-	-	3.80	-	-	4.00
Mr. Deepak Kumar Sethi	9.00	-	3.40	-	-	1.20
Mr. Rohit Rajput	-	-	2.50	-	-	-

Net outstanding balance:

Related Party	Period	Related Parties where common control exists	Joint Ventures	Wholly Owned Subsidiaries	Other Related Party-Post employment benefit plan of the Company	Key management personnel	Total
Trade receivable							
PPAP Tokai India Rubber Private Limited	31.03.2024	-	-	-	-	-	-
	31.03.2023	-	67.32	-	-	-	67.32
Elpis Components Distributors Private Limited	31.03.2024	-	-	326.88	-	-	326.88
	31.03.2023	-	-	177.51	-	-	177.51
PPAP Technology Limited	31.03.2024	-	-	5.59	-	-	5.59
	31.03.2023	-	-	16.84	-	-	16.84
Trade payable							
PPAP Tokai India Rubber Private Limited	31.03.2024	-	60.87	-	-	-	60.87
	31.03.2023	-	-	-	-	-	-
Security Deposit Received							
Elpis Components Distributors Private Limited	31.03.2024	-	-	2.93	-	-	2.93
	31.03.2023	-	-	2.93	-	-	2.93
PPAP Technology Limited	31.03.2024	-	-	1.10	-	-	1.10
	31.03.2023	-	-	1.10	-	-	1.10
Loan given							
PPAP Technology Limited	31.03.2024	-	-	2,336.50	-	-	2,336.50
	31.03.2023	-	-	1,472.65	-	-	1,472.65
Remuneration							
PPAP Technology Limited	31.03.2024	-	-	-	-	23.53	23.53
	31.03.2023	-	-	-	-	13.15	13.15
Contribution to fund: Employer's contribution towards gratuity fund							
PPAP Automotive Limited Employees Group Gratuity Fund Trust	31.03.2024	-	-	-	590.49	-	590.49
	31.03.2023	-	-	-	465.71	-	465.71

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

41. Segment information

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. Based on the consideration of dominant sources and nature of risk & returns, the company is considered an automotive components manufacturer. Most of the activities are revolving around this business and accordingly has only one reportable segment. The geographical location of its main operations and the internal organization / reporting and management structure supports such treatment.

42. Dues to micro and small enterprises

The dues to micro and small enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), to the extent information available with the Company is given below:

Particulars	31.03.2024	31.03.2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	1,112.32	1,022.79
Interest due on above	0.62	-
(ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

43. Fair values measurements

(i) Financial instruments by category

Particulars	31.03.2024		31.03.2023	
	FVTPL	Amortized cost	FVTPL	Amortized cost
Financial assets				
Investments*				
- in equity instruments	-	-	-	-
- in mutual funds	624.72	-	445.48	-
- in unquoted preference shares	200.00	-	200.00	-
Other financial assets	-	367.11	-	428.49
Trade receivables	-	7,008.76	-	6,191.14
Cash and cash equivalents	-	97.75	-	41.32
Other balances with banks	-	11.21	-	11.38
Loans	-	2,398.62	-	1,480.91
Foreign exchange forward contracts	0.82	-	6.71	-
Total financial assets	825.54	9,883.45	652.19	8,153.24
Financial liabilities				
Borrowings (non current)	-	6,391.99	-	6,718.69
Borrowings (current)	-	7,469.20	-	5,529.56
Lease Liabilities	-	304.19	-	87.65
Trade payables	-	5,647.88	-	6,217.35
Other financial liabilities (non current)	-	12.03	-	15.82
Other financial liabilities (current)	-	699.59	-	569.73
Total financial liabilities	-	20,524.88	-	19,138.80

*Investment value excludes investment in joint venture of ₹ 4,853 lakhs (31st March, 2023: ₹ 4,853 lakhs) and investment in wholly owned subsidiary companies of ₹ 1429.92 lakhs (31st March, 2023 ₹ 1,429.92 lakhs) which are shown at cost in balance sheet as per Ind AS 27 'Separate Financial Statements'.

- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.
- The fair values of the Company's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March, 2024 was assessed to be insignificant.
- Long-term receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of security deposit has been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.
- The fair values of the investment in mutual fund has been determined based on net assets value (NAV) available in open market.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Cost of unquoted preference shares has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in preference shares are not held for trading. Instead, they are held for medium or long-term strategic purpose.

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for the year ended 31st March, 2024

(` in lacs)

(ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole.

Level 1: The fair value of financial instruments traded in active markets. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 1 and Level 2 during the financial year 2022-23 and 2023-24.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

Financial assets and liabilities measured at fair value-recurring fair value measurements for which fair values are disclosed at 31 st March, 2024					
	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments in mutual funds	31.03.2024	624.72	624.72	-	-
Unquoted investments in preference shares measured at fair value through profit and loss	31.03.2024	200.00	-	-	200.00
Foreign currency forward contracts	31.03.2024	0.82	-	0.82	-
Financial liabilities					
Foreign currency forward contracts	31.03.2024	-	-	-	-

(` in lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed at 31 st March, 2023					
	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets					
Investments in mutual funds	31.03.2023	445.48	445.48	-	-
Unquoted investments in preference shares measured at fair value through profit and loss	31.03.2023	200.00	-	-	200.00
Foreign currency forward contracts	31.03.2023	6.71	-	6.71	-
Financial liabilities					
Foreign currency forward contracts	31.03.2023	-	-	-	-

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for the year ended 31st March, 2024

(` in lacs)

44. Financial risk management objectives and policies

The Company's principal financial liabilities, comprise borrowings, trade payables, and creditors for expenses. The Company's principal financial assets include investments, long term deposits, trade receivables, cash and short-term deposits / loan that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Company. The Board provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include, deposits and FVTPL investments.

The sensitivity analysis of the above mentioned risk in the following sections relate to the position as at 31st March, 2024 and 31st March, 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2024 and 31st March, 2023.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

	Increase / decrease in basis points	Effect on profit before tax
31.03.2024		
INR	+50	(66.35)
INR	-50	66.35
31.03.2023		
INR	+50	(56.36)
INR	-50	56.36

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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for the year ended 31st March, 2024

(` in lacs)

B. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risk sensitivity is the impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD, JPY and EURO exchange rates, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit before tax
31.03.2024	+5%	(11.51)
	-5%	11.51
31.03.2023	+5%	(18.02)
	-5%	18.02
	Change in JPY rate	Effect on profit before tax
31.03.2024	+5%	(2.55)
	(5%)	2.55
31.03.2023	+5%	(8.09)
	(5%)	8.09
	Change in EURO rate	Effect on profit before tax
31.03.2024	+5%	-
	(5%)	-
31.03.2023	+5%	(0.75)
	(5%)	0.75

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of monetary assets and liabilities denominated in foreign currency.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and /or other criteria, and are only made within approved limits. The management continually re-assess the Company's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Company does not have any significant concentrations of bad debt risk other than disclosed in Note 12.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 43. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

Notes to Financial Statements

for the year ended 31st March, 2024

(` in lacs)

iii. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. The financial condition of the financier under supplier finance arrangement is sound and there is no likelihood that arrangement will be terminated and service will become unavailable.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31.03.2024					
Borrowings	693.00	2,057.72	6,434.49	-	9,185.21
Supplier Finance Arrangements	155.00	-	-	-	155.00
Lease liabilities	39.26	86.86	219.91	-	346.03
Trade payables	4,210.04	1,437.83	-	-	5,647.88
Other financial liabilities	699.59	-	12.03	-	711.63
Total	5,796.89	3,582.41	6,666.43	-	16,045.74
Year ended 31.03.2023					
Borrowings	335.68	2,369.55	6,313.28	109.49	9,128.00
Supplier Finance Arrangements	-	-	-	-	-
Lease liabilities	9.64	49.59	34.45	-	93.69
Trade payables	6,210.64	-	-	-	6,210.64
Other financial liabilities	511.13	44.18	19.28	-	574.59
Total	7,067.10	2,463.32	6,367.01	109.49	16,006.92

iv. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is in automotive components manufacturing business and the management has assessed risk concentration as low. The detail in respect of percentage of revenues generated from top 4 customers are as follows:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Revenue from top customer- 1 (in %)	32%	37%
Revenue from top customer- 2 (in %)	15%	17%
Revenue from top customer- 3 (in %)	14%	15%
Revenue from top customer- 4 (in %)	6%	8%

45. Capital management

The objective of the Company's capital management structure is to ensure that there remains sufficient liquidity within the Company to carry out committed work programme requirements. The Company monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31st March, 2024.

Particulars	31.03.2024	31.03.2023
Non-current Borrowings	6,391.99	6,718.69
Current Borrowings	7,469.20	5,529.56
Less: Cash and cash equivalents	97.75	41.32
Debt	13,763.44	12,206.93
Lease Liabilities- Non current	199.65	33.19
Lease Liabilities- Current	104.54	54.46
Net Debt (incl. lease liabilities) (A)	14,067.63	12,294.58
Total Equity (B)	31,299.12	31,649.10
Gearing Ratio [A÷(A+B)]	31.01%	27.98%

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

Additional Regulatory Information: Financial Ratios

Ratio	Numerator	Denominator	31.03.2024	31.03.2023	% change	Reason where variance exceeds 25%
Current ratio (in times)	Current Assets	Current Liabilities	1.02	1.05	-3%	-
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.44	0.39	13%	-
Debt Service Coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.98	1.94	-97%	Repayment liabilities towards bullet repayment of interest free loan taken from PICUP liabilities
Return on Equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-1.48%	2.2%	248%	Increased deferred tax provision resulting into higher losses
Inventory Turnover ratio (in times)	Cost of goods sold or sale	Average Inventory	8.64	9.75	-13%	-
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	7.63	8.63	-13%	-
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.04	5.52	-10%	-
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	136.49	57.78	58%	Improved sales and reduction in working capital
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	-0.9%	1.4%	251%	Increased deferred tax provision
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	3.4%	4.4%	-30%	Increased deferred tax provision
Return on Investment (in %)	Income generated from investments	Time weighted average investments	9.71%	3.13%	68%	Increase in interest rate

46. Derivative instruments and unhedged foreign currency exposure

The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under:

	31.03.2024	31.03.2024	31.03.2023	31.03.2023
	Foreign currency	Amount	Foreign currency	Amount
Foreign trade payables				
USD in lakhs	2.76	230.29	4.41	360.42
JPY in lakhs	92.62	51.02	259.92	161.88
EURO in lakhs	-	-	0.17	15.06
Foreign trade receivables				
USD in lakhs	-	-	-	-
JPY in lakhs	-	-	-	-
EURO in lakhs	-	-	-	-

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

47. Balance confirmation

Debit and credit balance of trade payables and trade receivables to the extent not confirmed are subject to confirmation and reconciliation with parties.

48. In the opinion of the Board of Directors and to the best of their knowledge and belief, the aggregate value of current assets on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

49. Disclosure of movement in provisions during the year as per Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets":

Particulars	Balance as on 1 st April, 2023	Provided during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2024
Provisions				
Gratuity	971.81	146.47	(37.62)	1,080.65
Accumulated leaves	179.09	60.12	(31.60)	207.62
Income Tax	93.17	-	(93.17)	-
Total	1,244.07	206.59	(162.39)	1,288.27

50. Dividends paid and proposed

Particulars	Year Ended 31.03.2024	Year ended 31.03.2023
A Paid during the year		
Interim dividend for FY 2023-24 ` nil per share (FY 2022-23: ` 1 per equity share) of ` 10/- each	-	140.00
Final dividend for FY 2022-23: ` 0.50 per share (FY 2021- 22 ` 1.50 per share)	70.00	210.00
	70.00	350.00
B Proposed for approval at the annual general meeting (not recognised as a liability)		
Final dividend for FY 2023-24 ` 1.25 per share (FY 2022-23: ` 0.50 per share)	175.00	70.00
	175.00	70.00

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at year end.

51. Disclosure under Ind AS 7 'Statement of Cash Flows'

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Particulars	31.03.2023	Cash flows	Non-cash changes	31.03.2024
			Fair value changes	
Long-term borrowings	8,479.77	544.16	88.55	9,112.48
Short term borrowings	3,792.72	956.00	-	4,748.72
Lease Liabilities	87.65	(133.25)	349.78	304.19
Total liabilities from financing activities	12,360.14	1,366.91	438.34	14,165.39

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

52. Details of Corporate Social Responsibility (CSR) expenditure	31.03.2024	31.03.2023
a) Gross amount required to be spent as per section 135 of the Companies Act, 2013 during the year	14.27	23.68
b) Amount spent during the year ending on 31 st March 2024:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	58.80	60.94
c) Amount carried forward from previous year for setting off in the current year	44.49	7.23
d) Excess amount spent during the year carried forward to subsequent year	89.01	44.49
e) The Company has spent excess amount and details of the same are as follows:		
Balance carried forward from previous year	44.49	7.23
Amount required to be spent during the year	14.27	23.68
Amount spent during the year	58.80	60.94
Balance carried forward to next year	89.01	44.49
f) Details of amount spent during the year:		
i) Providing healthcare and meal to unprivileged and downtrodden children which help them to pursue their education.	5.00	5.00
ii) Making payment of school fees of unprivileged children.	13.07	10.23
iii) Providing study material to unprivileged children.	-	-
iv) Plantation for promoting environmental sustainability.	40.52	45.50
v) Administrative Expenses (Cost of CSR, audit etc)	0.22	0.21
Total	58.80	60.94
g) Amount transferred to any fund specified under Schedule VII as per Section 135(5)	nil	nil
53. Details of transactions with Struck-off Companies	nil	nil
54. Details of Benami Property	nil	nil
55 (A). Title deeds of Immovable Properties not held in name of the Company	nil	nil
55 (B). No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization of financial statements		

56. Investment In Subsidiaries, Joint Venture and Associates

(i). These financial statement are separate financial statements prepared in accordance with Ind AS-27 " Separate Financial Statements".

(ii). The Company's investments in subsidiaries are as under :

Name of the Subsidiaries	Country of incorporation	Portion of ownership interest		Method used to account for the investment	Disclosure required under Section 186 (4) of the Companies Act, 2013		Closing Balance	
		as at 31.03.2024	as at 31.03.2023		Investment made in FY 2023-24	Investment made in FY 2022-23	as at 31.03.2024	as at 31.03.2023
PPAP Technology Limited	India	100%	100%	At cost	-	-	1,379.92	1,379.92
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)	India	100%	100%	At cost	-	-	50.00	50.00

(iii). The Company's investment in joint venture is as under :

Name of Joint Venture	Country of incorporation	Portion of ownership interest		Method used to account for the investment	Disclosure required under Section 186 (4) of the Companies Act, 2013		Closing Balance	
		as at 31.03.2024	as at 31.03.2023		Investment made in FY 2023-24	Investment made in FY 2022-23	as at 31.03.2024	as at 31.03.2023
PPAP Tokai India Rubber Private Limited	India	50%	50%	At cost	-	-	4,853.00	4,853.00

(iv). The company investment in associate is nil.

Notes to Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

57. Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021 which are not covered in any of the notes above

- No proceedings have been initiated or pending against the company for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- Reconciliation of quarterly statement of current assets filed with banks or financial statements
There are no material variations between the quarterly statement of current assets filed during the year with the banks and the books of accounts.
- Willful Defaulter
No bank has declared the company as "willful defaulter".
- Registration of charges or satisfaction with Registrar of Companies:
All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending at end of financial year 2023-2024.
- Registration of charges or satisfaction with Registrar of Companies:
No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- Utilisation of Borrowed funds and share premium:

Particulars	Description
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	No such transaction has taken place during the year
No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.	No such transaction has taken place during the year

- Undisclosed income
There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

(viii) Details of Crypto Currency or Virtual Currency

The Company does not deal in Crypto Currency. Therefore further disclosures are not given.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

Place: Noida
Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PPAP AUTOMOTIVE LIMITED

Report on the audit of the Consolidated financial statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **PPAP Automotive Limited** (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Financial Statements and on the other financial information of the subsidiaries and joint venture as referred to in 'Other Matters' paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2024, and the consolidated loss and consolidated total Other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') read together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

One of the subsidiaries has accumulated losses resulting in erosion of net-worth and has incurred cash losses in the current and immediately preceding financial year. The current liabilities of the subsidiary exceed its current assets as at the balance sheet date. Considering the Holding Company's continuing financial support to the subsidiary for its operations, the financial statements have been prepared on an going concern basis. Refer note 57(c) of the consolidated financial statements.

Our report is not modified in respect of this matter.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matter	How our audit addressed the key audit matter
1. Revenue Recognition Revenue is recognized to the extent that economic benefit will flow to the Company and the revenue can be reliably measured. It is measured at fair value consideration received or receivable, net of returns and allowances, discounts and rebates. The Company recognizes revenue when it satisfies its performance obligation by transferring the goods to the customers and in determining the transaction price for the sale of products, the Company considers the effects of various factors such as discounts and price adjustments. Since there is significant judgement and estimate involved in calculation of price variations to be recorded as at the year end, revenue recognition has been identified as a key audit matter.	Principal Audit Procedures We performed the following procedures: <ul style="list-style-type: none"> We understood business revenue recognition policy and how they are applied, including the relevant controls, and tested controls over revenue recognition; Analytical review of the revenue recognized over the year; Agreeing on a sample basis amounts of revenue to customer contracts and verifying the extent, timing and customer acceptance of goods, where relevant. We performed cut-off testing for a sample of revenue transactions around the period end date, to check that they were recognized in the appropriate period; and We discussed key contractual arrangements with management and obtained relevant documentation and communication with customers; and Also tested, on sample basis, debit/credit notes in respect of agreed price variations passed on to the customers Based on our audit procedures we did not identify any evidence of material misstatement in the revenue recognized for the year in the standalone financial statements.

2. Recognition of Assessment of impairment of investments in subsidiaries and joint venture

The management assesses at least annually, the existence of impairment indicators of each non-current investments, and in case of such existence, these assets are subject to an impairment test.

For the purpose of the impairment testing, value in use has been determined by considering forecasting and discounting future cash flows.

Furthermore, the value in use is highly sensitive to changes in some of the inputs used for forecasting the future cash flows. Further, the determination of the recoverable amount of the investments of unquoted non-current investments involved judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these investments.

Accordingly, the impairment of non-current investments was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.

Principal Audit Procedures

We performed the following procedures:

- We assessed the reasonableness of key assumptions used in the cash flow forecasts including discount rates, expected growth rates and terminal growth rates.
- We obtained the management testing of impairment and discussed the assumptions and other factors used in the assessment.
- We tested the arithmetical accuracy of the models.
- We evaluated the adequacy of disclosures in the Standalone Financial Statements related to management's assessment on the impairment tests and as required under Indian Accounting Standard (Ind-AS) -36 Impairment of Assets
- We also assessed the objectivity and independence of Company's specialists involved in the process.

Based on the work carried out, we did not have any reason to believe that the investments were not properly valued.

Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to the Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management Discussion and Analysis Report, Director's Report including annexures to the Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, identified above when it becomes available, compare it with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.

When we read the Management Discussion and Analysis, Director's Report, Business Responsibility Report and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and shall take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and its joint venture, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and its joint venture are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group and its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint venture are also responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's 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 SAs 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Consolidated 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.
- Obtain an understanding of internal financial control 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 Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management of the Holding Company.
- Conclude on the appropriateness of management of the Holding Company's use of the going concern basis of accounting in the preparation of Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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 auditor's report. However, future events or conditions may cause the Group or its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company, 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine 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.

Other Matter

- a. We did not audit the Standalone Financial Statements of two subsidiaries included in the Consolidated Financial Statements, whose financial statements reflect total assets of ₹ 4822.44 lakh as of March 31, 2024, and total revenues of ₹ 3013.75 lakh, total comprehensive income of ₹ (775.69) lakh, and net cash inflows of ₹ 53.74 lakh for the year ended March 31, 2024. The Consolidated Financial Statements also includes the Group's share of net loss using the equity method, of ₹ (64.27) lakh and total comprehensive income of ₹ (63.89) lakh for the year ended 31st March 2024, as considered in the consolidated financial results, in respect of one joint venture, whose financial statements have not been audited by us. These Standalone Financial Statements have been audited, as applicable, by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the report of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities section above.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- b. The consolidated financial statements of the Company for the year ended March 31, 2023, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated May 19, 2023, expressed an unmodified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries and joint venture referred to in the Other Matters section above we report, to the extent applicable that:
- (1) 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 of the aforesaid Consolidated Financial Statements;
 - (2) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the matters stated in paragraph 1(B)(f) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules");
 - (3) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
 - (4) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (5) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of its subsidiaries and joint venture which are incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (6) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(A) (2) above on reporting under Section 143(3)(b) of the Act and paragraph 1(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (7) With respect to the adequacy of the internal financial controls over financial reporting with reference to Consolidated Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding company, and the subsidiaries and joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over the financial reporting of those companies;
- B. With respect to the other matters to be included in the Auditor's 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:
- (a) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture- Refer to note 39 to the Consolidated Financial Statements;
 - (b) The Group and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (c) There were no amounts, during the year, which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint venture company incorporated in India;
 - (d) (i) The respective managements of the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditor of such subsidiaries and joint venture, respectively, that to the best of their knowledge and belief, as disclosed in the note 59(vi), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or by the subsidiaries or joint venture to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or of the subsidiaries or joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (ii) The respective managements of the Holding Company, its subsidiaries and joint venture, which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditor of the subsidiaries and joint venture, respectively, that to the best of their knowledge and belief, as disclosed in note 59(vi), no funds (which are material either individually or in the aggregate) have been received by the Holding Company or by the subsidiaries or joint venture from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in

writing or otherwise, that the Holding Company or the subsidiaries or joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under d(i) and d(ii) above, contain any material misstatement.

(e) The final dividend proposed by the Holding Company whose financial statements have been audited under the Act, during the year is in accordance with section 123 of the Act, as applicable.

(f) Based on our examination which included test checks, and as communicated by the respective auditor of the subsidiary and joint venture, the Holding Company, its subsidiaries and joint venture incorporated in India have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except that the audit trail feature is not enabled at some data tables level in holding company and at the database level throughout the year in respect of all the accounting software to log any direct data changes in case of the Holding Company, its subsidiaries and joint venture.

During the course of performing our procedures and that performed by the respective auditors of the subsidiaries, except for the aforesaid instances of audit trail not maintained where the question of our commenting on whether the audit trail has been tampered with does not arise, we and the respective auditors of the above referred subsidiaries did not notice any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended;

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries and joint venture which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the subsidiaries and joint venture included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Neena Goel
Partner
Membership No. 057986
UDIN: 24057986BKEERC8399

Place: Noida
Date: 18th May, 2024

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statements of PPAP Automotive Limited for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to aforesaid Consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 A (7) under the 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the Consolidated Financial Statements of **PPAP Automotive Limited** ("the Holding Company") as of March 31, 2024, we have audited the internal financial controls over financial reporting with reference to the Consolidated Financial Statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiaries companies and joint venture, as of that date.

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in the Other Matters paragraph below, the Holding company, and its subsidiaries companies and joint venture, which are companies incorporated in India, have, 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, 2024, based on the criteria for internal financial control over financial reporting established by the respective companies 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company, considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements were 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 with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial reporting with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risk of misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to Consolidated Financial Statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143 (3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated Financial Statements insofar as it related to two subsidiaries and one joint venture, which is incorporated in India, is based on the corresponding report of auditors of such company.

For T R Chadha & Co LLP
Chartered Accountants
Firm Registration No. 006711N/N500028

Place: Noida
Date: 18th May, 2024

Neena Goel
Partner
Membership No. 057986
UDIN: 24057986BKEERC8399

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2024

Particulars	Notes	(` in lacs)	
		As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-current assets			
Property, plant and equipment	3	30,030.29	30,967.06
Capital work-in-progress	3a	1,482.94	901.27
Right of use assets	4	338.65	87.46
Other intangible assets	5	930.82	825.32
Intangible assets under development	5a	210.92	174.07
Financial assets			
a. Investments	6	3,668.70	3,732.58
b. Other financial assets	7	299.45	461.66
Tax assets (net)	8	168.70	113.82
Other non-current assets	9	1,267.47	1,021.46
		38,397.95	38,284.70
Current assets			
Inventories	10	6,934.60	7,612.51
Financial assets			
a. Investments	6	629.84	445.48
b. Trade receivables	11	7,266.75	6,511.00
c. Cash and cash equivalents	12	192.77	82.60
d. Other balances with banks	13	11.21	11.38
e. Loans	14	63.95	8.37
f. Other financial assets	7	309.73	207.18
Other current assets	15	1,709.26	1,636.15
		17,118.10	16,514.67
Total Assets		55,516.05	54,799.37
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,400.00	1,400.00
Other equity	17	26,889.10	28,074.79
		28,289.10	29,474.79
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	18	7,359.88	7,992.02
Lease liabilities	4	199.65	33.19
Other financial liabilities	19	3.45	0.01
Provisions	20	561.83	597.89
Deferred tax liabilities (net)	21	1,000.75	508.87
Current liabilities			
Financial liabilities			
Borrowings	18	8,568.42	7,086.34
Lease liabilities	4	106.77	57.81
Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		1,132.03	1,048.94
- total outstanding dues of creditors other than micro enterprises and small enterprises		4,617.04	5,276.57
Other financial liabilities	19	782.92	636.63
Other current liabilities	23	2,785.88	1,983.02
Provisions	20	103.72	103.29
Current tax liabilities (net)	24	4.61	-
Total Liabilities		27,226.96	25,324.58
Total Equity and Liabilities		55,516.06	54,799.37

Material accounting policy information 2
The accompanying Notes 3 to 59 form an integral part of these financial statements.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

Place: Noida
Date: 18th May, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Notes	(` in lacs)	
		Year ended 31.03.2024	Year ended 31.03.2023
INCOME			
Revenue from operations	25	52,291.77	51,111.22
Other income	26	166.24	141.07
Total Income (I)		52,458.02	51,252.29
Expenses			
Cost of materials consumed	27	30,551.03	33,337.37
Purchase of stock in trade		296.24	55.94
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	444.30	(2,032.35)
Employee benefits expense	29	9,519.07	8,290.59
Finance costs	30	1,467.21	1,173.12
Depreciation and amortization expense	31	3,414.53	3,112.19
Other expenses	32	7,506.78	7,064.80
Total Expenses (II)		53,199.17	51,001.65
Profit / (loss) before exceptional items and and share of (profit) / loss of associates and a joint venture and tax from continuing operations (I-II)		(741.15)	250.64
Profit / (loss) before share of (profit) / loss of associates and a joint venture and tax from continuing operations (I-II)		(741.15)	250.64
Share of profit of Joint venture		(64.27)	(761.93)
Profit / (loss) before tax from continuing operations		(805.42)	(511.29)
Tax expenses	21		
Current tax		17.78	119.58
Adjustment of tax relating to earlier periods		(19.60)	44.12
Deferred tax		500.27	(80.56)
Profit / (loss) for the year		(1,303.86)	(594.43)
Other Comprehensive Income (OCI)	33		
Items that will not be reclassified to profit & loss in subsequent periods			
Re-measurement gains / (losses) on defined benefit plans		69.00	(24.97)
Share of other comprehensive income of associates and joint venture		0.38	0.79
Income tax effect on such items		(17.37)	6.28
Total other comprehensive income for the year, net of tax		52.02	(17.91)
Total comprehensive income for the year, net of tax		(1,251.85)	(612.34)
Profit / (Loss) for the period attributable to:	34		
Owners of the Company		(1,303.86)	(594.44)
Non-controlling interest		-	-
Other comprehensive income / (loss) for the period attributable to:			
Owners of the Company		52.02	(17.91)
Non-controlling interest		-	-
Total comprehensive income / (loss) for the period attributable to:			
Owners of the Company		(1,251.85)	(612.34)
Non-controlling interest		-	-
Earnings per equity share (computed on the basis of profit for the year)			
(1) Basic (in `)		(9.31)	(4.25)
(2) Diluted (in `)		(9.31)	(4.25)

Material accounting policy information 2
The accompanying Notes 3 to 59 form an integral part of these financial statements.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

Place: Noida
Date: 18th May, 2024

CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in lacs)

Particulars	Year ended	
	31.03.2024	31.03.2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(805.42)	(511.30)
Adjustments for		
Depreciation and amortisation expense	3,414.54	3,112.19
Interest expense	1,526.87	1,033.14
Balances written off	-	5.69
Provision for bad & doubtful debts	16.19	(1.06)
Profit on sale of investments	(13.36)	(13.75)
Employees share based payments	130.59	48.76
Fair valuation gain on investment in mutual funds	(38.72)	(61.92)
Unrealised exchange Loss/(Gain)	(0.19)	(3.30)
Share in net profit / loss in associate & Joint venture	64.27	761.93
Profit on cancellation of lease	(1.35)	(1.94)
Interest income	(184.66)	4,914.18
Operating Profit before Working Capital Changes	4,108.76	4,352.85
Working capital adjustments		
Decrease / (Increase) in inventories	677.90	(2,006.66)
Decrease / (Increase) in trade and other receivables	(838.58)	(743.21)
Movement in trade and other payables	146.48	1,673.33
Movement in provisions	146.87	132.67
		(41.01)
		(1,117.56)
Cash generated from operations	4,241.43	3,235.29
Direct taxes refunded / (paid)	(183.34)	(234.18)
Net cash from operating activities (A)	4,058.09	3,001.11
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant, equipment	(2,167.28)	(1,990.05)
Purchase of assets in CWIP	(570.22)	(3,263.19)
Purchase of intangible assets	(315.80)	(72.18)
Purchase of Intangible assets under development	(36.85)	(185.09)
Sale of tangible fixed assets	38.18	20.03
Sale / (purchase) of current investments	(145.64)	(113.82)
Sale / (purchase) of non current investments	-	(200.81)
Profit on sale of investments	13.36	13.75

CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31st MARCH, 2024

(₹ in lacs)

Particulars	Year ended	
	31.03.2024	31.03.2023
Investment in fixed deposits (purchased) / matured	0.17	1.84
Interest income	184.66	15.59
Net cash used in investing activities (B)	(2,999.42)	(5,773.93)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan	(55.69)	(7.85)
Payment of lease liabilities	(161.37)	(76.12)
Interest paid	(1,514.95)	(1,024.57)
Proceeds / (repayment) of long term borrowings	(628.69)	103.10
Proceeds / (repayment) of short term borrowings	1,482.19	4,166.85
Dividends paid	(70.00)	(350.00)
Net cash flow from financing activities (C)	(948.50)	2,811.41
Net increase in cash and cash equivalents (A+B+C)	110.17	38.59
Cash and cash equivalents at the beginning of the year	82.60	44.01
Cash and cash equivalents at the end of the year	192.77	82.60
Components of cash and cash equivalents at the end of the year		
Cash on hand	42.67	23.78
Balance with banks		
On current accounts	150.10	42.14
Deposits with maturity of less than 3 months	-	16.68
	192.77	82.60

Material accounting policy information

2

The accompanying Notes 3 to 59 form an integral part of these financial statements.

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) 7 'Statement of Cash Flows'.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

Place: Noida
Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AS AT 31st MARCH, 2024

A. Equity share capital (refer note 17)

(` in lacs)

Equity shares of ` 10 each issued, subscribed and fully paid	No. of Shares	Amount
At 1 st April, 2022	14,000,000	1,400.00
Issue of share capital	-	-
As at 31 st March, 2023	14,000,000	1,400.00
Issue of share capital	-	-
As at 31 st March, 2024	14,000,000	1,400.00

B. Other equity

Particulars	Reserves and Surplus				Items of Other comprehensive income	Total equity (refer note 18)
	General Reserve	Securities Premium	Retained earnings	Employee Stock Options reserve	Re-measurement gains / (losses) on defined benefit plans	
At 1 st April, 2022	1,158.95	7,000.00	20,901.48	-	(72.07)	28,988.37
Net income / (loss) for the year	-	-	(594.44)	-	-	(594.44)
Share based payments (Refer note 36)	-	-	-	48.76	-	48.76
Other comprehensive income (note 33)	-	-	-	-	(17.89)	(17.89)
Total comprehensive income	-	-	(594.44)	48.76	(17.89)	(563.57)
Final dividend	-	-	(350.00)	-	-	(350.00)
As at 31 st March 2023	1,158.95	7,000.00	19,957.04	48.76	(89.96)	28,074.79
Net income / (loss) for the year	-	-	(1,303.87)	-	-	(1,303.87)
Share based payments (Refer note 36)	-	-	-	136.17	-	136.17
Other comprehensive income (note 33)	-	-	-	-	52.02	52.02
Total comprehensive income	-	-	(1,303.87)	136.17	52.02	(1,115.69)
Final dividend	-	-	(70.00)	-	-	(70.00)
As at 31 st March, 2024	1,158.95	7,000.00	18,583.17	184.93	(37.94)	26,889.10

Material accounting policy information

2

The accompanying Notes 3 to 59 form an integral part of these financial statements.

In terms of our report of even date annexed
For T R Chadha & Co. LLP
 Chartered Accountants
 FRN No. 006711N/N500028

Neena Goel
 Partner
 Membership No: 057986

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
 Chairman & Managing Director
 DIN: 00148839

Sachin Jain
 Chief Financial Officer

Place: Noida
 Date: 18th May, 2024

Abhishek Jain
 CEO & Managing Director
 DIN: 00137651

Pankhuri Agarwal
 Company Secretary

Place: Noida
 Date: 18th May, 2024

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

1. Corporate information

The consolidated financial statements comprise financial statements of PPAP Automotive Limited ("PPAP") and its subsidiary companies (collectively, the Group) for the year ended 31st March 2024. PPAP Automotive Limited ("PPAP" or "the company" or the "Parent") is a public limited company domiciled in India and was incorporated on 18th October 1995. The registered office of the Parent Company is located at 54, Okhla Industrial Estate, Phase-III New Delhi-110020, India.

The Group's core competence is in developing Plastic and Rubber based extrusion systems as well as Plastic injection molding systems for various industries. The Group also focuses in developing high precision plastic injection toolings.

The Group started its journey of achieving Global Level Excellence with the start of the Automotive Business. Over the years the Group strives to delight its customers in the Automotive Industry as well as Industrial Products industry. The Group is poised to establish itself as a leading product solutions company in the areas of its core competence.

With the advent of electrification of the Automotive Industry, PPAP has established itself as one of the leading manufacturers of Li-Ion based Battery pack solution provider for the 2 wheeler and 3 wheeler industry.

The Parent Company's state of the art manufacturing facilities are located in Uttar Pradesh, Tamil Nadu, Rajasthan and Gujarat.

The Parent Company is listed on the Bombay Stock Exchange of India Limited and the National Stock Exchange of India Limited.

The consolidated financial statements for the year ended 31st March 2024 were authorized for issue in accordance with a resolution of the directors on 18th May, 2024.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

The consolidated financial statements have been prepared on a historical cost convention, except for the certain assets and liabilities which have been measured at different basis and such basis has been disclosed in relevant accounting policy.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh (INR 00,000), except when otherwise indicated.

2.2 Basis of Consolidation

(i) Subsidiaries

Subsidiary companies are entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date the control ceases. The group combines the financial statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Inter company transactions, balance and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of change in equity and balance sheet respectively.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. PPAP has one joint venture. Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2.3 (f) below.

2.3 Significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset/ liability is treated as current when it is:

- Expected to be realised or intended to be sold or consumed or settled in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised/settled within twelve months after the reporting period;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period; and
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

b. Property, plant and equipment

i) Tangible assets

Property, plant and equipment are stated at cost [i.e., cost of acquisition or construction inclusive of freight, erection and commissioning charges, non-refundable duties and taxes, expenditure during construction period, borrowing costs (in case of a qualifying asset) upto the date of acquisition / installation], net of accumulated depreciation and accumulated impairment losses, if any.

When significant parts of property, plant and equipment (identified individually as component) are required to be replaced at intervals, the Group derecognizes the replaced part, and recognizes the new part with its own associated useful life and it is depreciated accordingly. Whenever major inspection / overhaul / repair is performed, its cost is recognized in the carrying amount of respective assets as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of profit and loss.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses / gains arising in case retirement / disposals of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation on property, plant and equipment are provided to the extent of depreciable amount on the straight line

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

method (SLM). Depreciation is provided at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013 except on some assets, where useful life has been taken based on internal technical evaluation as given below:

Particulars	Useful lives
Dies and Moulds	15 years

Leasehold Land and Leasehold Improvements are amortized over the period of the lease or the useful life of the asset, whichever is lower.

The residual values, useful lives and methods of depreciation / amortization of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

ii) Capital work in progress

Capital work in progress includes construction stores including material in transit / equipment / services, etc. received at site for use in the projects.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition / construction of fixed assets, are capitalized at the time of commissioning of such assets.

c. Investment properties

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Depreciation is charged on a straight line basis over their estimated useful lives. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property is done at the carrying amount of the property.

d. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss.

Intangible assets with finite lives (i.e. software and licenses) are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and method for an intangible asset is reviewed at least at the end of each reporting period.

Costs relating to computer software and technical know-how are capitalised and amortised on straight line method over their estimated useful economic life of six years.

Internally generated: Research & development Costs

- i) Research costs are charged to the statement of Profit and Loss in the year in which they are incurred.
- ii) Product development costs incurred on new dies and moulds and new products are recognised as intangible assets, when feasibility has been established, the Group has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits.

The cost of an internally generated intangible asset is the sum of directly attributable expenditure incurred from the date when the intangible asset first meets the recognition criteria to the completion of its development.

Product development costs is amortised over the life of the related product, being a period of 6 years. Product development expenditure is measured at cost less accumulated amortisation and impairment, if any. Amortisation is not recorded on product engineering in progress until development is complete.

e. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur.

f. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

g. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, wherever considered necessary. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw material, stores and spares, packing materials, trading and other products are determined on weighted average basis. Work-in-progress is carried at cost or net realisable value whichever is lower.

h. Revenue Recognition

The Group derives revenues primarily from manufacturing and sale of automotive components and moulds.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Arrangements with customers for sale of automotive components and moulds are mostly on a fixed – price basis.

Revenue from fixed-price contracts is recognised when the performance obligations are satisfied upon delivery of components to the customers and where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the rateable allocation of the discounts / incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount / incentive. Also, when the level of discount varies with increase in levels of revenue transactions, the Group recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

Dividend income is recognized when the right to receive payment is established.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

i. Foreign currency transactions

The Group's financial statements are presented in INR, which is also its functional currency.

Foreign currency transactions are initially recorded in functional currency using the exchange rates at the date of the transaction.

At each balance sheet date, foreign currency monetary items are reported using the exchange rate prevailing at the year end.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

j. Taxes on income

Current tax

Current tax is measured at the amount expected to be paid / recovered to / from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity / other comprehensive income is recognised under the respective head and not in the statement of profit & loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT), paid in accordance with the Income Tax Act, 1961 gives rise to expected future economic benefits in the form of adjustment of future tax liability arising within a specified period, is recognised as an asset only to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of MAT credit asset is written down to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity / other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

k. Employee benefits

Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled within twelve months of rendering the service are recognised in the period in which the employee renders the related service and are measured at the undiscounted amount expected to be paid.

Other long-term employee benefit obligations

Other long-term employee benefits are recognised as an expense in the statement of profit and loss as and when they accrue. The Group determines the liability using the Projected Unit Credit Method, with actuarial valuations carried out as at the balance sheet date. Actuarial gains and losses in respect of such benefits are charged to the statement of profit and loss.

Post-employment obligations

Defined contribution plans:

The Group makes payments made to defined contribution plans such as provident fund and employees' state insurance fund. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Defined benefit plans:

The Group has defined benefit plan namely gratuity fund for employees. The gratuity fund is recognised by the income tax authorities and is administered through trusts set up by the Group. Any shortfall in the size of the fund maintained by the trust is additionally provided for in profit or loss. The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

l. Employee Share based Payments

The Parent Company operates equity settled share-based plan for the employees (Referred to as employee stock option plan (ESOP)). ESOP granted to the employees are measured at fair value of the stock options at the grant date using Black-Scholes model. Such fair value of the equity settled share based payments are amortised on a straight line basis over the vesting period, based on the Parent Company's estimate of equity shares that will eventually vest, with a corresponding increase in equity (employee stock option reserve). At the end of each reporting period, the Parent Company revises its estimate of number of equity shares expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Consolidated Statement of Profit and Loss such that cumulative expense reflects the revised estimate, with a corresponding adjustments to the employee stock option reserve.

The Parent Company recovers the expenses incurred on behalf of its subsidiary for the stock options granted to the employees of the subsidiaries.

m. Royalty

The Group pays/ accrues for royalty in accordance with the relevant licence agreement with the technical know-how provider. The lump sum royalty incurred towards obtaining technical assistance / technical know-how and engineering support to manufacture new parts, ownership of which rests with the technical know-how provider, is recognised as an intangible asset. Royalty payable on sales of products i.e. running royalty is charged to the statement of Profit and loss as and when incurred.

n. Leases

As a lessee:

The Group recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease Liability

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

Right of Use (ROU) Assets

The ROU assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 2.3, Impairment of non-financial assets.

ROU assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. The depreciation starts at the commencement date of the lease.

Lease liability and ROU asset is separately presented in the balance sheet and lease payments is classified as financing cash flows.

As a lessor :

The Group enters into lease arrangements as a lessor with respect to some of its investment properties and buildings.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

o. Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and 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 recognised as a finance cost.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

p. Earnings per share

Basic earnings per equity share is computed by dividing the net profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares during the year.

q. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31st, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

r. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

s. Fair value measurement

The Group measures financial instruments such as derivatives and certain investments, at fair value at each balance sheet date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

t. 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.

(a) Financial assets

Classification

The Group classifies financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flows characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in below categories:

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

• Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

• Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

• Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Derecognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Investment in subsidiaries, joint ventures and associates

The Group has accounted for its investment in subsidiaries, joint ventures and associates at cost.

Impairment of financial assets

The Group assesses impairment based on expected credit losses (ECL) model for measurement and recognition of impairment loss, the calculation of which is based on historical data, on the financial assets that are trade receivables or contract revenue receivables and all lease receivables.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables and all lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument.
 - Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms
- As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the Group estimates the following provision matrix at the reporting date:

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years
Default rate	0.05%	1.00%	50.00%	75.00%	100.00%

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

(b) Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at amortised cost**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Notes to Consolidated Financial Statements for the year ended 31st March, 2024

(d) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

u. Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as capital grant which is recognized as income in statement of profit and loss over the period and in proportion in which depreciation is charged.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

v. Unless specifically stated to be otherwise, these policies are consistently followed.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Group has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Group, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

(b) Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(d) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgments in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

3. Property, plant and equipment

Particulars	Land	Factory Building	Building Renovation	Plant & Machinery	Furniture & fixtures	Vehicle	Office Equipment	Dies & Molds	Computer	Total
Cost										
As at 1 st April, 2022	2,225.16	11,168.60	91.03	20,792.10	849.17	896.76	422.86	4,460.11	472.95	41,378.74
Additions	-	1,099.16	109.24	4,211.59	184.64	29.34	121.58	590.48	84.60	6,430.63
Disposals	-	-	-	26.98	6.07	7.98	-	-	0.69	41.72
As at 31 st March, 2023	2,225.16	12,267.76	200.27	24,976.71	1,027.74	918.12	544.44	5,050.59	556.86	47,767.65
Additions	-	11.91	-	1,408.26	33.39	72.39	18.99	584.34	27.55	2,156.82
Disposals	-	-	-	44.67	-	75.20	-	-	-	119.87
As at 31 st March, 2024	2,225.16	12,279.67	200.27	26,340.30	1,061.13	915.31	563.43	5,634.93	584.41	49,804.60
Depreciation										
As at 1 st April, 2022	69.52	1,893.69	2.87	8,835.00	350.67	527.83	315.64	1,679.53	316.29	13,991.05
Depreciation charge for the year 2022-23	21.24	416.56	32.11	1,918.06	81.95	84.14	39.60	182.94	54.68	2,831.28
Disposals	-	-	-	15.00	0.48	5.57	-	-	0.65	21.70
As at 31 st March, 2023	90.76	2,310.25	34.98	10,738.06	432.14	606.40	355.24	1,862.47	370.32	16,800.63
Depreciation charge for the year 2023-24	21.24	448.35	38.21	2,045.88	90.58	64.50	43.60	233.80	68.21	3,054.36
Disposals	-	-	-	31.99	-	48.69	-	-	-	80.68
As at 31 st March, 2024	112.00	2,758.60	73.18	12,751.95	522.72	622.21	398.84	2,096.27	438.53	19,774.31
Net book value										
As at 31 st March, 2024	2,113.16	9,521.07	127.09	13,588.35	538.40	293.10	164.59	3,538.66	145.88	30,030.29
As at 31 st March, 2023	2,134.40	9,957.51	165.29	14,238.65	595.59	311.72	189.20	3,188.12	186.54	30,967.06

Note : Property, plant & equipment refer material accounting policy information no 2.2b

(i) Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021

- I. Refer note 18 for property, plant and equipment pledged / hypothecated as security for borrowing by the group.
- II. The Group has not revalued its Property, Plant and Equipment during the year.
- III. The title deeds of all the immovable properties held by the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

3a. Capital work-in-progress

Particulars	Building Construction	Plant & Machinery	Furniture & Fixtures	Office Equipment	Dies & Moulds	Computer	Total
As at 31 st March, 2022	298.90	1,752.57	23.85	3.03	0.31	-	2,078.66
Additions	794.44	2,252.30	108.20	49.85	45.37	13.03	3,263.19
Disposals / capitalizations	994.68	3,232.38	120.52	52.29	27.69	13.03	4,440.58
As at 31 st March, 2023	98.66	772.49	11.53	0.59	17.99	0.00	901.27
Additions	435.87	1,400.25	37.89	22.90	3.87	89.58	1,990.36
Disposals / capitalizations	11.91	1,346.57	31.36	13.60	2.18	3.06	1,408.68
As at 31 st March, 2024	522.62	826.17	18.06	9.89	19.68	86.52	1,482.94

a) Ageing of Capital work-in-progress as at 31.03.2024

Capital work-in-progress	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,089.71	393.24	-	-	1,482.94
Projects temporarily suspended	-	-	-	-	-

b) Ageing of Capital work-in-progress as at 31.03.2023

Capital work-in-progress	Amount of Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	901.27	-	-	-	901.27
Projects temporarily suspended	-	-	-	-	-

i) There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

4. Right of use assets

Particulars	Leasehold Building	Vehicle	IT Assets	Total	Lease liabilities
As at 1 st April, 2022	100.84	58.40	-	159.24	161.16
Additions	25.85	18.87	-	44.73	44.73
Cancellation of Lease	58.89	-	-	58.89	(47.34)
Depreciation	46.69	24.43	-	71.12	-
Acc. Dep. Of cancelled lease	13.50	-	-	13.50	-
Finance cost	-	-	-	-	8.57
Lease payments	-	-	-	-	(76.12)
As at 31 st March, 2023	34.61	52.84	-	87.46	90.99
Additions	349.78	62.11	7.56	419.44	384.42
Cancellation of lease	55.28	-	-	55.28	(19.54)
Depreciation	113.03	36.39	0.40	149.82	-
Accumulated Depreciation on Cancellation of lease	36.86	-	-	36.86	-
Finance cost	-	-	-	-	11.92
Lease payments (outflow)	-	-	-	-	(161.37)
As at 31 st March, 2024	252.94	78.55	7.15	338.65	306.42
Non-current portion	-	-	-	-	199.65
Current portion	-	-	-	-	106.77
As at 31 st March, 2024	-	-	-	-	306.42
Non-current portion	-	-	-	-	33.19
Current portion	-	-	-	-	57.81
As at 31 st March, 2023	-	-	-	-	90.99

The maturity analysis of lease liabilities are disclosed in Note 44.

The weighted average incremental borrowing rate applied to lease liabilities is 7.55%-9.02%.

Amounts recognised in the statement of profit & loss related to leases are as under:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation expense of right-of-use assets	124.00	93.74
Interest expense on lease liabilities	10.73	8.57
Expense relating to short term and low value leases (included in other expenses)- Ref. Note 37	4.50	37.94
Total	139.23	140.26

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

5. Other Intangible assets

Cost	Software	Technical Know How	Website Development	Product Development	Total
As at 1 st April, 2022	555.48	1,532.05	3.13	-	2,090.65
Additions	93.88	58.05	-	-	151.93
Disposals	-	-	-	-	-
As at 31 st March, 2023	649.36	1,590.10	3.13	-	2,242.58
Additions	48.33	129.63	-	137.84	315.80
Disposals	-	-	-	-	-
As at 31 st March, 2024	697.69	1,719.73	3.13	137.84	2,558.38
Amortisation					
As at 1 st April, 2020	144.56	647.22	-	-	791.78
As at 1 st April, 2022	279.90	926.95	-	-	1,207.47
Amortization charge for the year 2022-2023	73.97	135.55	0.27	-	209.79
Disposals	-	-	-	-	-
As at 31 st March, 2023	353.88	1,062.50	0.27	-	1,417.26
Amortization charge for the year 2023-2024	63.61	129.53	0.27	16.90	210.31
Disposals	-	-	-	-	-
As at 31 st March, 2024	417.49	1,192.03	0.54	16.90	1,627.57
Net book value					
As at 31 st March, 2024	280.20	527.70	2.59	120.94	930.82
As at 31 st March, 2023	295.48	527.60	2.86	-	825.32

5a. Intangible assets under development

	Software	Intangible Asset- Product Development	Total
As at 1 st April, 2020	-	-	-
Additions	96.36	2.39	98.75
Disposals / capitalizations	79.71	-	79.71
As at 1 st April, 2021	16.65	2.39	19.05
Additions	3.50	66.34	69.84
Disposals / capitalizations	20.15	-	20.15
As at 31 st March, 2022	-	68.73	68.73
Additions	1.33	183.77	185.09
Disposals / capitalizations	1.33	78.43	79.75
As at 31 st March, 2023	-	174.07	174.07
Additions	37.08	173.46	210.54
Disposals / capitalizations	34.00	139.69	173.69
As at 31 st March, 2024	3.08	207.84	210.92

a) Ageing of intangible assets under development as at 31.03.2024

Particulars	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	123.20	87.71	-	-	210.92
Projects temporarily suspended	-	-	-	-	-

b) Ageing of intangible assets under development as at 31.03.2023

Particulars	Amount of intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	174.07	-	-	-	174.07
Projects temporarily suspended	-	-	-	-	-

i) There is no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

6. Investments	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
(a) Investment in equity shares of joint venture company at cost				
Unquoted				
PPAP Tokai India Rubber Private Limited 4,85,00,000 (31 st March, 2023 : 4,85,00,000) equity shares of ₹ 10 each fully paid up	3,468.70	3,532.58		
	3,468.70	3,532.58		
Other Investments				
(b) Investment in Preference Shares at fair value through profit or loss				
Unquoted				
0.001% Compulsorily Convertible Preference Shares of Motovolt Mobility Private Limited: 4,87,800 (March 31, 2023: 4,87,800) Shares of ₹ 10 each fully paid up #	200.00	200.00		
	200.00	200.00		
(c) Investment in mutual fund at fair value through profit or loss				
Quoted				
ICICI Mutual Fund: 3124.821 (March 31, 2023: 2,69,773.741) units			12.02	63.70
PGIM Flexi Cap: 41080.896 (March 31, 2023: 26,138.897) units			13.76	6.43
ABSL Multicap: 84268.6 (March 31, 2023: 51,895.347) units			14.00	6.20
Aditya Birla Sunlife Mutual Fund: 19,51,999.543 (March 31, 2023: 9,83,821) units			522.60	338.77
Canara Robecco Emerging Equities: 6496.21 (March 31, 2023: 3964.579) units			14.04	6.51
Axis Midcap: 15446.494 (March 31, 2023: 10079.176) units			12.83	6.48
SBI Contra: 4862.165 (March 31, 2023: 3175.039) units			16.29	7.19
Mirae Asset Focused Equity: nil (March 31, 2023: 33551.121) units			-	5.98
HDFC Large And Midcap Fund: 3392.036 (March 31, 2023: 1426.197) units			9.76	2.74
Mahindra Manulife Multi Cap Badhat Yojana: 31434.071 (March 31, 2023: 4882.258) units			9.41	1.48
ICICI Pru Savings Fund: 794.59 (March 31, 2023 nil) units			3.06	-
Kotak Mutual Fund: 3054.99 (March 31, 2023: nil) units			2.07	-
			629.84	445.48
Total	3,668.70	3,732.58	629.84	445.48

* Financial guarantees given to subsidiary was initially recognised at fair value will continue to be accounted as Other Equity Investment until the investment in subsidiary is derecognised or impaired.

These preference shares are non-cumulative. Cost is treated as fair value as there is no significant observable input available for the same.

Aggregate market value of quoted investments	629.84	445.48
Aggregate value of unquoted investments	3,668.70	3,732.58
Aggregate amount of impairment in value of investments	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

7. Other financial assets (Unsecured, considered good)	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Security Deposits	234.81	216.79		
Bank deposits (maturing after 12 months from the Balance Sheet date) *	64.64	244.87	224.72	21.38
Bank deposits with original maturity of more than three months but less than 12 months *			30.28	92.29
Interest accrued on deposits			2.41	35.18
Insurance claim receivable			43.81	43.77
Share based Payments to employees of Subsidiary & Joint Venture			7.43	1.85
Other financial assets			0.26	6.00
Derivative instruments at fair value through profit or loss				
Foreign exchange forward contracts not qualifying or not designated in hedge accounting relationships			0.82	6.71
Total	299.45	461.66	309.73	207.18

Derivative instruments at fair value through profit or loss

Derivative instruments at fair value through profit or loss reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

* Bank deposits

Bank deposits are held as security against letter of credit and bank guarantees.

8. Tax assets (net)	As at 31.03.2024	As at 31.03.2023
Tax assets (net of provision for income tax)	168.70	113.82
Total	168.70	113.82

9. Other non-current assets (Unsecured, considered good)	As at 31.03.2024	As at 31.03.2023
Capital advances	1,218.60	941.91
Prepaid expenses	20.93	-
Other non current assets	27.94	79.55
Total	1,267.47	1,021.46

10. Inventories	As at 31.03.2024	As at 31.03.2023
Raw materials	3,138.16	3,317.81
Stock in trade	293.55	202.87
Work-in-progress	1,179.38	2,354.65
Finished goods	2,006.87	1,366.57
Stores and spares	311.13	365.18
Goods in transit	5.51	5.43
Total	6,934.60	7,612.51

Note:

a. Refer note 18(VII) for inventory pledged / hypothecated as security for borrowing by the group.

b. For mode of valuation refer material accounting policy information number 2.3 (v)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

	As at 31.03.2024	As at 31.03.2023
Unsecured, considered good	7,266.75	6,511.00
Unsecured, credit impaired	29.04	3.91
	7,295.79	6,514.91
Less: Impairment allowance for trade receivable - credit impaired	29.04	3.91
Total	7,266.75	6,511.00

Trade receivables Outstanding for following periods from due date of payment	As at 31.03.2024							Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Other	
(i) Undisputed Trade receivables – considered good	6,559.72	625.54	64.11	13.59	3.79	-	-	7,266.75
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.37	0.45	15.98	12.24	-	-	29.04
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	45.96	19.39	-	15.84	-	-	-
Total	6,559.72	671.87	83.95	29.56	31.87	-	-	7,295.79 (29.04)
Less: Impairment allowance for trade receivable - credit impaired								(29.04)
Net Trade receivables	6,559.72	671.87	83.95	29.56	31.87	-	-	7,266.75

Note: Trade receivables includes amount to be billed to the customers amounting to ` 1,044.39 lakhs (31st March 2023: nil) included under "Not Due"category.

Trade receivables Outstanding for following periods from due date of payment	As at 31.03.2023							Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Other	
(i) Undisputed Trade receivables – considered good	5,557.21	608.94	343.57	1.28	-	-	-	6,511.00
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	0.33	3.58	-	-	-	-	3.91
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Total	5,557.21	609.27	347.15	1.28	-	-	-	6,514.92 (3.91)
Less: Impairment allowance for trade receivable - credit impaired								(3.91)
Net Trade receivables	5,557.21	609.27	347.15	1.28	-	-	-	6,511.00

Trade receivable are due from directors or other officers of the Group either severally or jointly with any other person

Due from firms or private companies respectively in which any director is a partner, a director or a member

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

	As at 31.03.2024	As at 31.03.2023
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Balances with banks		
On current accounts	150.10	42.14
Deposits with maturity of less than 3 months	-	16.68
Cash on hand	42.67	23.78
Total	192.77	82.60

For the purpose of statement of cash flows, cash and cash equivalents comprises the following:

Balance with banks		
On current accounts	150.10	42.14
Deposits with original maturity of less than 3 months	-	16.68
Cash on hand	42.67	23.78
Total	192.77	82.60

13. Other balances with banks	As at 31.03.2024	As at 31.03.2023
Bank Balance: unpaid dividend account (earmarked balances with banks)	11.21	11.38
Total	11.21	11.38

14. Loans	As at 31.03.2024	As at 31.03.2023
Other loans		
(Unsecured, considered good)	-	-
Loan to staff	44.64	0.11
Labour welfare receivable	19.31	8.26
Total	63.95	8.37

Loans are non-derivative financial assets which generate a fixed or variable interest income for the group. The carrying value may be affected by changes in the credit risk of the counterparties.

15. Other current assets(Unsecured, considered good)	As at 31.03.2024	As at 31.03.2023
Advance to suppliers & contractors	169.38	191.99
Prepaid expenses	289.09	262.86
Balances with government authorities	1,206.29	1,181.10
Other current assets	44.49	0.20
Total	1,709.26	1,636.15

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

16. Equity share capital	As at 31.03.2024	As at 31.03.2023
Authorized		
2,00,00,000 equity shares of ` 10 each (PY 2,00,00,000 equity shares of ` 10 each)	2,000.00	2,000.00
Subscribed and fully paid up		
1,40,00,000 equity shares of ` 10 each (PY 1,40,00,000 equity shares of ` 10 each)	1,400.00	1,400.00
Total	1,400.00	1,400.00

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	14,000,000	1,400.00	14,000,000	1,400.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	14,000,000	1,400.00	14,000,000	1,400.00

B. Terms / Rights attached to equity shares

The parent company has only one class of equity share having face value of ` 10 per share. The holder of the equity shares is entitled to receive dividend as declared from time to time. The holder of share is entitled to voting rights proportionate to their share holding.

In the event of liquidation of the Parent Company, the holders of equity shares will be entitled to receive assets of the Parent Company remaining after settlement of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

C. Following shareholders hold equity shares more than 5% of the total equity shares of the Parent Company:

Name of Shareholder	As at 31.03.2024		As at 31.03.2023	
	Number of shares held	% of holding in class	Number of shares held	% of holding in class
Ajay Kumar Jain	3,867,180	27.62%	3,867,180	27.62%
Abhishek Jain	1,002,404	7.16%	1,002,404	7.16%
Kalindi Farms Private Limited	3,200,000	22.86%	3,200,000	22.86%

D. Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash.

Particulars	As at 31.03.2024	As at 31.03.2023
Aggregate number and class of shares for a period of 5 years immediately preceding pursuant to contract(s) without payment being received in cash	Nil	Nil

E. Details of Promoter's Shareholding

S. No.	Promoter's Name	As at 31.03.2024		As at 31.03.2023		% change during the year
		No. of Shares	% of shares held	No. of Shares	% of shares held	
1	Ajay Kumar Jain	3,867,180	27.62%	3,867,180	27.62%	0.00%
2	Abhishek Jain	1,002,404	7.16%	1,002,404	7.16%	0.00%
3	Vinay Kumari Jain	533,890	3.81%	533,890	3.81%	0.00%
4	Ajay Kumar Jain (HUF)	90,123	0.64%	90,123	0.64%	0.00%
5	Rashi Jain	45,540	0.33%	45,540	0.33%	0.00%
6	Kalindi Farms Private Limited	3,200,000	22.86%	3,200,000	22.86%	0.00%
7	Prism Suppliers Private Limited	193,700	1.38%	193,700	1.38%	0.00%
8	Smart Commotrade Private Limited	168,030	1.20%	168,030	1.20%	0.00%

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

	(` in lacs)
	Amount
17. Other equity	
a) Securities premium	
As at 1 st April, 2022	7,000.00
Issue of equity shares	-
As at 1 st April, 2023	7,000.00
Issue of equity shares	-
As at 31 st March, 2024	7,000.00
b) Actuarial gains / losses on defined benefit employee obligations	
As at 1 st April, 2022	(72.07)
Other comprehensive income for the period	(17.89)
As at 1 st April, 2023	(89.96)
Other comprehensive income for the period	52.02
As at 31 st March, 2024	(37.94)
c) Share based payments reserve	
As at 1 st April, 2022	-
SBP Reserve for the period	48.76
As at 1 st April, 2023	48.76
SBP Reserve for the period	136.17
As at 31 st March, 2024	184.93
d) General reserve	
As at 1 st April, 2022	1,158.95
Add: Transferred from retained earnings	-
As at 1 st April, 2023	1,158.95
Add: Transferred from retained earnings	-
As at 31 st March, 2024	1,158.95
e) Retained earnings	
As at 1 st April, 2022	20,901.47
Profit for the period	(594.43)
Less: Final dividend paid	(350.00)
As at 1 st April, 2023	19,957.04
Profit for the period	(1,303.88)
Less: Final dividend paid	(70.00)
As at 31 st March, 2024	18,583.16
Total other equity	
As at 31 st March, 2024	26,889.10
As at 31 st March, 2023	28,074.79

Nature and purpose of reserves

- Securities premium**
The amount received in excess of face value of the equity shares is recognised in securities premium.
- Actuarial gains / losses on defined benefit employee obligations**
The amount of actuarial gains / losses recognised on post employment defined benefit employee obligations till date. Actuarial gains / losses are differences between any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans which are recognised in 'other comprehensive income' and subsequently not reclassified to the statement of profit and loss.
- General reserve**
The general reserve is free reserve which is created from time to time on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income, items included in general reserve will not be reclassified subsequently to profit or loss.
- Retained earnings**
Retained earnings are the profits that the group has earned till date, less any transfers to general reserve, dividends or other distributions paid to investors.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

	Non-current		Current	
	As at	As at	As at	As at
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
18. Borrowings				
Secured				
Term loans				
Term loan from banks (refer note I below)	8,824.14	8,448.46	136.18	136.18
Term loan from financial institution (refer note III below)	481.93	393.97		499.71
Vehicle loans				
From banks (refer note IV below)	109.48	83.45	-	-
Less: Current maturities	(2,720.48)	(1,761.08)	2,720.48	1,761.08
Working capital loans from banks	-	-	5,394.03	4,526.64
Unsecured				
Term loan from financial institution	664.81	827.22	162.73	162.73
Supplier Finance Arrangements (refer note VIII below)	-	-	155.00	-
Total	7,359.88	7,992.02	8,568.42	7,086.34

Terms of borrowings

Type of loan	Loan outstanding		MCLR/ Repo. Rate (% per annum)	Spread (% per annum)	Repayment terms
	As at 31.03.2024	As at 31.03.2023			
AXIS bank term loan	425.93	648.15	6.50	2.90	Repayable in 23 monthly installment ` 18.52 lakhs each.
	1,419.44	1,906.11	6.40	2.90	Repayable in 35 monthly installment ` 40.56 lakhs each.
	200.93	269.81	6.40	2.90	Repayable in 35 monthly installment ` 5.74 lakhs each.
	1,800.00	-	6.50	2.40	Repayable in 20 quarterly installment ` 90.00 lakhs each.
	900.00	-	6.50	2.40	Repayable in 20 quarterly installment ` 45.00 lakhs each.
HDFC bank term loan	630.00	990.45	9.25	0.45	Repayable in 7 quarterly installment ` 90.00 lakhs each.
	110.53	173.24	9.25	0.45	Repayable in 7 quarterly installment ` 15.79 lakhs each.
	1,555.56	2,000.00	8.70	0.45	Repayable in 14 quarterly installment ` 111.11 lakhs each.
HSBC bank term loan	192.53	328.43	8.75	0.25	Repayable in 17 monthly installment ` 11.33 lakhs each.
HSBC bank term loan	1,019.67	1,341.67	8.90	0.25	Repayable in 38 monthly installment ` 26.83 lakhs each.
HSBC bank term loan	266.50	344.50	8.48	0.25	Repayable in 41 monthly installment ` 6.50 lakhs each.
HSBC bank term loan - see Note II below	430.91	567.05	7.08	2.00	Repayable in 20 quarterly installments.
Term loan from financial institution (PICUP) - see Note III below	1,309.47	1,056.41	-	-	Repayable in one installment after seven years from the date of disbursement i.e. 02.11.2018 for ` 432.99 lakhs and 30.03.2022 for ` 121.66 lakhs.
Term loan from financial institution (Tata Capital Financial Services Ltd.)	827.54	989.95	11.00		Repayable in 36 monthly installments
Vehicle loans from banks- see Note IV below	109.48	83.45	7 % to 8.36% per annum	-	Repayable in equal monthly instalments of 1 to 60 months
Working capital loans from banks- see Note VI & VII below	5,394.03	4,526.64	see Note VI & VII below		On demand

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

Note i:

Term loans from banks are secured by first pari passu charge on current assets, moveable fixed assets and factory land and building of the Parent Company situated at Kasna, Greater Noida. Further, term loan from Axis bank is secured by first pari passu charge on immovable property situated at Sector-81, B Block, Phase -II, Noida.

Note ii:

Secured by Corporate guarantee from Parent Company, PPAP Automotive Limited.

Note iii:

Loan from State Owned Corporation, viz. The Pradeshiya Industrial & Investment Corporation of U.P. Limited is secured by bank guarantee equivalent to 100% of loan amount.

Note iv:

Secured by way of hypothecation of vehicles.

Note v:

The Group has used the loans for the purpose for which these were taken.

Note vi:

Working capital loans from banks are secured by hypothecation of inventories, book debts, other current assets and factory land & building situated at Sector-81, Phase-II, Noida on first pari passu basis. Further, working capital facilities from Axis Bank & ICICI Bank are secured by first pari passu charge on immovable property situated at Kasna, Greater Noida.

Secured by Corporate guarantee from Parent Company, PPAP Automotive Limited in case of loan by subsidiary company and secured against fixed deposit of ₹ 120 lakhs.

Note vii:

Bank	Facility	Limit	MCLR / Repo. Rate (% per annum)	Spread (% per annum)
HSBC Bank	CC	2,000.00	8.60	0.85
HDFC Bank	CC	1,800.00	9.15	-
ICICI Bank	CC	2,200.00	9.00	0.10
Axis Bank	CC	100.00	8.90	-
HSBC Bank	CC	600.00	6.86	3.50
ICICI Bank	CC	191.00	8.35	-
Axis Bank	CC	500.00	6.50	3.35

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

In pursuant to borrowing taken by the group from banks on security of current assets, the group is required to submit the information periodically which includes the stock statement, trade receivable and trade payable etc. During the current year, the group has submitted the following financial information to all banks from whom working capital demand loan has been taken on quarterly basis which in some of these cases is not reconciled with books as follows:

Particulars/ ending	Quarter	Amount as per books of accounts	Amount as reported in the quarterly return /statement	Difference	Reason for material discrepancies
Inventories					
30.06.2023		6,721.96	6,104.76	617.20	Due to timing differences in reporting to bank and routine book closure process.
30.09.2023		6,598.81	6,135.35	463.46	
31.12.2023		6,299.57	6,099.19	200.38	
31.03.2024		5,850.43	5,718.65	131.78	
Trade Receivables					
30.06.2023		5,594.53	5,709.02	(114.49)	Due to timing differences in reporting to bank and routine book closure process.
30.09.2023		5,935.42	5,990.47	(55.05)	
31.12.2023		5,000.67	5,045.75	(45.08)	
31.03.2024		5,707.32	5,770.49	(63.17)	
Trade Payables					
30.06.2023		3,680.63	3,682.27	(1.64)	Due to timing differences in reporting to bank and routine book closure process.
30.09.2023		4,261.14	4,263.13	(1.99)	
31.12.2023		3,346.13	3,346.13	(0.00)	
31.03.2024		3,710.18	3,736.83	(26.65)	
Inventories					
30.06.2022		4,758.10	4,327.99	430.11	Due to timing differences in reporting to bank and routine book closure process.
30.09.2022		5,535.47	4,769.89	765.58	
31.12.2022		6,195.32	5,505.85	689.47	
31.03.2023		5,812.34	5,672.02	140.32	
Trade Receivables					
30.06.2022		6,393.51	6,258.46	135.05	Due to timing differences in reporting to bank and routine book closure process.
30.09.2022		5,532.00	5,618.22	(86.22)	
31.12.2022		6,366.67	6,070.40	296.27	
31.03.2023		6,191.17	5,861.52	329.65	
Trade Payables					
30.06.2022		3,306.67	3,289.78	16.89	Due to timing differences in reporting to bank and routine book closure process.
30.09.2022		3,364.11	3,357.85	6.26	
31.12.2022		3,524.35	3,524.37	(0.02)	
31.03.2023		3,852.34	3,868.95	(16.61)	

Note VIII: Supplier finance arrangement (reverse factoring) with Mynd Solutions Private Limited at bid rate of 7.35- 7.70 % and repayment period 15-90 days after invoice date.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

19. Other financial liabilities

	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Security deposits	-	-	-	44.18
Interest accrued on borrowings	3.45	-	32.73	43.73
Creditors for expenses	-	-	738.98	537.90
Unclaimed dividends	-	-	11.21	10.82
Fair Value of Financial Guarantee given	-	0.01	-	-
Total	3.45	0.01	782.92	636.63

(₹ in lacs)

20. Provisions

	Non-current		Current	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits				
Provision for gratuity	368.40	434.66	73.98	74.65
Provision for compensated absences (Refer note 35 for Ind AS 19 disclosures)	193.43	163.23	29.74	28.64
Total	561.83	597.89	103.72	103.29

21. Income Taxes

The major components of income tax expense for the year ended 31st March, 2024 and 31st March, 2023 are:

A. Statement of profit and loss

(i) Profit & loss section

Particulars	As at 31.03.2024	As at 31.03.2023
Current income tax charge	17.78	119.58
Adjustments in respect of current income tax of previous year	(19.60)	44.12
Deferred tax		
Relating to origination and reversal of temporary differences	500.27	(80.56)
Income tax expense reported in the statement of profit & loss	498.44	83.14
(ii) OCI section		
Particulars	As at 31.03.2024	As at 31.03.2023
Deferred tax related to items recognised in OCI during the year:		
Net (loss) / gain on remeasurements of defined benefit plans	(17.36)	6.28
Income tax charged to OCI	(17.36)	6.28

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

B. Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for financial year ended 31st March, 2024 and 31st March, 2023.

Particulars	As at 31.03.2024	As at 31.03.2023
Accounting profit before tax from continuing operations	(741.75)	250.64
Profit / (loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	(741.75)	250.64
At India's statutory income tax rate of 25.168% (31 st March, 2023: 25.168%)	(209.39)	254.70
Adjustments in respect of current income tax of previous years	27.78	44.12
Net disallowances on which deferred tax is not recognised	26.82	6.66
Adjustment for taxable timing difference	729.69	-
Income taxed at special rate	(2.00)	-
Exempted income / deductions	(5.98)	(18.25)
Incremental deferred tax on account of financial assets and other items	(68.47)	(31.44)
Unabsorbed losses and depreciation carry forward and set off	-	(172.64)
	498.44	83.14
Income tax expense reported in the statement of profit and loss	498.44	83.14
Income tax attributable to a discontinued operation	-	-
	498.44	83.14

C. Deferred tax

Deferred tax relates to the following:

Particulars	Balance sheet		Statement of profit and loss / OCI	
	As at 31.03.2024	As at 31.03.2023	Year ended 31.03.2024	Year ended 31.03.2023
Accelerated depreciation for tax purposes	1,178.75	1,055.68	(123.07)	(261.30)
Unabsorbed losses and depreciation	(636.27)	(341.77)	294.50	272.02
Provision for gratuity & leave encashment	(261.45)	(260.89)	0.57	30.97
Reversal of deferred tax assets on cancellation of leased assets	-	0.44	0.44	-
Adjustment for timing difference	729.69	-	(729.69)	-
Present valuation of borrowings & other items of temporary differences	15.79	55.40	39.61	45.15
Modification of financial liability	(25.77)	-	-	-
Deferred tax (expense) / income			(517.63)	86.84
Net deferred tax (assets) / liabilities	1,000.75	508.87		
Reflected in the balance sheet as follows:				
Particulars	As at 31.03.2024	As at 31.03.2023		
Deferred tax assets	(897.72)	(602.65)		
Deferred tax liabilities	1,898.47	1,111.52		
Deferred tax liabilities (net)	1,000.75	508.87		

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

Reconciliation of deferred tax liabilities (net)

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance	508.87	595.29
Tax (income) / expense during the period recognized in profit & loss	500.27	(80.57)
Tax (income) / expense during the period recognized in OCI	17.36	(6.28)
Reversal of deferred tax assets on cancellation of leased assets	-	0.44
Modification of financial liability (PICUP4)	(25.77)	-
Closing balance	1,000.75	508.87

(₹ in lacs)

22. Trade payables

	As at 31.03.2024	As at 31.03.2023
total outstanding dues of micro and small enterprises	1,132.03	1,048.94
total outstanding dues of creditors other than micro and small enterprises	4,617.04	5,276.57
Total	5,749.07	6,325.51

Trade payables

As at 31.03.2024

Outstanding for following periods from due date of payment	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Other	Total
(i) MSME	1,111.68	20.06	-	-	-	-	1,131.74
(ii) Others	3,180.42	1,403.21	33.41	-	-	-	4,617.04
(iii) Disputed dues – MSME	-	-	0.29	-	-	-	0.29
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4,292.09	1,423.27	33.70	-	-	-	5,749.07

Trade payables

As at 31.03.2023

Outstanding for following periods from due date of payment	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Other	Total
(i) MSME	753.69	295.26	-	-	-	-	1,048.94
(ii) Others	3,804.99	1,471.58	-	-	-	-	5,276.57
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	4,558.68	1,766.84	-	-	-	-	6,325.51

23. Other current liabilities

	As at 31.03.2024	As at 31.03.2023
Advance from customers	2,172.84	1,382.83
Advance to staff	-	5.75
Statutory dues payable	613.05	594.44
Total	2,785.88	1,983.02

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

24. Current tax liabilities (net)

	As at 31.03.2024	As at 31.03.2023
Income tax provision (net of advance tax of ₹ 13.17 lakhs)	4.61	-
Total	4.61	-

25. Revenue from operations

	Year ended 31.03.2024	Year ended 31.03.2023
Sale of products		
Automotive parts	49,537.98	47,866.25
Moulds	2,556.11	3,181.78
	52,094.09	51,048.03
Other operating revenue		
GST subsidy	194.47	63.19
Investment subsidy on employment	3.21	-
Total	52,291.77	51,111.22

Note 25.1: Performance Obligation and disaggregation of revenue

The group recognised revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer and there is no unsatisfied performance obligation at the year end. The group operates and generates major revenue in domestic market.

Note 25.2: Timing of revenue recognition

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Goods transferred at a point in time	52,094.09	51,048.03

Note 25.3: Contract Balances

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Trade Receivables (including unbilled revenue)	7,266.75	6,511.00
Contract Liabilities (Advance from customers)	2,172.84	1,382.83

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	Year ended 31.03.2024	Year ended 31.03.2023
26. Other income		
Interest income	38.73	61.50
Profit on sale of investment	13.36	12.10
Gain on fair valuation of current investments	38.73	1.65
Foreign exchange gain	22.86	35.82
Profit on cancellation of leased assets	1.35	1.50
Rent received	13.34	13.34
Unclaimed balances written off	-	6.14
Hedging gain	-	1.61
Other Income	33.15	0.11
Allowance for credit loss (net)	-	1.06
Discount and short recovery	-	1.50
Guarantee/ Commission Income	4.73	4.73
Total	166.24	141.07
27. Cost of materials consumed		
	Year Ended 31.03.2024	Year ended 31.03.2023
Raw material	28,107.51	30,624.44
Dyes & chemicals	237.83	281.34
Packing material	1,036.63	944.86
Steel	513.54	508.77
Dies & molds	655.52	977.97
Total	30,551.03	33,337.37

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	Year ended 31.03.2024	Year ended 31.03.2023
28. Changes in inventories of finished goods, stock in trade and work-in-progress		
Inventories at the beginning of the year		
Work-in-progress	1,162.44	513.55
Finished goods	2,558.78	1,386.80
Total inventories at the beginning of the year (A)	3,721.22	1,900.35
Inventories at the end of the year		
Work-in-progress	682.90	2,403.10
Finished goods	2,594.02	1,529.61
Total inventories at the end of the year (B)	3,276.92	3,932.71
Total (A-B)	444.30	(2,032.35)
29. Employee benefits expense		
	Year ended 31.03.2024	Year ended 31.03.2023
Salaries and wages	8,486.55	7,297.82
Contribution to provident and other funds	377.59	339.39
Staff welfare expenses	654.93	653.38
Total	9,519.07	8,290.59
30. Finance costs		
	Year ended 31.03.2024	Year ended 31.03.2023
Interest expense	1,455.29	1,164.56
Interest on lease liabilities	11.92	8.57
Total	1,467.21	1,173.12
31. Depreciation and amortization expense		
	Year ended 31.03.2024	Year ended 31.03.2023
Depreciation of Property, Plant and Equipment (refer note 3)	3,054.40	2,831.28
Depreciation of Right of Use Assets (refer note 4)	149.83	71.12
Amortization of Intangible Assets (refer note 5)	210.30	209.79
Total	3,414.53	3,112.19

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

35. Employee benefit plans

Defined contribution plans - general description

Retirement benefits in the form of provident fund, superannuation fund and national pension scheme are defined contribution schemes. The Group has no obligation, other than the contribution payable to the provident fund. The Group's contribution to the provident fund is ₹ 315.43 lakhs (31st March, 2023: ₹ 273.36 lakhs).

Defined benefit plans - general description

Gratuity:

The Group has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement / termination / resignation. The benefit vests on the employee completing 5 years of service. The Company makes provision of such gratuity asset / liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarise the components of net benefit expense recognised in the statement of profit & loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Changes in the present value of the defined benefit obligation are as follows:	31.03.2024	31.03.2023
Defined benefit obligation at the beginning of the year	982.64	887.40
Current service cost	88.60	80.74
Past service cost	-	-
Interest cost	72.33	63.72
Benefits paid	(34.08)	-71.61
Actuarial (gain) / loss on obligations-OCI	(14.61)	22.39
Defined benefit obligation at the end of the year	1,094.89	982.64
Changes in the fair value of plan assets are as follows:	31.03.2024	31.03.2023
Fair value of plan assets at the beginning of the year	492.63	329.19
Contribution by employer	160.00	166.00
Benefits paid	(31.13)	(19.29)
Expected interest income on plan assets	-	-
Actual gain / (loss) on plan asset	35.10	16.73
Fair value of plan assets at the end of the year	656.60	492.63
Reconciliation of fair value of plan assets and defined benefit obligation	31.03.2024	31.03.2023
Fair value of plan assets	656.60	492.63
Defined benefit obligation	1,094.89	982.64
Amount recognised in the balance sheet	438.29	490.01
Amount recognised in statement of profit and loss	31.03.2024	31.03.2023
Current service cost	88.60	80.74
Net interest expense	35.45	40.08
Past service cost	-	-
Amount recognised in statement of profit and loss	124.05	120.82

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for the year ended 31st March, 2024

(₹ in lacs)

Amount recognised in other comprehensive income	31.03.2024	31.03.2023
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	13.75	(16.92)
Remeasurement return on plan assets excluding amount included in interest income	-	-
Actuarial (gain) / loss arising from experience adjustments	(28.12)	34.32
Amount recognised in other comprehensive income	(14.37)	17.40

The principal assumptions used in determining gratuity liability for the Group's plans are shown below:

	31.03.2024	31.03.2023
Discount rate	7.22%	7.36%
Expected rate of return on plan assets	7.22%	7.36%
Future salary increases	5.25%	5.25%
Attrition rate (up to 30 years)	3.00%	3.00%
Attrition rate (from 31 to 44 years)	2.00%	2.00%
Attrition rate (above 44 years)	1.00%	1.00%
Retirement age	58 years	58 years

A quantitative sensitivity analysis for significant assumption as at 31st March, 2024 and 31st March, 2023 is as shown below:

Gratuity plan	Sensitivity level		Impact on defined benefit obligation	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Assumptions				
Discount rate	+0.50%	+0.50%	(48.41)	(45.21)
	-0.50%	-0.50%	51.99	48.64
Future salary increases	+0.50%	+0.50%	51.84	48.74
	-0.50%	-0.50%	(48.95)	(45.86)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. Sensitivities due to mortality and withdrawals are insignificant and hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payments, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

The Group's best estimate of expense for the next Annual reporting period is ₹ 135.42 lakhs (31st March, 2023: ₹ 130.28 lakhs).

The expected maturity analysis of undiscounted gratuity is as follows:	31.03.2024	31.03.2023
Within the next 12 months (next annual reporting period)	73.98	74.65
Between 1 to 2 years	40.36	20.49
Between 2 to 3 years	59.18	40.08
Between 3 to 4 years	46.58	53.38
Between 4 to 5 years	55.25	40.75
Between 5 to 6 years	53.47	47.36
Over 6 years	766.06	705.93
Total expected payments	1,094.88	982.64

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 17.49 years (31st March, 2023: 16.42 years)

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for the year ended 31st March, 2024

(₹ in lacs)

36. Employee Share-based Payments

Refer Note k for accounting policy on Employee Share-based Payments

The parent company has formulated employee share-based payment schemes with the objective to reward the employees for their association and performance, to motivate them to contribute to the growth and profitability of the Group, to create a variable pay structure for the different employees, incentivize them in line with Group's performance, to retain and motivate senior and critical human resources, to promote loyalty to the Group and to achieve sustained growth and create shareholder's value by aligning the interests of the employees with the long-term interests of the Group.

The shareholders of the parent company by way of special resolution dated 16th September, 2022 approved the Plan authorizing the Committee to Grant not exceeding 7,00,000 Options to the eligible Employees in one or more tranches, from time to time, which in aggregate shall be exercisable into not more than 7,00,000 Shares of face value of ₹ 10 each fully paid up (which is 5% of the paid up capital of the Parent Company as on date), with each such Option conferring a right upon the Employees to apply for one Share in the Parent Company in accordance with the terms and conditions as may be decided under the Plan.

The maximum number of Options that may be granted per Employee and in aggregate shall be decided by the Committee depending upon the designation and the appraisal/ assessment process. However, the Grant of Options to identified Employees, shall not, at any time exceed the total Option pool size approved by the shareholders for ESOP 2022.

This Employee Stock Option Plan is called 'PPAP Employee Stock Option Plan 2022' ("ESOP 2022"/ "Plan") : The ESOP 2022 is established with effect from date of shareholders' approval i.e. 16th September, 2022 on which the shareholders of the Parent Company have approved it and shall continue to be in force until (i) its termination by the Board/ Committee as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the ESOP 2022 have been issued and exercised, whichever is earlier.

The fair value at grant date of stock options granted during the year ended 31/03/2024 was ₹ 234.45 . The fair valuation has been carried out by an independent valuer by applying Black and Scholes Model. The inputs to the model include the exercise price, the term of option, the share price at grant date and the expected volatility, expected dividends and the risk free rate of interest for terms of options. The details of options granted, the key assumptions for Fair Value on the date of grant are as under:

Particulars	ESOP 2022	
	Tranche- 2	Tranche- 1
Grant Date	09.11.2023	12.11.2022
Vesting period	18 months	18 months
Share price on grant date (₹)	245.85	205.50
Risk free interest rate (zero-coupon government issues of the country with a remaining term equal to the expected term of the option)	7.13%	7.51%
Dividend Yield	0.66%	0.73%
Expected Volatility (Standard Deviation)	52.77%	42.05%
The measure of volatility used in the Black Scholes options Pricing models is the annualised standard deviation of the continuously compounded rates of return on the parent company's share over life of the options		
Fair Value of option on grant date	234.45	196.60
Average time to maturity of option	1.75	1.75
Exercise Price	10	10
Weighted average exercise price per option	10	10
Weighted average remaining contractual life (months)	14	8
Options outstanding at beginning of the year	-	-
Options granted during the year	32,564	89,288
Options forfeited/ lapsed during the year	-	-
Options cancelled during the year	-	1,112
Options vested during the year	-	-
Options exercised during the year	-	-
Options expired during the year	-	-
Options outstanding at year end	32,564	88,176
Options vested and exercisable at year end	-	-
Vesting conditions	As per policy approved by Shareholders	

During the year, the group has recognised an expense of ₹ 136.17 lakhs (Previous year: ₹ 48.76 lakhs).

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(₹ in lacs)

37. Leases

Operating leases taken

The Group has taken certain building on operating lease arrangements. The lease expense recognized in the statement of profit and loss is ₹ 4.50 lakhs (31st March, 2023: ₹ 20.99 lakhs). The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 31.03.2024	As at 31.03.2023
Not later than one year	6.72	10.78
Later than one year and not later than five years	-	-
Later than five years	-	-
	6.72	10.78

Operating leases given

The Group has given certain properties on operating lease arrangements. The lease income recognised in the statement of profit and loss is ₹ 13.34 lakhs (31st March, 2023: ₹ 13.34 lakhs). The future minimum lease payments under non-cancellable operating leases are as follows:

	As at 31.03.2024	As at 31.03.2023
Not later than one year	13.34	13.34
Later than one year and not later than five years	-	-
Later than five years	-	-
	13.34	13.34

38. Commitments

- (i) Capital Commitments towards future liability for capital expenditure in respect of which contracts have been made (net of advances) are ₹ 398.80 lakhs (31st March, 2023: ₹ 473.64 lakhs)

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

	(` in lacs)	
	As at	As at
	31.03.2024	31.03.2023
39. Contingent liabilities not provided for in respect of		
Letters of guarantees	1,081.03	1,593.94
Letters of credit	15.21	-
Income tax appeal		
For assessment year 2017-18	41.37	41.37
GST appeals (includes excise and sales tax demands)	167.92	73.27
Show Cause Notice for short payment of excise duty	-	18.95
Total	1,305.53	1,727.53

Notes:

- (i) A demand of ` 41.37 lakhs has been raised for the assessment year 2017-18 for disallowance of 25% of royalty expense. The Group has filed an appeal before Hon'ble CIT(Appeals) against the order of disallowance of the royalty amount.
- (ii) Demand of excise duty of ` 1.06 lakhs along with penalty of ` 1.06 lakhs was imposed on the Group by Additional Commissioner, Central Excise, Delhi, for cenvat credit taken on payment of duty through DEPB license, under the Central Excise Act, 1944. The Group had filed an appeal against the aforesaid order with Commissioner of Central Excise, Okhla. The Commissioner of central excise has rejected the appeal. Thereafter, the Group has filed the appeal with the Central Excise & Service Tax Appellate Tribunal (CESTAT) and the appeal is pending.
- (iii) Demand of excise duty of ` 35.36 lakhs along with penalty of ` 35.36 lakhs was imposed on the Group by Additional Commissioner, Central Excise, Delhi, for cenvat credit taken on payment of duty through DEPB license, under the Central Excise Act, 1944 and was outstanding as on 31.03.2016. The Group had filed the appeal with the Central Excise & Service Tax Appellate Tribunal (CESTAT) and CESTAT has decided the case in favour of Group and set aside the demand. The Group approached the Delhi High Court against the order of CESTAT and the High Court has remanded the case back to CESTAT for hearing it again. The matter is pending in CESTAT, Delhi.
- (iv) The parent Group has received show cause notice dated 12.03.2019 from Directorate General of Goods and Service Tax Intelligence, Gurugram, Zonal Unit, alleging short payment of central excise duty (including education cess and S & H cess) to the tune of ` 410.05 lakhs for the period F.Y. 2013-14 to 30.06.2019 on the value of design / drawings / specifications supplied by Maruti Suzuki India Limited on FOC basis to the Group. ` 384.57 lakhs relates to B-45, B-206A and B-4, Kasna, Uttar Pradesh Plants and ` 25.47 lakhs relates to Pathredi plant. However, the jurisdiction of the case has been transferred from Gurugram, Haryana to the Additional Director General (Adjudication) DGGSTI, New Delhi on 26.07.2019. The Group has disputed the matter and filed the reply with the Additional Director General (Adjudication) of Goods & Service Tax Intelligence, New Delhi on 26.02.2021 to quash the notice. Being considered the reply, the Additional Director General (Adjudication), New Delhi has passed an order no.48-67/2022-CE dated 29-07-2022 and dropped the demand of ` 366.72 Lakhs for our B-45, B-206A & B-4, Kasna, U.P. Plants and also dropped the demand of ` 24.37 lakhs for our Pathredi Plant. Further, the Group has challenged the remaining demand of ` 17.85 lakhs for our U.P. Plants and ` 1.10 lakhs for our Pathredi Plant and filed an appeal before the Central Excise and Service Tax Appellate Tribunal (CESTAT), R K Puram, New Delhi on 15th November, 2022. The matter is pending in CESTAT, New Delhi. The CESTAT has pronounced its order on 12th March, 2024 in favour of the Group and set aside the demand.
- (v) Demand of ` 5.97 lakhs plus interest @ 18% p.a. and penalty of ` 0.20 lakhs was issued by Central GST, Bhiwadi, Rajasthan for availment of excess ITC for FY 2018-19. The department has disallowed the ITC on account of non-filing of GSTR- 3B by suppliers. The Group has disputed the demand and filed an appeal with The Joint/ Additional Commissioner (Appeals), CGST, Jaipur.
- (vi) Demand of ` 33.66 lakhs against penalty on short paid GST was issued by Central GST, Bhiwadi, Rajasthan related to FY 2017-18. The Group has disputed the demand and filed an appeal with The Joint/ Additional Commissioner (Appeals), CGST, Jaipur.
- (vii) Demand of ` 1.60 lakhs along with interest of ` 1.60 lakhs and penalty of ` 0.20 lakh was imposed on the parent Group by SGST, Delhi for incorrect admissibility of ITC of tax paid or deemed to be paid related to FY 2017-18. The Group has disputed the demand and filed an appeal with Appellate Authority/ Spl. Commissioner SGST, Department of Trade and Taxes, New Delhi.
- (viii) Demand of ` 25.12 lakhs along with interest of ` 24.39 lakhs and penalty of ` 2.51 lakh was imposed on the parent Group by SGST, Gujarat for availment of excess ITC for FY 2018-19 on 23rd April, 2024. The Group has disputed the demand and will file an appeal with first appellate authority, Ahmedabad within the limitation period of 3 months from the date of demand order passed.

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	(` in lacs)	
40. Related party disclosures		
A. List of related parties		
(a) Joint Venture	1.	PPAP Tokai India Rubber Private Limited
(b) Key Management Personnel (KMP)	1.	Mr. Ajay Kumar Jain, Chairman & Managing Director
	2.	Mr. Abhishek Jain, CEO & Managing Director
	3.	Mr. Bhuwan Kumar Chaturvedi, Independent Director (upto 25.12.2023)
	4.	Mr. Pravin Kumar Gupta, Independent Director (upto 31.03.2024)
	5.	Mrs. Celine George, Independent Director
	6.	Mrs. Vinay Kumari Jain, Non-Executive Director
	7.	Mr. Deepak Kumar Sethi, Independent Director (w.e.f 04.02.2023)
	8.	Mr. Rohit Rajput, Independent Director (w.e.f 09.11.2023)
	9.	Mr. Sachin Jain, Chief Financial Officer
	10.	Mrs Shivani Sehgal, Company Secretary (upto 25.04.2022)
	11.	Ms. Pankhuri Agarwal, Company Secretary (w.e.f 13.05.2022)
(c) Related Parties in the group where common control exists	1.	Vinay and Ajay Jain Foundation
(d) Other Related Party- Post employment benefit plan of the Parent Company	1.	PPAP Automotive Limited Employees Group Gratuity Fund Trust

The following transactions were carried out with related parties in the ordinary course of business:

Related Party Transactions	Period	Related Parties where common control exists	Joint Ventures	Other Related Party- Post employment benefit plan of the Parent Company	Total
CSR expenses paid					
Vinay and Ajay Jain Foundation	31.03.2024	58.80	-	-	58.80
	31.03.2023	60.94	-	-	60.94
PPAP Tokai India Rubber Private Limited	31.03.2024	-	508.51	-	508.51
	31.03.2023	-	563.99	-	563.99
PPAP Tokai India Rubber Private Limited	31.03.2024	-	286.74	-	286.74
	31.03.2023	-	120.77	-	120.77
Sales					
PPAP Tokai India Rubber Private Limited	31.03.2024	-	158.22	-	158.22
	31.03.2023	-	172.06	-	172.06
Contribution to fund: Employer's contribution towards gratuity fund					
PPAP Automotive Limited Employees Group Gratuity Fund Trust	31.03.2024	-	-	160.00	160.00
	31.03.2023	-	-	166.00	166.00

*Other services include management support fee, reimbursement of expenses, job work charges, interest received on loan given and rental income.

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(` in lacs)

Remuneration to key management personnel

Particulars	FY 2023-24	FY 2022-23
Mr. Ajay Kumar Jain	120.57	120.57
Mr. Abhishek Jain	127.77	74.77
Mr. Sachin Jain	32.40	28.89
Ms. Pankhuri Agarwal	12.30	9.69
Total	293.05	233.93

As the liabilities for gratuity and compensated absences are provided on an actuarial basis for the group as a whole, the amounts pertaining to the key management personnel are not included above.

Details relating to remuneration of KMP other than MD / Manager / Whole Time Director

Name of KMP	FY 2023-24		FY 2022-23	
	Remuneration	Sitting Fees	Remuneration	Sitting Fees
Mrs. Vinay Kumari Jain	-	3.70	-	3.20
Mr. Bhuwan Kumar Chaturvedi	-	4.60	-	6.40
Mr. Pravin Kumar Gupta	-	5.60	-	6.00
Mrs. Celine George	-	3.80	-	4.00
Mr. Deepak Kumar Sethi	9.00	3.40	-	1.20
Mr. Rohit Rajput	-	2.50	-	-

Net outstanding balance:

Related Party	Period	Related Parties where common control exists	Joint Ventures	Wholly Owned Subsidiaries	Other Related Party- Post employment benefit plan of the group	Key management personnel	Total
Trade receivable							
PPAP Tokai India Rubber Private Limited	31.03.2024	-	-	-	-	-	-
	31.03.2023	-	67.32	-	-	-	67.32
Trade payable							
PPAP Tokai India Rubber Private Limited	31.03.2024	-	60.87	-	-	-	60.87
	31.03.2023	-	-	-	-	-	-
Remuneration							
Payable to key management personnel	31.03.2024	-	-	-	-	23.53	23.53
	31.03.2023	-	-	-	-	13.15	13.15
Contribution to fund: Employer's contribution towards gratuity fund							
PPAP Automotive Limited Employees Group Gratuity Fund Trust	31.03.2024	-	-	-	590.49	-	590.49
	31.03.2023	-	-	-	465.71	-	465.71

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(` in lacs)

41. Segment information

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. Based on the consideration of dominant sources and nature of risk & returns, the Group is considered an automotive components manufacturer. Most of the activities are revolving around this business and accordingly has only one reportable segment. The geographical location of its main operations and the internal organization / reporting and management structure supports such treatment.

42. Dues to micro and small enterprises

The dues to micro and small enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006), to the extent information available with the Group is given below:

Particulars	31.03.2024	31.03.2023
(I) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to micro and small enterprises	1,131.41	1,048.94
Interest due on above	0.62	-
(II) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(III) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
(IV) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(V) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

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(₹ in lacs)

43. Fair values measurements

(i) Financial instruments by category

Particulars	31.03.2024		31.03.2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments				
- in mutual funds	629.84		445.48	
- in unquoted preference shares	200.00		200.00	
Other financial assets	-	608.37		662.13
Trade receivables	-	7,266.75		6,511.00
Cash and cash equivalents	-	192.77		82.60
Other balances with banks	-	11.21		11.38
Loans	-	63.95		8.37
Foreign exchange forward contracts	0.82		6.71	
Total financial assets	830.66	8,143.04	652.19	7,275.47
Financial liabilities				
Borrowings (non current)	-	7,359.88	-	7,992.02
Borrowings (current)	-	8,568.42	-	7,086.34
Lease Liabilities	-	306.42	-	90.99
Trade payables	-	5,749.07	-	6,325.52
Other financial liabilities (non current)	-	3.45	-	0.01
Other financial liabilities (current)	-	782.92	-	636.63
Total financial liabilities	-	22,770.16	-	22,131.51

- The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.
- The fair values of the Group's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March, 2024 as assessed to be insignificant.
- Long-term receivables/payables are evaluated by the Group based on parameters such as interest rates, risk factors, individual readyworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair value of security deposit has been estimated using DCF model which consider certain assumptions viz. forecast cash flows, discount rate, credit risk and volatility.
- The fair values of the investment in mutual fund has been determined based on net assets value (NAV) available in open market.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Cost of unquoted preference shares has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in preference shares are not held for trading. Instead, they are held for medium or long-term strategic purpose.

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(₹ in lacs)

(ii) Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurements as a whole.

Level 1: The fair value of financial instruments traded in active markets. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

There have been no transfers between Level 1 and Level 2 during the financial year 2022-23 and 2023-24.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities, other than those whose fair values are close approximations of their carrying values.

Financial assets and liabilities measured at fair value-recurring fair value measurements for which fair values are disclosed at 31st March, 2024

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Investments in mutual funds	31.03.2024	629.84	629.84	-	-
Unquoted investments in preference shares measured at fair value through profit and loss	31.03.2024	200.00	-	-	200.00
Foreign currency forward contracts	31.03.2024	0.82	-	0.82	-
Financial liabilities					
Foreign currency forward contracts	31.03.2024	-	-	-	-

Financial assets and liabilities measured at fair value - recurring fair value measurements for which fair values are disclosed at 31st March, 2023

	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Financial assets					
Investments in mutual funds	31.03.2023	445.48	445.48	-	-
Unquoted investments in preference shares measured at fair value through profit and loss	31.03.2023	200.00	-	-	200.00
Foreign currency forward contracts	31.03.2023	6.71	-	6.71	-
Financial liabilities					
Foreign currency forward contracts	31.03.2023	-	-	-	-

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(₹ in lacs)

44. Financial risk management objectives and policies

The Group's principal financial liabilities, comprise borrowings, trade payables, and creditors for expenses. The Group's principal financial assets include investments, long term deposits, trade receivables, cash and short-term deposits / loan that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by the Board of Directors that advises on financial risks and the appropriate financial risk governance framework for the Group. The Board provides assurance to the Group's management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The management reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include, deposits and FVTPL investments.

The sensitivity analysis of the above mentioned risk in the following sections relate to the position as at 31st March, 2024 and 31st March, 2023.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31st March, 2024 and 31st March, 2023.

A. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

	Increase / decrease in basis points	Effect on profit before tax
31.03.2024		
INR	+50	(92.33)
INR	-50	92.33
31.03.2023		
INR	+50	(77.80)
INR	-50	77.80

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

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(₹ in lacs)

B. Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency). Foreign currency risk sensitivity is the impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The following tables demonstrate the sensitivity to a reasonably possible change in USD, JPY and EURO exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

	Change in USD rate	Effect on profit before tax
31.03.2024	+5%	(11.51)
	-5%	11.51
31.03.2023	+5%	(18.02)
	-5%	18.02
	Change in JPY rate	Effect on profit before tax
31.03.2024	+5%	(2.55)
	(5%)	2.55
31.03.2023	+5%	(8.09)
	(5%)	8.09
	Change in EURO rate	Effect on profit before tax
31.03.2024	+5%	-
	(5%)	-
31.03.2023	+5%	(0.75)
	(5%)	0.75

The movement in the pre-tax effect on profit and loss is a result of a change in the fair value of monetary assets and liabilities denominated in foreign currency.

ii. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions.

Credit risk from investments with banks and other financial institutions is managed by the treasury functions in accordance with the management policies. Investments of surplus funds are only made with approved counterparties who meet the appropriate rating and /or other criteria, and are only made within approved limits. The management continually re-assess the Group's policy and update as required. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty failure.

The maximum credit risk exposure relating to financial assets is represented by the carrying value as at the balance sheet date.

A. Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit review and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

At the year end the Group does not have any significant concentrations of bad debt risk other than disclosed in Note 12.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 43. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

iii. Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

The financial condition of the financier under supplier finance arrangement is sound and there is no likelihood that arrangement will be terminated and service will become unavailable.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Year ended 31.03.2024					
Borrowings	828.00	2,460.66	7,172.95	-	10,461.61
Supplier Finance Arrangements	155.00	-	-	-	155.00
Lease liabilities	41.51	86.86	219.91	-	348.28
Trade payables	4,631.47	1,404.42	33.41	-	6,069.31
Other financial liabilities	782.92	-	12.03	-	794.95
Total	6,438.90	3,951.94	7,438.31	-	17,829.15
Year ended 31.03.2023					
Borrowings	359.01	2,686.21	7,546.30	109.49	10,701.01
Supplier Finance Arrangements	-	-	-	-	-
Lease liabilities	14.14	72.09	34.45	-	120.69
Trade payables	6,325.52	-	-	-	6,325.52
Other financial liabilities	636.62	0.00	0.01	-	636.64
Total	7,335.31	2,758.30	7,580.76	109.49	17,783.86

iv. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The group is in automotive components manufacturing business and the management has assessed risk concentration as low.

The detail in respect of percentage of revenues generated from top 4 customers are as follows:

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
Revenue from top customer- 1 (in %)	21.42%	26.29%
Revenue from top customer- 2 (in %)	12.97%	10.43%
Revenue from top customer- 3 (in %)	10.27%	8.98%
Revenue from top customer- 4 (in %)	5.98%	6.59%

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

45. Capital management

The objective of the Group's capital management structure is to ensure that there remains sufficient liquidity within the Group to carry out committed work programme requirements. The Group monitors the long term cash flow requirements of the business in order to assess the requirement for changes to the capital structure to meet that objective and to maintain flexibility.

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital, issue new shares for cash, repay debt, put in place new debt facilities or undertake other such restructuring activities as appropriate. No changes were made in the objectives, policies or processes during the year ended 31st March, 2024.

Particulars	As at 31.03.2024	As at 31.03.2023
Non-current Borrowings	7,359.88	7,992.02
Current Borrowings	8,568.42	7,086.34
Less: Cash and cash equivalents	192.77	82.60
Debt	15,735.54	14,995.75
Lease Liabilities- Non current	199.65	33.19
Lease Liabilities- Current	106.77	57.81
Net Debt (incl. lease liabilities) (A)	16,041.96	15,086.75
Total Equity (B)	28,289.10	29,474.79
Gearing Ratio [A÷(A+B)]	36.19%	33.86%

46. Derivative instruments and unhedged foreign currency exposure

The amount of foreign currency exposure that are not hedged by derivative instruments or otherwise are as under:

	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023	As at 31.03.2023
	Foreign Currency	Amount	Foreign Currency	Amount
Foreign trade payables				
USD in lakhs	2.76	230.29	4.41	360.42
JPY in lakhs	92.62	51.02	259.92	161.88
EURO in lakhs	-	-	0.17	15.06
Foreign trade receivables				
USD in lakhs	-	-	-	-
JPY in lakhs	-	-	-	-
EURO in lakhs	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

47. Balance confirmation

Debit and credit balance of trade payables and trade receivables to the extent not confirmed are subject to confirmation and reconciliation with parties.

48. In the opinion of the Board of Directors and to the best of their knowledge and belief, the aggregate value of current assets on realization in the ordinary course of business will not be less than the amount at which these are stated in the balance sheet.

49. Disclosure of movement in provisions:

Particulars	Balance as on 1 st April, 2023	Provided during the year	Paid / Adjusted during the year	Balance as on 31 st March, 2024
Provisions				
Gratuity	982.65	150.40	(38.16)	1,094.88
Accumulated leaves	189.18	68.31	(38.99)	218.51
Income Tax	93.17	-	(93.17)	-
Total	1,265.00	218.71	(170.32)	1,313.38

50. Dividends paid and proposed

Particulars	Year ended 31.03.2024	Year ended 31.03.2023
A Paid during the year		
Interim dividend for FY 2023-24 ` nil per share (FY 2022-23: ` 1 per equity share) of ` 10/- each	-	140.00
Final dividend for FY 2022-23: ` 0.50 per share (FY 2021- 22 ` 1.50 per share)	70.00	210.00
	70.00	350.00
B Proposed for approval at the annual general meeting (not recognised as a liability)		
Final dividend for FY 2023-24 ` 1.25 per share (FY 2022-23: ` 0.50 per share)	175.00	70.00
	175.00	70.00

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability as at year end.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

51. Disclosure under Ind AS 7 'Statement of Cash Flows'

Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities.

Particular	As at 31.03.2023	Cash flows	Non-cash changes	As at 31.03.2024
			Fair value changes	
Long-term borrowings	8,925.88	401.12	88.55	9,415.55
Short term borrowings	5,325.26	522.68	-	5,847.94
Lease Liabilities	90.99	(161.37)	376.80	306.42
Total liabilities from financing activities	14,342.13	762.43	465.35	15,569.91

52. Details of Corporate Social Responsibility (CSR) expenditure

	31.03.2024	31.03.2023
a) Gross amount required to be spent as per section 135 of the Companies Act, 2013 during the year	14.27	23.68
b) Amount spent during the year ending on 31 st March 2024:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	58.80	60.94
c) Amount carried forward from previous year for setting off in the current year	44.49	7.23
d) Excess amount spent during the year carried forward to subsequent year	89.01	44.49
e) The Parent Company has spent excess amount and details of the same are as follows:		
Balance carried forward from previous year	44.49	7.23
Amount required to be spent during the year	14.27	23.68
Amount spent during the year	58.80	60.94
Balance carried forward to next year	89.01	44.49
f) Details of amount spent during the year:		
i) Providing healthcare and meal to unprivileged and downtrodden children which help them to pursue their education.	5.00	5.00
ii) Making payment of school fees of unprivileged children.	13.07	10.23
iii) Providing study material to unprivileged children.		
iv) Plantation for promoting environmental sustainability.	40.52	45.50
v) Administrative Expenses (Cost of CSR, audit etc)	0.22	0.21
Total	58.80	60.94
g) Amount transferred to any fund specified under Schedule VII as per Section 135(5)	nil	nil

53. Details of transactions with Struck-off Companies

nil nil

54. Details of Benami Property

nil nil

55. Title deeds of Immovable Properties not held in name of the group

nil nil

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

56. No adjusting or significant non-adjusting events have occurred between the reporting date and date of authorization of financial statements.

57. Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

(a) Subsidiary companies

The Group's subsidiaries at 31st March, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of subsidiary company	Place of business/ Country of incorporation	Ownership interest held by the group as at		Ownership interest held by non-controlling interests as at		Principal activities
		as at	as at	as at	as at	
		31.03.2024	31.03.2023	31.03.2024	31.03.2023	
PPAP Technology Limited	India	100%	100%	-	-	Assembly of Li-ion based battery pack solutions
Elpis Automotives Private Limited (formerly Elpis Components Distributors Private Limited)	India	100%	100%	-	-	Trading of automotive parts

(b) Non-controlling interests (NCI)

The group has no any material partly-owned subsidiary that has non-controlling interests.

(c) One of the subsidiaries has accumulated losses resulting in erosion of net-worth and has incurred cash losses in the current and immediately preceding financial year. The current liabilities of the subsidiary exceed its current assets as at the balance sheet date. Considering the Holding Company's continuing financial support to the subsidiary for its operations, the financial statements have been prepared on an going concern basis.

(d) Interests in joint venture company

List of joint venture companies as at 31st March, 2024 in which the group has interest, is as below. These entities have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of joint venture company	Place of business/ Country of incorporation	Ownership interest held by the group as at		Accounting method	Carrying amount as at	
		as at	as at		as at	as at
		31.03.2024	31.03.2023		31.03.2024	31.03.2023
PPAP Tokai India Rubber Private Limited	India	50%	50%	Equity method	3,468.70	3,532.58

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

(i) Summarised financial information of joint venture company of the group

The tables below provide summarised financial information of joint venture companies of the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture companies and not the group's share of those amounts.

Summarised Balance Sheet

Particulars	PPAP Tokai India Rubber Private Limited	
	As at 31.03.2024	As at 31.03.2023
Current assets		
Cash and cash equivalents	562.67	405.95
Other assets	2,748.74	2,545.29
Total current assets	3,311.41	2,951.24
Total non-current assets	7,521.01	7,443.28
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	139.11	228.03
Other liabilities	2,900.86	2,978.90
Total current liabilities	3,039.97	3,206.93
Non-current liabilities		
Financial liabilities (excluding trade payables and provisions)	753.21	37.22
Other liabilities	107.68	91.03
Total non-current liabilities	860.89	128.25
Share application money pending allotment	-	-
Net assets	6,931.56	7,059.34

Reconciliation to carrying amounts

Particulars	PPAP Tokai India Rubber Private Limited	
	as at 31.03.2024	as at 31.03.2023
Opening net assets	7,059.34	8,581.44
Profit/(loss) for the year	(128.54)	(1,520.52)
Other comprehensive income/(expense)	0.76	(1.58)
Dividends paid	-	-
Closing net assets	6,931.56	7,059.34
Group's share in %	50.00	50.00
Group's share in ₹	3,465.78	3,529.67
Goodwill / (Restricted reserves) / NCI	-	-
Carrying amount of the investment (including transaction costs)	3,468.70	3,532.58

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

Summarised statement of profit and loss for the year ended

Particulars	PPAP Tokai India Rubber Private Limited	
	as at 31.03.2024	as at 31.03.2023
Revenue from operations	13,085.94	8,749.70
Other income	104.33	13.85
Depreciation and amortisation	586.13	598.87
Interest expense	14.63	13.63
Income tax expense/(income)	(37.75)	(407.95)
Profit/(loss) for the year	(128.54)	(1,520.52)
Other comprehensive income/(expense)	0.76	(1.58)
Total comprehensive income/(expense)	(127.78)	(1,522.10)
Dividends received	-	-

Details of Capital Expenditure for the year ended

Particulars	PPAP Tokai India Rubber Private Limited	
	as at 31.03.2024	as at 31.03.2023
(a) Addition to Property, Plant & Equipment, Intangible Assets, etc	449.71	588.89
(b) Changes in Capital work in progress (+/-)	71.18	(47.47)
(c) Changes in Capital advance, if shown separately (+/-)	132.04	5.64
Total	652.93	547.06

(ii) Capitals and Contingencies of joint venture company

(A) Capital Commitment in respect of joint venture company

Capital Commitments towards future liability for capital expenditure in respect of which contracts have been made (net of advances) are ₹ 179.78 lakhs (31st March, 2023: ₹ 93.59 lakhs)

(B) Contingent Liabilities

Share of group in the contingent liabilities of joint venture (to the extent not provided for)

Particulars	PPAP Tokai India Rubber Private Limited	
	as at 31.03.2024	as at 31.03.2023
Contingent liabilities not provided for in respect of Letters of guarantee	32.39	32.39
Show Cause Notice for short payment of excise duty	-	1.34
Share of contingent liabilities incurred jointly with other investors of the joint venture companies: Show Cause Notice for wrong classification of right to use of license payment (i.e Royalty) and dispute of GST inputs not reflected in GSTR-2A	4.69	6.70
Total	37.08	40.43

Note :

The joint venture company has received show cause notice dated 20/11/2020 from Central GST, Audit Commissionerate Noida, Uttar Pradesh regarding dispute of classification of right to use of license payment (i.e. Royalty) for ₹ 6.66 and dispute of GST inputs not reflected in GSTR-2A for ₹ 6.73 for the period 01.07.2017 to 31.03.2018.

The joint venture company has disputed the show cause notice for the above total demand of ₹ 13.39 lakhs with the Superintendent, Division-III, Range-15, Central GST, Commissionerate, Gautam Buddha Nagar, Greater Noida, Uttar Pradesh. Against our reply, the Superintendent, Central GST, Range-15, Gautam Buddha Nagar has passed the rejected Order No.ZD0912236599770 dated 30.11.2023 with a demand of ₹ 9.37 lakhs against which the company has disputed the order and filed an appeal before the Joint / Assistant Commissioner (Appeals), CGST, Range-15, Division-III, Greater Noida on 01.03.2024. Share of group in the demand is ₹ 4.69 lakhs.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(₹ in lacs)

58. Disclosure of additional information pertaining to the company, subsidiaries and associates as per Schedule III of Companies Act, 2013 :

Name of the Company	Net Assets (Total assets minus total liabilities)		Share in Profit or Loss		OCI		TCI	
	FY 2023- 24		FY 2023- 24		FY 2023- 24		FY 2023- 24	
	As % of Consolidated net assets	Net assets	As % of Consolidated profit or loss	Profit/ (Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Parent Company								
PPAP Automotive Limited	110.64%	31,299.12	35.84%	(467.25)	98.26%	51.11	33.24%	(416.14)
Indian Subsidiaries								
Direct Subsidiaries								
Elpis Automotives Private Limited	0.74%	207.98	(3.52%)	45.85	0.27%	0.14	(3.67%)	45.98
(Formerly Elpis Components Distributors Private Limited)								
PPAP Technology Limited	(1.30%)	(366.93)	63.05%	(822.07)	0.76%	0.40	65.64%	(821.68)
Indirect Subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non- controlling interest in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Associate	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Joint Venture								
PPAP Tokai India Rubber Private Limited (Consolidated) (Investment as per equity method)	12.26%	3,468.70	4.93%	(64.27)	0.71%	0.37	5.10%	(63.89)
Intragroup eliminations and consolidation adjustments	(22.34%)	(6,319.78)	(0.30%)	3.88	0.00%	-	(0.31%)	3.87
Total	100.00%	28,289.10	100.00%	(1,303.86)	100.00%	52.02	100.00%	(1,251.85)

Note : The above figures are before eliminating intragroup transactions and intragroup balances as at 31st March, 2024. Total of intragroup eliminations is shown as separate line item.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

Notes to Consolidated Financial Statements

for the year ended 31st March, 2024

(` in lacs)

Name of the Company	Net Assets (Total assets minus total liabilities)		Share in Profit or Loss		OCI		TCI	
	FY 2022-23		FY 2022-23		FY 2022-23		FY 2022-23	
	As % of Consolidated net assets	Net assets	As % of Consolidated profit or loss	Profit/(Loss)	As % of Consolidated OCI	OCI	As % of Consolidated TCI	TCI
Parent Company								
PPAP Automotive Limited	107.38%	31,649.10	(114.57%)	681.02	83.69%	(14.99)	(108.77%)	666.03
Indian Subsidiaries								
Direct Subsidiaries								
Elpis Automotives Private Limited	0.55%	161.99	(12.86%)	76.44	0.00%	-	(12.48%)	76.44
(Formerly Elpis Components Distributors Private Limited)								
PPAP Technology Limited	1.54%	454.77	98.74%	(586.95)	20.66%	(3.70)	96.46%	(590.65)
Indirect Subsidiaries	0.00%	-	0.00%	-	0.00%	-	-	-
Foreign Subsidiaries	0.00%	-	0.00%	-	0.00%	-	-	-
Non- controlling interest in all subsidiaries	0.00%	-	0.00%	-	0.00%	-	-	-
Associate	0.00%	-	0.00%	-	0.00%	-	-	-
Joint Venture								
PPAP Tokai India Rubber Private Limited (Consolidated) (Investment as per equity method)	11.99%	3,532.58	128.18%	(761.93)	(4.36%)	0.78	124.30%	(761.14)
Intragroup eliminations and consolidation adjustments	(21.45%)	(6,323.65)	0.51%	(3.01)	0.00%	-	0.49%	(3.02)
Total	100.00%	29,474.79	100.00%	(594.43)	100.00%	(17.91)	100.00%	(612.34)

Note : The above figures are before eliminating intragroup transactions and intragroup balances as at 31st March, 2023. Total of intragroup eliminations is shown as separate line item.

(` in lacs)

59. Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated 24.03.2021 which are not covered in any of the notes above

- (i) No proceedings have been initiated or pending against the Group for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) Reconciliation of quarterly statement of current assets filed with banks or financial statements
There are no material variations between the quarterly statement of current assets filed during the year with the banks and the books of accounts.
- (iii) Willful Defaulter
No bank has declared the Group as "willful defaulter".
- (iv) Registration of charges or satisfaction with Registrar of Companies:
All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending at end of financial year 2023-2024.
- (v) Scheme of arrangements:
No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- (vi) Utilisation of Borrowed funds and share premium:

Particulars	Description
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No such transaction has taken place during the year
No funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries	No such transaction has taken place during the year

- (vii) Undisclosed income
There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.
- (viii) Details of Crypto Currency or Virtual Currency
The Group does not deal in Crypto Currency. Therefore further disclosures are not given

In terms of our report of even date annexed
For T R Chadha & Co. LLP
Chartered Accountants
FRN No. 006711N/N500028

Neena Goel
Partner
Membership No: 057986

Place: Noida
Date: 18th May, 2024

For and on behalf of the Board
PPAP Automotive Limited

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Sachin Jain
Chief Financial Officer

Place: Noida
Date: 18th May, 2024

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Pankhuri Agarwal
Company Secretary

Form AOC-1
(Pursuant to first proviso of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of
Subsidiaries / associate companies / joint ventures**

Part “A”: Subsidiaries

(` in lacs)

S. No.	1	2
Name of the subsidiary	ELPIS Automotives Private Limited	PPAP Technology Limited
Date of becoming subsidiary	04.10.2019	10.12.2019
Start date of accounting period of subsidiary	01.04.2023	01.04.2023
End date of accounting period of subsidiary	31.03.2024	31.03.2024
Reporting currency	INR	INR
Share capital	50.00	1,379.92
Reserves & surplus	157.98	(1746.85)
Total assets	706.72	4115.72
Total liabilities	498.72	4482.65
Investments	5.13	-
Turnover	1906.83	1106.92
Profit before taxation	66.82	(1133.54)
Provision for taxation	20.97	(311.47)
Profit after taxation	45.85	(822.07)
Proposed dividend	-	-
% of shareholding	100.00	100.00

- 1 Names of subsidiaries which are yet to commence operations: Nil
- 2 Names of subsidiaries which have been liquidated or sold during the year: Not applicable

(` in lacs)

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to associate companies and joint ventures

S. No.	Name of Associates / Joint Ventures	Joint Venture PPAP Tokai India Rubber Private Limited
1	Latest audited balance sheet date	31.03.2024
2	Date on which the associate or joint venture was associated or acquired	26.06.2013
3	Shares of associate / joint ventures held by the Company on the year end No.	4,85,00,000
	Amount of Investment in associates / joint venture	4,850.00 lacs
	Extend of holding %	50
4	Description of how there is significant influence	Due to shareholding
5	Reason why the associate / joint venture is not consolidated	Not applicable
6	Net worth attributable to shareholding as per latest audited balance sheet	6931.56lacs
7	Profit / loss for the year	
	i) Considered in consolidation	(64.27)
	ii) Not Considered in consolidation	(128.54)

1. Associates or joint ventures which are yet to commence operations: Not applicable
2. Associates or joint ventures which have been liquidated or sold during the year: Not applicable

For and on behalf of the Board of Directors

Neena Goel
Partner
Membership No.: 057986

Ajay Kumar Jain
Chairman & Managing Director
DIN: 00148839

Abhishek Jain
CEO & Managing Director
DIN: 00137651

Sachin Jain
Chairman & Managing Director

Pankhuri Agarwal
Company Secretary

Place: Noida
Date: 18th May, 2024

Place: Noida
Date: 18th May, 2024

NOTES



Registered Office

54, Okhla Industrial Estate,
Phase-III, New Delhi-110020
CIN: L74899DLI995PLC073281