



Transcript of 28th Annual General Meeting

Moderator:

Good morning honorable directors and shareholders of PPAP Automotive Limited. I Kalpana Singh welcome you all to the 28th annual general meeting of PPAP Automotive Limited on behalf of Linkintime India Private Limited, RTA of your company. I would like to request all the members to please keep their devices in the mute mode to conduct the meeting smoothly. For member who have been preregistered and have been confirmed as a speaker to speak in the meeting the audio will enable when the Company Secretary will request them to speak now without any delay I handover to Ms. Pankhuri Agarwal the Company Secretary of the company to please go ahead with the proceeding over to you mam.

Ms. Pankhuri Agarwal:

A very good morning to all of you.

My name is Pankhuri Agarwal.

I am the Company Secretary for your company PPAP Automotive Limited.

A very warm welcome to all the shareholders, Directors and Auditors to the 28th Annual General Meeting of our Company.

This Annual General Meeting is being held through video conferencing mode in accordance with the circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Let me introduce the Key Executives of the company attending this meeting from our corporate office located in Noida, Uttar Pradesh.

Mr. Ajay Kumar Jain (Chairman and Managing Director)

Mr. Abhishek Jain (Managing Director and CEO)

Mr. Sachin Jain (Chief Financial Officer)

Before I handover the proceedings of this meeting to the Chairman of the Board, I will explain the regulatory and general instructions for the smooth conduct of this annual general meeting.

- In accordance with MCA and SEBI circulars, the Annual Report of the Company along with the Notice of this AGM has been sent electronically, to all the members, whose e-mail addresses are registered with the depository participant and Registrar and Share Transfer Agent.

- Facility to join this AGM through VC is available to all members of the Company, on a first come, first serve, basis.
- The members joining the meeting will be placed on mute mode by the moderator to ensure smooth and seamless conduct of the meeting.
- The session will start with the Chairman's address followed by the explanation of the resolutions.
- After the resolutions are read, there will be a Question and Answer session followed by Vote of Thanks.
- The moderator will unmute the members who have pre-registered themselves for the Question-and-Answer session.
- It is advisable to registered members to use headphones so that we can listen to your query clearly. Please ensure that your internet connectivity is a minimum of 2 mbps.
- In case there is no response by the registered member or the voice is unclear, the moderator will mute such member and move on to the next registered member.
- After your name is called out, you can ask your question. In order for smooth conduct of the meeting, each member will be given up to a minute to speak. The management of the company will try their best to answer your questions.
- In case you have any follow up questions or queries, you may use the chat box or you may contact us on our registered email address.
- It may be noted that the Company reserves the right to limit the number of members asking questions subjected to the time availability.
- In case you are unable to reconnect in the meeting, please contact the helpline number mentioned in the notice of this meeting.
- The registered office of the Company situated at New Delhi shall be deemed to be the venue of this Annual General Meeting and the proceedings of this meeting shall be deemed to be made thereat to transact the business as mentioned in the notice.
- The proceedings of this meeting are being recorded for compliance purposes.

I seek cooperation from all of you for the smooth conduct of this meeting. The Company has taken all the feasible measures to enable the members to attend this meeting through video conferencing facility and has provided electronic facility for e-voting.

As of now 44 members have joined this meeting.

Since the quorum of the meeting is complete, I request, the Chairman & Managing Director of your Company, Mr. Ajay Kumar Jain, to Chair this meeting and begin the 28th Annual General Meeting.

Mr. Ajay Kumar Jain:

Thank You Pankhuri.

Good morning , ladies, and gentlemen.

It is my pleasure, once again, to be in your midst and I hope all of you are in good health and spirits.

As the requisite quorum is present, I call the meeting to order.

First of all, let me introduce our Directors to all the members.

Mr. Bhuwan Kumar Chaturvedi has a rich and diverse experience in the automotive and engineering industry and management consultancy. He is the Chairperson of the Corporate Social Responsibility Committee & Member of Audit Committee, Nomination and Remuneration Committee. He is joining from Gurugram.

Mr. Bhuwan Kumar Chaturvedi: Namaskar

Mr. Ajay Kumar Jain

Mr. Pravin Kumar Gupta has wide and in depth knowledge and experience in the field of Corporate Finance and Taxation, Accounts, Audit, and Indirect Tax Laws. He is the Chairperson of the Audit Committee, Stakeholders Relationship Committee & Member of the Nomination and Remuneration Committee. He is joining from Noida.

Mr. Pravin Kumar Gupta: Namaskar

Mr. Ajay Kumar Jain

Mrs. Celine George has expertise in areas of Leadership, Corporate Restructuring, Business Transformation, People Performance and Change Management. She is the Chairperson of Nomination and Remuneration Committee. She is joining from Gurugram.

Mrs. Celine George: Namaskar

Mr. Ajay Kumar Jain

Mr. Deepak Kumar Sethi has become part of the PPAP family in February 2023. On behalf of all the shareholders, I extend a very warm welcome to Deepak ji and look forward to his active contribution in the matters of the company. Deepak ji has a rich experience in Automobile sector primarily in the field of Strategy, Vendor Development/ Supply Chain, Manufacturing and Quality. He is joining from New Delhi.

Mr. Deepak Kumar Sethi: Namaskar

Mr. Ajay Kumar Jain

Mrs. Vinay Kumari Jain is one of the founding partners of the company and has been deeply associated with the Company since the start of the Business. She is a Member of Stakeholders Relationship Committee & Corporate Social Responsibility Committee. She is joining from New Delhi.

Mrs. Vinay Kumari Jain: Namaskar

Mr. Ajay Kumar Jain

Abhishek is the Managing Director and CEO of the company. He has been leading the company's operations. He is also the President of Honda Supplier's Club. He is a member of the Audit Committee, Stakeholders Relationship Committee & Corporate Social Responsibility Committee.

Mr. Abhishek Jain: Namaskar

Mr. Ajay Kumar Jain

Sachin is the Chief Financial Officer of the company. He is a Chartered Accountant and has been associated with the company for more than a decade.

Mr. Sachin Jain: Namaskar

Mr. Ajay Kumar Jain

Mr. Sanjeev Agarwal, representative of our Statutory Auditor, O.P Bagla & Co. LLP is joining us from New Delhi.

Mr. Sanjeev Agarwal: Good morning

Mr. Ajay Kumar Jain

Our Secretarial Auditor, NKJ & Associates are represented by Mr. Neelesh Kumar Jain, joining us from New Delhi.

Neelesh Kumar Jain: Good morning

Mr. Ajay Kumar Jain

Mr. Chetan Gupta, managing partner of APAC & Associates LLP, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

Mr. Chetan Gupta: Good morning

Mr. Ajay Kumar Jain

Ladies and Gentlemen, hope you have gone through the annual report of the Company.

I will now share my perspective of the current situation around us.

The G20 summit hosted in India was a crucial platform where leaders from the world's largest economies came together to address global challenges. The summit which was concluded recently, has put Bharat on a strong global platform as we were able to align the future

roadmap with all the participating countries. The Honorable Prime Minister's focus on "Vasudhaiva Kutumbakam" resonated well with all the members and the summit was a huge success boosting the morale and confidence of 1.5 billion Indians.

Friends, last year began on a challenging note.

The aftereffects of the pandemic and the ongoing global conflicts significantly impacted the world economy in many ways which include increase in commodity and energy prices, trade, and investments slow down, geopolitical tensions, and the severe humanitarian crisis. Due to globalization, no country today is insulated from political or economic events happening in other parts of the world.

Atmanirbhar India, with its strong fundamentals was decently able to withstand all the global disruptions and continue with its growth story. India has been in a sweat spot and has managed to clock an economic growth of above 7% for FY23. Further, the outlook for our Indian economy continues to be bullish as it is projected that by 2030, our economy will be the third largest in the world and our GDP is likely to increase by three times of its current level.

The steep increase in per capita incomes of the masses will create enormous demand for goods and services. This will be unprecedented, and it will be the fastest increase of economic activity in the history of our country.

It is my firm belief that organizations which are built on strong fundamentals, and which have sound and ethical business and governance practices will benefit multi fold from these enormous opportunities which our country brings us.

Our Indian passenger vehicle industry has surpassed the Japanese industry to become third largest market globally, only preceded by China and US. In spite of becoming number three, the difference between India and its nearest competitor runs into millions of vehicles, and this my dear stakeholders, gives us enough headroom for sustainable growth.

Due to the growing aspirations of our people and higher penetration of vehicles across the country, our industry is at the cusp of an era of phenomenal growth.

The passenger vehicle industry is expected to reach over 6 million vehicles by 2030.

Our mobility industry is going through unprecedented transformation, be it, the variety of fuels, the technology related to drive train, electronics, and features focused on making the cars much safer and significantly more energy efficient than what they are today. The government has recently launched Bharat NCAP rating system which will act as a huge enabler in reducing the mortality on the roads. Huge efforts are being undertaken towards making the industry sustainable and reduce the impact on the environment. Globally, companies in the mobility industry are targeting carbon neutrality by 2050.

The year 2022-23 was a challenging year for your Company as the consequences of the global pandemic continued to linger on.

On one hand, your Company made steady inroad in its strategic endeavors for growth, improved operational efficiency, developed new technologies, and significantly improved the adoption of sustainable business practices.

On the other hand, the profitability of the group on a consolidated level was a big challenge that your management made humongous efforts to resolve.

In order to improve this situation, our focus was on three prime areas – review, and correction of the selling price of finished goods manufactured by us, review, and correction of the purchase price of all the raw materials, and review, and correction of the wastages in our production process. After thorough and focused reviews, strong actions are being taken to rectify all these issues. Fortunately for us, our efforts are being supported by the softening of the prices of our raw materials.

I am happy to share with you, that the path for recovery has been set. Things have started moving in the right direction. Our group is now moving to be on a strong footing which will enable us to achieve higher growth, as well as higher profitability. I am sure the economic growth of our country, coupled with our industry's growth, along with our strong focus on introducing value added products for our customers will certainly result in a promising and sustainable future for your Company.

Your Company continues to expand its business with addition of new products and new customers. In a few years, I am confident that you will see your company's presence with all the leading vehicle manufacturers of the country. This will not only augment the company's growth but will also de-risk our dependence on any single vehicle manufacturer.

During this year, your company was successful in introducing new technology parts which were highly appreciated by its customers and were immediately adopted for use in their forthcoming models. This focus of your Company will ensure higher revenues coupled with better margins as these premium products bear fruits.

Your Company was successful in securing new business from leading Electric Vehicle manufacturers also. Although your Company's product range is engine agnostic, this business from EV manufacturers will ensure business continuity and growth as customer preferences shifts from ICE vehicles to Electric vehicles. Going forward, your Company will continue to scout for more opportunities with Electric Vehicle mobility companies in all categories and will ensure that we have a substantial presence, in this sunrise industry.

Your Company currently has a significant grasp of the nuances of the new growth scenario, and we are utilizing this knowledge in our businesses. We are leaving no stone unturned to secure new profitable business from our existing customers and are also attracting new customers by showcasing our technology through technology shows being conducted at our customers' premises.

Now coming to our various business segments, our commercial tool room has been reformed and stabilised. It is now fully geared up to deliver the desired results, in the coming years, in terms of growth and profitability.

Our aftermarket business has been growing steadily and it is getting into its full swing. We are continuously expanding our product offerings and we are incessantly improving our outreach to customers across the country through our numerous channel partners.

Our Industrial products division is also finding its Ikegai. In the next year, I am confident that we will achieve significant breakthroughs in this segment, and this too will become a key strategic growth area for our group.

The electric two-wheeler industry is going through a transformation on account of reforms due to new safety guidelines, as well as the revision of the incentive schemes due to which our Lithium-ion battery business witnessed disruptions. To de-risk this aspect, your Company has developed solutions for three-wheeler industry, as well as for energy storage systems. The company has achieved AIS-156 certification for its products. These products are expected to blossom in the coming years and will make considerable positive contributions.

Your Company's joint venture company has been facing an existential crisis for some time due to high raw material prices and low selling prices. With the efforts we have made during the course of the year, I am confident that we will overcome this situation, and we will see positive contributions as we are restructuring the management, reducing our raw material costs and wastages and improving our selling prices.

Friends, till a few years ago, we use to hear about climate change. Today, we are living through it. The weather around us has changed. It rains when it is supposed to be sunny, and it snows when it is supposed to be warm. Every year, there are floods happening in various parts of the world. The climate change has already happened. Our fears have become a reality. It is high time that all of us realize this reality and make our contribution towards minimizing the damages being done to our environment. The climate change has put a humongous responsibility on all of us towards conserving our natural resources and working in harmony with nature. As responsible inhabitants of our planet Earth, we all have to reevaluate our ways of working and bring out Kaizen points towards this cause on an urgent basis. There are limited chances that we can reverse the damage already done, but there are chances that we can limit the damages and not make it worse. We must act now, so that we can leave a conducive environment for our children to live in.

Sustainability has long been integrated into our decision-making process across the board to mitigate risks, maximise opportunities, create long-lasting operating models, and effect positive change thereby creating value for all our stakeholders.

We have sharpened our focus on ESG practices. Your Company continues with its advances towards this goal, to reduce environmental impact from its manufacturing operations, with efficient water conservation, zero effluent discharge, increased use of renewable power and biofuels in its manufacturing plants. We have been reporting BRSR on a voluntary basis as part of the annual report. This year's Sustainability report will soon be published and will be available on the company's website. I urge each one of you to go through the report and make your contributions to save the planet.

Through your Company's CSR activities, there is a constant focus on enriching people's lives in areas of environment, education, and health. During FY 2023, your Company has spent more than its CSR's financial obligation. Your Company is supporting biodiversity parks by

planting and sustaining the plantation of native trees to improve the environmental conditions in its neighborhood.

Your Company is ingraining robust governance, risk management and compliance practices across all businesses and support functions to uphold its reputation as a trusted Company, for all its stakeholders.

During this year, there was an 48.83% increase in the net profit of the Company. Revenue of your Company has grown by 20.35% and EBITDA witnessed an increase of 19.02% during FY23.

I am happy to state that the Board of Directors of your Company have recommended a dividend of Rs 0.5 per Equity Share of face value of Rs. 10 each of for the financial year ended March 31, 2023, subject to approval of the shareholders at this Annual General Meeting. Further the Company also paid the interim divided of Rs. 1 per Equity Share of face value of Rs. 10 each during the financial year ended March 31, 2023

In conclusion, I want to express my profound appreciation for your unwavering support and your confidence in the management of your Company. I would also like to thank our customers for trusting us, our suppliers for providing us with uninterrupted supplies, and last but not the least a big thank you to all our sincere and dedicated employees, who ensure that the group exists as ONE BIG HAPPY FAMILY.

Now, continuing with the conduct of this AGM, the Notice is already circulated to the members and with your permission, we take the notice of this AGM, as read.

I request our Statutory Auditors represented by Mr. Sanjeev Agarwal to confirm the statutory audit report.

Mr. Sanjeev Agarwal:

Dear Members,

We would like to inform that our report on the financial statements of the Company for the financial year ended March 31, 2023 (standalone and consolidated basis) does not contain any qualification or adverse remarks, with your permission we take this report as read.

Mr. Ajay Kumar Jain

Now, I request our Secretarial Auditor Mr. Neelesh Kumar Jain to confirm the secretarial audit report.

Neelesh Kumar Jain:

Dear Members,

The Secretarial Audit report for the financial year ended March 31, 2023 is self-explanatory, with your permission we take the report as read.

Mr. Ajay Kumar Jain:

Thank you, auditors.

I will now brief you about the resolutions which are required to be passed today.

There will not be any proposer and seconder to the resolutions proposed in this annual general meeting.

There are seven resolutions in the notice to be approved by the members at this annual general meeting.

Four are ordinary business resolutions and three are special business resolutions.

1. First resolution is adoption of audited financial statements (standalone and consolidated) of the Company for the financial year ended 31st March, 2023, together with the Reports of the Board of Directors and Auditors' thereon.
2. Second resolution is declaration of final dividend of Rs. 0.5 /- (5%) per equity share and confirmation of payment of interim dividend of Rs. 1/- (10%) (face value of Rs 10/- each) for the financial year ended 31st March, 2023.

In the third resolution, I am an interested party. Therefore, I entrust the conduct of the proceedings of the AGM with the consent of members present to the Chairman of the Audit Committee, Mr. Pravin Gupta and request him to take the chair.

Mr. Pravin Gupta:

Thank you, Chairman for entrusting me with this responsibility. Good morning members, I now brief you about the third, resolution which is proposed today.

3. Third Resolution is re-appointment of Mr. Abhishek Jain, Chief Executive Officer and Managing Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.

Now I request the Chairman to resume the chair and continue with the proceedings of the AGM.

Mr. Ajay Kumar Jain:

Thank you, Pravin ji.

Let us continue with the fourth resolution.

4. Fourth resolution is appointment of M/s TR Chadha & Co LLP, Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of the 28th Annual General Meeting of the Company to hold such office for a period of 5 (five) consecutive years till the conclusion of the 33rd Annual General Meeting of the Company.

In the fifth and sixth resolution, I am an interested party. Therefore, I entrust the conduct of the proceedings of the AGM with the consent of members present to Mr. Pravin Gupta and request him to take the chair.

Mr. Pravin Gupta:

Thank you, Chairman. I now brief you about the fifth and sixth, resolution which are proposed today.

5. Re-appointment of Mr. Ajay Kumar Jain as Chairman and Managing Director of the Company, not liable to retire by rotation, for a term of 3 years from 1st November, 2023 to 31st October, 2026.
6. Waiver of recovery of excess managerial remuneration paid to Mr. Ajay Kumar Jain, Chairman & Managing Director of the Company for the financial year 2022-23.

Now I request the Chairman to resume the chair and continue with the proceedings of the AGM.

Mr. Ajay Kumar Jain:

Thank you, Pravin ji.

Let us continue with the seventh resolution.

7. Ratification of remuneration payable to Jangira & Associates, Cost Accountants for the financial year 2023-24.

The objectives, as well as the explanatory statements of these proposed resolutions have been mentioned in the Notice of this AGM.

Thank you everyone for your patient hearing.

Now, I handover the proceedings to the Company Secretary.

Ms. Pankhuri Agarwal:

Thank You Chairman Sir.

Dear Members, I would like to inform that Register of Directors and Key Managerial Personal and their shareholding and Register of Contracts and Arrangements in which Directors of the Company are interested and other documents has been made available electronically for inspection by the members during the AGM, it can be viewed on InstaMeet.

Pursuant to the provisions of the Companies Act, 2013, your Company has provided facility for voting by electronic means to all its members to enable them to cast their votes electronically.

In accordance with Section 108 of the Companies Act, 2013, the remote e-voting facility commenced on 11th September, 2023 at 9:00 a.m. and concluded on 14th September, 2023 at 5:00 p.m.

The Insta Poll facility will be activated immediately after the conclusion of this AGM.

Members who have not exercised their vote through remote e-voting can cast their votes by clicking on the link provided therein towards the end of this AGM.

Now, we move to the next part of the AGM, which is to get valuable insights from our members and to answer to any queries that they may have.

At first, we would like to answer the questions received from a shareholder on the email.

What steps you are taking to reduce costs as well as debts and improving brand premiums in its pursuit to improving profitability?

What are some of the challenges, and opportunities that you foresee in the year ahead?

How has company strengthened competitiveness related to its presence in industry spaces margins and the strength of its balance sheet. Your step to increase the assets quality and Capital improvement in the coming time?

What is the uppermost strategic priorities for the remaining period of FY 2023-24?

Thank you Pankhuri.

Mr. Abhishek Jain

Thank you for the insightful questions. Well, as Chairman Sir has explained, the Last few years were extremely challenging for the company. Since 2020, we faced the unprecedented pandemic. As soon as we were coming out of it, there was a huge semi conductor shortage which led to production constraints. As we were coming out of the semi conductor challenges, we started witnessing unprecedented increase in commodity prices due to geopolitical issues. However, we have visibility that all the negativities are getting diminished from July onwards. This year is going to be a year of reckoning for the group. To improve our profitability, we have represented price increases to our customers, worked on reducing our costs with our suppliers and also worked on making the operations leaner. In our joint venture company, which was the worst hit, we have received some partial relief as we were able to resolve and realize the past price compensation from customer in Q1FY24. I am hopeful that the other pending negotiations with all the customers will be completed soon which would further augment the bottom line of the company. Improved margins will also result in better cash flow. This year company will try to maintain the loans at the current levels. Our debt equity ratio is 0.39.

For this year, the strategic priority is to improve the profitability of the group. We are making all efforts in ensuring that each part manufactured by the company is profitable. The focus is also on developing new premium products as well as adding new customers in order to de-risk our business. Sustainability and sustainable business practices will be at the center of whatever actions are taken by the company.

Ms. Pankhuri Agarwal

Through light on future strategies and focus areas for FY24, would this year your company will start getting the results from the efforts done.

Mr. Abhishek Jain

As Chairman sir has explained in his address, this year is going to be a year of reckoning for us. As the profitability of the group increases, our focus will continue to be on growing all the businesses exponentially. We will continue to focus on the core fundamentals of company and focus on achieving Global Level Excellence with all our customers with an effort to delight them with our product and services. We will continue to develop new technologies in all businesses and add new customers.

Ms. Pankhuri Agarwal

What kind of revenue growth visibility company have over the next couple of years and measures taken thereto?

Mr. Abhishek Jain

The automotive passenger vehicle industry is expected to reach 6 million units by 2030 from the current levels of 4.2 million units. The industry growth, coupled with our efforts in increasing per car business and adding new customers, will ensure that we have a healthy and sustainable growth. Other businesses will also shape up. Our aftermarket business continues to grow steadily.

Ms. Pankhuri Agarwal

What is management expectation on sustainable EBITDA margins in future?

Mr. Sachin Jain

We expect the sustainable margin on long-term basis in the range of 12-13%.

Ms. Pankhuri Agarwal

Kindly explain the margin range, Cost cutting, cash generation steps and present status of the ROCE, ROI?

Mr. Sachin Jain

For FY 23 ROCE: was at 4.4% and ROI: was 2.2%. As explained by Chairman sir, our focus to improve the margins is on three fold approach - sales price improvement with customers and purchase price review with suppliers and improvement in the internal efficiencies.

Ms. Pankhuri Agarwal

Company proposed to waive the excess remuneration. Please advise the reason for that?

Since the Managing Director is the interested party, I request Pravin sir, the Chairman of Audit Committee to answer this question

Mr. Pravin Gupta

During FY23 excess remuneration, owing to inadequate profits, was paid to Mr. Ajay Kumar Jain, Chairman and Managing Director of the Company.

Remuneration of Mr. Ajay Kumar Jain commensurate with his experience, with the remuneration levels in the industry and the responsibilities placed in the current role.

Further there was no increase in remuneration and no commission was paid during FY23. The remuneration was within the limits approved by the Board and shareholders of the Company.

Therefore, considering the efforts being put by him in steering the company towards the new vision, it was recommended by the Board to waive the excess remuneration in terms of Section 198.

Ms. Pankhuri Agarwal

What's the expected capacity utilization that you can achieve in FY24?

Mr. Sachin Jain

This year, we are expecting the capacity utilization in the range of 80% to 85% on the full year basis.

Ms. Pankhuri Agarwal

How is after-market business performing? Also, could management highlight some metrics for that vertical in terms of the margin? And currently, what is the dealer network and any new products that company have launched?

Mr. Abhishek Jain

We started our aftermarket business 2 years ago. This business is being executed in 100% owned subsidiary called Elpis Components Distributors Private Limited. Last year, we did a sales of INR 16-odd crores and our EBITDA margin was somewhere in the range of 9%. We have almost 600 SKUs now under -- as part of this business. And this year, we should be able to grow further. We have a network of 110 dealers and distributors as on date. We are doing this business both in traditional way as well as digital way and we expect this business to be a strong driver of the growth of the group.

Ms. Pankhuri Agarwal

Please explain about the current situation and outlook for the battery pack business?

Mr. Abhishek Jain

The focus of this business was on providing solar battery packs as well as 2 wheeler battery packs. Solar battery pack business is stable. However, as explained by Chairman Sir, there are huge challenges on the 2-wheeler battery pack side. As part of our course correction, we have developed solutions for the 3-wheeler industry and have successfully achieved AIS-156 certification for our product. This product is expected to go into commercialization within this year. We have also developed solutions for the energy storage industry and have successfully executed the first order. We have also developed solution for golf carts, AGV's and drones, which are expected to go into commercial production soon. I am confident that by next year, this business will be stabilized and will start positive contribution to the group.

Ms. Pankhuri Agarwal

The company has derisked from its core business by entering into different verticals. Is the diversification strategy playing out well? And how much percentage of revenue comes from the other 4 verticals apart from automotive segment?

Mr. Sachin Jain

Aftermarket contributes about 3% to the turnover. commercial tool room contribution is about 2%. The electric vehicle business also is about 2% right now. And major contributor is the automotive parts business.

Ms. Pankhuri Agarwal

Company consolidated loss has widened now from INR 80 lakhs in FY '22 to around INR 6 crores in this financial year. Any specific reason for the same?

Mr. Sachin Jain

Loss on consolidated basis is due to Battery business where company had significant losses in earlier 9 months and also in the JV company due to unprecedented raw material price increase. For FY 24, we are confident that on consolidated basis company will have positive profit.

Ms. Pankhuri Agarwal

We now move on to open the forum to listen to our registered speakers.

Now I request our Speaker No.1 Ajay Kumar Jain to express his views.

Moderator is requested to kindly unmute Mr. Ajay

Moderator

Mr. Ajay kindly speak

Mr. Ajay Kumar Jain-Shareholder

Good morning. Good morning. I am Ajay Kumar Jain from New Delhi. Sure. Good morning. To all board of management. Myself Ajay Kumar Jain from New Delhi. I am honored to speak in front of all board of management and along with it I am also thankful to Company Secretary for it, giving me this opportunity. Over the years, our company has demonstrated outstanding growth, technological progress and innovation in the automotive component industry. Our ability to provide high quality products, the automotive sector has been a corner stone of a success. Before the meeting, I have many questions in my mind, but after listening to the chairman sir speech and questions raised by other shareholders and just giving even to them to solve all my queries. In the evolving automotive landscape, it must remain Agile and forward thinking. I have still, I have one question. How we are taking the carbon footprint generated by our vendors for our suppliers and what we are doing to reduce it. The carbon footage generated at our vendors, vendors of supplier end. At the end, I can commend the company's dedication to quality safety and environmental responsibility. Let us continue to uphold these values as we move forward and ensuring that companies remain a reliable name

in the automotive component. Thank you for your attention. I support all the resolution and I eagerly anticipate another year of growth and success for our esteem company.

Mr. Abhishek Jain

Thank you, Ajay Sir. Thank you, Ajay ji, for your comments and for your question. Regarding the carbon footprint, our supply chain team last year has taken an aggressive target for reducing the carbon footprint. Their focus is on localization. Currently, we have 30% import content in all our materials used in the company. Their primary focus, the theme which they have taken, is to move from imported to local and local to nearby plant, thereby reducing the specific carbon footprint. Apart from that, they are also changing all the trucks which are used for deliveries from the company from diesel to CNG. This is being done on the supply chain side and on the operation side, of course, we are taking a lot of effort in reducing the energy, the diesel consumption, the energy consumption and limiting the water being discharged from the company. So, till now, about 10% of the total company's energy requirement is being sourced through solar energy and in the next 2-3 years, we intend to take it up to almost 25% levels. Thank you.

Ms. Pankhuri Agarwal

Moving on to our next speaker Mr. Ankur. Moderator kindly unmute Mr. Ankur.

Moderator

Mr. Ankur is not available. We may move to next speaker Mr. Yashpal.

Pankhuri Agarwal

Okay let's move to next speaker Mr. Yashpal. Moderator, please unmute Mr. Yashpal.

Moderator

Mr. Yashpal please speak.

Yash Pal Chopra

Hello. Am I audible? Yeah. Myself Yash Pal Chopra calling from Delhi. Sir, I wish to compliment our management, Mr. Ajay Jain, and the entire visionary group of that board of directors over there. I had actually associated with this group since 1975 or around that when they were in search of ISO certification from KPMD and all that. So, but there after the IPO, I just applied and I got that. But I have never attended their physical AGM. So, this is a virtual chance for me. But I had so many queries, but almost all the queries have been just explained by a chairman, first in the speech, and then that big list of the queries, they have just cleared all my, what you call that doubts in my mind. So, that is a very, very big thing. But sir, I must congratulate the management for the all-round growth of the company in the year of the turbulent economy. So, there is all-round growth of this revenue, PVP, POT, ROC, and the dividend, even after the interim dividend, they have declared a final dividend. That shows that a company is very, very investor friendly. So, I have got just one fruitful thought for the company that they must check hands with those auto manufacturers like Maruti, Mahindra, Ashok Leyland, Tata and all that, because that coming time is the time for the auto industry. And with this holding up, G20 Summit, it has shown that our prime minister is very much

confident to raise our commercial activities and operations just to the new height. And even our GBM is producing because left hand drive for the exporting to the European market. So, that means that we are the group and going to, we will be going to lead the world. So, it is a golden opportunity and the coming time is a great bright for the company. I wish them in the positivity for the company and the management because that positivity is the strength of the company and will be my investment. That share has risen from 140 rupees last year, 280 and 90 rupees. They had showed the growth of more than 100%. They had showed the confidence of the investors. So, we are very much proud of and we are proud of the corporate governance for getting a chance to speak and wishing you a very, very happy festival greeting there. Thank you. Best of luck. Jai Hind.

Mr. Abhishek Jain

Thank you. Thank you very much for your comments and your suggestions. Yes, we will surely act on it. Thank you.

Pankhuri Agarwal

Moving on to our next speaker Mr. Rakesh Kumar, Moderator kindly unmute Mr. Rakesh.

Moderator

Mr. Rakesh is not available. Mr. Narender Singh Chauhan is with us.

Pankhuri Agarwal

Okay so we move to Mr. Narender Singh Chauhan.

Moderator

Mr. Narender Singh Chauhan please speak.

Mr. Narender Singh Chauhan

Hello. ok. ok. Hello. Good afternoon everyone. Narender Singh Chauhan, this side from Delhi. Respected chairmen shaab, board of directors and my fellow shareholder friends. Firstly, I would like to thank you for connecting me in this protocol and giving me the opportunity to speak in front of you all virtually. And I also want to thank to the Secretary Department because they always solve our queries of any type immediately and reply as timely. And we also know that the company is doing good and it all became possible because of the hard working of the every company member and also our chairman Shaab. So all the best wishes to everyone. Thank you.

Mr. Abhishek Jain

Thank you Mr. Narender. Thank you very much and energy for your comments. Thank you.

Pankhuri Agarwal

Moderator kindly unmute Mr. Ashok Kumar Jain.

Moderator

Mr. Ashok is not available.

Pankhuri Agarwal

Okay so do we have Mr. Krishan Lal Chadha.

Moderator

Ma'am Rakesh Kumar, Surender Kumar Arora, Gagan Kumar, Sarvjeet Singh, Manjit Singh, Praveen Kumar, Lokesh Gupta, Ashok Kumar Jain are not with us. Only Mr. Bhutani is available.

Pankhuri Agarwal

Okay so let's move to next speaker Mr. Santosh Bhutani.

Moderator

Mr. Santosh Bhutani please unmute yourself, start your video and speak.

Mr. Santosh Bhutani

Namaskar to the team. Hello, Meri awaaz aa rahi hai? Ji Ji Namaskar, Chairman sir, MD sir, or board team, management team. I am a thank you for giving me this opportunity. My name is MP Bhutani, Mr. Santosh Bhutani. I am a joint holder. I am a thank you and separate account holder 109 and 0.4. First of all I would like to thank CS team for the accurate Compliance well in time and all shaped has been covered in very lucid and transformation manner. My almost question has been covered in your speech and the problem with previous speakers, but I just want to know sir . what is the focused area for growth and the profitability and the profit margin for remaining period and where you see your company in 2024-25, in terms of size and capitalisation? What is your value creation road map for the upcoming time, there is a tough competition and there is in present situation, what is strategic road map I just have one more sir. Thank you very much sir. I know the our management is working hard. I wish the company all the best for the future. And I hope to see you in a happy growth in business and size of the Company, Thank you very much. Management Team and CS team Santosh bhutani ka bahut bahut namaskar. Thank you very much.

Abhishek Jain

Thank you very much. Bhutani ji for your comments and your question. For focus area for growth, we will continue to focus on automotive parts business which is our core business. Apart from this, for last 2-3 years we have been focusing on developing after market business which will further increase the growth aspects of the Company. Lithium-ion battery business also start positive contribution. Commercial tool room is another area which we have started for our growth and industrial product business is the 5th area which we are focusing on increasing our company top line as well as bottom line. Financial year 24, we are seeing robust growth coming through. Both on top line and bottom line basis. We should be in a better position compare to this year. As far as Management road map is concerned, these are the 5 area which will continue to focus on business side and on the principal side, we will always continue to focus on global level excellence in all our operation with efforts on achieving customer delight. We will continue to introduce new and better products in the market for all our customers. Thank you.

Ms. Pankhuri Agarwal

All the registered members have been given the opportunity to speak.

Thank you, to all the members, for their views and suggestions.

In case any of you have any further questions, kindly feel free to reach us through the registered email address or visit us with prior appointment.

Dear members,

The e-voting facility will remain open for 15 minutes after the conclusion of this meeting and will be disabled thereafter.

The results of e-voting will be announced within 2 working days, by posting on the website of the Company and shall be filed with the Stock Exchanges, National Stock Exchange of India Limited and BSE Limited.

The resolutions as set forth in the notice shall be deemed to be passed today subject to the receipt of the requisite number of the votes.

Now, I handover to the Chairman for his Vote of Thanks.

Mr. Ajay Kumar Jain:

Thank you, Pankhuri

Dear Shareholders, I take this opportunity to thank each and every one of you for your patience, keeping faith in the company and for your continuous encouragement and cooperation.

I also take this opportunity to thank my colleagues on the Board for their relentless support and for always sharing their invaluable wisdom with us.

I express my sincere gratitude:

- to our customers due to whom, we exist
- to my management team and employees who never leave any stone unturned to achieve the company's mission
- to my suppliers for their uninterrupted supplies
- and last but not the least to our bankers who have supported us in thick and thin.

On behalf of the entire Board of Directors and the management team, I thank all our stakeholders for their trust and support.

We will continue to create long-term sustainable value for our members and all our stakeholders. With this, I wish you all good health and well-being. Now, I hereby declare the proceedings of this meeting closed.

Namaskar