



**“PPAP Automotive Limited
Q4 & FY‘25 Earnings Conference Call”
May 19, 2025**

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**MANAGEMENT: MR. ABHISHEK JAIN – MANAGING DIRECTOR AND
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MR. SACHIN JAIN – CHIEF FINANCIAL OFFICER – PPAP
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Moderator:

Ladies and gentlemen, good day, and welcome to the PPAP Automotive Limited Q4 and FY '25 Earnings Conference Call. As a reminder all participant lines will be in a listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Jain, Managing Director and CEO, PPAP Automotive Limited. Thank you, and over to you, sir,

Abhishek Jain:

Yes. Thank you very much, Anushka. Good morning, everyone. I would like to extend a very warm welcome to all the participants joining us on this call. Accompanying me today are Mr. Sachin Jain, our CFO, along with our Investor Relations Advisors, Strategic Growth Advisors.

I trust you've had the opportunity to review our quarter 4 and financial year '25 results, along with the investor presentation, which are readily available on the stock exchanges as well as on our website.

Let me start today's call with a brief overview of the industry. The automotive industry operated in a challenging macro environment during financial year '25, marked by shifting demand patterns and cost pressures. While passenger vehicle sales reached an all-time high of 43.02 lakh units, growth was modest at 2% year-on-year, driven by an 11% increase in utility vehicles, even as passenger car sales declined sharply by 12.6%.

The 2-wheeler segment recovered, growing 9.1% year-on-year, while 3-wheelers rose 6.7%, aided by increasing EV adoption. Commercial vehicle volumes declined 1.2%, reflecting subdued demand. Amid these headwinds, the industry showed resilience, and our performance reflects the strength of our business model, customer focus and operational agility.

Now let me take you through the operational highlights for the company in financial year '25. The automotive parts business continues to be the cornerstone of PPAP's growth. We specialize in body sealing systems and interior and exterior injection moulded parts supplied to both ICE and EV platforms.

In financial year '25, we secured new orders totaling INR601 crores, including INR208 crores from the EV segment, demonstrating our increasing presence across both ICE and EV platforms. Notably, in quarter 4 alone, we achieved new order inflows of INR188 crores with INR59 crores originating from the EV segment.

Our strategic focus remains on expanding our footprint across all major passenger vehicle manufacturers, including Maruti Suzuki, Honda, Toyota, Kia, Volkswagen, Hyundai, Renault-Nissan and others, as well as their Tier 1 suppliers operating within the country. We are also committed to increasing content per vehicle with particular emphasis on premiumization and the integration of value-added parts, thereby enhancing our value proposition and market share.



Over the past several years, we have dedicated significant effort to establishing a strong relationship with Mahindra & Mahindra. And I am thrilled to share that in April, we achieved a major milestone by onboarding them as a direct customer. This development marks a pivotal moment in our journey to expand and diversify our OEM partnerships.

In financial year '26, while the industry is expected to experience modest or muted growth, we remain optimistic about our prospects. This confidence is driven by the upcoming launch of new models, including several that were originally slated for introduction in financial '25, but have been rescheduled for financial year '26.

Our Industrial Products division, which specializes in developing application engineering solutions for various industries, demonstrated strong growth throughout financial year. This division now contributes approximately 2% to our total sales. Notably, sales in this segment doubled compared to the previous year, reflecting the growing demand and our successful market expansion efforts.

I am also pleased to share that this division has begun its entry into the export market. Trial orders were successfully completed in financial year '25, and we are now poised to commence significant supply shipments from this year onwards. A few customers are waiting the effect of the tariff wars initiated by U.S. till July of this year. We would be able to get more confirmation on this by the second quarter of this year.

The aftermarket vertical operated through our wholly owned subsidiary, Elpis, maintained its robust performance in financial year '25. The business achieved a 16% growth and now accounts for 4% of the group's total revenues, reflecting its strong market position.

Our team continued to innovate and expand our product offerings, launching over 550 new SKUs during the year, bringing our total SKU count to 1,271. In addition, we strengthened our digital presence by broadening our online sales channels through our own website, as well as platforms like Amazon and Flipkart, enhancing our reach and accessibility.

Furthermore, financial year '25 marked the beginning of our strategic efforts to enter international markets. Several initial steps were taken towards establishing a foreign presence, and we remain optimistic that this year, our aftermarket division will bring significant breakthroughs in our export endeavors, opening new avenues for growth and diversification.

Our commercial toolroom business, Meraki Precision Molds, delivered an impressive 75% year-over-year growth in financial year '25. Leveraging our advanced mold making capabilities, this division now serves both automotive and non-automotive customers with a well-defined road map to expand capacity and scale operations further.

In financial year '25, the commercial toolroom contributed approximately 4% to the overall consolidated revenue. Looking ahead to financial year '26, the division is already well positioned with over 120 mould orders worth INR25 crores, which are scheduled for execution over the



next 12 months to 18 months. This strong order pipeline underscores the confidence of our customers and sets the stage for sustained growth and increased market share.

Our battery division has recently undergone a rebranding to Avinya Batteries Limited, formerly known as PTech. Last year, we strategically shifted our focus from mobility applications to storage solutions, a move that is already yielding positive results. While the adoption rate has been somewhat slower than initially projected, the division is making steady progress.

In financial year '25, we successfully reduced some of the losses incurred by the company, setting a strong foundation for future growth. Looking ahead to financial year '26, we anticipate significant expansion driven by upcoming orders from marquee customers in the storage segment. We are confident that this focused approach will drive considerable growth in the coming years.

The capacity utilization for the parts business stands at 72% for financial year '25, and we anticipate further improvement on the back of higher sales and ongoing cost optimization measures. The capacity utilization for the tooling business stands at 80% and the utilization for the battery pack business stood at a mere 5% for the financial year '25.

In financial year '25, we achieved the lower end of our revenue guidance. The delay in the start of production for several new models by our customers, along with slower-than-anticipated sales growth in our battery division contributed to this temporary slowdown. These factors impacted our overall outlook for the year.

Looking forward to financial year '26, we are optimistic about the outlook with expected revenues in the range of INR600 crores to INR660 crores. This outlook aligns with our strategic goals of growth and margin improvement, and we remain confident that ongoing efforts and upcoming milestones will drive us towards these targets.

Friends to be very honest with you, after 5 years of dedicated effort, I genuinely believe we are now at the dawn of a promising new chapter for all our businesses. As we look ahead to the next 5 years, our primary objective is to ensure that our established business, along with these new ventures not only succeed, but also achieve unprecedented growth and derisk the group from customer, segment or democratic risks.

Now I would request Mr. Sachin Jain to take you through the financial results of the group.

Sachin Jain:

Yes. Good morning, everybody. So for Q4 FY '25 on a stand-alone basis, our revenue grew by 7.6% Y-on-Y basis to INR142.3 crores in Q4 FY '25 compared to INR132.2 crores (Wrongly said kindly read it as INR 132.3 Crores) in Q4 FY '24. EBITDA for the quarter stood at INR15.7 crores, as against INR12.4 crores up by 26.3% with the EBITDA margin improved to 11% in Q4 FY '25 compared to 9.4% in quarter 4 FY '24. Profit after tax stood at INR3.8 crores in quarter 4 FY '25 as against a loss of INR6 crores in quarter 4 FY '24.



If we look at our full year performance on a stand-alone basis, so our revenue grew by 6.7% year-on-year basis to INR537.6 crores in FY '25 compared to INR503.9 crores in FY '24. EBITDA for the year stood at INR60.6 crores, as against INR43.8 crores, up by 38.2% and with the EBITDA margin improvement to 11.3% in FY '25 compared to 8.7% in FY '24. Profit after tax stood INR14.1 crores in FY '25, as against the loss of INR4.7 crores in FY '24.

Coming to the consolidated financials for the quarter 4 FY '25, our revenue grew by 8.5% year-on-year basis to INR147.2 crores in Q4 FY '25 compared to INR135.7 crores in Q4 FY '24 and EBITDA for the quarter stood INR15 crores, as against INR11.5 crores, up by 30% and the margin improved to 10.2% in quarter 4 FY '25 compared to 8.5% in quarter 4 FY '24. Profit after tax stood INR2.4 crores in quarter 4 FY '25, as against a loss of INR8.2 crores quarter 4 FY '24, making a decisive turnaround and underscoring our commitment to operational excellence and financial discipline.

Further coming to our consolidated performance for full year, our revenue grew by 5.9% yearly basis to INR554 crores in FY '25 compared to INR522.9 crores in last financial year. EBITDA for the year stood to INR57.2 crores, as against INR39.7 crores in FY '24, up by 43.9% with improved EBITDA margin of 10.3% in FY '25 compared to 7.6% in FY '24. Profit after tax stood INR7 crores in FY '25, as against a loss of INR13 crores in FY '24. Further, the Board of Directors have declared a final dividend of INR1.5 per share to reward the shareholders, which leads to a cumulative dividend of INR2.5 per share for the financial year FY '25.

Thank you, everyone. We can now begin with the questions-and-answer session please. Thank you.

Moderator: Thank you very much. The first question is from the line of Ranodeep Sen from MAS Capital. Please proceed.

Ranodeep Sen: Congratulations on great set of numbers. Sir, I see the guidance for FY '26 is around INR20 crores PAT. Just wanted to understand what gives you this confidence in terms of and which business segments will be contributing towards the same?

Abhishek Jain: Yes. Thank you very much for that question. In the next financial year, our profitability is going to increase first and foremost by improving our sales, thereby improving the utilization of our assets. So we anticipate that from the current level, 1% to 2% EBITDA margin could improve because we will be utilizing more of all the 3 areas, which I told you about the utilization for part business also, for tool business also and for the battery business also. So this should contribute 1% to 2%.

Second, from our part business, we have 2 areas, where we are focusing on improving. First is our material yield ratios. So for financial year '25, the material yield ratio was somewhere in the range of 85%. And this year, we are targeting to take it up to 88% to 90%. So this should contribute about 1% to 2% to the bottom line.



Third area, what we are looking at for this year -- for this year is improving the manpower efficiency. If you look at the balance sheet, our ERE cost remains very high. And this year, we are taking that head on, and we should be able to again improve our manpower efficiency from 85% to somewhere in the range of 88% to 90%, which should again contribute 1% to 2%. So we anticipate that if we do all these 3 things together, then we can further improve our margins between 2% to 4% overall.

And one more factor, which will drive the further PAT on a consolidated basis will be if we are able to successfully increase the sales in the battery division, that would cut our losses, which have been contributed by that division on the consolidated results. So that is going to be another major area for us to watch for this year.

Ranodeep Sen: Sure, sure. I appreciate the elaborate response. Sir, my next question in one of the earlier calls, you had highlighted that you're trying to engage actively with Mahindra & Mahindra and Kia. Any commentary on that? I'm aware that I think with Tata's, we are already doing great work. I think you highlighted the Curve success story. So if you can elaborate, especially on Mahindra & Mahindra and Kia.

Abhishek Jain: Mahindra & Mahindra also, like I said in my introductory speech, we've already onboarded Mahindra as a direct customer. Kia, we have already been doing business with them from last many years. But this year, we have further increased our per car contribution with them. So both these customers are becoming strategic customers for us now.

Ranodeep Sen: Sure, sure. And if I can just squeeze in one last question. Sir, if I look at your manufacturing facilities map, right, I think you're present in UP, you're present in Tamil Nadu and you're present in Gujarat. Any specific reason why we've missed out on Maharashtra, which is a big auto hub? Any thoughts around the same?

Abhishek Jain: We have a facility in Pune, which we started last year.

Ranodeep Sen: Okay. Sure. I wasn't aware about it.

Moderator: The next question is from the line of Aryan Jain from Lotus Wealth.

Aryan Jain: So you mentioned that your lifetime order book as of now stands at INR2,834 crores. So do you think that the company has capacities to execute the whole order book in about 2 to 3 years? Or do you have a projection or something related to that?

Sachin Jain: Regarding the order book execution, normally in automotive industry, it is delivered based on the model life. So the model life is different to every customer. For some customer, it is 3 years, for some model, it is 5 years, for another it is 7 years. So we consider the average life, so it is the average life of 5 years. Over the period of every 5 years, we need to deliver these orders.

Aryan Jain: Okay. Perfect. And I had another question. The aftermarket business seems to be a growth engine, and you mentioned that the company has launched about 550 products for the year as



well. So like does the company have some inventory in about some particular company, maybe Maruti, Kia. Do we have products, which are skewed towards any company as such?

Abhishek Jain:

See, Aryan, it's not only the aftermarket, which is driving the company's growth. till 5 years ago, we were primarily focusing on the OE business, on the OE automotive business only. And apart from that, then we started derisking ourselves for Industrial Product division, aftermarket, tooling and the battery business. So these 4 businesses were started to derisk our group in the long run.

When you're talking about aftermarket, we are focusing on spare parts. That is one area and second part is accessories. So both these areas are important to us. And third, what we have now started is consumable items also for the automotive application like sealings and all of that. So all these things put together, we have a big market to cover, and that is why we are developing more and more capabilities in this division from distribution point of view, from organization point of view, from product point of view and from operations point of view.

So last year, we established a new warehouse for this division, which has enough capacity to take care of the requirements for the next 2 to 3 years. That's a central warehouse. And as time progresses, we'll think about setting up of regional warehouses to further improve the distribution and all.

Aryan Jain:

No, I actually was asking this question because there is a considerable export opportunity in the aftermarket business. So I thought if there are any particular products, which might be high value or high-margin products, so that could be a good signal.

Abhishek Jain:

You are absolutely right. Our focus is not limited to what we are making. This division operates independently. So they have options of sourcing all these products from other makers and rebranding and then selling them in the market as well. And export side also, like I said in my commentary, we have already started working on that.

We already have a person, who is being appointed, a company and a person in the GCC area and the UAE to start talking to all the garage owners and looking at what requirements they have and developing the products for all of them. So all those things have already started in last financial year. That is why it gives me good confidence that this year, we should be able to start exports in this division also and in the Industrial Product division also.

Moderator:

The next question is from the line of Ankur Gulati from Genuity Capital.

Ankur Gulati:

In one of the earlier calls, you said that you are negotiating price increase with Maruti, and it was expected to be done by Q3 of financial year '25. So any updates on that?

Sachin Jain:

Yes, regarding the price increase, so last year, we got the price increase in our JV company. So there were certain price increases that were settled, but the impact is not that much. However, for certain things, the discussion is still going on with the Maruti.



- Ankur Gulati:** And what is the current raw material price? I mean, at the current raw material price, are you guys back to the old margin profile or not really? Or what is the margin profile at current raw material price?
- Abhishek Jain:** Sorry, could you repeat that, please?
- Ankur Gulati:** So let's say, a couple of years back or a couple of quarters back, the raw material price increased, and our margins came down, right? Now given the current raw material price, how is the margin profile looking like?
- Abhishek Jain:** Currently, I think the material prices are stable or they are weakening. We are not seeing any uptick in the material prices that are used by us. So I think the worst is behind us. What we saw immediately after the COVID years. I think that was the worst time for us. And things are looking much better now from the price point of view.
- Ankur Gulati:** And your operating cash flow for this financial year is roughly INR50 crores. So any thoughts on how are you planning to use that? Is it capex acquisition, reduced debt or dividend?
- Sachin Jain:** Yes. For the last year, we have generated around INR57 crores on the operating side. So dividend, we have already declared. So there is no major change would be there in this financial year regarding the distribution of dividend. For the capex side, we are quite conservative, and we are doing the minimum capex, which are required to currently cater the customer requirement and also investing mainly to establishing our facilities and machine investment is directly linked with the customer orders. So that's where we are planning our cash flow.
- Ankur Gulati:** So if the capex is slightly measured, then do we expect that in FY '26, whatever operating cash flows we have, that will be used to reduce debt?
- Abhishek Jain:** Yes.
- Sachin Jain:** Definitely will reduce the debt.
- Ankur Gulati:** And sir, there was some strategy presentation, where all the divisions head just presented. I think it's uploaded on YouTube also. So if I sum up, I think the overall target, if I heard it right, is INR800 crores for financial year '26 and INR100 crores of OCF. Any thoughts on that? I mean, INR800 crores versus your official guidance of INR670 crores?
- Abhishek Jain:** See, that INR800 crores and INR100 crores is what we want everybody to start planning for in this year. So whatever guidance we have given is based on the actual numbers. And that INR800 crores and INR100 crores is basically for capability development of the organization for the following years. So please don't consider that as a guidance for this year.
- That is very clear that in this financial year, apart from improving the margins and establishing our business, whatever has come in the last year, this year, our internal organization has to become capable of handling businesses worth, first of all, opportunities worth those numbers have to be created, and we have to start developing our organization in that sense, whether it's



the business development team, whether it's the operations team, whether it's supply chain, finance, everybody has to start developing their mindset according to what is required for the company to achieve those numbers.

Ankur Gulati: So that INR800 crores is not the top line target at least as per the uploaded video, that is not FY '26 target, right? That's, let's say, 2 years down the line...

Abhishek Jain: No, no, that's not for that purpose. That -- the purpose is only for guiding people to develop their capabilities.

Ankur Gulati: Understood. And really appreciate all the division heads presenting. So I'll request if you guys can continue with that practice as and when you do your internal session. Next part on the...

Abhishek Jain: All the division heads, apart from this video, every Board meeting, all the division heads are presenting their performance to the Board of Directors as well. We did that last week also during the Board meeting. It's a very transparent process in our company.

Ankur Gulati: Yes, I appreciate that. On the battery side, is there any discussion to get into BESS side, which basically helps you guys ramp up the utilization faster?

Abhishek Jain: Yes, we are talking to a couple of people, who are making these telecom products. So we are working with them. We are working on the solar side. We are working on storage applications like for AGVs and all that.

Ankur Gulati: And what is the cost going -- sorry, go ahead, please.

Abhishek Jain: Yes, please go ahead, sorry.

Ankur Gulati: What is your cost competitiveness versus China battery? I mean, we are 10% expensive or what?

Abhishek Jain: See cells are, anyway, everybody is importing from China. Our main competitive advantage in battery business is our sense of responsibilities and the sense of organized industry we offered in this area because we have the automotive experience. So there are a lot of unorganized players in the industry, who cut corners to make a quick buck and to deceive the customer by providing them some inferior products or solutions in the long run. So the trust factor that the customer has on us is what is our main USP for this division.

Ankur Gulati: Yes. But I mean, if you can give us more color, what steps are you guys taking to ramp up -- ramp up the capacity utilization.

Abhishek Jain: For the battery division?

Ankur Gulati: Yes, sir.

Abhishek Jain: As I was explaining you in the opening speech as well, so all these orders are being tested by our customers. And in April also, a couple of final audits were scheduled to be done. Those are



all complete. So hopefully, by this month end or next month beginning, we should start getting the orders.

Ankur Gulati: And let's say, if all of them crystallize, what your capacity utilization will be for the financial year '26 for battery business.

Abhishek Jain: We are hopeful that at least 50% of the capacity should get utilized by this year.

Ankur Gulati: And what is the breakeven for this business in terms of PAT, not EBITDA or PBT?

Sachin Jain: Yes, it's 50% to 55% utilization. There would be breakeven for the PAT level.

Ankur Gulati: And what is the PAT loss...

Ankur Gulati: Sorry, what is the PAT loss for financial year '25 in this business, sir?

Sachin Jain: Yes, it is INR7.9 crores.

Ankur Gulati: Sorry, INR7.9 crores?

Sachin Jain: INR7.9 crores.

Ankur Gulati: And the guidance that you're giving '20-25 crores that assumes that this breaks even or is there an upside to it?

Sachin Jain: Yes. This is from breakeven.

Ankur Gulati: See what I'm trying to I mean, your guidance is your EBITDA will go by INR20 crores, your PAT will go by INR13 crores. If I plug in 2% margin growth and 10% revenue growth even without factoring in battery, you're already hitting your INR20 crores PAT. But if battery breaks even, doesn't that add, let's say, another INR7 crores, INR8 crores to PAT?

Sachin Jain: Yes. It depends because it is within range based on the circumstances, but we are expecting how much we're able to actually execute because the efforts we are taking. Average output would be different, what we are targeting.

Ankur Gulati: Understood. And for your Industrial Product business, any discussions with, let's say, large electronic manufacturers for, let's say, washing machine base or any of these things or basically go out of expand beyond auto sector?

Abhishek Jain: So in this Industrial Product division, like in the automotive business, we are doing the body sealing systems. Our focus is on making sealing systems for other applications. That is our first focus. So last year, we made certain solutions for air handling units and storage containers and all that. So that will continue. so that is first area.

Second is to engage with, like you rightly said, from automotive to non-automotive customers like cooler makers and all that. So cooler makers, we are already doing certain products for them



from injection molding side. Last year also, we did it. And this year also, we will do it. That is the second focus area.

And third, most important for us is to get into the export side. I think last year, we did a trial order of about less than INR1 crore in that year, in financial year '25. I think this year, we are seeing visibility of a much higher number compared to that. And like I was saying, because Mr. Trump had initially put a lot of tariffs and then he hold the tariffs till July.

So our customers have requested us that please wait for till July to give you a clear answer whether the new business that is under discussion with them -- what will be the future of those businesses. We've already settled all the cost and everything with them. It is just that they are waiting till July to see how this thing pans out, what is the reality of it and what kind of risk do they anticipate post that.

Abhishek Jain: Then it will be a good breakthrough for us -- for this division as well.

Ankur Gulati: Yes. And just from internal targets perspective, when do you guys think you will be able to hit 15% ROE?

Sachin Jain: Yes. So 15% ROE would take time because currently, we were having negative ROE-- last year, So internally, we are evaluating that we'll be able to achieve those target of 15% kind of ROE. So right now, I cannot tell you the time lines.

Moderator: The next question is from the line of Tanya from Elevate Research.

Tanya: I had a couple of questions. So my first question is that within aftermarket, we introduced around 150-plus SKUs. What is the revenue share from this segment now?

Sachin Jain: Last year, it was 4% in FY '25.

Tanya: Okay. And can you help me understand what our target would be by FY '26?

Sachin Jain: In FY '26, we are targeting to increase it up to 5% to 6% in this FY '26.

Tanya: Also I understand that we missed the guidance given in FY '25. So can you please help me understand and give me a detailed explanation as to why that happened?

Sachin Jain: So regarding missing the guidelines, if you see on the top line, we were able to meet the lower range of the guidance. However, on the PAT level, on the EBITDA level, basically due to the PTech, we could not achieve that because earlier we were anticipating that we would be able to have the operational profit in that company and reduce the losses by 50%. So that would directly reflect to the EBITDA and the PAT level.

Tanya: Okay, sir. So what are the growth levers for our margins growth?



- Sachin Jain:** I think initially in the first question, MD sir has already covered about the growth lever for the margin side. First is the better utilization of the assets. Second, we are working on the efficiency improvement of employee side and the material side. And thirdly, we are also working on the – improvement of 2the battery business realization. So that will also result in improving the overall EBITDA margin and the consolidated profit also.
- Tanya:** All right, sir. Also, just a follow-up to that, are these margins sustainable, the FY '25 margins?
- Sachin Jain:** Yes, yes, these are sustainable margins.
- Moderator:** The next question is from the line of Prisha Rathi from NM Securities.
- Prisha Rathi:** Sir, I have a couple of questions. So my first question is with an order book of INR2,834 crores, what portion is expected to be executed for FY '26 and FY '27?
- Sachin Jain:** Yes. For the next year, I think if we track it, it would be for the next financial year, we likely have already given the guidance. So that is already covered there.
- Prisha Rathi:** Okay. Okay. So my next question is for the EV business now contributes INR208 crores in order wins. So what is our target share of EV revenue over the next 2 to 3 years?
- Abhishek Jain:** See there is no specific target for EV business for us. Whatever products we are making, these are all engine-agnostic products. It goes into EV also and it goes into non-EV vehicles also i.e. ICE engines also. Only thing what we are now focusing more is we are becoming more aggressive in getting orders from all the EV makers in the country.
- So whoever is launching an EV in the Indian market, we are aggressively targeting them to get orders for our parts. So we have done that with Tata Motors also. We've done that with Maruti Suzuki also. We've done that with Suzuki Motorcycles as well for their EV 2-wheeler, whoever is launching EV products now on. So since last year, we are aggressively focusing on getting business for those EVs.
- Moderator:** The next question is from the line of Ankur Gulati from Genuity Capital.
- Ankur Gulati:** Sir, on the inventory side, is there any inventory which -- where you took some inventory losses when the prices came down and there's a probability of booking inventory profits or unwinding those provisional losses?
- Sachin Jain:** No, there is no asset losses because in the automotive industry, the inventory is also one of the area, which always remain in radar. So there is no asset losses.
- Ankur Gulati:** Understood. And what is the capital employed in battery business?
- Sachin Jain:** So total capital employed in the battery business is around INR55 crores.



- Ankur Gulati:** This is out of roughly INR300 crores of total net worth, right? Or should I look at total liability side?
- Sachin Jain:** Yes.
- Ankur Gulati:** So, just to be clear, out of INR300 crores of net worth, INR50 crores is invested in battery -- or is it INR50 crores out of INR568 crores of liability?
- Sachin Jain:** Can you come again what you're saying?
- Ankur Gulati:** Sir, your total liabilities is roughly INR568 crores. So when you're saying capital employed is INR50 crores, that includes -- should I look at INR50 crores out of INR568 crores or INR50 crores out of net worth of INR300 crores. Is it capital employed or equity?
- Sachin Jain:** It is total capital employed. That is part of -- you can say about INR380 crores because there are certain loans, which are also there from the PPAP side. So it is a part of net worth only.
- Ankur Gulati:** One more request, if SGA can help us post call is to share pretax ROCEs of all 3 or 4 divisions. So that helps us understand that which business vertical is back to the decent set of ROCEs, if I may request SGA to share that. Or if you can add that to your presentation going forward, that will also be helpful.
- Abhishek Jain:** Sure, Mr. Gulati, you can contact SGA. And if you have any more questions also specific ones, they can organize a call with us, and we can answer your queries.
- Moderator:** The next question is from the line of Amit from HG Hawa.
- Amit:** Sir like -- just a different question, like any one key insight, which you must have discovered in the past 3 to 5 years, which is very unique to understanding your sector on a specific business sector?
- Abhishek Jain:** One key insight?
- Amit:** Yes, which you must have discovered in the past 3 to 5 years, which must have helped you to find uniqueness in your industry or in your sector, which you must have discovered in the last 3 years?
- Abhishek Jain:** I think that's a very interesting question. Amit, I need to think about it little bit.
- Amit:** Many of the questions have already been answered actually?
- Abhishek Jain:** Uniqueness, see, at the end of the day, it is a matter of perseverance and keeping your focus on the right thing. That is what I think has been the main learning for the last 4- 5 years for us. There have been many disturbances, many ups and downs, good situations, bad situations. But I think ultimately, what works is that you keep your long-term focus, and you work with



PPAP Automotive Limited
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perseverance and do the right things at the right time. I think this is what I can off-hand summarize for you what our learning has been.

Moderator: As there are no further questions from the participants, I now hand the conference over to Mr. Abhishek Jain for closing comments. Over to you, sir.

Abhishek Jain: Thank you, everyone, and thank you, moderator, for moderating the session. Friends, financial year '25 was a year marked by steady progress, disciplined operations and strategic foundational initiatives. The company has taken a proactive and aggressive approach to improving margins, focusing on operational excellence and cost optimization.

Looking ahead to financial year '26, we remain confident in delivering further enhancements in overall performance driven by our continuous efforts to boost operational efficiencies and strengthen profitability. We are committed to building on the momentum gained and achieving sustainable growth in the coming year.

Thank you very much to everyone for joining us on this call today. We hope we were able to address all your questions effectively. In case required for any further queries or clarifications, please feel free to reach out to our Investor Relations Advisor, Strategic Growth Advisors, and we'll be more than happy to answer any queries that you may have. Thank you very much, everyone, for being on this call.

Sachin Jain: Thank you very much.

Moderator: On behalf of PPAP Automotive Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.