



TRUST RELIABILITY QUALITY



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Permanent Magnets Limited (PML) is defined by three core values that serve as the foundation of the Company's ethos: *Trust, Reliability, and Quality*.

TRUST

PML builds trust by being open and ethical in business practices. PML makes sure to understand the customers' needs and deliver services on time with full dedication. PML has therefore earned the trust of major global industry leaders.



RELIABILITY

Customers strongly associate PML with reliability. The Company's consistent dependability ensures thorough support and strengthening of its clients' supply chains. PML's reliability has made it the preferred supplier in its product categories, and it is often the sole supplier trusted by its clients.



QUALITY

Quality is a key differentiator for PML, consistently distinguishing it from competitors. The Company's solutions exemplify exceptional quality, enhancing its reputation and fostering enduring client relationships.

These guiding principles have been instrumental in PML's continuous growth over the past six decades. The Company is confident that these values, which have shaped its journey thus far, will continue to propel it towards future success. PML aspires to become a leading global solution provider, consistently creating value for all stakeholders.

Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and make informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

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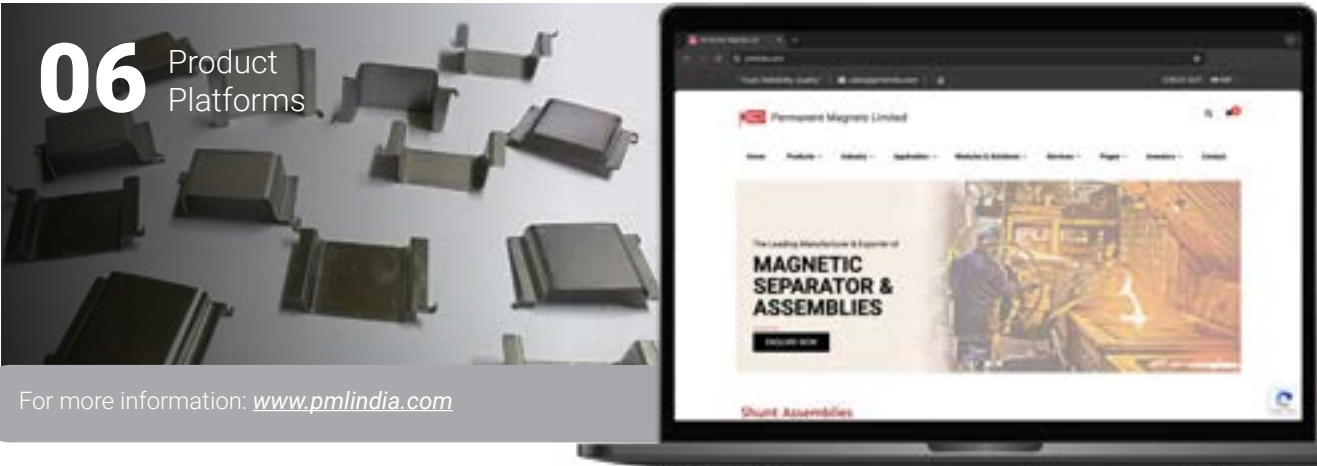
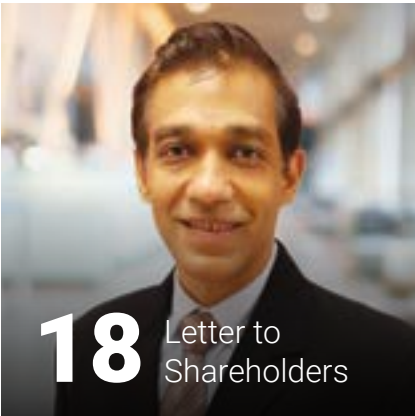
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For more information: www.pmlindia.com

THE WORLD OF PML

PML is a global solution provider of components and assemblies, catering to diverse applications mainly in the automotive industry, electricity metering, and other sectors. Dedication to quality has positioned PML as a reliable partner for its clientele.

Our success comes from using our expertise to create solutions that meet our customers' needs. PML is dedicated to innovation, always exploring new technologies and expanding into new product areas. By keeping up with industry trends, we quickly adapt to market changes, staying ahead in a constantly changing business world.



Decades of Expertise

60+ years

of experience in magnets, magnetic assemblies, electric vehicle and electric meter components

Manufacturing Prowess

5 facilities

Fully-equipped facilities ensuring efficient production and superior quality

Committed Team

A dedicated workforce of

545+

skilled professionals driving our success

Expansive Product Range

350+ SKUs

actively manufactured SKUs serving diverse industries

Knowledge Capital

A team of

81 engineers

at the forefront of innovation and technological advancements

Embracing Key Trends

Playing a pivotal role in emerging sectors like **electric vehicles, smart meters & grids and specialized alloys**

Catering to Diverse Clientele Across the Globe

- Electricity Meters & Smart Grid
- EV & Automobiles
- Gas Meters
- Electricals
- Medical Equipments
- Aerospace & Defence
- Telecom

PML'S CIRCLE OF COMPETENCE

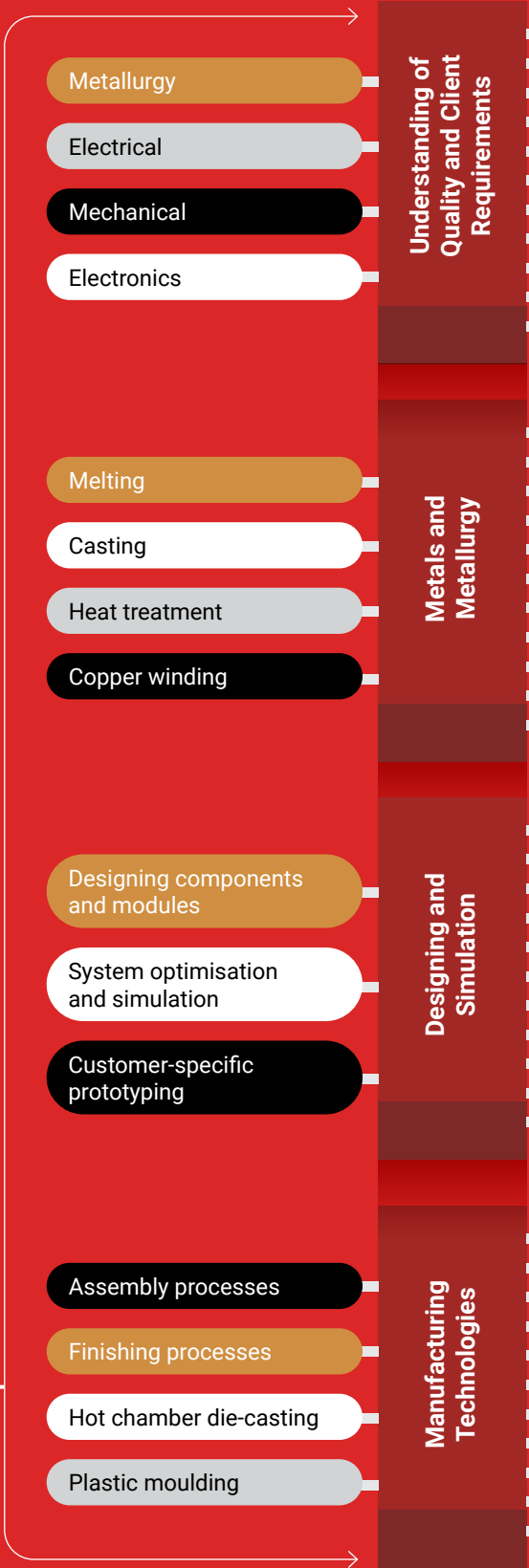
Value Proposition

At PML, our dedication as a solution provider is evident in every aspect of our operations. We seamlessly integrate design, prototyping and production expertise, all under one-roof, to meet the dynamic needs of industries such as automotive, metering and many others. Our value proposition goes beyond being a mere supplier; we aim to be a comprehensive solution partner, offering scalable manufacturing capabilities at our core.



A closer look at our different capabilities

PML has exceptional expertise in the fields of metallurgy, mechanical engineering, electrical engineering and electronics, enabling it to offer comprehensive solutions to its clients



Capabilities

PML's distinctiveness is built on 4 foundational pillars: *Quality, Capability, Cost, and Knowledge*. These pillars form the bedrock of our commitment to delivering unmatched value to our esteemed partners and discerning customers.

Quality

We recognize that customer satisfaction hinges on delivering products that meet the highest quality standards. To ensure this, we strictly adhere to our customers' required quality benchmarks, conducting rigorous testing and inspection of our raw materials as well as finished products. Our facilities are equipped with renowned measurement equipment like Koerzimat and BH Loop Plotter to meticulously evaluate the magnetic performance and physical attributes of our products. Our state-of-the-art AEC-Q200 lab enables us to conduct various qualification and type tests. We have also developed specific application test setups to monitor quality parameters, ensuring that only the finest quality products are dispatched to our customers.



Cost

We are dedicated to offering cost-effective manufacturing solutions without sacrificing quality. Our production facilities are equipped with dependable equipment, ensuring efficient and streamlined manufacturing processes. We hold certifications from IATF, AS, EMS, and OHSAS, underscoring our commitment to high standards. Regular customer audits ensure we consistently meet expectations. Additionally, our indigenously designed high-tech technologies, including NADCAP-compliant annealing furnaces, provide us with a competitive edge, enabling us to offer favorable cost structures to our valued partners.



Capability

Our strength lies in our ability to conceptualize and implement customized designs and solutions for each customer. Over the years, we have refined our capabilities to understand and address the unique requirements of different clients. By collaborating closely with our customers, through our in-house design and engineering team, we offer valuable insights and assist in optimizing client designs and products. Our comprehensive capabilities allow us to transform ideas into tangible solutions, ensuring that we meet the specific needs of each client.



Knowledge

PML takes pride in its deep understanding of customer requirements. Our team of experts, covering fields of Metallurgy, Mechanical, Electrical and Electronics, possesses comprehensive knowledge of our customers' potential needs. This unique blend of expertise allows us to deliver tailored solutions that precisely address their challenges. Furthermore, our production managers stay updated with the latest manufacturing trends, ensuring we adopt new technologies and remain at the forefront of innovation.



BEYOND COMPONENTS

Our strategy centers on developing versatile capabilities rather than specific products. By focusing on technology and capability development, we can adapt to the market's dynamic nature and address a broader range of customer needs. This approach allows us to leverage our core technologies to create customized solutions, ensuring we remain resilient to technological shifts and maintain a wide addressable market.

Our key product categories include:

1 Magnetic Sensing

Magnetic sensing technology is employed to detect minute changes in the magnetic field. This technology often relies on high-quality shields, cores and magnetic sensors as commonly used devices for precise measurements.

Under the magnetic sensing product category, we specialize in some key technologies:



Magnetic Sensing by Hall Sensors

Combination of Shields/Cores along with Hall sensors is commonly used in BMS, MCUs, etc in EVs.



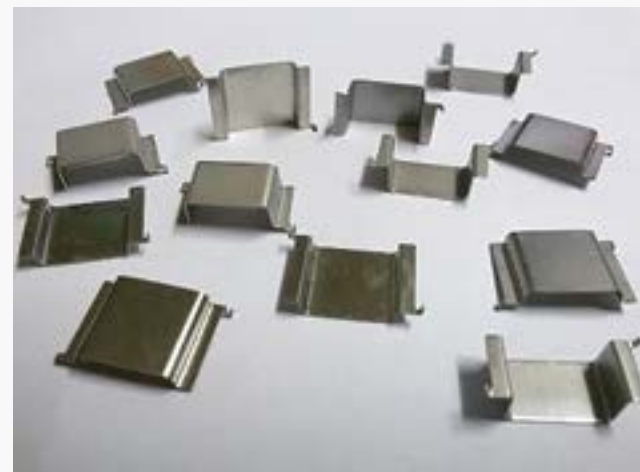
Speed Sensing

Speedometers, primarily using Alnico magnets, are the most commonly used speed sensing devices.



Torque and Angular Sensing

Torque and angle sensors play a crucial role in determining the steering wheel position and the amount of torque exerted by the driver on the steering wheel. In modern automobiles, the Electric Power Assisted Steering (EPAS) system, also referred to as Electric Power Steering (EPS), extensively utilizes torque and angle sensing assemblies for optimal functionality.



Key Products:

Flux concentrators, C-Shield, SMD Shields, U-Shields, MuMETAL- Stress Annealed Sheet, Fabricated Shield, U-shields, Rotator, Flux Collectors, Stator and many more

Application Industry:

Automobile

2 Current Sensing

Current sensing or measurement is essential for various critical functions such as revenue generation, feedback control mechanisms, and monitoring processes. Several methods are employed to measure current, including the utilization of a Hall Sensor with Flux concentrator logic, Shunt logic, Current Transformer, or Rogowski Coil.

In advanced systems, current sensing modules are integrated assemblies that combine various components, including flux concentrators, shunts, Hall Sensors, temperature sensors, Controller Area Network (CAN) interfaces, and Internet of Things (IoT) capabilities to ensure accurate and efficient current measurement and monitoring.

Under the current sensing product category, we specialize in some key technologies:



Shunt Current Sensors

Shunts are precision components for the energy meter to measure power. The Shunt Resistor is used as a key part of the measuring device inside the electronic ammeter.



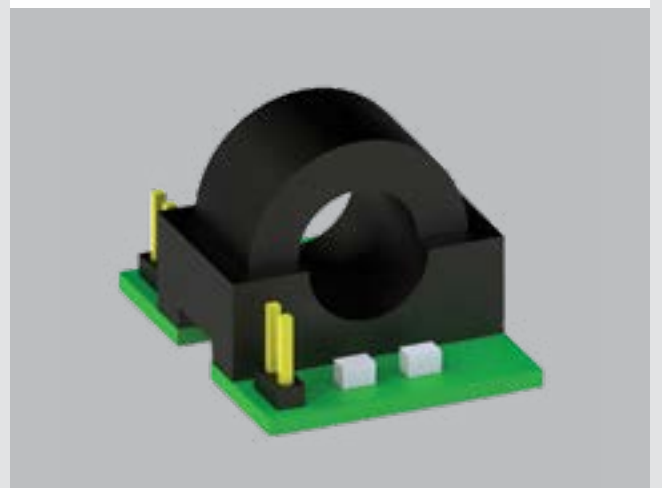
Hall Effect Sensors

Leveraging the Hall effect principle, our Hall effect sensors detect changes in magnetic fields when a current-carrying conductor is exposed to a magnetic field. These sensors, combined with flux concentrators, enable the measurement of magnetic field variations within the conductor, ensuring reliable current sensing.



CT-based Sensors

Current transformers (CT) are instrumental in measuring alternating electric currents for energy meters. These transformers produce a reduced, proportionate current that can be seamlessly connected to measuring and recording equipment. Widely used in metering and protective relays within the electrical power industry, CT-based sensors deliver accurate and dependable current measurement.



Key Products:

Shunts, Various types of Flux Concentrators & Current Transformers, various types of Ferromagnetic Shields and different modules like Hall Shunt Module, Clamp-on Current Sensor, IOT System and Smart Battery Clamp

Application Industry:

Automobile, Energy Meters and Renewable Energy

Product Platforms

3 Magnetic Assemblies

We excel in the development and manufacturing of components, devices and systems that harness the power of permanent magnets and electro-permanent magnets. These magnetic assemblies perform three essential functions - holding, lifting and separation, each serving distinct purposes in various industries and applications:



Holding

Magnetic holding serves multiple purposes, ranging from keeping metal instruments securely in place to holding objects during light-duty operations. It finds application in robotics for pick and place tasks, as well as in collecting and segregating scattered metal parts, among other uses.



Separation

Magnetic separation is a highly effective process utilized to extract ferrous metal contaminants from various materials, including dry particulates, liquids, chemicals, minerals, food products, pharmaceuticals, and recycled materials, among others. This technique allows for efficient purification and removal of unwanted ferrous substances, enhancing the quality and purity of the target materials.



Lifting

Lifting magnets provide a safe and efficient solution for transporting, lifting and securing steel products. These powerful magnets are extensively utilized in various industrial settings such as workshops, manufacturing units, garages, and processes like fabrication, forging and casting. By employing lifting magnets, workers can handle steel materials with ease and precision, enhancing productivity and ensuring the safety of operations.



Key Products:

Magnetic Lifters, Toucher Magnets, Sheet Transporter, Magnetic Sweepers, Touch Magnet, Magnetic Tray, Hand Magnet and many more

Application Industry:

Warehouses, Pharmaceutical, Food and Beverage, Garages and many others

4 Alloys

We leverage our metallurgical expertise in melting, casting and heat treatment to produce a diverse range of alloys. These alloys are tailored to exhibit specific characteristics and enhanced properties for various applications. Currently, we are working on several products, including Nickel-Iron, Cobalt, Manganese and Nickel-based alloys. Our advanced casting technologies have further enhanced the versatility of our alloys, enabling us to create intricate components with exceptional strength, resilience, and dimensional accuracy.



5 ZAMAK Die-Casting

ZAMAK (Zinc-Aluminium-Manganese-Copper) alloys are used for high-volume production of small parts, offering a host of key advantages. The versatility of this process allows it to mold complex and articulated shapes with ease. ZAMAK's exceptional material properties surpass those of aluminum alloys, making it the ideal choice for die-casted parts.

Application Industry:

Automobiles, LED Lighting, Connectors and many more

APPLICATION VERSATILITY

PML is a trusted supplier of critical components and assemblies for a wide range of industries. Our products play an essential role in sectors such as automotive, energy metering, and many others, demonstrating their importance across various applications.

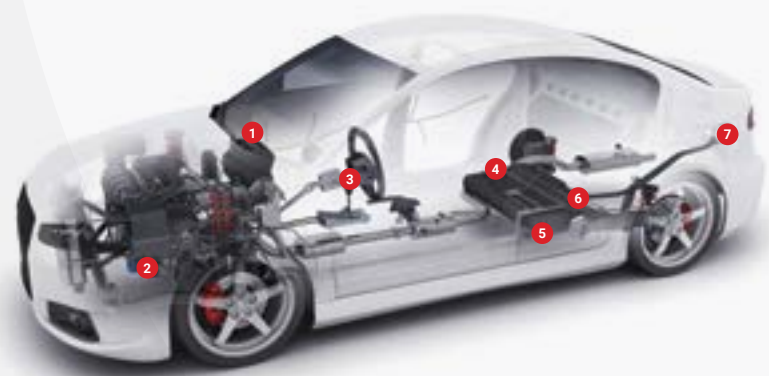
Automobiles

In the automobile sector, PML offers a comprehensive range of components and systems crucial for vehicle efficiency and reliability, particularly in current sensing applications.

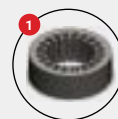
Our innovative solutions include:

- Current measurement systems
- Advanced battery management technologies
- Components for motors and generators
- Charging system elements
- Torque and angle measurement devices
- Safety and automation products

We are working on modules and assemblies like intelligent battery sensors and monitoring systems. These technologies enhance vehicle performance, optimize energy usage, and ensure smooth operation across various automotive applications.



Speed Sensor



Laminations



Permanent Magnets



Rotor Laminations

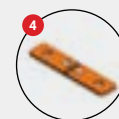


EPS

Battery Current Sensor



Shields



Shunt

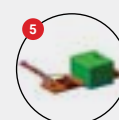


Flux Concentrator

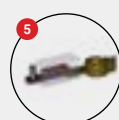
Battery Monitoring Sensor



Clamp On



HSM



Smart Battery Clamp



Toroidal Cut Core



BMS

Electricity Meters

PML is a key player in the electricity metering value chain, providing vital components for accurate and reliable current sensing.

Our expertise encompasses the development of:

- Flux concentrators
- Cores and shields
- Laminated flux concentrators
- Shunts & Current transformers (CTs)

These components are fundamental to meter functionality, enabling precise current measurement through hall sensors, shunts, or CT assemblies. By supplying high-quality current sensing parts, PML contributes significantly to the efficient operation of electricity meters, ensuring accurate measurement and billing in the energy sector.

Other Application Industries:

Renewable Energy

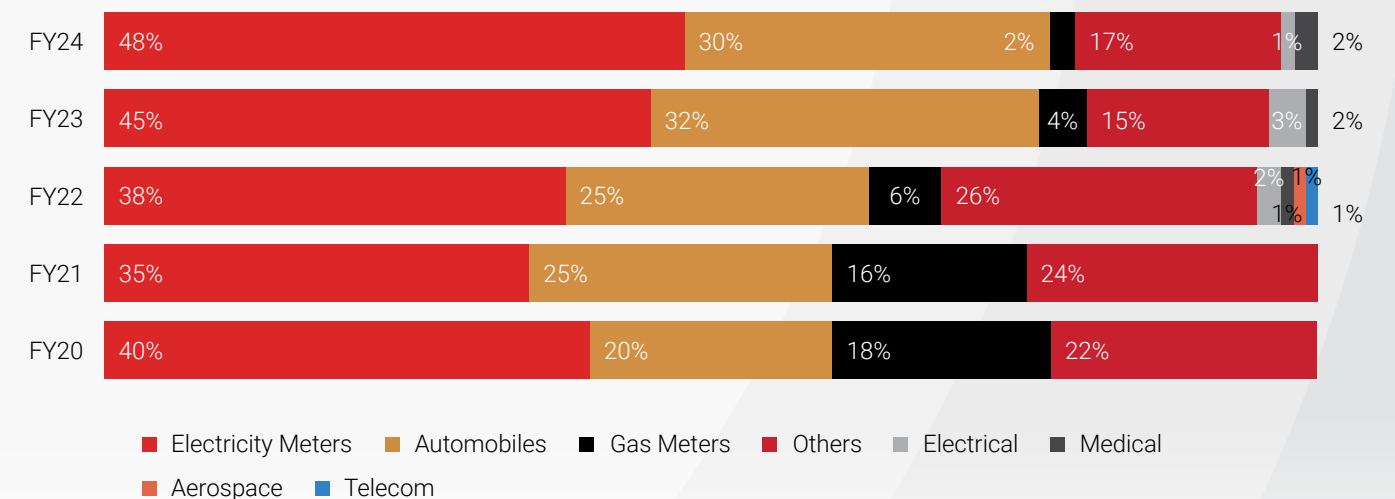
Aerospace and Defence

Food & Beverage

Robotics

Application-based sales analysis:

- Electricity Meters continues to be the flagship application industry
- Recent decrease in Automobiles contribution on account of lower demand from EV industry
- New application categories include Electrical, Medical, Aerospace, Engineering and Computers



OUR UNIQUE STRENGTHS

PML sets itself apart in the industry through its commitment to customer satisfaction, extensive domain knowledge and continuous innovation. Its comprehensive capabilities cover the entire product development value chain, from initial design and prototyping to full-scale commercial production. Key differentiators include a reputable client portfolio, experienced leadership, strategic technical collaborations and rigorous quality assurance protocols. These core strengths form the foundation of the Company's competitive advantage and contribute to its ongoing success in the market.

1 Strong Customer Relationships

PML has established itself as a trusted partner in the industry, particularly in the automobile and electricity metering sectors. The Company's strong client relationships reflect its commitment to quality and reliability. PML has become a preferred supplier for many leading manufacturers in these key application areas, demonstrating its expertise and ability to meet customer needs consistently.

Automobile sector:

PML has established itself as a key supplier in the global automotive sector, serving approximately 50% of tier-1 companies worldwide. The Company's expertise spans both traditional internal combustion engine (ICE) vehicles and emerging electric vehicle (EV) technologies, with higher business from the later. This broad reach demonstrates PML's adaptability and relevance in a rapidly evolving industry.

Electricity meters:

In the electricity metering market, PML has secured a prominent position by supplying components to the top 3 global manufacturers of this industry. The Company's long-term relationships with these industry leaders underscore its reliability and technical proficiency in this specialized field. Further, PML is also making in-roads in the domestic smart metering industry.



2 Guided by Experience

Our success is driven by a balanced and accomplished management team. Our leadership includes experienced business executives and a dynamic group of second-level managers, each contributing their unique expertise and enthusiasm. PML is committed to developing these second-level managers by offering them hands-on experience, client exposure and involvement in various projects such as new product and capability additions and project execution.

3 Strategic Alliances for Technological Advancements

PML appreciates the critical role that strategic collaborations play in maintaining a competitive edge in technological innovation and exploring new market prospects. Our growth and achievements have been significantly influenced by our key technical alliances.

Legacy Collaborations:

- **Centro Magneti Permanenti (Italy | 1973):** This collaboration marked a significant milestone in our journey, enabling us to commence production of permanent magnets. It laid the foundation for our expertise in this field.
- **Dowa Mining (Japan | 1983):** Our technical collaboration with Dowa Mining facilitated technology upgradation, allowing us to enhance our capabilities and stay ahead of the curve.



- **Sumitomo (Japan | 1983):** Our collaboration with Sumitomo resulted in the upgrading of our cast magnet plant and the modernization of our ferrite plant, enabling us to deliver high-quality products to our customers.



Recent partnerships:

- **magLab AG, (Switzerland | Acquired by CTS Corporation):** Through this technical collaboration, we have combined our expertise in simulations, product testing, magnetic designs and sensors to develop and market advanced products and solutions.



These strategic alliances have not only strengthened our technical capabilities but also broadened our horizons by providing access to cutting-edge technologies, market insights and clients.

4 Exemplary Quality Assurance

We prioritize maintaining exceptional quality standards in our industry. Our dedication to quality is reflected in our rigorous control systems and compliance with industry benchmarks.

We regularly undergo customer-led audits to validate our commitment. We utilize advanced measurement equipment, including Koerzimat and BH Loop Plotter, to ensure precise magnetic performance evaluation. Furthermore, we have developed a custom testing facility in-house to conduct thorough assessments tailored to our products' specific requirements.

Key Certifications



ISO 14001: 2015



ISO 9001: 2015



IATF 16949: 2016



OHSMS 45001: 2018



AS9100D: 2016

Our strong focus on quality control builds trust with our customers, assuring them that we consistently meet or exceed their expectations. At PML, quality is not just a standard but a core principle embedded in every part of our operations.



BEING FUTURE-READY

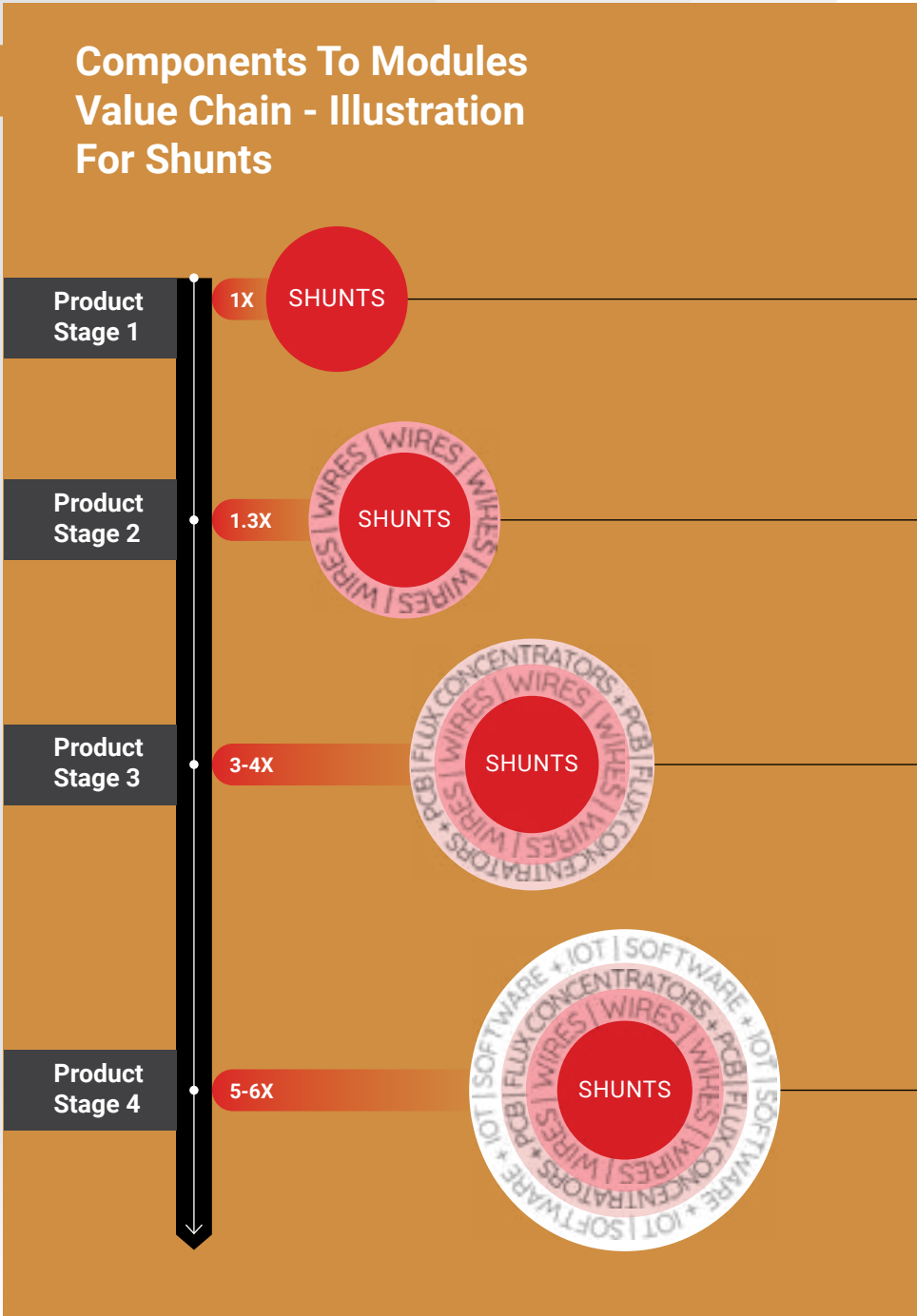
PML takes a forward-thinking approach to its goals, seeing them as key to growth and future resilience. These goals focus on capability expansion, adopting new technologies, and effective product management.



1

Strengthening Value-Chain Presence: Growing Focus on Modules

PML is working to transition from components to modules in select product categories. This step will significantly increase product value, with some categories potentially seeing a 5 to 6 fold increase. The Company is strategically focusing on product areas like shunts and soft magnetic compounds as a foundation for future module development.



2

Enhancing Technological Capabilities

PML acknowledges the critical role of technical expertise and continuous technology adoption. The Company is focusing on areas such as Modules, Alloy Making, Casting, and Heat

Treatment. PML is also exploring advanced applications in ZAMAK die-casting, high-volume sheet metal forming and wire winding.



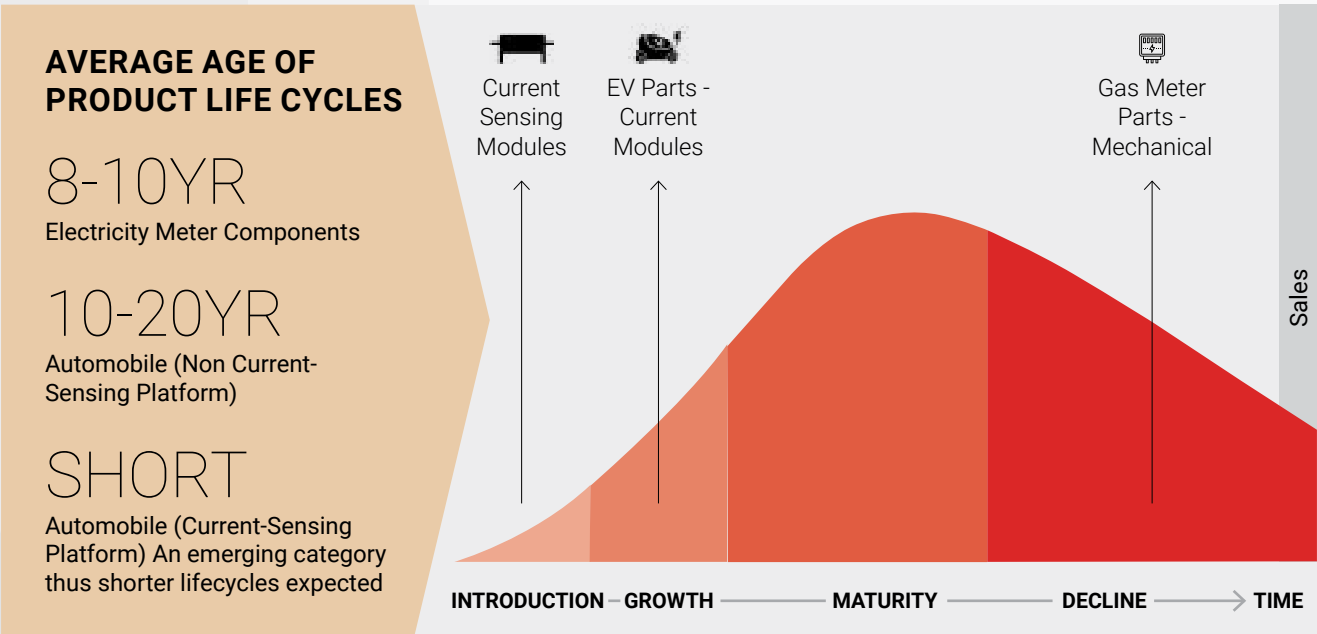
3

Managing Product Life Cycle

PML is pursuing 2 pronged strategy:

- Increasing the pipeline
- New verticals based on capabilities

To mitigate product life cycle related risk, PML is increasing the overall pipeline. , Further, PML has started working on business opportunities with lesser lifecycle risks, such as specialized alloys



Specialized Alloys

As a part of recent strategic initiatives, PML has ventured into specialized alloy manufacturing building on its existing casting capabilities. This division has strategic advatages such as:

- Easy to scale up to commercial orders
- Higher longevity
- Limited lifecycle risk: till the time a new alloy is discovered and is commercially acceptable



4

Integrating Manufacturing Facilities

PML is focusing on streamlining its manufacturing operations to optimize costs and improve efficiencies. The Company is working towards consolidating its existing manufacturing facilities into a single unit.

Significant progress has been made in acquiring the necessary land for this project. By centralizing operations, PML aims to enhance synergies, reduce redundancies and create a more agile business environment.



ADVANCING TOWARDS NEW HORIZONS



Our electricity meters verticals is witnessing significant developments, particularly in the domestic smart meters domain driven by the Government of India's policy initiatives in this domain.

Dear Shareholders,

I am delighted to address you as we reflect on yet another year at Permanent Magnets Limited (PML). First and foremost, I would like to express my sincere gratitude to each and every one of you for your trust and support in our vision.

FY24 has seen a blend of successes and challenges contributing to our performance. While we have managed to deliver growth in terms of Revenue, the year under review didn't exactly pan out as per our expectations in terms of profits. This was primarily on account of unanticipated changes in our product mix.

Operational Updates

We witnessed lower demand from our EV customers, leading to an overall slowdown in sales growth for the Europe and USA regions, which are our primary markets in the EV vertical. While the top line contribution from Automobiles has only come down from 32% in FY23 to 30% in FY24, registering a margin decrease, it is the product-mix change within this vertical that has led to lower overall profitability. It is difficult to predict an exact turnaround in the demand situation from this vertical, given the dynamic nature of the market. However, we remain hopeful for a better environment in our Automobiles business as we move forward.



An important update for FY24 has been the commissioning of our alloys facility in Q4. We have been working on this project since last year, while our presence and capabilities in the casting domain are quite established.

However, our electricity meters verticals have seen significant developments, particularly in the domestic smart meters market domain. We are witnessing growth in the domestic smart meters market driven by the Government of India's policy initiatives in this domain. With on-ground implementation happening, the industry has a massive target of 250 million meters set. Only 11 million have been installed as of May 2024. To leverage this opportunity to a greater extent, we are not only banking on our existing products, such as CT, Shunts and Assemblies but are also working on adding more products to our portfolio to serve a larger portion of the domestic smart meters' opportunity. Discussions and product prototyping are ongoing with different customers, and any breakthroughs on this front will further aid our growth in this segment.

Expanding Horizons

In FY 24, two strategic initiatives were taken up - Alloys and Rare earth magnets.

Alloys

The alloys facility was commissioned in Q4. As you know, we have been working on this strategic initiative since last year. We have decided to work on a few specialized alloys, primarily Nickel-Iron, Cobalt, Manganese and Nickel-based alloys. This domain has certain advantages such as ease of scaling up to commercial orders, higher longevity of business, and limited lifecycle risk. We foresee significant opportunities in this business vertical. Given the nature of this business, the ramp-up to commercial orders should be faster compared to our current business. We are already in advanced talks with some prospective customers in sectors such as Oil & Gas and Aerospace to begin commercial supplies for various alloys. To improve cost competitiveness, we have also made investments in Hydrogen and Nitrogen gas generation plants. We are expecting to see results from this vertical in the current financial year, i.e., FY25.

₹206
Crores
Top Line in FY24

9%
Growth in Top Line
in FY24

Rare Earth Magnets

Another promising area with a longer 2-3 year horizon, is our business in the neodymium and rare earth magnets space, through our subsidiary Quantum Magnetics. We have completed our initial CAPEX for this project in the subsidiary and are expecting revenues from this subsidiary to start flowing in the current financial year. However, material scale-up from this division will be 2-3 years down the line.

Concluding Thoughts

Looking ahead, we believe that PML has enhanced the growth platform. While the EV business is yet to pick up, in the interim, we hope to compensate for gaps, if any, with growth in the Domestic Smart Meters and Alloys business. At the same time, we have longer-term opportunities in the pipeline, including the potential opportunity in Neodymium & Rare-Earth Magnets through our work in Quantum Magnetics. We are also working on other medium-to-long-term goals such as integrating all our manufacturing facilities under one roof, scaling our modules business, and finding breakthroughs in our shift from components to modules in some product categories. All this while we continue to pursue business growth from additional capabilities and new growth drivers.

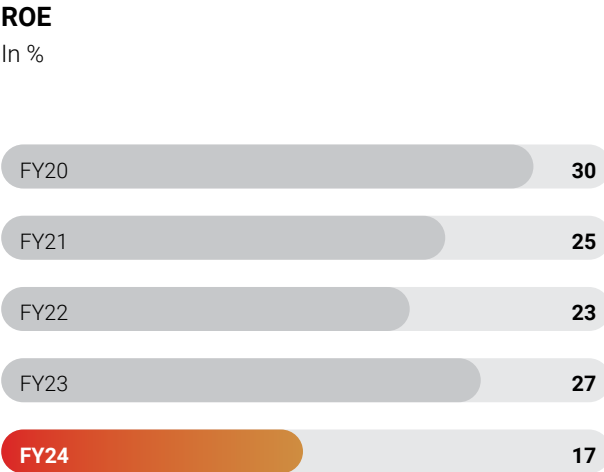
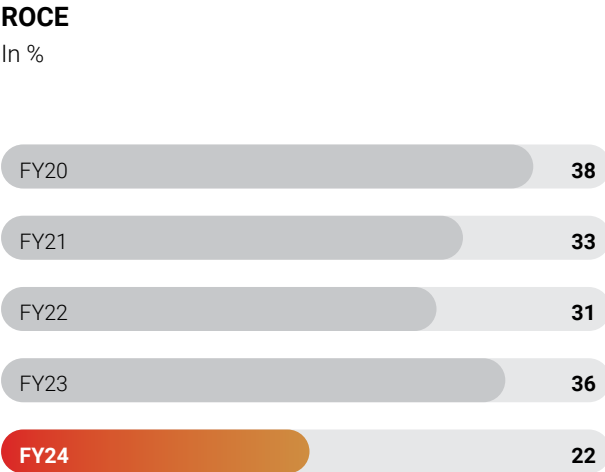
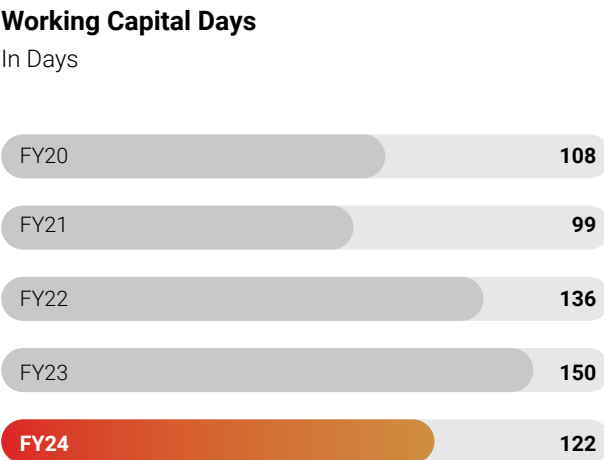
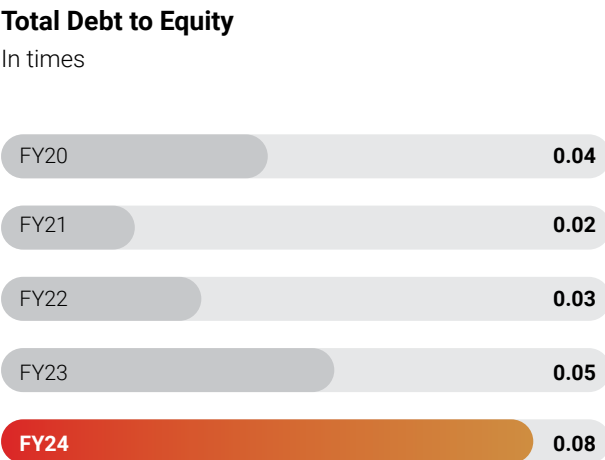
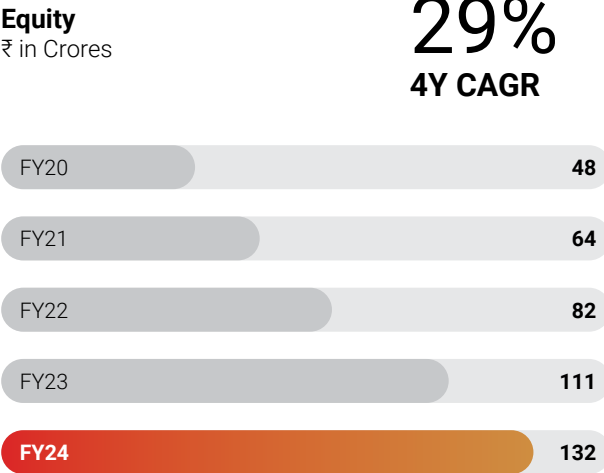
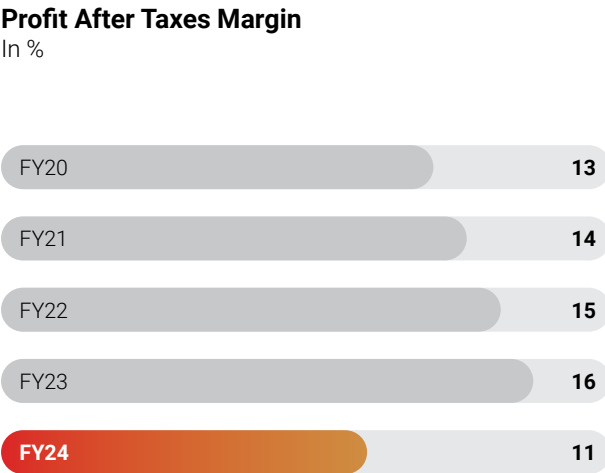
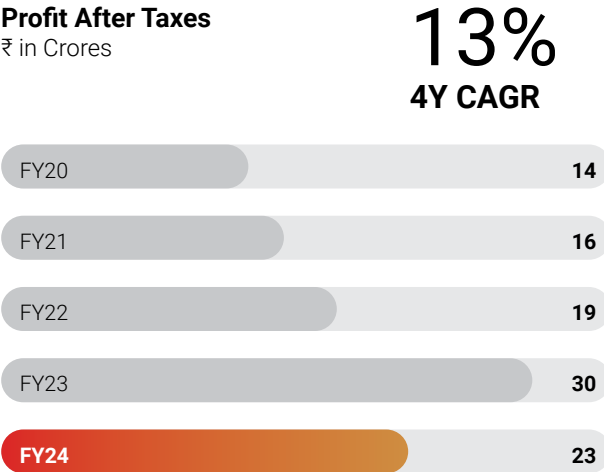
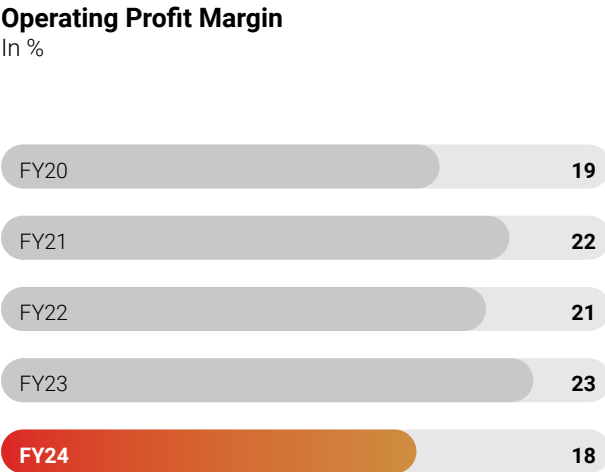
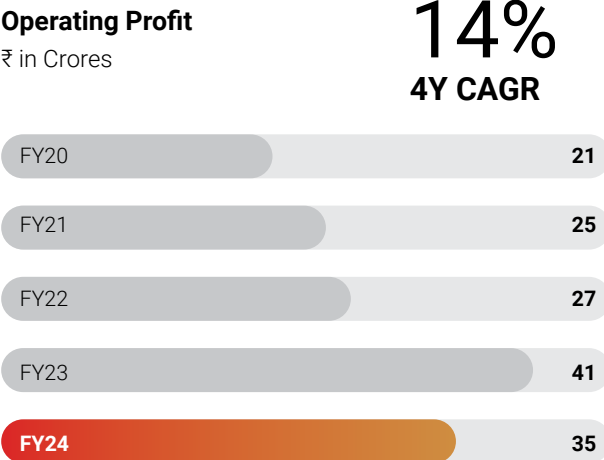
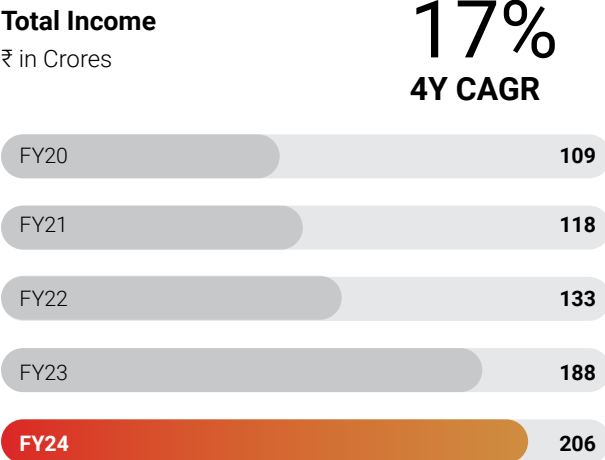
Thank you once again for your trust and confidence in our Company. Together, we will move forward, trying new things, reaching more markets and aiming for excellence in everything we do.

Sincerely,

Sharad Taparia
Managing Director

NAVIGATING CHALLENGES. CHARTING GROWTH.

The year presented a blend of successes and challenges. PML is geared for the next phase of its journey, remaining resolute in its pursuit of growth and embracing the opportunities that lie ahead.



GOVERNANCE IN ACTION



A S C N

Rajeev Mundra
(Chairman)

Rajeev Mundra brings a rich experience of over 27 years in management, finance, accounting and taxation. With qualifications including B.Com, CA, Grad CWA, CISA (USA), and DIFA (ICA), he provides valuable insights and strategic guidance to the Company.



A C

Sharad Taparia
(Managing Director)

Sharad Taparia, with over 27 years of experience in the magnet manufacturing industry, holds a BE degree and an MBA in Finance. He spearheads the overall management of the Company, driving growth and operational excellence.



N S C

Mukul Taparia
(Non-Executive Director)

Mukul Taparia has more than 26 years of experience in international marketing and finance. Holding a Bachelor's degree in Computer Science from the University of Texas, Austin, and a Diploma in Business Engineering from Warwick University, UK, he contributes to the Company's strategic direction.



Girish Desai
(Non-Executive Director)

With over 51 years of experience in management, finance, taxation, corporate and security laws, HR, and industrial relations, Desai, with qualifications including M.Com, Grad-CWA, ACA, PGDSM, and PGDSL, offers a diverse range of expertise and insights to the Board.



Nirmal Jain

(Non-Executive Independent Director)

Nirmal Jain possesses over 4 decades of work experience. Nirmal Jain is a fellow member of the ICAI and the ICSI, he has held key roles at JSW Group since 1992. His expertise in mergers, finance, law, and restructuring was instrumental in establishing JSW as a rapidly growing conglomerate. His appointment to the BOD is subject to shareholders approval at the ensuring AGM.



N A S

Kamal Binani
(Independent Non-Executive Director)

Kamal Binani possesses over 41 years of experience in finance, accounting and taxation. With a strong background in these areas and a B.Com and CA qualification, he brings valuable expertise and independent perspective to the Board.



Sunaina Taparia

(Non-Executive Director)

Sunaina Taparia holds a Bachelor's degree in Fine Arts.

- M

Member
- C

Chairman
- A

Audit Committee
- N

Nomination and Remuneration Committee
- S

Stakeholders Relationship Committee
- C

Corporate Social Responsibility Committee

WORKING ON INCLUSIVE GROWTH

Education Project

Built a classroom for promoting education



Rural Development Project

Building a well for a local village

Bodhgaya

Built a facility for promoting the meditational activities



Medical Equipments

Promoting health care including preventive health care

Mauli Shikshan Prasark Mandal

Carried a programme in school to promote the nursing and medical education to students



Seeds of Awareness

Building curriculum for the adolescents program and the facilitators training program

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

Global growth, estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025, according to the IMF World Economic Outlook - April 2024.

The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and tensions in Israel-Iran & Russia-Ukraine; weak growth in productivity; and increasing geo-economic fragmentation. Global headline inflation is expected to fall from an annual average of 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging markets and developing economies.

The latest forecast for global growth five years from now - at 3.1% - is at its lowest in decades. The pace of convergence toward higher living standards for middle- and lower-income countries has slowed, implying a persistence in global economic disparities. The relatively weak medium-term outlook reflects lower growth in GDP per person stemming, notably, from persistent structural frictions preventing capital and labor from moving to productive firms. Dimmer prospects for growth in China and other large emerging market economies, given their increasing share of the global economy, will weigh on the prospects of trading partners.

Global growth, estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025, according to the IMF World Economic Outlook - April 2024.



Indian Economy

The Indian economy is poised to achieve a growth rate of 6.6% in FY25 as per the world bank estimates. If this prediction holds true, it would mark the fourth consecutive year of post-pandemic growth near to or above 7%, a remarkable feat that would underscore the Indian economy's resilience and potential, auguring well for its future prospects.

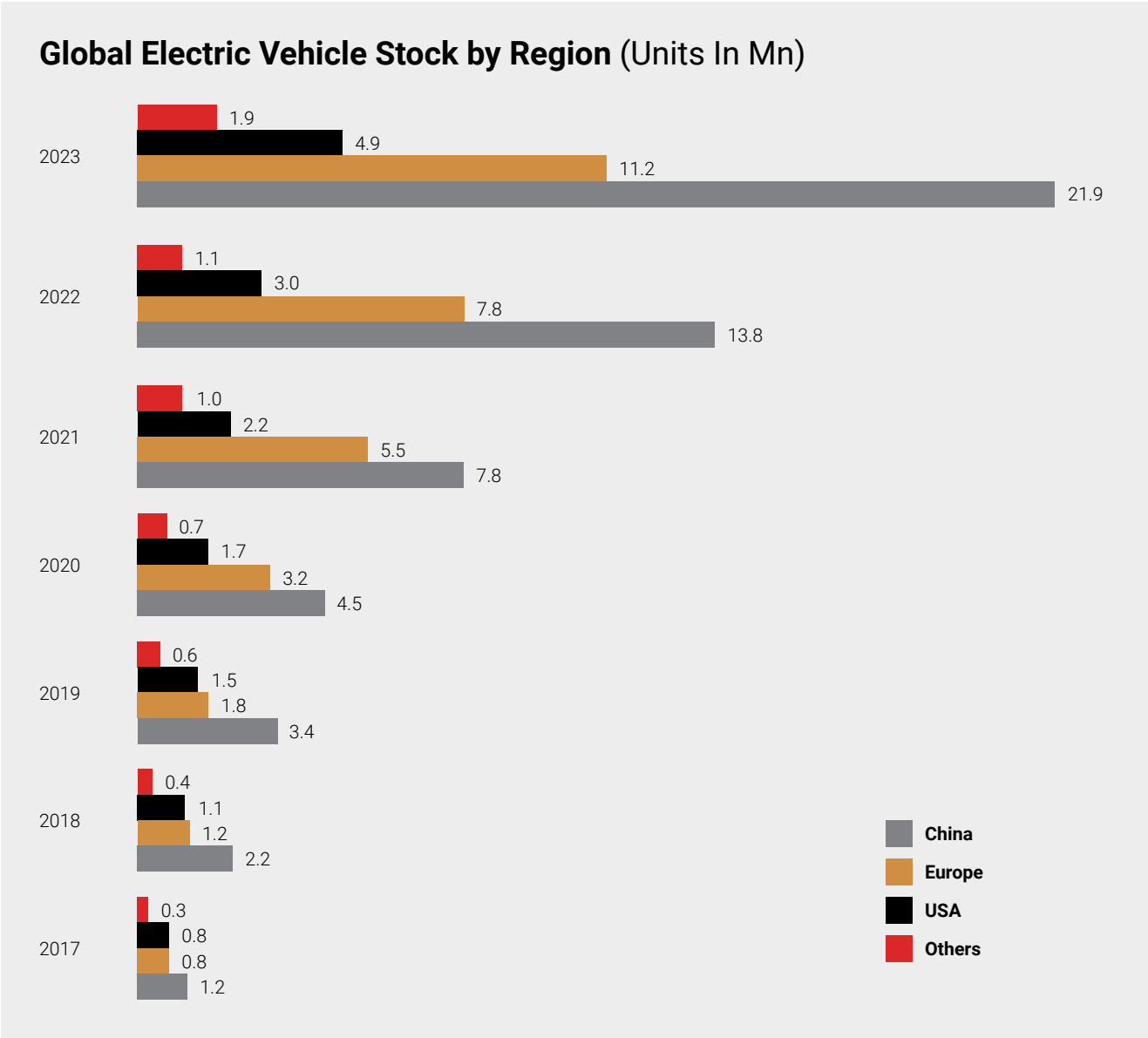
The challenge of energy transition looms large, driven by mounting concerns over rising temperatures and the need to reduce carbon emissions. This has led to sustained pressure from international organizations and advanced nations on developing countries to transition away from fossil fuels and adopt greener energy alternatives.

Global EV Trends

The global electric vehicle market is experiencing significant growth, with electric car sales expected to reach around 17 Millions in 2024, accounting for more than one in five cars sold worldwide. This surge in sales reflects the increasing popularity and adoption of electric vehicles across various markets, driven by factors such as

competition among manufacturers, falling battery and car prices, and ongoing policy support. Despite concerns about lower profit margins, volatile battery metal prices, and the phase-out of purchase incentives in some countries, global sales data remain robust.

In terms of regional trends, China is emerging as a major market for electric vehicles, with electric car sales expected to reach 45% of all cars sold. The Chinese government's policies, including subsidies and tax exemptions, have been instrumental in driving the growth of the electric vehicle market in the country. In Europe, the market share of electric vehicles is projected to be 25%, driven by the European Union's emission standards and the increasing popularity of electric vehicles among consumers. In the United States, the market share is expected to be over 11%, with states like California leading the way in electric vehicle adoption. Factors such as competition between manufacturers, falling prices, and government subsidies are key drivers of the increasing market share of electric cars. These regional trends indicate a growing demand for electric vehicles, driven by a combination of consumer preferences, technological advancements, and policy support.

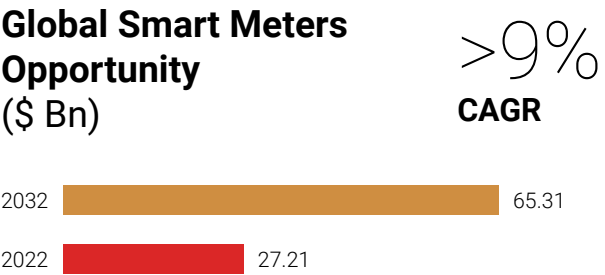


Policy support is playing a crucial role in accelerating the adoption of electric vehicles. Various countries are implementing policies to encourage the growth of the electric vehicle market, including new emissions standards and industrial incentives. The European Union's emission standards, for example, are driving the adoption of electric vehicles among automakers, while countries like Norway and the Netherlands are offering generous incentives to encourage consumers to switch to electric vehicles. These initiatives are encouraging the growth of the electric vehicle supply chain, creating opportunities for value addition and job creation across EV supply chains in different economies. The policy landscape is evolving to support the transition to electric mobility, with governments recognizing the need to reduce emissions and promote sustainable transportation.

The future outlook for the electric vehicle market is promising, with expectations of strong growth driving significant investment in the EV supply chain. Investment announcements in EV and battery manufacturing have totaled almost USD 500 billion, indicating a growing confidence in the future of electric mobility. Forecasts suggest that the global electric vehicle stock will continue to increase, with scenarios projecting a substantial rise in EV sales by 2030. As the industry continues to evolve, it is likely that electric vehicles will become an increasingly important part of the global automotive landscape, driven by technological innovation, policy support, and growing consumer demand. The growth of the electric vehicle market will have significant implications for the energy sector, with electric vehicles expected to account for a significant share of global electricity demand by 2030. Overall, the global electric vehicle market is poised for continued growth, driven by a combination of technological, economic, and environmental factors.

Global Smart Meters

Smart meters have emerged as advanced electronic devices that play a pivotal role in recording crucial information related to electric energy consumption, such as voltage levels, current, and power factor. These meters provide consumers with a clearer understanding of their energy usage patterns while enabling electricity suppliers to monitor the system efficiently and accurately bill their customers. The global smart meters market is projected to reach approximately USD 65.31 billion by 2032, with an expected Compound Annual Growth Rate (CAGR) of more than 9%, up from USD 27.21 billion in 2022.



The adoption of smart meters has been steadily increasing worldwide, with the USA leading the way with around 68% of metering systems transitioning to smart meters. The EU and Canada account for approximately 50% of the market, while Australia has seen about 25% of metering systems adopt smart meters. However, in India, smart meters make up a small percent of the market, indicating significant potential for growth. Government policies across the globe are actively promoting Advanced Metering Infrastructures (AMIs) to drive automation and technological advancement, presenting exceptional growth opportunities, especially in markets with limited smart meter penetration.

One of the persistent challenges faced by the power distribution and supply industry is efficiently matching demand with supply. Smart electricity meters are expected to bridge this gap, significantly enhancing industry efficiency. These smart meters offer consumers the advantage of timely failure detection, faster service accommodations, and accurate billing. For power companies, these meters reduce the reliance on manual meter readings, limit equipment and maintenance costs, and enable quicker restoration and maintenance processes. Moreover, they empower companies to track and mitigate power loss and theft effectively.

Furthermore, smart meters enable the integration of distributed energy resources and energy storage, facilitating effective supply management for specific uses like residential electric vehicle (EV) charging. Such automation leads to improved operational efficiencies, greater grid resilience, and precise meter readings. Anticipating the future, it is expected that the growth of the smart metering industry will be fueled by the development of smart grid networks and regulatory initiatives. These steps not only encourage the replacement of outdated metering systems with modern technologies but also contribute to the overall energy supply and consumption efficiency. In the long run, consumers can adjust their energy usage based on time-based pricing models, while supply and distribution companies can optimize capacity utilization, ultimately resulting in rationalized rates and enhanced resource management.

The North American region is anticipated to witness promising growth in the smart electric meter market, driven by the replacement of existing meters and the roll-out of new smart meters. Europe has also seen healthy growth in the installation of smart meters, primarily due to the increased adoption of renewable energy sources. The Middle East & Africa and Latin America have seen minimal penetration of smart meters so far, but countries like Brazil, Mexico, South Africa, and GCC countries are expected to witness high growth in the coming years.



India Smart Electricity Meters

The Government of India has approved the Revamped Distribution Sector Scheme (RDSS) to help Distribution Companies (DISCOMs) improve their operational efficiencies and financial sustainability. The scheme aims to provide result-linked financial assistance to DISCOMs to strengthen supply infrastructure based on meeting pre-qualifying criteria and achieving basic minimum benchmarks. The RDSS has an outlay of ₹3,03,758 Crores over 5 years, from FY 2021-22 to FY 2025-26, with an estimated Government Budgetary Support (GBS) of ₹97,631 Crores.

Supportive Government Initiatives & Policy Push

The RDSS is part of the government's efforts to increase DISCOMs' billing efficiency, reduce transmission losses, and effectively bridge the demand-supply gap. A study by the Ministry of Power showcased that by using data analytics, DISCOMs can potentially save around ₹10,000 Crores by mitigating power theft and increasing billing efficiency.

The scheme focuses on improving the financial viability of the power sector by reducing the gap between the cost of electricity supply and revenue recovery. It aims to achieve this by providing financial assistance for the modernization and strengthening of distribution infrastructure, including the installation of smart meters, feeder separation, and the creation of Supervisory Control and Data Acquisition (SCADA) systems.

To ensure the effective implementation of the scheme, the government has set up a robust monitoring and evaluation framework. Regular progress reviews and course corrections will be undertaken to ensure that the scheme achieves its intended objectives.

Key Components of the RDSS

The RDSS consists of two components:

- 1. Metering Component:** This component focuses on the installation of smart meters, feeder meters, and distribution transformer meters. The scheme provides financial assistance for the installation of smart meters in urban areas and the replacement of electromechanical and static meters with smart meters in rural areas.
- 2. Distribution Infrastructure Component:** This component aims to strengthen the distribution infrastructure by providing financial assistance for the creation of SCADA systems, the modernization of substations, and the installation of Aerial Bunched Cables (ABC) in dense urban areas.

Expected Outcomes

The successful implementation of the RDSS is expected to lead to several benefits, including:

- Improved billing efficiency and reduction in Aggregate Technical & Commercial (AT&C) losses
- Increased consumer satisfaction through better quality and reliable power supply
- Reduction in the gap between the cost of electricity supply and revenue recovery
- Increased use of renewable energy sources and promotion of energy efficiency measures

Current Status of All India Smart Metering
State-Wise: Sanctioned, Awarded, Cumulative Achievement

State	Total Sanctioned	Awarded	Cumulative Achievement
Uttar Pradesh	3,09,78,280	3,09,78,280	11,86,953
Tamil Nadu	3,01,40,849	1,40,849	1,29,641
Maharashtra	2,35,64,747	2,35,64,747	2,66,219
West Bengal	2,12,08,759	37,24,273	98,050
Bihar	1,72,08,939	1,36,98,600	38,95,083
Gujarat	1,65,10,860	1,07,94,960	79,270
Rajasthan	1,49,00,527	6,25,571	6,07,357
Madhya Pradesh	1,34,44,401	48,84,284	10,00,418
Kerala	1,32,90,166	805	805
Punjab	98,30,007	10,45,200	8,02,826
Assam	69,21,329	70,16,629	22,08,059
Chhattisgarh	59,62,115	70,70,288	2,595
Andhra Pradesh	56,10,846	56,10,846	1,44,481
Himachal Pradesh	29,52,685	10,70,832	1,51,740
Jammu and Kashmir	21,34,095	20,72,763	5,70,769
Uttarakhand	15,84,205	15,84,205	0
Jharkhand	13,41,306	10,41,772	0
Haryana	10,00,000	10,00,000	8,47,467
Goa	7,41,160	0	0
Tripura	5,47,489	4,15,647	0
Meghalaya	4,60,000	0	0
Puducherry	4,03,767	0	0
Nagaland	3,17,210	3,17,210	0
Mizoram	2,90,039	656	656
Arunachal Pradesh	2,87,446	2,86,940	0
Delhi	2,60,000	2,60,000	2,60,000
Andaman and Nicobar	1,58,773	75,200	75,200
Manipur	1,54,400	1,54,400	0
Sikkim	1,44,680	1,44,680	0
Ladakh	58,930	58,930	42,400
Chandigarh	29,433	29,433	24,214
Telangana	8,882	8,882	8,882
Odisha	4,500	4,500	4,500
Grand Total	22,24,50,825	11,76,81,382	1,24,07,585

Update on Smart Meter Installation Under RDSS

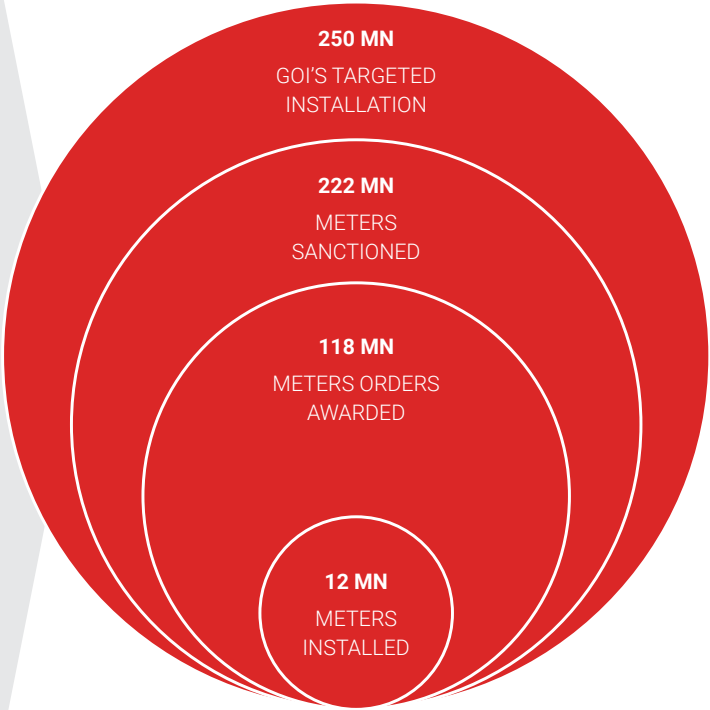
- 01

Under RDSS, the GOI has entailed installation of smart metering system to improve operational efficiencies & financial sustainability
- 02

GOI's intension is to install 250 Millions meters by 2025
- 03

Currently 12.41, Millions meters have been installed as per Ministry of Power
- 04

However, 222 Millions meters have been sanctioned by Nodal Agency (PFC) and out of that orders for 118 Millions meters have been awarded





Company Overview

Permanent Magnets, incorporated in 1960, has over 60 years of rich experience in the magnets, magnetic assemblies, and shunts domain. The Company is a leading solution provider of electrical components and assemblies based on core technologies that find application in various industries, including automobile, energy meter, renewable energy, aerospace & defense. Permanent Magnets has strong capabilities like Casting, Heat treatment, Hot chamber Die casting, Stamping, Molding, Assemblies.

PML's distinctive expertise in metallurgy, mechanical engineering, electrical engineering and electronics enables it to offer comprehensive solutions to its clients. The Company's long-standing presence in the industry has provided it with an excellent understanding of clients' quality requirements.

Moreover, PML possesses additional capabilities in design & simulation of components & modules, including customer-specific prototyping and in various metals & metallurgical processes.

PML works closely with its distinguished clientele from across industries, many of whom are global leaders in their respective fields. While in some cases, PML is one of the two-three suppliers for specific products, it is also the sole supplier for many of its clients. Permanent Magnets is a approved supplier of electrical components and assemblies to about 50% of the tier-1 automobile companies globally, in both traditional ICE vehicles and emerging technologies like EV. It is also a supplier to the top 3 electricity meter companies worldwide, and the Company holds a strong position in this segment with long-standing client relationships.

Risk and Concerns



Product Life Cycle Risk

The Company manufactures products that find application in smart metering systems, automobiles, telecom, gas meters and many such other application industries. Due to the constant underlying changes in these industries, some faster than the others, there is always a possibility of products (modules and components) witnessing maturing or declining trends in revenues. The Company must be cognizant of such trends and must prepare itself in accordance, as it has the potential to affect its performance in the future.



Macroeconomic Risk

Macroeconomic risks emerge from adverse economic conditions affecting the market, credit, liquidity, financial and capital market. Any volatility in the money and capital markets may affect interest rate and borrowing costs and have an impact on the Company's business activities and exposure.



Technological Risk

Newer technologies are continuously emerging in our application industries. Changing technological trends might render electrical components and modules manufactured by the Company obsolete in the future. Thus, technological obsolescence, in its own industry or application industry, may affect the Company's performance in the future.



Competition Risk

If the competition offers better pricing and superior quality, technology, services, facilities and variety, it may impact sales revenue and profitability of the Company.



Policy & Regulation Change Risk

Products manufactured by the Company are used in multiple industries and in multiple jurisdictions, thus the Company must comply with multiple product and quality standards. If there are any adverse regulatory or policy changes in the jurisdiction to which the Company has exposure to, it may affect its performance in the future.



Exchange Rate

As the Company exports its products and imports some of its raw materials, volatility in the exchange rate might have an impact on the Company's business.

Internal Controls and Systems

There are established procedures for internal control on a Company-wide basis. Policies and procedures have been laid down to provide reasonable assurances that assets are safeguarded from risks of unauthorized use/disposition, and transactions are recorded and reported with proprietary accuracy and speed. These aspects are regularly reviewed during internal audits and statutory audits. In addition, the Company has also laid down adequate internal controls for financial reporting. During the year, such controls were tested, and no material weakness in their operating effectiveness was observed. The Finance and Accounts function is well-staffed with experienced and qualified personnel, and this team participates in the preparation and monitoring of budgets. The Audit Committee of the Board reviews internal Audit Reports periodically.

Financial Ratios

Ratios	FY24	FY23	% Change	Remarks
Total Debt to Equity (Times)	0.05	0.03	60%	Due to increase in borrowings on account of capacity expansion projects.
Current Ratio (Times)	3.40	3.26	4%	N.A.
Interest Coverage (Times)	32.46	30.84	5%	N.A.
Debtors Turnover (Times)	4.23	3.79	10%	N.A.
Inventory Turnover (Times)	2.03	2.02	1%	N.A.
Operating Profit Margin (%)	22.58%	20.64%	9%	N.A.
Net Profit Margin (%)	15.81%	14.29%	11%	N.A.
Return on Net Worth (%)	26.81%	23.16%	16%	N.A.

Outlook

The coming few years present a promising outlook for PML, underpinned by several key factors. In the Domestic Smart Meters sector, robust industry tailwinds and supportive government policies contribute to a positive outlook. The Company's Alloys business has witnessed important developments including a new facility commissioned in Q4 and active discussions underway with potential customers for commercial supplies.

While the Electric Vehicle (EV) business currently faces a tepid outlook, the Company remains optimistic about compensating for this through growth in other verticals. This diversification strategy demonstrates the Company's adaptability in navigating industry fluctuations.

A growing pipeline of customer projects within existing domains further bolsters the Company's prospects. Simultaneously, the Company is working on longer-term opportunities, including on Neodymium & Rare-Earth

FY24 Performance Discussion

PML's Total Income for the year reached ₹205.87 Crores, up from ₹188.19 Crores in the previous financial year, marking a 9% year-on-year increase. EBITDA (excluding other income) for the year was ₹35.43 Crores, compared to ₹41.27 Crores in the previous year, reflecting a 14% year-on-year decrease. Consequently, EBITDA margin decreased to 18% in FY24 from 23% in the previous financial year. Profit after Taxes for the year was ₹22.74 Crores, down from ₹29.75 Crores in the previous financial year, registering a decrease of 24% year-on-year.

Magnets through its work in Quantum Magnetics. This forward-thinking approach positions the Company to deliver sustainable growth.

The Company is also actively pursuing forward integration and product stage scale-up in specific categories. A notable focus is on scaling up from magnets to assemblies in motors for the Automobile industry (Non-Current-Sensing Category). Any breakthroughs in this transition from components to modules could serve as a growth driver for the Company.

Throughout these initiatives, the Company maintains its commitment to business growth through additional capabilities and new growth drivers. This multifaceted approach, combining expansion in existing markets, exploration of new technologies, and vertical integration, positions the Company for sustained growth and resilience in the face of market challenges.



Industrial Relations and Human Resource Management

The Company believes that the motivation of employees is the key to its success. It is committed to equipping them with the required training and skills, enabling them to evolve with technological advancements and achieve financial goals. The Company’s HR department was consistently in touch with the employees to guide and solve their problems. The Company’s permanent employee strength stood at 155 as of March 31, 2024.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company’s objectives, estimates, expectations or projections may constitute “forward looking statements” within applicable laws and regulations. However, actual results may differ materially from those either expressed or implied in the statements. Important factors that would influence the Company’s operations include raw materials prices, product and application industry’s performance, tax laws, interest rates, power cost, economic developments, and other factors within the country and the global economics domain.

Corporate Information

BOARD OF DIRECTORS

Rajeev Mundra (Chairman)
(Non-Executive, Independent Director)

Sharad Taparia
(Managing Director)

Kamal Binani
(Non-Executive, Independent Director)

Mukul Taparia
(Non-Executive Director)

Girish Desai
(Non-Executive Director)

Sunaina Taparia
(Non-Executive Director)

CHIEF FINANCIAL OFFICER

Sukhmal Jain
(Sr. Vice President - Finance & CFO)

COMPANY SECRETARY

Rachana Rane

STATUTORY AUDITORS

M/s. Jayesh Sanghrajka & Co LLP
Chartered Accountants
405-408, Hind Rajasthan Building,
Dadasaheb Phalke Road, Dadar (E),
Mumbai - 400014.

BANKERS

Central Bank of India
State Bank of India

REGISTERED OFFICE

Harsh Avenue, 302, 3rd Floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road, Silvassa,
DN - 396230.
(CIN) L27100DN1960PLC000371
Website: www.pmlindia.com

CORPORATE OFFICE

Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road (East), Thane - 401107.

FACTORIES

- 1) Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road (East), Thane - 401107.
- 2) Plot No. 22, Mira Co-op. Industrial Estate,
Mira Road (East), Thane - 401107.
- 3) Plot Nos. A-8, A-9, A-13, MIDC Industrial Area,
Village Mira, Mira Road (East), Thane - 401107.
- 4) Plot No. A3/2, MIDC Industrial Area,
Village Mira, Mira Road (East), Thane - 401107

REGISTRAR & TRANSFER AGENT

Adroit Corporate Services Private Limited
19/20, 1st Floor, Jafferbhoy Industrial Estate,
Makhwana Road, Marol Naka, Andheri (East),
Mumbai - 400059.
Ph. 022 - 42270400
E-mail ID: info@adroitcorporate.com

BOARD COMMITTEES

Audit Committee

Rajeev Mundra - Chairman
Sharad Taparia - Member
Kamal Binani - Member

Nomination and Remuneration Committee

Kamal Binani - Chairman
Rajeev Mundra - Member
Mukul Taparia - Member

Stakeholders’ Relationship Committee

Rajeev Mundra - Chairman
Kamal Binani - Member
Mukul Taparia - Member

Corporate Social Responsibility Committee

Rajeev Mundra - Chairman
Sharad Taparia - Member
Mukul Taparia - Member

Notice

NOTICE is hereby given that the 63rd Annual General Meeting of the Members of **Permanent Magnets Limited** will be held on Friday, August 09, 2024 at 2.30 p.m. (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the physical presence of the Members at a common venue to transact the businesses mentioned below.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited (Standalone & Consolidated) financial statements for the Financial Year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹1.80/- per equity shares, for the financial year ended March 31, 2024.
3. To appoint a director in place of Mukul Taparia (DIN: 00318434), who retires by rotation and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS:

4. To approve the continuation of Directorship of Girish Desai (DIN: 01056763) who will attain age of Seventy Five (75) years on January 21, 2025.

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

"RESOLVED THAT pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of members of the Company be and is hereby accorded for continuation of Girish Desai (DIN: 01056763) as a Non-Executive Non-Independent Director of the Company, who shall liable to retire by rotation, notwithstanding he is attaining the age of Seventy Five (75) years on January 21, 2025.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable to give effect to this Resolution."

5. Appointment of Nirmal Kumar Jain (DIN: 00019442) as an Independent Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161, Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules framed thereunder, and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("the Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company, and on recommendation of the Nomination and Remuneration Committee and that of the Board, to seek consent of Members of the Company to appoint Nirmal Kumar Jain (DIN: 00019442), as an Independent Director with effect from August 09, 2024, who meets the criteria for independence under Section 149(6) of the Act and the Rules made thereunder and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) years till August 08, 2029, and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI Listing Regulations, approval of the Members of the Company be and is hereby also granted for continuation of Directorship of Nirmal Kumar Jain (DIN: 00019442) as an independent director notwithstanding that he attained the age of above 75 years.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable to give effect to this Resolution."

**By Order of the Board of Directors
For Permanent Magnets Limited**

**Place: Thane
Date: May 16, 2024**

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane.

**Sd/-
Rachana Rane
Company Secretary**

Notes:

- a. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 08, 2020 and 17/2020 dated April 13, 2020, in relation to "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 Nos. 20/2020 dated May 05, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue.

In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM.

- b. The relative Explanatory Statement pursuant to Section 102 of the Act, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM are also annexed.
- c. In compliance with the aforesaid circulars, this Notice together with annual report 2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Copies of the Notice and annual report 2023-24 will also be uploaded on the Company's website at www.pmlindia.com, website of stock exchange i.e., BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting system during the AGM) i.e. www.evotingindia.com.
- d. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Attendance Slip and Proxy Form are not annexed to this Notice.
- e. Register of Members and Share Transfer Register shall remain closed from August 02, 2024 to August 09, 2024 (both days inclusive) in terms of the provision of Section 91 the Companies Act, 2013.
- f. Members may note that the Board of Directors, in its meeting held on May 16, 2024 has recommended a final dividend of ₹1.80/- per share for fiscal year 2023-2024. The record date for the purpose of final dividend will be August 01, 2024. The final dividend, once approved by

the members in the ensuing AGM will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 03, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

- g. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of the Members w.e.f. April 01, 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Adroit Corporate Services Private Limited - RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No.15G/15H, to avail the benefit of non-deduction of tax at source by email to rachana.rane@pmlindia.com by 5.00 p.m. IST on July 25, 2024. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rachana.rane@pmlindia.com. The aforesaid declarations and documents need to be submitted by the shareholders by 5.00 p.m. IST on July 25, 2024.

- h. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
- i. Members are requested to intimate changes, if any, pertaining to their name, postal address, email 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 Depository Participant in case the shares are held in electronic form and to M/s. Adroit Corporate Services Private Limited, in case the shares are held in physical form.

- j. In case of joint holders attending the AGM, 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.
- k. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- l. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019. Accordingly, members holding shares in physical form are advised to avail the facility of dematerialisation and the Company/RTA has stopped accepting any fresh lodgment of transfer of shares in physical form.
- m. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and December 28, 2022 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-Voting as well as the e-Voting system on the date of the AGM will be provided by CDSL.
- n. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- o. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.

- p. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.
- q. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated August 04, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 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>)

THE INSTRUCTIONS TO SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on Tuesday, August 06, 2024 at 10.00 a.m. and ends on Thursday, August 08, 2024 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 01, 2024 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to

enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/ NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	- Users of who have opted for CDSL's Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. - After successful login the Easi/Easiest user will be able to see the e-Voting Menu. On clicking the e-Voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/NSDL/ KARVY/ LINK INTIME as per information provided by Issuer/Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. - If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	- If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of Shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

HELPDESK FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE FOR ANY TECHNICAL ISSUES RELATED TO LOGIN THROUGH DEPOSITORY I.E. CDSL AND NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - (i) The shareholders should log on to the e-Voting website www.evotingindia.com.
 - (ii) Click on "Shareholders" module.
 - (iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - (iv) Next enter the Image Verification as displayed and Click on Login.
 - (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). 1. Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. 1. If both the details are not recorded with the depository or Company please enter the member id/ folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.

- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investors@pmlindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.
- The Company has appointed Arun Dash of M/s. Arun Dash & Associates, Company Secretaries (Membership No. FCS 9765) as the Scrutinizer to scrutinize the voting at the meeting and remote e-Voting process, in a fair and transparent manner.
- The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.pmlindia.com) and communication of the same will be sent to the BSE Limited within 48 hours from the conclusion of the AGM.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/lpads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rachana.rane@pmlindia.com or investors@pmlindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at rachana.rane@pmlindia.com or investors@pmlindia.com. These queries will be replied to by the Company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.
11. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. **For Physical shareholders:** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@adroitcorporate.com/investors@pmlindia.com.
2. **For Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact attoll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

**By Order of the Board of Directors
For Permanent Magnets Limited**

**Place: Thane
Date: May 16, 2024**

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane.

**Sd/-
Rachana Rane
Company Secretary**

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND/OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Information in respect of the directors retiring by rotation/ seeking appointment/ re-appointment pursuant to the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards:

Name of Director	Mukul Taparia	Girish Desai	Nirmal Kumar Jain
Date of Birth	November 09, 1974	January 21, 1950	May 03, 1946
Date of first Appointment on the Board	September 22, 2014	June 01, 2020	August 09, 2024
Qualifications	Bachelors in Computer Science, Diploma in Business Engineering	M.Com., Grad-CWA, ACA, PGDSM, PGDSL	Fellow Member of The Institute of Chartered Accountants of India and The Institute of Company Secretaries of India.
Expertise in specific Functional area	International Marketing, Finance	51 years of Experience in Management, Finance, Taxation, Corporate and Security Laws, HR and Industrial Relations.	Rich and varied experience spanning over four decades in the areas of Strategic Planning, Project Identification, Appraisal, Corporate Financial Management and other allied areas.
Directorship held in other public companies (excluding foreign/ private companies/LLP)	Pregna International Limited	Abhinav Capital Services Limited	JSW Holdings Limited JSW Infrastructure Limited JSW Jaigarh Port Limited JSW Industrial Gases Limited
Memberships/ Chairmanships of committees of other Public companies (includes only Audit and Shareholders/Investors Grievance Committee)	-	Audit Committee (M) Stakeholder Relationship Committee (M)	Audit Committee • JSW Holdings Limited (M) • JSW Infrastructure Limited (M) • JSW Jaigarh Port Limited (C) • JSW Industrial Gases Limited (M) Stakeholders' Relationship Committee • JSW Holdings Limited (C) • JSW Infrastructure Limited (M)
Number of shares held in the Company	13,63,737 Shares	2300 in the names Girish Ramanlal Desai jointly with Ansuya Ramanlal Desai 750 in the names of Ansuya Ramanlal Desai jointly with Girish Ramanlal Desai	Nil
Relationship with other Directors/Key Managerial Personnel	Brother of Sharad Taparia, Managing Director	Not related to any other Director/Key Managerial Personnel	Not related to any other Director/Key Managerial Personnel

ITEM NO. 4

To approve the continuation of Directorship of Girish Desai (DIN:01056763) who will attain age of Seventy Five (75) years on January 21, 2025.

In accordance with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as "SEBI Listing Regulations"), effective from April 01, 2019, listed entity is prohibited from appointing or allowing the directorship continuation of a person as a Non-Executive Director beyond the age of seventy-five (75) years, unless a special resolution is passed. This resolution must be accompanied by an explanatory statement within the notice, justifying the said appointment or continuation.

Girish Desai (DIN: 01056763), Non-Executive Non-Independent Director, was appointed on the Board of the Company on June 01, 2020 in terms of Companies Act, 2013. He has over 51 years of experience in functions such as management, finance, taxation, corporate and security laws, HR and industrial relations. His qualifications include M.Com, Grad-CWA, ACA, PGDSM, and PGDSL.

Currently, Girish Desai (DIN: 01056763), holds the position of Non-Executive Director within our Company. He is anticipated to reach the age of seventy-five (75) years on January 21, 2025. Under the provisions of Regulation 17(1A) of the SEBI Listing Regulations, the passing of a Special Resolution becomes necessary for the continuation of his directorship after attaining this age milestone. Deliberating on this matter, on the recommendation of the Nomination & Remuneration Committee, the Board of Directors convened on May 16, 2024, and arrived at a unanimous decision to recommend the continuation of Girish Desai (DIN: 01056763), directorships, acknowledging the significant contributions he has made to the growth and progress of the Company.

Girish Desai has been effectively performing his duties and providing valuable guidance to the Company in key strategic matters from time to time. Girish Desai holds eminent position in Abhinav Capital Services Limited, as an Independent Director.

The Board is of the opinion that Girish Desai rich and diverse experience is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. He is also a person of integrity who possesses required expertise and his association as Non-Executive Non-Independent Director will be beneficial to the Company.

Girish Desai is not disqualified from being appointed as Director in terms of Section 164 of the Act or any other applicable law prescribed by Securities and Exchange Board of India.

Save and except Girish Desai (DIN: 01056763) and his respective relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company, nor their relatives, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice.

The Board recommends the special resolution as set out at Item No.4 of the Notice for approval by the members.

ITEM NO. 5

Appointment of Nirmal Kumar Jain (DIN: 00019442) as an Independent Director of the Company.

Pursuant to Regulation 17(1A) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, on recommendation of Nomination & Remuneration Committee, the Board seek approval from members of the Company, to appoint Nirmal Kumar Jain (DIN: 00019442) as an Independent Director of the Company for a term of 5 (Five) years with effect from August 09, 2024 to August 08, 2029 (both days inclusive) through a special resolution.

The Company has received the following declarations from Nirmal Kumar Jain:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the LODR Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such authority;
- (v) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act. The Nomination and Remuneration Committee (NRC) had previously finalized the desired attributes for the selection of the independent director(s). Based on those attributes, the NRC recommended the candidature of Nirmal Kumar Jain (DIN: 00019442). In the opinion of the Board, Nirmal Kumar Jain (DIN: 00019442) fulfils the conditions for independence

specified in the Act, the Rules made thereunder, the LODR Regulations and such other laws/regulations for the time being in force, to the extent applicable to the Company.

The Board noted that Nirmal Kumar Jain (DIN: 00019442) skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

The Board was satisfied that the appointment of Nirmal Kumar Jain (DIN: 00019442) is justified due to the following reasons:

Nirmal Kumar Jain is a qualified Chartered Accountant and Company Secretary. He held several key positions in the JSW Group. He possesses rich and varied experience spanning over four decades in the areas of Strategic Planning, Project Identification; Appraisal, Corporate Financial Management and other allied areas. His expertise in business strategy and finance is of immense value to the Company.

The resolution seeks the approval of members for the appointment of Nirmal Kumar Jain as an Independent Director of the Company for a term of 5 (Five) years effective August 09, 2024 to August 08, 2029 (both days inclusive) pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof) and he shall not be liable to retire by rotation. In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the LODR Regulations, the approval of the Members is sought for the appointment of Nirmal Kumar Jain as an Independent Director of the Company, as a special resolution.

No director, KMP or their relatives except Nirmal Kumar Jain, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 5.

The Board recommends the special resolution as set out in Item no. 5 of this notice for the approval of members.

**By Order of the Board of Directors
For Permanent Magnets Limited**

Place: Thane
Date: May 16, 2024

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane.

Sd/-
Rachana Rane
Company Secretary

Director's Report

To,
The Members,
PERMANENT MAGNETS LIMITED

Your Board of Director's have pleasure in presenting the 63rd Annual Report on the operational and business performance of the Company together with the Audited (Standalone and Consolidated) Financial Statements for the Financial Year ended March 31, 2024.

FINANCIAL HIGHLIGHTS:

The Company's Financial Performance for the Financial Year ended March 31, 2024 is summarized below: (₹ in Crores)

Particulars	Standalone		Consolidated	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Revenue from operations	201.47	182.74	201.48	-
Other income	4.40	5.45	4.45	-
Total income	205.87	188.19	205.93	-
PBIDT & extra ordinary items	39.83	46.72	38.81	-
Interest	2.05	1.27	2.28	-
Depreciation	6.87	5.49	9.09	-
Profit before extra ordinary items & tax	30.91	39.96	27.44	-
Extra ordinary items	-	-	-	-
Profit before tax	30.91	39.96	27.44	-
Current tax	8.20	10.51	8.41	-
Deferred tax	(0.03)	(0.31)	(0.14)	-
Profit/(Loss) for the year	22.74	29.75	19.17	-
Other comprehensive income	(0.01)	0.01	(0.01)	-
Total comprehensive income for the period (comprising profit (loss) and other comprehensive income for the period)	22.73	29.76	19.16	-

1. COMPANY'S PERFORMANCE:

The Highlights of the Company's performance (Standalone) for the year ended March 31, 2024 are as under:

- During the year under review the Company achieved turnover of ₹201.47 Crores as against turnover of ₹182.74 Crores achieved during the previous year, which is a increase of 10%.
- The Profit after Tax (PAT) for the financial year 2023-24 is ₹22.74 Crores against ₹29.75 Crores in the year 2022-23.

The Highlights of the Company's performance (Consolidated) for the year ended March 31, 2024 are as under:

- During the year under review the Company achieved turnover of ₹201.48 Crores.
- The Profit after Tax (PAT) for the financial year 2023-24 is ₹19.16 Crores.

2. DIVIDEND:

Your Directors have recommend a final dividend of ₹1.80/- (Rupee one & eighty paise only) per share (viz 18%) per equity

share of the face value of ₹10/- (Rupees Ten only) each for the financial year ended March 31, 2024. The dividend payout is subject to the approval of the members at the ensuing Annual General Meeting. The Dividend will be paid to members whose names appear in the register of members as on record date.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the members. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

3. CHANGE IN THE NATURE OF THE BUSINESS:

There were no changes in the nature of business during the year under review as prescribed in Rule 8 of the Companies (Accounts) Rules, 2014.

4. TRANSFER TO RESERVE:

The Board of Directors of the Company has not recommended transfer of any amount to the General Reserve for the Financial Year ended March 31, 2024.

5. DEPOSITS:

During the year the Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

6. LISTING:

The shares of the Company are listed on "BSE Limited" at Mumbai. The Company has paid the applicable listing fees to the Stock Exchange till date.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on March 31, 2024, the Company has 6 directors with combination of Executive & Non-Executive Directors including one women director.

a. Retirement by Rotation and subsequent Re-appointment:

Mukul Taparia, Non-Executive Director being the longest in the office among the directors liable to retire by rotation, retires from the Board this year and being eligible, has offered himself for re-appointment. The Boards of Directors recommends his re-appointment at Item No. 3 of the Notice Calling 63rd Annual General Meeting for consideration of the members.

b. Appointment of Non-Executive Independent Director:

On the recommendation of Nomination and Remuneration Committee the Board has considered and seek approval from members of the Company as following:

Appointment of Nirmal Kumar Jain (DIN: 00019442) as an Non-Executive, Independent Director of the Company, not liable to retire by rotation for a period of Five (5) consecutive years commencing from August 09, 2024, subject to approval of members of the Company through Special Resolution.

In this regard the Board of Directors of the Company had approved the Notice of AGM dated May 16, 2024, for seeking the approval of Members of the Company by way of Special Resolution for appointment of Nirmal Kumar Jain (DIN: 00019442) as an Independent Director of the Company.

c. Continuation of Directorship of Girish Desai (DIN: 01056763) who will attain age of Seventy Five (75) years on January 21, 2025:

Currently, Girish Desai (DIN: 01056763), holds the position of Non-Executive Director within our Company. He is anticipated to reach the age of seventy-five (75) years on January 21, 2025. Under the provisions of Regulation 17(1A) of the SEBI Listing Regulations, the passing of a Special Resolution becomes necessary for the continuation of his directorship after attaining this age milestone. Deliberating on this matter, the Board of Directors convened on May 16, 2024, and arrived at a unanimous decision to recommend the continuation of Girish Desai (DIN: 01056763), directorships, acknowledging the significant contributions he has made to the growth and progress of the Company.

d. Key Managerial Personnel:

The Key Managerial Personnel of the Company as on March 31, 2024 are:

Sr. No.	Name of Key Managerial Personnel	Designation
1.	Sharad Taparia	Managing Director
2.	Sukhmal Jain	Chief Financial Officer
3.	Rachana Rane	Company Secretary

8. DIRECTORS RESPONSIBILITY STATEMENT:

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm:

- I. that in the preparation of the annual financial statements for the year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- II. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- III. that 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;
- IV. that the annual financial statements have been prepared on a going concern basis;
- V. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- VI. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

9. CORPORATE GOVERNANCE:

In terms of Regulation 34 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate section on corporate governance along with a certificate from the auditor's confirming compliance is annexed and forms part of the Annual Report.

10. AUDITORS:

Statutory auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s. Jayesh Sangharajka & Co. LLP Chartered Accountants (Firm Registration No. 104184W/W100075) was appointed as Statutory Auditor of the Company in the 61st Annual

General Meeting till the conclusion of the 66th Annual General Meeting of the Company. M/s. Jayesh Sangharajka & Co. LLP Chartered Accountants (Firm Registration No. 104184W/W100075) have confirmed their eligibility and qualification required under Section 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

M/s. Jayesh Sangharajka & Co. LLP and have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

Auditors' Report

The Auditor's Report for the year ended March 31, 2024 on the financial statements of the Company is a part of this Annual Report. The notes on Financial Statements referred in the Annual Report are self-explanatory and do not call for any further comments. The Auditor's Report for the financial year 2023-24 does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

The Secretarial Audit for the year 2023-24 was undertaken by M/s. Arun Dash & Associates, practicing Company Secretary and the Secretarial Auditor of the Company. The Secretarial Audit Report for the financial year ended March 31, 2024 under the Act, read with Rules made thereunder and Regulation 24A of the Listing Regulations of the Company are annexed herewith as **"Annexure A"**.

The observations made in the Secretarial Audit Report are self-explanatory.

Internal Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditors of the Company on quarterly basis by G S Nayak & Co., Chartered Accountants the Internal Auditors of the Company. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditors.

Internal Audit report is reviewed by the audit committee from time to time.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company has one wholly owned subsidiary as on March 31, 2024. There are no Associate and Joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

Quantum Magnetix Private Limited – Wholly Owned Subsidiary Company (Date of Incorporation: May 31, 2023)

The consolidated financial statements of the Company & its subsidiary which form part of Annual Report have been prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the

Financial Statement of Subsidiary Company in the prescribed format AOC-1 is annexed herewith as **"Annexure B"** to this Report. The statement also provides the details of performance and financial position of the Subsidiary Company.

Your Company owns 100% stake in Quantum Magnetix Private Limited. The Company is currently operating at a small scale as it initiates its business.

12. EXPLANATION ON AUDITOR'S COMMENT:

The Board have to state as under with reference to the Auditor's certain remarks as contained in the annexure to the Auditor's Report:

With reference to para IX of the **"Annexure A"** to the Auditor's Report, the Central Excise Loan interest has remained unpaid as the matter is pending for the cause of implementing agency claiming compound interest on an interest free excise loan under a scheme of incentives. Matter with relevant agencies and Government of India is being taken up and will be sorted out in due course of time. No material liability is expected in this regard.

13. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Report as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **"Annexure C"**.

15. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATORS OR COURTS:

Hon'ble Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated April 15, 2015. This was a lawsuit filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited. Company has deposited ₹0.19 Crores including interest as per direction of Hon'ble Bombay High Court. The Appeal shall be added to the appropriate board for hearing. But the same is not yet listed on the Board of High Court.

16. RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in Note No. 9 of Notes to Accounts of the Company for the financial year ended March 31, 2024. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no material significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in "Annexure D" in Form AOC-2 which is part of this report.

The Company in terms of Regulation 23 of the Listing Regulations shall submit on the date of declaration of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards to the stock exchange.

The Policy on the Related Party Transactions as approved by the Board is uploaded on the website of the Company at www.pmlindia.com.

17. CORPORATE SOCIAL RESPONSIBILITY:

As part of the Corporate Social Responsibility initiative the Company has spent an amount of ₹0.58 Crores towards the various CSR activities during the financial year 2023-24. A report on CSR Activities as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed herewith as "Annexure E".

The Company has adopted Corporate Social Responsibility Policy in line with Schedule-VII of Companies Act, 2013. The CSR Policy is disclosed on the website of the Company www.pmlindia.com.

18. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations. Your Company's Whistleblower Policy encourages Directors and employees to bring to your Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information that could adversely impact your Company's operations, business performance and/ or reputation. The Policy requires your Company to investigate such incidents, when reported, in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

The Whistle Blower Policy has been uploaded on the website of the Company under investors tab at www.pmlindia.com.

19. CONSERVATION OF ENERGY, TECHNOLOGY DEVELOPMENT AND ABSORPTION:

The Conservation of Energy, R & D activity in the Company is mainly carried out by the key line manufacturing and technical personnel in alliance with the key technical sales personnel and outsourced consultants.

"Annexure F" attached hereto which provides the information required to be disclosed on the efforts made on Conservation of Energy, Technology Development and Absorption as per

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

20. FOREIGN EXCHANGE EARNING AND OUTGO:

Please refer to paragraph No. 15 of Notes to accounts for the foreign exchange outgo and earnings of the Company which is required to be disclosed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

21. PARTICULARS OF LOANS GIVEN, GUARANTEES AND INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

The particulars of loans, guarantees and investments as per Section 186 of the Act by the Company, have been disclosed in the financial statements.

22. DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has inter alia, received the following declarations from all the Independent Directors confirming that:

1. They meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
2. They have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
3. They have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified for being appointed as Directors as specified in Section 164(2) of the Act and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

23. BOARD MEETINGS:

During the year under review Four Board Meetings were convened and held on May 17, 2023, August 11, 2023, November 07, 2023 and February 13, 2024.

24. COMMITTEE MEETINGS:

The Board has the following Committees:

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

A detailed disclosure on the Board, its committees, its composition and brief terms of reference, number of board and committee meetings held, and attendance of the directors at each meeting is provided in the Report on Corporate Governance which forms part of the Annual Report.

25. ANTI SEXUAL HARASSMENT POLICY:

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") along with the Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. All employees (permanent, contractual, temporary and trainees) are covered under the said policy. During the financial year under review, the Company has not received any complaint of Sexual Harassment of Women at Workplace.

The Company has constituted Internal Committee(s) ("ICs") to redress and resolve any complaints arising under the POSH Act.

26. ANNUAL RETURN:

The Annual Return of the Company as on March 31, 2024 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, and is available on the website of the Company in investor tab at www.pmlindia.com.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company has adequate Internal Financial Control System over financial reporting which ensures that all transactions are authorised, recorded and reported correctly in a timely manner. The Company's Internal Financial Control over financial reporting provides reasonable assurance over the integrity of financial statements of the Company. Functional heads are responsible for ensuring compliance with all laws and regulations and also with the policies and procedures laid down by the management. System based reports and automated accounting for various areas in financial statements have contributed to better accuracy and faster financial reporting.

The Company tracks all amendments to Accounting Standards, the Act and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same.

All resultant changes to the policy and impact on financials are disclosed after due validation with the statutory auditors and the Audit Committee.

28. SHARE CAPITAL:

The paid up Equity Share Capital as on March 31, 2024 was ₹8.60 Crores. There was no change in the share Capital during the year under review. Authorized Capital of the Company is ₹16 Crores.

29. BOARD EVALUATION:

In terms of the provisions of Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, individual

Directors as well as the evaluation of the working of its Board Committees. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Directors being evaluated. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 05, 2017.

30. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Section 124 and Section 125 of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, transfer and Refund) Rules, 2016 ('the Rule'), all the unpaid and unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, after the completion of Seven Years. Further according to the Rules, the shares on which dividend has not been paid or claimed by the Shareholder for seven consecutive years or more shall also be transferred to demat account of the IEPF Authority.

Company has not completed seven years since its last dividend declaration or payment, it means that the threshold for transferring funds to the IEPF has not been met. In such cases, the Company would not be eligible to transfer funds to the IEPF until it fulfills this requirement.

31. REPORTING OF FRAUDS:

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of the fraud committed by the Company, its officers and employees, the details of which would need to be mentioned in the Board Report.

32. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this report.

33. STATEMENT OF MANAGEMENT RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS:

The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies

included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment's and estimates that are reasonable and prudent; and the 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.

34. APPRECIATION:

Your directors would like to record their appreciation for the enormous personal efforts as well as the collective contribution of all the employees to the Company's performance. The Board of Directors would also like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government and regulatory authorities, stock exchanges, customers, vendors during the year under review.

FOR AND ON BEHALF OF THE BOARD,

Place: Thane
Date: May 16, 2024

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Sd/-
Mukul Taparia
Director
DIN: 00318434

Corporate Office:
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road – 401107, Dist. Thane.

Annexure A

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp.Silvassa Police Station,
Silvassa Vapi Main Road, Silvassa,
Dadra Nagar Haveli- 396230.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Permanent Magnets 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 report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 ('Audit Period') 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 March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period);**
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
 - (i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) Other laws specifically applicable to the Company:
 - 1. The Factories Act, 1948;
 - 2. The Employee's State Insurance Act, 1948;
 - 3. The Employee's Provident Funds and Miscellaneous Provisions Act, 1952;
 - 4. The Maternity Benefit Act, 1961;

5. The Child Labour (Prohibition & Regulation) Act, 1986;
6. The Workmen's Compensation Act, 1923;
7. The Environment (Protection) Act, 1986;
8. Contract Labour (Regulation & Abolition) Act, 1970;
9. Payment of Bonus Act, 1965;
10. Payment of Gratuity Act, 1972.

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

- (i) Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

1. Pursuant to Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group must be in dematerialized form; Shareholding of one of the promoter of the Company is held in physical form.

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. Sunaina Taparia

(DIN: 07139610) has been re-appointed during the period under review.

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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee 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. However attention is drawn to note no. 2 of Notes to Accounts i.e. Contingent Liabilities.

We further report that during the audit period there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except;

The Hon'ble Bombay High Court has passed a winding up order dated April 15, 2015 for winding up of the Company on petition filed by M/s. Savino Del Bene Freight Forwarders (India) Private Limited and the Hon'ble Court had issued direction for appointment of an official liquidator in the winding up order. On the appeal against this order made by the Company before the Hon'ble Bombay High Court, the Hon'ble Court has given interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The Company has deposited ₹0.19 Crores with interest as per direction of the Hon'ble Court. Matter is pending before the Hon'ble Court and next hearing in this matter shall come up as per listing of the court.

**For M/s Arun Dash & Associates
Company Secretaries**

**Place: Mumbai
Date: May 16, 2024**

**Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309**

**UDIN: F009765F000386185
Peer Review No.: 928/2020**

This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of the report.

ANNEXURE 1

To,
The Members
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road, Silvassa,
Dadra Nagar Haveli- 396230.

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. Where ever 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 is 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.

**For M/s Arun Dash & Associates
Company Secretaries**

**Place: Mumbai
Date: May 16, 2024**

**Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309**

Annexure B

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A: Subsidiaries

(₹ in Crores except Share Capital)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	Quantum Magnetics Private Limited
2.	The date since when subsidiary was acquired/incorporated	May 31, 2023
3.	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	April to March
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
5.	Share capital	₹5,00,000/-
6.	Reserves and surplus	(2.54/-)
7.	Total assets	9.87/-
8.	Total Liabilities	12.36/-
9.	Investments	-
10.	Turnover	0.06/-
11.	Profit before taxation	(2.65/-)
12.	Provision for taxation	(0.11/-)
13.	Profit after taxation	(2.54/-)
14.	Proposed Dividend	N.A.
15.	Extent of shareholding (in percentage)	100%

1. Names of subsidiaries which are yet to commence operations: N.A.

2. Names of subsidiaries which have been liquidated or sold during the year: N.A.

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Not Applicable

Name of Associates or Joint Ventures	-
1. Latest audited Balance Sheet Date	-
2. Date on which the Associate or Joint Venture was associated or acquired	-
3. Shares of Associate or Joint Ventures held by the Company on the year end No. Amount of Investment in Associates or Joint Venture Extent of Holding (in percentage)	-
4. Description of how there is significant influence	-
5. Reason why the associate/Joint venture is not consolidated.	-
6. Net worth attributable to shareholding as per latest audited Balance Sheet	-

Part B: Associates and Joint Ventures (Contd.)

Name of Associates or Joint Ventures		-
7.	Profit or Loss for the year	-
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations: N.A.
- Names of associates or joint ventures which have been liquidated or sold during the year: N.A.

FOR AND ON BEHALF OF THE BOARD

Place: Thane
Date: May 16, 2024

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Annexure C

RATIO OF DIRECTOR REMUNERATION TO EMPLOYEE MEDIAN REMUNERATION

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Disclosure
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Sharad Taparia – 27.51x
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS in the financial year	Sharad Taparia (MD) – 18.23% Sukhmal Jain (CFO) – 0% Rachana Rane (CS) – 17.64%
3.	The percentage increase in the median remuneration of employees in the financial year	Median Increase – 10.80%
4.	The number of permanent employees on the rolls of the Company	155 as on March 31, 2024
5.	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average annual increase in remuneration of employees other than Key Managerial Personnel was 12.17%. The average annual increase in the remuneration of Key Managerial Personnel was 16.58%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the Remuneration Policy.

DETAILS OF TOP 10 EMPLOYEES

Sr. No.	Employee Name	Age	Designations	Nature of employment	Date of commencement of employment	Relation with Director/ Manager	% of Shareholding
1	Sharad Taparia	51	Managing Director	Permanent	01-08-1999	Self	15.58%
2	Prabhakar Kamath	63	President - Operations	Contractual	01-10-2003	No	-
3	Sukhmal Jain	63	Senior Vice President - Finance, CFO	Contractual	03-09-1988	No	-
4.	Girish Mahajan	60	Vice President	Contractual	01-01-2011	No	-
5.	Hemant Kore	49	Sr. General Manager	Permanent	01-10-1995	No	-
6.	Allen D'cunha	44	Deputy General Manager	Permanent	01-01-2007	No	-
7.	Manish Kale	37	Sr. Manager - Business Development	Permanent	06-05-2021	No	-
8.	Ajit Vanjare	40	Sr. Manager - Business Development	Permanent	15-01-2010	No	-
9.	Raghav Garg	34	Sr. Manager - Business Development	Permanent	01-08-2016	No	-
10.	Sunil Verma	49	Sr. Manager - Operations	Permanent	11-06-2007	No	-

Annexure D

RELATED PARTY TRANSACTIONS

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Permanent Magnets Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2023-2024. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 (Act) and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.
 - (a) Name(s) of the related party and nature of relationship: **Not Applicable**
 - (b) Nature of contracts/arrangements/transactions: **Not Applicable**
 - (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
 - (e) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**
 - (f) Date(s) of approval by the Board: **Not Applicable**
 - (g) Amount paid as advances, if any: **Not Applicable**
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: **Not Applicable**
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: **Not Applicable**
 - (b) Nature of contracts/arrangements/transactions: **Not Applicable**
 - (c) Duration of the contracts/arrangements/transactions: **Not Applicable**
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Not Applicable**
 - (e) Date(s) of approval by the Board, if any: **Not Applicable**
 - (f) Amount paid as advances, if any: **Not Applicable**

FOR AND ON BEHALF OF THE BOARD

Place: Thane
Date: May 16, 2024

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Annexure E

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021]

1. Brief outline on CSR Policy of the Company:

The Company believes in undertaking business in a way that will lead to overall development of all stakeholders and society. The CSR initiatives of the Company aim towards inclusive development of the communities largely around the vicinity of its plants and registered office through a range of structured interventions in the areas of:

1. Education
2. Health & Hygiene
3. Ensuring environmental sustainability
4. Rural Development
5. Empowering Women & Skill Development

2. Composition of CSR Committee:

Sr. 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.	Rajeev Mundra	Chairman (Independent Non-Executive Director)	1	1
2.	Sharad Taparia	Managing Director	1	1
3.	Mukul Taparia	Non-Executive Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. www.pmlindia.com

4. 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

		(₹ in Crores)
5.	(a) Average net profit of the Company as per Section 135(5)	₹29.10/-
	(b) Two percent of average net profit of the Company as per Section 135(5)	₹0.582/-
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
	(d) Amount required to be set off for the financial year	-
	(e) Total CSR obligation for the financial year (b+c-d)	₹0.582/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹0.582 Crores

(b) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (₹ in Crores)	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Expansion of Palliative Care Centre – Swami Shraddhanand Hospital, Vasai	Schedule VII (i) - Promoting health care including preventive health care	Yes	Maharashtra	Thane	0.03	No	Bombay Medical Aid Foundation	CSR000032570
2.	Building Curriculum for the adolescents program and the facilitators training program	Schedule VII (ii) - Promoting Education	Yes	Maharashtra	Mumbai	0.015	No	Seeds of Awareness & Research Foundation	CSR000018671
3.	Medical Purpose	Schedule VII (i) - Promoting health care including preventive health care	Yes	Maharashtra	Palghar	0.052	No	Dr. M L Dhawale Memorial Trust	CSR000002539
4.	Water Conservation & Distribution - Jaldaan	Schedule VII (x) - Rural Development Projects	Yes	Maharashtra	Palghar	0.02	No	Blossom Charitable Trust	CSR000032165
5.	Dr. Anandibai Joshi Nursing Prashikshan Kendra	Schedule VII (ii) - Promoting Education	Yes	Maharashtra	Palghar	0.02	No	Maui Shikshan Prasark Mandal	CSR000010216
6.	For Computer Lab	Schedule VII (ii) - Promoting Education	No	Rajasthan	Jaipur	0.05	No	Jankalyan Sansthan	CSR000012029
7.	For Vipassana Centre	Schedule VII (ii) - Promoting Education	No	Bihar	Gaya	0.25	No	Bodhgaya International Vipassana Meditation Centre.	CSR000012274
8.	Education	Schedule VII (ii) - Promoting Education	No	Uttar Pradesh	Noida	0.07	No	Trust India Foundation	CSR000058081
9.	Medical & Educational	Schedule VII (i) - Promoting health care including preventive health care	Yes	Maharashtra	Thane	0.075	No	Shree Thane Vardhman Jain sthanakvasi Medical & Educational Trust	CSR000060979
TOTAL						0.582			

(c) Amount spent in Administrative Overheads: N.A.

(d) Amount spent on Impact Assessment, if applicable: N.A.

(e) Total amount spent for the Financial Year (a+b+c): ₹0.582 Crores

(f) CSR amount spent or unspent for the financial Year 2023-2024:

Total amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
₹0.582 Crores	N.A.	N.A.	N.A.	N.A.	N.A.

(g) Excess amount for set off, if any

Sr. No.	Particular	Amount (in Crores)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	₹0.582
(ii)	Total amount spent for the Financial Year	₹0.582
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sr. No	Preceding Financial Year	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 any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, If any
					Amount (in ₹)	Date of transfer		
Nil								

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

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

Sr. 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 Number, if applicable	Name	Registered address
Nil							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of Corporate Social Responsibility Committee

Sd/-
Rajeev Mundra
Chairman CSR Committee
DIN: 00139886

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Annexure F

DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION

Research and development (R & D):

1. Specific areas in which R & D carried out by the Company:

- I. Vacuum Induction Melting Technology;
- II. Brazing technology;
- III. Die casting and plating technology;
- IV. Automotive Electronics Council Qualification based test Laboratory;
- V. Current sensing modules;
- VI. DC immunity testing of magnetic cores;
- VII. Clad metal applications;
- VIII. Magnetic cores based on Nickel Iron/Nano/ Amorphous materials;
- IX. Applications using the insert plastic moulding process;
- X. CBCT assemblies;
- XI. Folded terminals using multi slide machine;
- XII. Joining material using ultrasonic welding;
- XIII. Die casting tooling using 3D printing technique;
- XIV. Camera based inspection systems;
- XV. Standalone Plastic molding;
- XVI. Sensor Calibration and characterization Set up.
- XVII. Magnetic field heat treatment set up
- XVIII. CCID Assemblies
- XIX. Current sensing and shielding designs
- XX. Participation in new alloy development
- XXI. 36 Channel Spectromax LMX 10 for Chemical analysis

2. Benefits derived as a result of above R & D:

- I. New capability created for increased scope of Business;
- II. New product lines developed;
- III. Introduction of new technology;
- IV. Cost saving;
- V. Ensure the delivery of quality products to customers.
- VI. Value addition to the existing products

3. Future plan of action:

- I. Value added products in current sensing technology including IOT;
- II. Substitution of lower cost alloys for magnetic cores;
- III. Assemblies related to electronic components & assemblies e.g. shunt assemblies with terminal & cable, customized relay assemblies;
- IV. New components related to Copper alloys, Iron nickel alloys, Iron silicon alloys, Iron Cobalt alloys, Bimetals;

- V. Components for Defense and Aerospace;
- VI. NADCAP approved Dry Hydrogen Heat Treatments;
- VII. New products - wire harness or wire+brazed terminals;
- VIII. Develop Zamak parts that are currently made up of brass material;
- IX. Develop EV motor sub components;
- X. Development of motors/generators;
- XI. New components in high cost materials - Cobalt Iron laminations and parts.
- XII. Hand held XRF

4. Expenditure on R & D (₹ in Crores)

- I. Capital - ₹0.28
- II. Recurring - ₹0.98
- III. Total - ₹1.26

Total R & D expenditure as a percentage of total turnover is 0.63%.

Technology, Absorption, adaptation and Innovation:

- I. Efforts in brief made towards technology absorption, adaptation and innovation.
 - Testing, heat treatment, processes for soft materials developed e.g. iron silicon alloys, iron cobalt alloys, nano & amorphous iron based ribbon parts.
- II. Benefits derived as a result of the above efforts e.g. process improvement, cost reduction, product development.
 - New product line development in progress for a Company.

Conservation of energy:

- I. The steps taken and impact on conservation of energy: Utilisation of electrical energy efficiently in the entire plant is done.

An old out dated & inefficient technology is being replaced with new efficient process & technology.

- II. The steps taken by the Company for utilising alternate sources of energy: Alternative energy like Solar have been studied as an alternative energy.

Pilot burners used in Dry Hydrogen Heat Treatment furnaces replaced with electric pilots thereby saving LPG consumption and achieved effective heat dissipation in the furnace area Best payback of a Solar power is when it is installed in its own premises. Company plans to install solar power in a new location.

- III. The capital investment on energy conservation equipment: Not done.

Corporate Governance Report

1. INTRODUCTION:

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in terms of Regulation 34 read with Chapter IV and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the Listing Regulations] and the report contains the details of Corporate Governance systems and processes at Permanent Magnets Limited (PML).

2. COMPANY'S PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE:

PML'S philosophy of Corporate Governance is founded on the pillars of fairness, accountability, disclosures and transparency. These pillars have been strongly cemented which is reflected in your Company's business practices and work culture. The sound governance processes and systems guide the Company on its journey towards continued success. The practice of responsible governance has enabled your Company to achieve sustainable growth, while meeting the aspirations of its stakeholder's and societal expectations. Your Company is committed to sound principles of Corporate Governance with respect to all of its procedures, policies and practices. The governance processes and systems are continuously reviewed to ensure highest ethical and responsible standards being practiced by your Company. Comprehensive disclosures, structured accountability in exercise of powers, adhering to best practices and commitment to compliance with regulations and statutes in letter as well as spirit have enabled your Company to enhance shareholder value. In fact, this has become an integral part of the way the business is done. PML recognizes that good Corporate Governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all its stakeholders for effective implementation of the Corporate Governance practices.

3. COMPOSITION OF BOARD:

The Composition of the Board of Directors is adhering with the Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 as on March 31, 2024. The composition of the Board represents an optimal mix of professionalism, knowledge and experience.

It enables the Board to discharge its responsibilities and provide effective leadership to the business.

Board Procedures and flow of information to the Board:

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board businesses. Your Company holds at least four Board Meetings in a year, one in each quarter to review the financial results and other items of the agenda. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting. The notice setting out the detailed Agenda of Board Meeting is given well in advance to all the Directors. The Agenda and Pre-reads are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. Considerable time is spent by the Directors on discussion and deliberations at the Board Meetings. The Directors participates in the meeting via Audio-Visual mode.

Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson. Apart from Board Members and the Company Secretary, the Board and Committee Meetings are also attended by the Chief Financial Officer. In the path of digitization and with a view to ensure its commitment to Go-Green initiative of the Government, the Company circulates to its Directors, notes for Board/ Committee meetings through an electronic platform thereby ensuring high standard of security and confidentiality of Board papers.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company.

As on March 31, 2024, the Board comprised of 6 Directors.

Meetings held during the year:

The Board of Directors of the Company met Four times during the year on May 17, 2023, August 11, 2023, November 07, 2023 and February 13, 2024.

Name of the Director	Category	No. of Board Meetings		Attendance at last AGM	Particulars of Directorship, Committee membership/ Chairmanship in other companies			Names of the listed entities
		Held	Attended		As Director	As Chairman	As Member	
Sharad Taparia	Managing Director, Promoter	4	4	Yes	1	-	-	-
Rajeev Mundra	Independent and Non-Executive Director, Chairman	4	4	Yes	4	3	1	Taparia Tools Limited - Independent Director
Kamal Binani	Independent and Non-Executive Director	4	4	Yes	2	-	-	-
Mukul Taparia	Non-Executive Director, Promoter	4	4	Yes	4	-	-	-
Sunaina Taparia	Non-Executive Director, Promoter	4	4	Yes	-	-	-	-
Girish Desai	Non-Executive Director	4	4	Yes	1	3	-	Abhinav Capital Services Limited - Independent Director

During the year, one meeting of the Independent Directors was held on March 29, 2024. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors and the Board as a whole.

Relationship Between Directors

Out of 6 Directors 3 Directors are related Directors viz: Sharad Taparia, Managing Director, Mukul Taparia, Non-Executive Director and Sunaina Taparia, Non-Executive Director. None of the other Directors are related interse.

Equity shareholding of the Non-Executive Directors in the Company as on March 31, 2024

Sr. No.	Name of the Non-Executive Director	No. of Shares
1.	Rajeev Mundra	Nil
2.	Kamal Binani	Nil
3.	Mukul Taparia	13,63,737
4.	Sunaina Taparia	76,800
5.	Girish Desai*	3,050

* includes shares held jointly with his relative.

4. INDEPENDENT DIRECTORS:

Separate Meetings of Independent Directors:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, one separate meetings of the Independent Directors of the Company were held on March 29, 2024 to:

- Review the performance of Non-Independent Directors and the Board as a whole;
- Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assess the quality, quantity and timeliness of flow of information between the Company management and

the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

Selection and Appointment of Independent Directors:

Considering the requirement of skill sets on the Board, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment, as an Independent Director on the Board. The Committee, inter alia, considers qualification, positive

attributes, area of expertise and number of Directorship(s) and Membership(s) held in various Committees of other companies by such persons in accordance with the Company's Policy for Selection of Directors and determining Director's independence and recommends to the Board their appointment. As required under Regulation 46(2)(b) of the SEBI (LODR) Regulation, 2015, the Company has issued formal letters of appointment to the Independent Directors. The terms & conditions of their appointment are posted on the Company's website and can be accessed at www.pmlindia.com.

Familiarisation Program of Independent Directors:

Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel, Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on material events, Whistle Blower Policy, Policy on Prevention of Sexual Harassment and Corporate Social Responsibility Policy.

The Statutory Auditors, Internal Auditors and Senior Management of the Company make presentations to the Board of Directors with regard to regulatory changes from time to time while approving the Financial Results. The Board members are provided with necessary documents, brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company including Finance, Sales, Marketing of the Company's major business segments, practices relating to Human Resources, overview of business operations, global business environment, business strategy and risks involved.

The details of the familiarization Programme of the Independent Directors are available on the website of the Company at the link: www.pmlindia.com.

Declarations by Independent Directors:

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI (Listing Regulations) read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of SEBI 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. The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations, 2015 and that they are independent of the management. The Independent Directors have also confirmed that they have registered themselves in the databank of persons offering to become Independent Directors.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence and

submits the declaration regarding the status of holding other directorship and membership as provided under law. Based on the intimations/disclosures received from the Directors periodically, none of the Director is a Director in more than 10 public limited companies (as specified in Section 165 of the Act) and Director in more than 7 listed entities (as specified in Regulation 17A of the Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 listed companies or 3 equity listed companies in case he/she serves as a Whole-time Director/Managing Director in any listed Company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure:

Not Applicable

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management:

The Board of Directors be and hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (LODR) Regulations, 2015 and they are independent of the management.

5. LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD OF DIRECTORS AS REQUIRED IN THE CONTEXT OF ITS BUSINESS(ES) AND SECTOR(S) FOR IT TO FUNCTION EFFECTIVELY AND THOSE ACTUALLY AVAILABLE WITH THE BOARD:

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks/threats and potential opportunities and knowledge of the industry in which the Company operates.
- ii) Behavioral skills: attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- iii) Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
- iv) Financial and Management skills.
- v) Personal Characteristics matching the Company's values, such as integrity, accountability and high performance standards.

6. CODE OF CONDUCT:

The Board of Directors laid down a Code of Conduct for all the board members and senior management of the Company. The updated Code incorporates the duties of Independent Directors. This code has been posted on the web-site of the Company at www.pmlindia.com. All board members and senior management personnel have affirmed compliance with the code.

7. PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the Board is required to monitor and review the Board evaluation framework. In line with the Corporate Governance Guidelines, the Board has carried out the annual performance evaluation of its own performance, the Chairman, the Directors individually, Chief Financial Officer, Company Secretary as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship and CSR Committee. This evaluation is led by the Chairman of the Nomination and Remuneration Committee with specific focus on the performance and effective functioning of the Board. The evaluation process also considers the time spent by each of the Board Member, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise. The Board evaluation is conducted through questionnaire having qualitative parameters and feedback based on ratings. The Directors expressed their satisfaction with the evaluation process.

8. SECOND LAYER COMMITTEES OF BOARD OF DIRECTORS:

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable. During the year, all the recommendations made by the respective Committees were accepted by the Board. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and placed before the Board meetings for noting. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board Committees request special invitees to join the meeting, as and when appropriate.

The Company has Four Board-level Committees, namely:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Corporate Social Responsibility Committee.

a) Audit Committee

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013, as applicable along with other terms as referred by the Board of Directors. Besides, having access to all the required information from within the Company, the Committee can obtain external professional advice

whenever required. The Committee acts as the link between Statutory and Internal Auditor and the Board of Directors of the Company. It reviews Financial Statements and investment of unlisted subsidiary companies, Management Discussion & Analysis of financial condition and results of operations etc.

The brief terms of reference of the Audit Committee includes the following:

Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
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;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with related parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
12. 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;
13. Review the functioning of the whistle blower mechanism;
14. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
15. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.
16. Reviewing the utilization of loans and/or advances from/ investment by the holding Company in the subsidiary.

17. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Powers of Audit Committee:

The Audit Committee shall have powers, which should include the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Audit Committee Composition:

The composition of the Audit Committee as on March 31, 2024 and particulars of meetings attended by the members are as follows:

Composition and Attendance of Members at the Meetings of the Audit Committee held during 2023-2024:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Rajeev Mundra	Chairman, Non-Executive, Independent Director	4	4
Sharad Taparia	Member, Managing Director	4	4
Kamal Binani	Member, Non-Executive, Independent Director	4	4

The Chairman is a fellow member of the Institute of Chartered Accountants of India. All the members of the committee are financially literate. Accordingly, the Composition of the Audit Committee is in conformity with Section 177 of the Companies Act, 2013 and Listing Regulations.

Four (4) Audit Committee Meetings were held during the year ended May 17, 2023, August 11, 2023, November 07, 2023 and February 13, 2024. The gap between any two meetings did not exceed one hundred and twenty days and necessary quorum was present at all meetings. Chief Financial Officer, Internal Auditor and Statutory Auditors are invited to attend and participate at the meetings of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013. This Committee has been vested with authority to inter alia recommend nominations for Board Membership, develop and recommend policies with respect to the composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experiences, track record and integrity and establish Director retirement policies and appropriate succession plans and determining overall remuneration policies of the Company. The principal scope/role also includes review of market practices and decide on remuneration packages applicable to Executive Directors, Senior Management Personnel, etc. and review the same.

The Nomination and Remuneration Committee will lay the foundation to the effective functioning of the Board.

The term of reference of the Committee inter alia, includes:

1. Identifying potential candidates who are qualified to become Directors and who may be appointed in senior management;
2. Determining the composition of the Board of Directors and the sub-Committees of the board;
3. Specify methodology for effective evaluation of performance of Board/Committees/Directors either by Board, NRC or an Independent external agency and to review implementation of evaluation system;
4. Carry out the evaluation of every Director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
5. Formulate the criteria for determining qualifications, positive attributes and independence of a director;
6. Recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
7. To assist the Board's overall responsibility relating to Executive compensation and recommend to the Board appropriate compensation packages for Whole-Time Directors and Senior Management personnel in such a manner so as to attract and retain the best available personnel for position of substantial responsibility with the Company;

8. Overall responsibility of approving and evaluating the compensation plans, policies and programs for all the Executive Directors and Senior Management Personnel.

Nomination And Remuneration Committee Composition:

The Composition of the said Committee and details of meetings attended by the Directors are given below:

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Kamal Binani	Chairman, Non-Executive, Independent Director	1	1
Rajeev Mundra	Member, Non-Executive, Independent Director	1	1
Mukul Taparia	Member, Non-Executive Director	1	1

The Committee during the financial year 2023–24, met on May 17, 2023.

Criteria for determining qualifications, positive attributes and independence of a Director:

A. Appointment criteria and qualifications:

- The Nomination and Remuneration Committee (NRC) shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- The provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 should be adhered to while considering the appointment of a Director or KMP or senior management personnel.

B. Independence of Director (ID):

- Appointment of IDs shall be in accordance with the provisions of the Companies Act, 2013 (Act) as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").
- NRC to check whether a person to be nominated or appointed as an ID meets the criterion of independence as prescribed under Section 149(6) of the Act and under Regulation 25 of the Listing Regulation.
- While nominating any person to be appointed as an ID, the Committee should satisfy itself that the person gives a declaration as prescribed under the Act declaring that he/she meets the criterion of independence prescribed under the Act and Listing Regulation.

Remuneration of Directors

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy which is available on the Company's website, www.pmlindia.com.

Details of remuneration/sitting fees paid during the financial year 2023-24:

(₹ in Crores)

Sr. No.	Names	Category	Sitting Fees	Salary	Perquisites	Stock Options	Total
1.	Sharad Taparia	Managing Director	-	1.41/-	0.002/-	-	1.412/-
2.	Rajeev Mundra	Independent Director	0.01/-	-	-	-	0.01/-
3.	Kamal Binani	Independent Director	0.009/-	-	-	-	0.009/-
4.	Mukul Taparia	Non-Executive Director	0.007/-	-	-	-	0.007/-
5.	Sunaina Taparia	Non-Executive Director	0.006/-	-	-	-	0.006/-
6.	Girish Desai	Non-Executive Director	0.006/-	-	-	-	0.006/-

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees, reimbursement of expenses incurred for travel etc. for attending Board/ Committee Meetings. Notice period, severance fees and performance-linked incentive are not stipulated in their terms of appointments.

c) Stakeholders' Relationship Committee:

The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of the Listing Regulations, 2015 read with Section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee is responsible for the satisfactory redressal of investor complaints and recommends measures for overall improvement in the quality of investor services.

The primary responsibilities of this Committee includes:

1. Monitor and review any investor complaints received by the Company or through SEBI, SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary, Compliance officer and Registrar and Share Transfer Agent of the Company.
2. Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
3. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
4. Review of measures taken for effective exercise of voting rights by shareholders.

Rachana Rane, Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Regulations with Stock Exchanges.

During the year, the Committee had One Meeting on November 07, 2023.

Sr. No.	Name of the Member	Status	Category	No. of Meetings Held	No. of Meetings Attended
1.	Rajeev Mundra	Chairman	Non-Executive & Independent Director	1	1
2.	Kamal Binani	Member	Non-Executive & Independent Director	1	1
3.	Mukul Taparia	Member	Non-Executive Director	1	1

Details of complaints received and attended to during the financial year 2023-24 are given below:

No. of complaints pending as on April 01, 2023	0
No. of complaints received during the year	0
No. of complaints resolved during the year	0
No. of complaints pending as on March 31, 2024	0

d) Corporate Social Responsibility Committee

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of corporate social responsibility policy, observe practices of Corporate Governance at all levels and to suggest on the website of the Company at www.pmlindia.com. The details of CSR activities for the financial year 2023-24 forms part of the Board's Report.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year ended March 31, 2024 are as under:

Sr. No.	Name	Meetings held	Meetings attended
1.	Rajeev Mundra, Chairman	1	1
2.	Sharad Taparia, Member	1	1
3.	Mukul Taparia, Member	1	1

The Committee to look into matters related to sustainability and overall governance.

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

Terms of reference:

- Formulate and recommend to the Board, a CSR Policy indicating the activity or activities to be undertaken by the Company as specified in Schedule VII to the Act.
- To identify the areas of CSR activities and recommend the amount of expenditure to be incurred on such activities.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available. During the financial year 2023-24 Corporate Social Responsibility Committee meeting was held on March 29, 2024.

9. BOARD AND COMMITTEE MINUTES:

Minutes of all the Board and Committee Meetings are prepared by the Secretary of the Meeting, approved by the Chairman of the Meeting, entered in their respective Minutes Book within stipulate time frame, circulated to the Board in the Agenda for the succeeding meeting and adopted and taken on record.

10. GENERAL BODY MEETINGS:

a) Details of previous three Annual General Meetings:

Financial Year	Date of Meeting	Time	Location
2022-23	31.08.2023	02.00 p.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2021-22	06.09.2022	11.30 a.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)
2020-21	17.08.2021	11.30 a.m.	Through Video Conferencing (VC)/Other Audio-Visual Means (OAVM)

Special resolutions passed in the previous three AGMs are as below:

2022-23	(i) Increase in Limits of Borrowings u/s 180(1)(c) of the Companies Act, 2013;
	(ii) Creation of Charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013;
	(iii) Consent of Members for increase in the limits applicable for making investments/extending loans and giving guarantees or providing securities in connection with loans to persons/Bodies Corporate.
2021-22	Re-appointment of Kamal Binani (DIN: 00340348) as an Independent Director.
2020-21	Nil

Whether any Special Resolution passed last year through postal ballot: No special resolution was passed through postal ballot in the last year.

Whether any Special Resolution proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.

During the year under review, no Extraordinary General Meeting of the members of the Company was convened.

11. MEANS OF COMMUNICATION:

Unaudited/Audited financial results of the Company (Quarterly, Half yearly and annual) are immediately, after the Board's approval uploaded/displayed on the Company's website www.pmlindia.com under investors tab (a separate sections for investors information) in addition to submitting the same to BSE Limited.

Quarterly results are published in, Financial Express (Ahmedabad Edition) and Daman ganga Times (Vapi Edition). The Company has designated the following email-id exclusively for investor servicing: investors@pmlindia.com

During the financial year 2023-24, detailed presentations are made to investors and financial analysts on the Company's annual financial results after declaration of financial results and are sent to the Stock Exchanges. Investor calls are attended by the Managing Director Chief Financial Officers and Company Secretary. These presentations, video recordings and transcript of the meetings are available on the website of the Company. No unpublished price sensitive information is discussed in the meetings with investors and financial analysts.

12. GENERAL SHAREHOLDER INFORMATION:

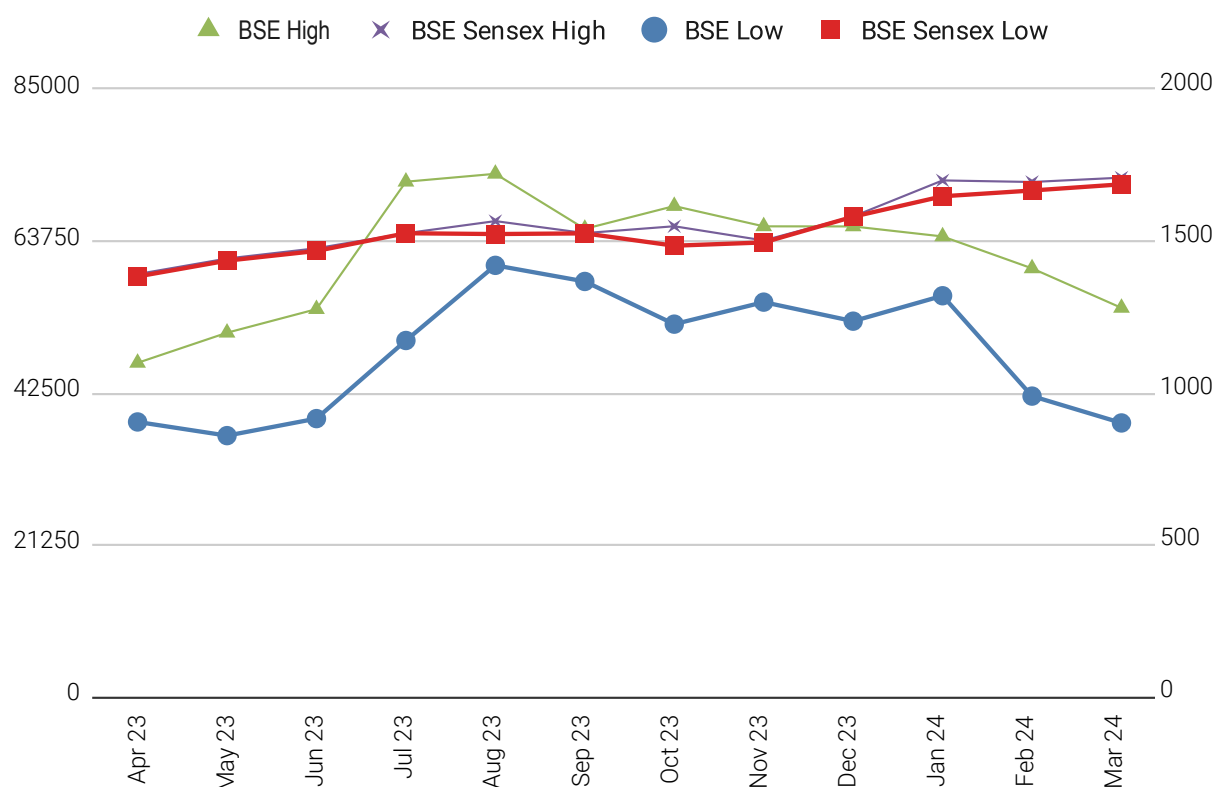
i. Annual General Meeting		
Date	Friday, August 09, 2024	
Time	2.30 p.m.	
Venue	The Company is conducting the AGM through Video Conference/Other Audio-Visual Mode (VC/OAVM) pursuant to the MCA Circular dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022. As such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.	
ii. Company's Financial Year	April 01 to March 31	
First quarter ending June 30, 2024	Within 45 days from the end of quarter	
Second quarter and half year ending September 30, 2024	Within 45 days from the end of quarter	
Third quarter and nine months ending December 31, 2024	Within 45 days from the end of quarter	
Year ending on March 31, 2025	Within 60 days from the end of the year	
iii. Date of Book Closure	As mentioned in the Notice of this AGM.	
iv. Dividend Payment Date	On or before August 25, 2024 after making adjustments of TDS in the dividend of members as per Income Tax Act 1961, if final dividend is approved by the members.	
v. Listing on Stock Exchanges	Bombay Stock Exchange (BSE) Limited. Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001	
vi. Listing Fees	The Company has paid Listing Fees for the financial year 2023 - 24 to the Stock Exchanges, where the equity shares of the Company are listed.	
vii. Stock Codes	504132 PERMAGN ISIN: INE418E01018	
viii. Corporate Identity Number (CIN)	L27100DN1960PLC000371	

Market price data

Share Price Performance

Month	BSE		BSE SENSEX	
	High	Low	High	Low
Apr-23	1,099.35	905.00	61,209.46	58,793.08
May-23	1,198.40	860.00	63,036.12	61,002.17
Jun-23	1,276.00	916.00	64,768.58	62,359.14
Jul-23	1,695.00	1,172.85	67,619.17	64,836.16
Aug-23	1,721.00	1,420.00	66,658.12	64,723.63
Sep-23	1,539.95	1,367.00	67,927.23	64,818.37
Oct-23	1,615.00	1,226.60	66,592.16	63,092.98
Nov-23	1,548.25	1,299.00	67,069.89	63,550.46
Dec-23	1,548.00	1,236.40	72,484.34	67,149.07
Jan-24	1,515.00	1,320.00	73,427.59	70,001.60
Feb-24	1,410.00	990.00	73,413.93	70,809.84
Mar-24	1,280.05	901.70	74,245.17	71,674.42

Performance of the Company's equity shares during the financial year 2023-24:



13. REGISTRAR TO AN ISSUE AND SHARE TRANSFER AGENT:

Adroit Corporate Services Private Limited

19/20, 1st Floor, Jafferbhoy Industrial Estate, Makhwana Road,

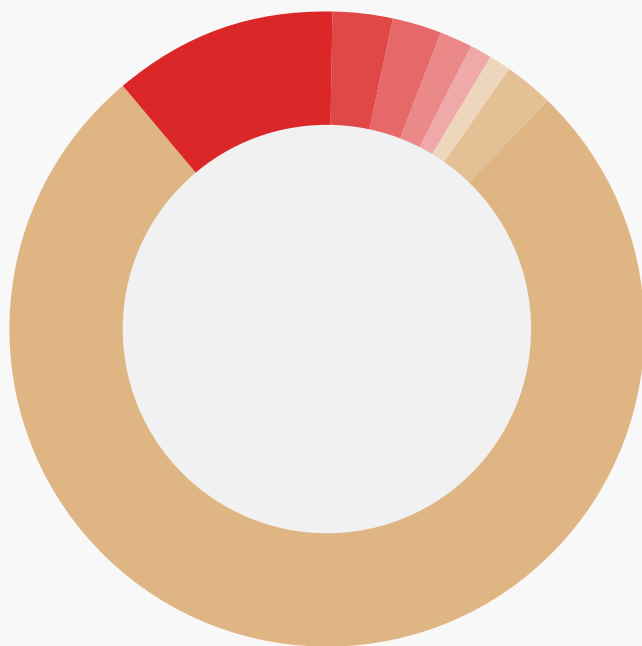
Marol Naka, Andheri (East), Mumbai – 400059

Ph. 022 - 42270400

Share Transfer System: Share Transfer System as mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, the Company obtained, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, transposition, sub-division, consolidation, renewal, exchange, and deletion of names were issued as required under Regulation 40(9) of the Listing Regulations. The certificate was duly filed with the Stock Exchanges.

14. DISTRIBUTION OF SHARES AS ON MARCH 31, 2024:

Shares slab			Shareholders	% of Shareholders	Total Shares	Amount (₹)	% of Share holding
UPTO	-	500	17813	96.24	994727	99,47,270	11.57
501	-	1000	356	1.92	266609	26,66,090	3.10
1001	-	2000	151	0.82	218152	21,81,520	2.54
2001	-	3000	50	0.27	127498	12,74,980	1.48
3001	-	4000	29	0.16	103722	10,37,220	1.21
4001	-	5000	20	0.11	94808	9,48,080	1.10
5001	-	10000	30	0.16	214887	21,48,870	2.50
10001	&	Above	60	0.32	6578050	6,57,80,500	76.50
			18509	100.00	8598453	8,59,84,530	100.00

% of Shareholding

UPTO - 500	11.57%
501 - 1000	3.10%
1001 - 2000	2.54%
2001 - 3000	1.48%
3001 - 4000	1.21%
4001 - 5000	1.10%
5001 - 10000	2.50%
10001 & Above	76.50%

Shareholding Pattern as on March 31, 2024

Sr. No.	Category of Shareholders	No. of Shares	Percentage
A.	Promoter and Promoter Group	4987875	58.01
B.	Non-Promoter shareholding		
1.	Financial Institutions/Banks	690	0.01
2.	Individual Holding nominal share capital upto ₹2L	1932674	22.48
3.	Individual Holding nominal share capital in excess of ₹2L	948404	11.03
4.	Bodies Corporate	347491	4.04
5.	KMP	10	0.00
6.	NRIs	110507	1.29
7.	NRI Corp Bodies	66600	0.77
8.	Trusts	100	0.00
9.	HUF Controlling	204102	2.37
TOTAL		8598453	100.00

Physical/NSDL/CDSL/Summary Report as on March 31, 2024

Category	Shareholders	Shares	Percentage
PHYSICAL	2236	483862	5.63
NSDL	5141	5292092	61.55
CDSL	11132	2822499	32.83

15. RELATED PARTY TRANSACTIONS:

There are no material related party transactions during the year under review that have conflict with the interest of the Company. Transactions entered into with related parties during FY 2023-24 were in the ordinary course of business and at arms' length basis.

As required under Regulation 23 of Listing Regulations, the Company has adopted a policy on dealing with and materiality of Related Party Transactions has been placed on the Company's website and can be accessed at the following link: www.pmlindia.com.

16. OTHER DISCLOSURES:

a) Dematerialization of Shares and Liquidity as on March 31, 2024:

The Company's shares are compulsorily traded in dematerialized form on BSE. Equity shares of the Company representing 94.37 percent of the Company's equity share capital are dematerialized as on March 31, 2024. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE418E01018.

b) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in past and hence as on March 31, 2024, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

c) Commodity price risk or foreign exchange risk and hedging activities:

During the year ended March 31, 2024, the Company had managed the foreign exchange risk to the extent considered necessary.

Credit Ratings:

Total Bank Facilities

Long Term Rating	ACUITE BBB - (Upgraded)
Short Term Rating	ACUITE A3 (Upgraded)

d) Plant Location:

- Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Plot No. 22, Mira Co-op. Industrial Estate, Mira Road (East), Thane - 401107.
- Plot Nos. A-8, A-9, A-13, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.
- Plot No. A3/2, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.

e) Corporate office address for correspondence:

Permanent Magnets Limited

Plot No. B-3, MIDC Industrial Area, Village Mira, Mira Road (East), Thane - 401107.

Contact: 022 - 68285454

Fax: 022 - 29452128

Website: www.pmlindia.com

E-mail ID: investors@pmlindia.com/

rachana.rane@pmlindia.com

f) Non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There was no such instance in the last 3 years.

g) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company confirms that it has complied with all mandatory requirements prescribed in the Listing Regulations for the FY 2023-24. Also, pursuant to the provisions of Regulation 34(3) of the Listing Regulations read with Part B of Schedule II to the Listing Regulations, the Managing Director and the Chief Financial Officer (CFO) have issued a certificate to the Board for the year ended March 31, 2024.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement:

No funds have been raised through preferential allotment or qualified institutional placement.

i) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

The certificate from Arun Dash, Practicing Company Secretary forms part of this Report.

j) Where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

No such disclosure.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Payment to Statutory Auditors	FY 2023-24 (₹ In Crores)
Audit Fees	
M/s Jayesh Sanghrajka & Co LLP	0.06
Tax Audit Fees	0.02
Other Services	-
Reimbursement of Expenses	-
Total	0.08

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2023-24.

l) Details of non-compliance of any requirement of Corporate Governance Report or sub-paras (2) to (10) above, with reasons thereof:

There is no non-compliance with any requirement of Corporate Governance Report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Listing Regulation. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the Listing Regulations, have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.pmlindia.com.

The non-mandatory requirements as stipulated in Part E of Schedule II of the Listing Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in this Report.

17. ESTABLISHMENT OF VIGIL MECHANISM, WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct. A copy of Whistle Blower Policy of the Company has been put up on Company's website www.pmlindia.com.

18. PROHIBITION OF INSIDER TRADING:

The Company has a policy i.e., code of conduct prohibiting insider trading in conformity with SEBI (Prohibition of Insider Trading) Regulations, 2015. The said policy contains necessary procedures applicable to Directors, officers and designated persons for trading in the securities of the Company. The trading window closure are intimated in advance to all the concerned during which period, the Board of Directors and designated persons are not permitted to trade in the securities of the Company.

19. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed during the financial year	N.A.
c.	Number of complaints pending as on end of the financial year	N.A.

20. CEO AND CFO CERTIFICATION:

The Managing Director and Chief Financial Officer of the Company have certified positively to the Board on the matters specified under Regulation 17(8) of the Listing Regulations for the year ended March 31, 2024. The said certificate is attached in this Annual Report.

21. EQUITY SHARES IN SUSPENSE ACCOUNT:

In accordance with the requirement of Regulation 34(3) and Schedule V Part F of Listing Regulations, 2015 the Company reports the following details in respect of equity shares lying in the Unclaimed suspense account which were issued in dematerialised form pursuant to the public issue of the Company:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	16	2650
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
Number of shareholders to whom shares were transferred from suspense account during the year;	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	16	2650

22. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED:

Details are given in Note No.12 of the Standalone Financial Statements.

23. CODE OF CONDUCT:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company, viz., www.pmlindia.com. The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2024, is annexed to this Report on Corporate Governance.

Declaration under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding compliance with Code of Conduct

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Board Members and Senior Management personnel of the Company have affirmed compliance with the Codes of Conduct, as applicable to them, for the financial year ended March 31, 2024.

For and on behalf of the Board,

Place: Thane
Date: May 16, 2024

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

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
Permanent Magnets Limited
Harsh Avenue, 302, 3rd Floor,
Opp. Silvassa Police Station,
Silvassa Vapi Main Road,
Silvassa, DN - 396230.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Permanent Magnets Limited** having CIN: L27100DN1960PLC000371 and having registered office at Harsh Avenue, 302, 3rd Floor, Opp. Silvassa Police Station, Silvassa Vapi Main Road, Silvassa, DN: 396230 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, para C, sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications, including Director 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 March 31, 2024 have been debarred or disqualified from being appointed or continuing as Director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Designation	Date of Appointment in the Company
1.	Sharad Taparia	00293739	Managing Director	15/05/2008
2.	Rajeev Jugalkishor Mundra	00139886	Independent Director & Chairman	16/04/2007
3.	Kamal Binani	00340348	Independent Director	26/12/2017
4.	Mukul Taparia	00318434	Non-Executive Director	22/09/2014
5.	Sunaina Taparia	07139610	Non-Executive Director	01/04/2015
6.	Girish Ramanlal Desai	01056763	Non-Executive Director	01/06/2020

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

M/s Arun Dash & Associates
Company Secretaries

Place: Mumbai
Date: May 16, 2024

UDIN: F009765F000386119
Peer Review No.: 928/2020

Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309

CEO/CFO Certificate

Under Regulation 17(8) of Sebi (LODR) Regulations, 2015

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of **Permanent Magnets Limited** ("the Company") to the best of our knowledge and belief certify that:

- I. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our knowledge and belief we state that:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) 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.
- II. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- III. We accept responsibility for establishing and maintaining Internal Controls for financial reporting and that we have evaluated the effectiveness of Internal Control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- IV. We have indicated to the Auditors and the Audit Committee;
 - a) Significant changes in the Internal Control over financial reporting during the year ended March 31, 2024;
 - b) Significant changes in accounting policies during the year ended March 31, 2024 and that the same have been disclosed in the notes to the Financial Statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over financial reporting.

FOR AND ON BEHALF OF THE BOARD,

Place: Thane
Date: May 16, 2024

Sd/-
Sharad Taparia
Managing Director
DIN: 00293739

Sd/-
Sukhmal Jain
Chief Financial Officer

Practising Company Secretary's Certificate on Corporate Governance

To,
The Members of
Permanent Magnets Limited

We have examined the compliance of conditions of Corporate Governance by **Permanent Magnets Limited** ('the Company') as stipulated in Regulation 34(3) and Schedule V of the SEBI Listing Regulations.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except following:

- Pursuant to Regulation 31(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hundred percent of shareholding of promoter(s) and promoter group must be in dematerialized form; Shareholding of one of the promoters of the Company is held in physical form.

No investor grievance(s) is/are pending for a period exceeding one month against the Company.

We further state that it is neither an audit nor an expression of opinion on the financial statements of the Company and such compliance is neither an assurance as to the future viability of the Company nor the efficiency or the effectiveness with which the management has conducted the affairs of the Company.

M/s Arun Dash & Associates
Company Secretaries

Place: Mumbai
Date: May 16, 2024

UDIN: F009765F000386141
Peer Review No.: 928/2020

Sd/-
Arun Dash
(Proprietor)
M. No. FCS 9765
C.P. No. 9309

Independent Auditor's Report

To,
The Members of
Permanent Magnets Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone Ind AS financial statements of **Permanent Magnets Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies 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 including the Ind AS, of the financial position of the Company as at March 31, 2024, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone Ind AS 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 Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us.

EMPHASIS OF MATTERS

We draw attention to the following matters in the Notes to the Financial Statements:

- a. We draw attention to Note no. 03 of notes to accounts of the financial statement, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed against the Company dated April 15, 2015.

Honorable High Court of Bombay had passed a winding up order dated April 15, 2015 for the Winding up of the Company on a petition filed by M/s. Savino Del Bene Freight Forwarders (I) Private Limited, and the court had issued directions for the appointment of an official liquidator in winding up the order.

On the appeal against this order made by the Company before the Honorable Bombay High Court, the Honorable Bombay High Court has given an interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The Company has deposited ₹0.19/- Crores with interest as per the direction of the Honorable Bombay High Court. The matter is pending before the Bombay High Court and the next hearing in this matter shall come up as per listing of the court.

The financial statements of the Company have been prepared on Going Concern Basis on reasons mentioned in the note no. 3 of notes of accounts.

- b. We draw attention to Note no. 04 of notes to accounts of the financial statement regarding non-receipts of confirmation in respect of balances due under Trade receivables and Trade payables, Loans and advances receivable and payable though the Company has issued an email to the Trade receivables and Trade Payables to that effect, adjustments, if any, required upon such confirmation is not ascertainable. In response to the above, only some confirmations have been received.

Our opinion is not modified in respect of these matters.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Annual Report but does not include the financial statements and our auditor's report

thereon. Our opinion on the 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 and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE 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 of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 the assets of the Company 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 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also 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 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 management.
- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, applicable from April 01, 2021, we give in **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on April 01, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
 - g. With respect to the other matters to be included in the 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:

- i. 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 No. 02 of Notes to Accounts to the Standalone Financial Statements.
- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds 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 persons or entities, including foreign entities ("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 ("Ultimate Beneficiaries") by or on behalf of the Company; or
 - provide any guarantee, security, or the like to or on behalf of the Ultimate Beneficiaries.
- b. The management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

- c. Based on such audit procedures as 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 (iv)(a) and (iv)(b) contain any material mis-statement.
- v. The Company has declared and paid dividend during the year in compliance with Section 123 of the Act.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023. Based on our examination which included test checks, the Company has 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. Further, for the periods where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software,
- we did not come across any instance of the audit trail feature being tampered with.
- Further, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.
3. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year 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 are required to be commented upon by us.

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFM1394

Place: Mumbai

Dated: May 16, 2024

Annexure A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Permanent Magnets Limited** of even date)

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 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.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets and right-of-use assets so to cover all the assets once every two 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 fixed assets were due for verification during the year and were physically verified by the Management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that Company has title deed in the name of Company and Company have immovable property 15% share of Borivali (Mumbai) property sold to Builder. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of-use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) 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. (a) The inventories were physically verified "except goods in transit" during the year by the Management at reasonable intervals. For goods in transit, subsequent evidence of delivery has

been verified. 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 material discrepancies were noticed on such physical verification.

(b) As disclosed in note 19 to the financial statements, the Company has been sanctioned working capital limits in excess of Rupees Five Crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of account of the Company.

iii. (a) Based on the audit procedures conducted by us and according to the information and explanations provided to us, during the year the Company has not made any investments in or has not provided any guarantee or security or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except as follows:

(₹ in Crores)

Particulars	Guarantees	Loans	Investment
Aggregate amount during the year			
Subsidiary	0.83	1.33	0.05
Balance outstanding as at balance sheet date			
Subsidiary	0.83	1.33	0.05

(b) Based on the information and explanations provided to us, and upon our thorough examination, we report that the terms and conditions of the interest-free loan extended by the holding Company to its wholly owned subsidiary are not deemed to be prejudicial to the Company's interests.

(c) According to the information and explanations given to us and based on our examination we report that the schedule of repayment of principal has been stipulated. However, the repayments are not due as on March 31, 2024.

(d) According to the information and explanations given to us and based on our examination we report that, there are no loan overdue for more than ninety days as on March 31, 2024.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed

or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans repayable on demand.
- iv. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under

sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

- (a) In our opinion and according to the information and explanations given to us and based on audit procedures performed by us, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services 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 applicable to it with the appropriate authorities.

According to the information and explanations given to us and based on audit procedures performed by us, 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) According to the information and explanations given to us and based on audit procedures performed by us. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2024 on account of disputes are given below:

Nature of the Statute	Nature of Dues	Forum where the dispute is pending	Period to which the amount relates	Amount ₹ in Crores
Central Excise Act, 1944	Excise Duty	CESTAT - Mumbai	FY 2003-04	0.63

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (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 except as mentioned below:

Bank	Nature	Amount (₹ in Crores)	Due on	Paid on
ICICI	Interest on Central excise Loan	1.75*	Between October 2002 to November 2017	Not yet paid

*It is simple interest @ 12% provided by the Company till the last repayment of the loan.

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has used term loan for the object for which it is obtained during the year and there are no unutilised term loans at the beginning of the year.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis has, 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
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, 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 upto 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 and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 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. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records, 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. (a) & (b) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- (c) & (d) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) and clause 3(xvi) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. 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 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. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section 5 of Section 135 of the Act. This matter has been disclosed in Note No. 16 to the notes to accounts of financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of Section 135 of Companies Act. This matter has been disclosed in note 16 to the notes to accounts of financial statements.

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFM1394

Place: Mumbai

Dated: May 16, 2024

Annexure B

TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in Para 2(f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date to the members of Permanent Magnets Limited on the Ind AS financial statement for the year ended March 31, 2024]

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

We have audited the internal financial controls over financial reporting of **PERMANENT MAGNETS LIMITED** ("The Company") as of March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing

the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material 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's.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

INHERENT LIMITATION OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitation 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 procedure may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal controls over financial reporting were effective as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essentials 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".

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFM1394

Place: Mumbai

Dated: May 16, 2024

Standalone Balance Sheet

As at March 31, 2024

(₹ in Crores)

Particulars	Note No	March 31, 2024	March 31, 2023
ASSET			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	2	25.86	12.51
(b) Intangible assets	2	0.17	0.11
(c) Right-of-use Assets	2	5.99	1.34
(d) Financial Assets			
(i) Investments	3	0.05	-
(ii) Bank Balances	4	1.19	7.99
(iii) Loans	5	1.05	0.84
(iv) Others		-	-
(e) Deferred Tax Assets (Net)	6	2.03	2.00
(f) Other Non-Current Assets	7	2.03	5.18
		38.37	29.97
(2) Current Assets			
(a) Inventories	8	54.87	53.39
(b) Financial Assets			
(i) Trade Receivables	9	39.68	50.95
(ii) Cash and Cash Equivalents	10	4.84	1.40
(iii) Bank Balances	11	35.47	10.36
(iv) Loans	12	3.35	1.38
(c) Other Current Assets	13	6.18	3.81
		144.39	121.30
Total Assets		182.76	151.26
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	14	8.60	8.60
(b) Other Equity	15	123.79	102.35
		132.39	110.95
Liabilities			
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	10.05	4.02
(ii) Lease Liabilities	17	4.41	-
(b) Provisions	18	0.65	0.67
(c) Deferred Tax Liabilities (Net)		-	-
		15.11	4.69
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3.37	1.96
(ii) Trade Payables	20	27.29	29.35
(iii) Lease Liabilities	21	1.83	1.62
(iv) Other Financial Liabilities	21	0.83	0.42
(b) Other Current Liabilities	22	1.91	0.79
(c) Provisions	23	0.01	0.01
(d) Current Tax Liabilities	24	-	1.47
		35.25	35.63
Total Equity and Liabilities		182.76	151.26

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

CA Hemant Kumar

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFM1394

For & on behalf of the Board of Directors

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Dated: May 16, 2024

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary

Standalone Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Crores)

Particulars	Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
I Revenue From Operations	25	201.47	182.74
II Other Income	26	4.40	5.45
III Total Income (I+II)		205.87	188.19
IV Expenses			
Cost of materials consumed	27	114.09	94.79
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	(2.66)	(2.96)
Employee benefits expense	29	11.45	9.49
Finance costs	30	2.05	1.27
Depreciation and amortization expense	31	6.87	5.49
Other expenses	32	43.15	40.15
Total expenses (IV)		174.96	148.23
V Profit/(loss) before exceptional items and tax (I-IV)		30.91	39.96
VI Exceptional Items		-	-
VII Profit/(loss) before tax (V-VI)		30.91	39.96
VIII Tax expense:			
(1) Current tax		8.18	10.48
(2) Deferred tax		(0.03)	(0.31)
(3) Short/Excess provision of earlier years		0.02	0.03
IX Profit for the period from continuing operations (VII-VIII)		22.74	29.75
X Profit/(loss) from discontinued operations		-	-
XI Tax expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII Profit for the period (IX+XII)		22.74	29.75
XIV Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	33	(0.01)	0.01
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period)		22.73	29.76
XVI Earnings per equity share (for continuing operation)	34		
(1) Basic		26.44	34.61
(2) Diluted		26.44	34.61
XVII Earnings per equity share (for discontinued operation)	34		
(1) Basic		-	-
(2) Diluted		-	-
XVIII Earnings per equity share (for discontinued & continuing operations)	34		
(1) Basic		26.44	34.61
(2) Diluted		26.44	34.61
Significant Accounting Policies	1		
The Notes are an integral part of these financial statements			

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No.: 104184W/W100075

CA Hemant Kumar
Designated Partner
M. No.: 403143
UDIN: 24403143BKDIFM1394

Place: Mumbai
Dated: May 16, 2024

For & on behalf of the Board of Directors

Sharad Taparia
Managing Director
DIN: 00293739

Mukul Taparia
Director
DIN: 00318434

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

Standalone Cash Flow Statement

(Indirect Method)

For the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items (PAT)	30.91	39.96
Adjustment for:		
Depreciation & Amortization		
Depreciation for PPE	4.49	3.48
Depreciation for leased assets	2.39	2.01
Impairment	-	0.14
Loss/(Profit) on sale of assets	(0.01)	(0.01)
Finance charges	1.29	0.92
Financial charges under lease agreement	0.77	0.36
Interest income on security deposit	(0.11)	(0.06)
Misc balance w/off	0.47	0.26
Short/Excess provision of earlier years	(0.02)	(0.03)
Unrealised foreign exchange gain	(0.05)	0.38
Operating profit before working capital changes	40.11	47.41
Adjustment for:		
Inventories	(1.48)	(16.10)
Trade receivables	11.22	(15.56)
Other assets	(24.10)	1.45
Trade payables	(2.51)	4.22
Other liabilities	4.66	(0.93)
	27.89	20.49
Direct taxes paid	8.53	9.01
Net cash flow from operating activities	19.36	11.47
CASH FLOW FROM INVESTMENT ACTIVITIES		
Additions to fixed assets (Net)	(17.94)	(9.52)
Sale of fixed assets	0.05	-
Sale of/(Additions to) investments (net)	(0.05)	-
Net cash used in investing activities	(17.94)	(9.52)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(1.29)	(1.03)
Proceeds from long term borrowings	6.43	2.26
Repayment of long term borrowings	(0.30)	-
Proceeds/(Repayment) from current borrowings (net)	1.41	0.90
Finance charges paid (Net)	(1.29)	(0.92)
Payment of lease liabilities	(2.94)	(2.43)
Equity capital inflow	-	-
Net cash from financing activities	2.02	(1.23)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3.44	0.73
Opening cash and cash equivalents	1.40	0.67
Closing cash and cash equivalents	4.84	1.40

Notes:

1. The above statement has been prepared in indirect method as described in Ind AS -7 issued by ICAI.

2. Cash and Cash Equivalent

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Cash in hand	0.03	0.01
Balance with Banks	4.80	1.39
Total	4.84	1.40

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

For & on behalf of the Board of Directors

CA Hemant Kumar

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFM1394

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Dated: May 16, 2024

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary

Notes forming part of Standalone Financial Statements

For the year ended March 31, 2024

2. PROPERTY, PLANT AND EQUIPMENT

March 31, 2024

March 31, 2024											(₹ in Crores)
Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		April 01, 2023	Additions	Deductions Adjustments Impairment	March 31, 2024	April 01, 2023	During the year	Deductions/ Adjustments	Upto March 31, 2024	As at March 31, 2024	As at March 31, 2023
A Tangible Assets											
1	Freehold Land	4.26	-	-	4.26	-	-	-	-	4.26	4.26
2	Building	0.62	0.83	-	1.45	0.32	0.26	-	0.58	0.88	0.30
3	Plant & Machinery*	14.56	16.14	0.11	30.59	7.27	3.60	0.07	10.80	19.79	7.29
4	Electric Installation	0.01	0.25	-	0.27	0.01	0.07	-	0.07	0.19	0.01
5	Laboratory Equipments	-	-	-	-	-	-	-	-	-	-
6	Automobiles & Vehicles	0.91	0.06	-	0.96	0.58	0.12	-	0.70	0.26	0.32
7	Furniture & Fixtures	0.12	0.08	-	0.19	0.08	0.03	-	0.11	0.08	0.04
8	Office Equipments	1.06	0.42	-	1.49	0.77	0.33	-	1.10	0.39	0.29
TOTAL A		21.53	17.79	0.11	39.21	9.03	4.40	0.07	13.36	25.86	12.51
B Intangible Assets											
1	Computer Software	0.38	0.15	-	0.53	0.27	0.08	-	0.36	0.17	0.11
TOTAL B		0.38	0.15	-	0.53	0.27	0.08	-	0.36	0.17	0.11
C Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-
TOTAL C		-	-	-	-	-	-	-	-	-	-
TOTAL (A+B+C)		21.91	17.94	0.11	39.74	9.30	4.49	0.07	13.71	26.03	12.61
Previous Year		12.88	3.90	0.38	16.40	7.54	2.27	0.33	9.49	6.91	5.33

(₹ in Crores)

C	Particulars	Building
	Cost	
	Recognition on Initial application of Ind AS 116 as at April 01, 2019	-
	Reclassified on account of adoption of Ind AS 116	6.17
	Addition during the year	7.03
	Deletion during period	-
	As at March 31, 2024	13.20
	Accumulated Depreciation April 01, 2023	4.82
	Depreciation for the year	2.39
	Deletion during period	-
	As at March 31, 2024	7.21
	Net Block	-
	As at March 31, 2024	5.99

2. PROPERTY, PLANT AND EQUIPMENT

March 31, 2023

(₹ in Crores)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		April 01, 2022	Additions	Deductions Adjustments Impairment	March 31, 2023	April 01, 2022	During the year	Deductions/ Adjustments	Upto March 31, 2023	As at March 31, 2023	As at March 31, 2022
A	Tangible Assets										
1	Freehold Land	-	4.26	-	4.26	-	-	-	-	4.26	0.00
2	Building	0.62	-	-	0.62	0.28	0.03	-	0.32	0.30	0.33
3	Plant & Machinery*	13.47	4.94	3.86	14.56	7.99	2.81	3.53	7.27	7.29	5.48
4	Electric Installation	0.01	-	-	0.01	0.01	-	-	0.01	0.01	0.01
5	Laboratory Equipments	-	-	-	-	-	-	-	-	0.00	0.00
6	Automobiles & Vehicles	1.05	-	0.14	0.91	0.35	0.35	0.12	0.58	0.32	0.69
7	Furniture & Fixtures	0.11	-	-	0.12	0.07	0.01	-	0.08	0.04	0.04
8	Office Equipments	0.79	0.30	0.03	1.06	0.57	0.21	0.01	0.77	0.29	0.22
	TOTAL A	16.05	9.50	4.02	21.53	9.28	3.41	3.66	9.03	12.51	6.77
B	Intangible Assets										
1	Computer Software	0.35	0.04	-	0.38	0.21	0.07	-	0.27	0.11	0.14
	TOTAL B	0.35	0.04	-	0.38	0.21	0.07	-	0.27	0.11	0.14
	TOTAL (A+B)	16.40	9.54	4.02	21.91	9.49	3.48	3.66	9.30	12.61	6.91

NOTE 3: INVESTMENT

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
50000 shares of Quantum Magnetics Private Limited	0.05	-
Total	0.05	-

NOTE 4: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Term Deposits*	1.05	7.91
Bank - Dividend a/c	0.14	0.08
Total	1.19	7.99

* Bank deposits of ₹ Nil (P.Y. ₹7.19 Crores) held as collateral security for various banks limit.

NOTE 5: LOANS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Security Deposits	1.05	0.84
Loans & Advances to Employees	-	-
Total	1.05	0.84
Secured, considered good	-	-
Unsecured, considered good	1.05	0.84
Doubtful	-	-

NOTE 6: DEFERRED TAX ASSET

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Deferred Tax Asset		
- On account of Depreciation difference	1.10	0.78
- On account of Depreciation difference ROU	0.07	0.09
- On account of Depreciation diff. (ROU diff in Retained earning)	0.20	0.20
- On account of Disallowance of expenses	0.63	0.63
	2.00	1.70
Add/Less:		
- On account of Depreciation diff.	(0.03)	0.32
- On account of Depreciation diff. (ROU)	0.06	(0.02)
- On account of Gratuity diff.	-	-
	0.03	0.31
Total	2.03	2.00

NOTE 7: OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Security Deposits with Govt Dept/courts	0.35	0.35
Capital Advances*	1.68	4.83
Total	2.03	5.18
Secured, considered good	-	-
Unsecured, considered good	2.03	5.18
Doubtful	-	-

* including Land advances of ₹0.06 Crores

NOTE 8: INVENTORIES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Raw materials	39.29	40.50
Work-in-progress	9.20	8.06
Stores and spares	0.45	0.42
Finished goods	5.93	4.40
Total	54.87	53.39

NOTE 9: TRADE RECEIVABLES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Secured, considered good	-	-
Unsecured, considered good	39.68	50.95
Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Total	39.68	50.95

Ageing for trade receivables as on March 31, 2024 are as below

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable - Considered Good	30.19	8.44	1.05	0.01	-	-	39.68
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
	30.19	8.44	1.05	0.01	-	-	39.68

Ageing for trade receivables as on March 31, 2023 are as below

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable - Considered Good	30.94	19.43	0.20	0.37	-	0.01	50.95
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
	30.94	19.43	0.20	0.37	-	0.01	50.95

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Balances with Banks	4.80	1.39
Cash on hand	0.03	0.01
Total	4.84	1.40

NOTE 11: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Term Deposits*	35.47	10.36
Total	35.47	10.36

* Bank deposits of ₹2.11 Crores (P.Y. ₹2.01 Crores) held as collateral security for term loan taken from bank and ₹9.33 Crores (P.Y. ₹2.05 Crores) held as margin money against bank guarantee/LC & Collateral Against Working Capital.

NOTE 12: LOANS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Advances recoverable in cash or kind	2.01	1.38
Loans & Advances to Employees	-	-
Loan to Related Party	1.34	-
Total	3.35	1.38
Secured, considered good	-	-
Unsecured, considered good	3.35	1.38
Doubtful	-	-

NOTE 13: OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Advance to Suppliers	3.06	2.11
Balance with statutory/Government Authorities	1.87	1.32
Prepaid Expenses	1.19	0.33
Other Advance	0.06	0.06
Total	6.18	3.81

NOTE 14: EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
AUTHORIZED CAPITAL		
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹10/- each	10.00	10.00
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/ Non-Cumulative Preference Shares of ₹10/- each	6.00	6.00
	16.00	16.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
85,98,453 (P.Y. 85,98,453) Equity Shares of ₹10/- each, Fully Paid-Up	8.60	8.60
Total	8.60	8.60

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period**Equity Shares**

Particulars	March 31, 2024		March 31, 2023	
	No of Shares	(₹ in Crores)	No of Shares	(₹ in Crores)
Number of Shares at the beginning	85,98,453	8.60	85,98,453	8.60
Add: Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	85,98,453	8.60	85,98,453	8.60

14.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Amount ₹10/- each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3 Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2024		March 31, 2023	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Equity shares of ₹10 each fully paid				
Sharad Jaiprakash Taparia	13,40,067	15.58	10,67,292	12.41
Mukul Taparia	13,63,737	15.86	10,27,523	11.95
Shyamsunder Taparia	-	-	8,48,989	9.87
Kamla Anil Taparia, hold in the capacity of Partner of Shri Orient Corporation	5,77,060	6.71	5,77,360	6.71
Jaiprakash Hanumanbux Taparia	6,06,081	7.05	6,06,081	7.05

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shareholding of Promoters

Shares held by promoters at the end of the year	No. of Shares	% of total shares	% Change during the year
Promoter name			
SUNILKUMAR VERAWDAN TAPARIA [#]	63,340	0.74%	0.06%
RISHI TAPARIA [#]	41,000	0.48%	-
NANDINI TAPARIA [#]	25,000	0.29%	-
KAMALA ANIL TAPARIA [#]	1,34,835	1.57%	-
RASHI MITTAL [#]	1,000	0.01%	-
SUNITA SUNIL TAPARIA [#]	25,290	0.29%	-
ANJU TOSHNIWAL [#]	25	-	-
DIVYA ANIL TAPARIA [#]	16,040	0.19%	-
ROLI BAJPAI [#]	50,000	0.58%	0.58%
MANMOHAN TAPARIA [#]	50,000	0.58%	-
KAMALA ANIL TAPARIA, PARTNER OF SHRI ORIENT CORPORATION - PARTNERSHIP FIRM [#]	5,77,060	6.71%	-
SUNAINA TAPARIA [*]	76,800	0.89%	-
ANILKUMAR TAPARIA [#]	1,58,180	1.84%	0.46%
MEENA KABRA [#]	1,90,000	2.21%	2.21%
BANK OF RAJASTHAN LIMITED [#]	31,290	0.36%	-
NYMPH PROPERTIES PRIVATE LIMITED [#]	1,60,000	1.86%	-
MUKUL TAPARIA [*]	13,63,737	15.86%	3.91%
SHARAD JAIPRAKASH TAPARIA [*]	13,40,067	15.58%	3.17%
JAIPRAKASH HANUMANBUX TAPARIA [#]	6,06,081	7.05%	-
YAMINI TAPARIA [#]	78,130	0.91%	-
SHYAMSUNDER TAPARIA [#]	-	-	-9.87%
ANILKUMAR TAPARIA,HUF (ANILKUMAR TAPARIA) [#]	-	-	-0.46%
SUNILKUMAR TAPARIA, HUF (SUNILKUMAR TAPARIA) [#]	-	-	-0.06%

* Promoter # Promoter Group

The above details are as certified by the Registrar and Share transfer Agents.

NOTE 15: OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Securities Premium Reserve		
Opening Balance	2.80	2.80
Add/Less:		
Closing Balance	2.80	2.80
General Reserve		
Opening Balance	-	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-	-
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	99.55	70.82
Add: Profit/(Loss) of the year	22.73	29.76
Less: Dividend for FY 2020-21/2021-22/22-23	(1.29)	(1.03)
Closing Balance	120.99	99.55
Total Equity	123.79	102.35

- (1) The Board of Directors in its meeting held on May 17, 2023 has recommended dividend of 15% (₹1.50 per equity share of ₹10 each) for the year ended March 31, 2023 and the same was approved by the shareholders at the Annual General Meeting held on August 31, 2023, which resulted in a cash outflow of ₹1.29 Crores.
- (2) The Board of Directors, in their meeting held on May 16, 2024, have proposed a final dividend of 18% (₹1.80 per equity share of ₹10 each) per equity share for the financial year ended March 31, 2024 subject to the approval of shareholders at the ensuing Annual General Meeting.

NOTE 16: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Term Loan		
Rupee Loan from Bank	8.30	2.26
Central Excise Loan*	1.76	1.76
Total	10.05	4.02
The above amount includes		
Secured Borrowings	10.05	4.02
Unsecured Borrowings	-	-
Secured by Personal Guarantee by Director relative's (see note below)	8.30	2.26

16.1 Term loan taken from Bank is repayable in 5-6 years with 1 year moratorium period. Interest rate is @ 10.90% p.a. (Interest to be served as and when applied including moratorium) with montly installment of ₹0.10 Crores starting from December 31, 2023. Facility is secured against specific fixed assets purchased using term loan and exclusive bank deposits of ₹2 Crores. Facility is further secured by personal guarantee of relatives of MD's of the Company.

16.2 Details of defaults as at year end in repayment of Term Loans are as follows

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Name of Bank		
Central Excise Loan - ICICI Bank *	1.76	1.76

* During FY 2017-18 Company repaid entire principal amount of Central Excise loan of ICICI Bank but Interest is not paid so default persist to the extent of interest amount till the last payment of principal of loan.

NOTE 17: OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Lease Liability*	4.41	-
Total	4.41	-

* Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub -leases and no restrictions imposed by the lease agreements.

NOTE 18: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Provision for Gratuity	0.43	0.43
Provision for Leave Encashment	0.22	0.24
Total	0.65	0.67

NOTE 19: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Foreign Currency Loan from Banks*		
Rupee Loan from Banks (Short Term)	1.84	1.84
Current maturities of long term debts	1.53	0.12
Total	3.37	1.96
The above amount includes		
Secured Borrowings	3.37	1.96
Unsecured Borrowings		
Secured by Personal Guarantee by Promoters/Directors/relatives	3.37	1.96

19.1 Foreign as well as Rupee currency Loans taken from State bank of India, are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future under consortium. These working capital facilities are further secured against Fixed deposit of ₹2.89 Crores plus interest accrued thereon and Hypothecation of entire fixed assets of the Company (excluding Borivali land & Building) rate of interest is 10.65% and payable on demand.

19.2 The portion of working capital limits from Central Bank of India is secured first pari-passu charge by way of Hypothecation on Stocks, domestic receivable & export receivable and first pari-passu charge on entire fixed assets of the company (excluding Borivali property). facilities is further secured by fixed deposits of ₹4.30 Crores, rate of interest is RBLR+0.45% = 9.80% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

NOTE 20: TRADE PAYABLES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Micro Small & Medium Enterprises*	6.74	8.05
Others Trade Payables	20.54	21.30
Total	27.29	29.35

*As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable.

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
a. (i) The principal amount remaining unpaid to any supplier at the end of accounting year	6.74	8.05
(ii) The interest due on above	-	-
Total of (i) & (ii) above	6.74	8.05
b. Amount of interest paid by the buyer in terms of Section 18 of the Act	-	-
c. The amounts of payment made to the supplier beyond the due date	-	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act.	-	-

Note:

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

Trade Payables ageing Schedule for the year ending March 31, 2024

(₹ in Crores)

Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total O/s
MSME	5.42	1.33	-	-	-	6.74
Others	17.36	2.16	-	-	1.01	20.54
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	22.78	3.49	-	-	1.01	27.29

Trade Payables ageing Schedule for the year ending March 31, 2023

(₹ in Crores)

Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	5.46	2.59	-	-	-	8.05
Others	18.49	1.79	-	-	1.01	21.30
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	23.95	4.39	-	-	1.01	29.35

NOTE 21: OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Lease Liabilities*	1.83	1.62
Other Liabilities	0.70	0.34
Dividend Payable	0.14	0.08
Total	2.67	2.04

*Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease agreements.

NOTE 22: OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Withholding & Other taxes payable	0.25	0.21
Advances received from Customers	1.66	0.59
Total	1.91	0.79

NOTE 23: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Provision for Gratuity	0.01	0.01
Provision for Leave Encashment	-	-
Total	0.01	0.01

NOTE 24: CURRENT TAX LIABILITY (NET)

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Provision for Income Tax*	-	1.47
Total	-	1.47

*Provision for income tax is net of advance taxes paid.

NOTE 25: REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Sale of Products		
Cast Magnets & Magnetic Assembly	26.09	25.28
Engineering and Current Sensing applications	168.10	145.79
Sale of services		
Job work Sale	0.02	0.14
Total A	194.21	171.22
Other Operational Income		
Export Benefits	0.87	1.31
Sale of Residue	6.39	10.21
Total B	7.26	11.52
Revenue from Operations (Gross)	201.47	182.74

NOTE 26: OTHER INCOME

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Other Miscellaneous Income	0.53	0.79
Profit/(Loss) on Sale of Assets	0.01	0.01
Interest Income	1.66	0.85
Interest on Security Deposit	0.11	0.06
Exchange differences (net)	2.09	3.74
Total	4.40	5.45

NOTE 27: COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Inventory at the beginning of the year	40.50	27.46
Add: Purchases (net)	112.88	107.83
	153.38	135.30
Less: Inventory at the end of the year	39.29	40.50
Cost of raw material & components Consumed	114.09	94.79

NOTE 28: CHANGE IN INVENTORIES OF WIP & FINISHED GOOD

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Inventory at the end of the year		
Work-in-progress	9.20	8.06
Finished goods	5.93	4.40
	15.13	12.47
Less:		
Inventory at the beginning of the year		
Work-in-progress	8.06	6.10
Finished goods	4.40	3.41
	12.47	9.51
Total	(2.66)	(2.96)

NOTE 29: EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Contribution to PF & Other Fund	0.36	0.33
Gratuity Expenses	0.08	0.07
Salaries, Wages & Bonus	10.52	8.72
Staff Welfare Expenses	0.49	0.37
VRS Compensation	-	-
Total	11.45	9.49

NOTE 30: FINANCIAL COST

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Interest	0.29	0.07
Other Borrowing cost*	0.44	0.38
Exchange difference on borrowings (net)	(0.09)	0.06
Interest on Lease Liabilities	0.77	0.36
LC & Bill Collection Charges	0.65	0.42
Total	2.05	1.27

*includes Bank charges & BG Commission.

NOTE 31: DEPRECIATION & AMORTISED COST

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Depreciation	4.40	3.41
Amortisation	0.08	0.07
Depreciation on Right of use assets	2.39	2.01
Total	6.87	5.49

NOTE 32: OTHER EXPENSES

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Manufacturing Expenses		
Consumption of Stores, Spares & Consumables	6.28	6.65
Freight Inward	0.74	0.58
Sub-Contract Charges & Labour Charges	16.27	15.15
Repairs & Maintenance - Machinery	0.49	0.51

NOTE 32: OTHER EXPENSES (Contd.)

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Tool Cost expenses	0.06	0.03
Power & Fuel Charges	3.71	3.13
A	27.55	26.06
Selling & Distribution Expenses		
Advertising & Sales Promotion Expenses	0.17	0.17
Commission to Sale	2.88	2.54
Freight Outward & Transportation	3.31	3.93
Hiring charges	0.04	0.02
B	6.40	6.66
Administrative & Other Expenses		
Advertisement	0.01	0.01
Auditors Remuneration	0.06	0.06
Bank Charges	0.04	0.05
Computer & Software Expenses	0.34	0.20
Directors' Sitting Fees	0.04	0.04
Travelling & Conveyance	1.33	1.08
Insurance	0.33	0.29
Printing & Stationery Expenses	0.17	0.13
Legal & Professional Charges	3.05	3.01
Miscl Exp	0.04	0.06
Rates & Taxes	0.46	0.38
Rent Exp	0.31	0.01
Security Service Charges	0.35	0.30
Communication Cost	0.21	0.14
Vehicle Running exp	0.18	0.18
Repairs - Building	0.65	0.25
Repairs - Others	0.22	0.07
Office Expense	0.32	0.28
Misc-Balance W/off	0.47	0.26
Impairment of Assets	-	0.14
Listing and membership fee	0.03	0.03
Corporate Social Responsibility	0.58	0.44
C	9.19	7.43
Total A+B+C	43.15	40.15

Payment to Auditor

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
As Auditor		
- Audit Fee	0.06	0.06
- Tax Audit Fee	-	-
- Others	-	-
Certifications	-	-
Others Services	-	-
Total	0.06	0.06

(Note: Above Figures are Excluding GST)

NOTE 33: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Remeasurements of the defined benefit plans	(0.01)	0.01
Others	-	-
Total	(0.01)	0.01

NOTE 33: ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Exchange differences in translating the financial statements of a foreign operation	-	-
Total	-	-

NOTE 34: EARNING PER SHARE**For Continued Operations**

Particulars	March 31, 2024	March 31, 2023
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	22.73	29.76
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	26.44	34.61
Diluted EPS (Amount in ₹)	26.44	34.61

For Discontinued Operations

Particulars	March 31, 2024	March 31, 2023
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	-	-
Weighted Average Number of Shares for Basic and Diluted EPS	-	-
Basic EPS (Amount in ₹)	-	-
Diluted EPS (Amount in ₹)	-	-

For Continued and Discontinued Operations

Particulars	March 31, 2024	March 31, 2023
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	22.73	29.76
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453	85,98,453
Basic EPS (Amount in ₹)	26.44	34.61
Diluted EPS (Amount in ₹)	26.44	34.61

Significant Accounting Policies and Notes on Accounts

CORPORATE INFORMATION

Permanent Magnet Limited (PML) is one of the flagship Companies of Taptara Group, Mumbai and one of the leading manufacturers of Cast alloy Permanent Magnets, Parts and accessories of electricity and electric vehicle parts in the world. PML also supplies Gas meters parts and accessories. The assembly includes Die cast parts, Plastic parts, Brass parts, Bi-metal parts, Stainless steel parts and special copper alloy and nickel alloy parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML is adding similar range of product and forward integration of parts to assemblies in current business based on customer demand. Company has good customer base in India as well as in Europe, USA, South America and South East Asia. Permanent Magnets Limited (the 'Company') is listed on the Bombay Stock Exchange (BSE). The Significant Accounting Policies are as follows:

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 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of preparation

(i) Compliance with Ind AS

These Standalone Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

(ii) Historical cost convention

These Standalone Financial Statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans-plan assets measured at fair value.

B. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company has identified Managing Director as chief operating decision maker. Refer note 7 of Notes to Accounts for segment information presented.

C. Foreign currency translation

(i) Functional and presentation currency

Items included in the Standalone Financial Statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Standalone Financial Statements are

presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

D. Revenue recognition

Effective from April 01, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2018. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

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.

Other income is comprised primarily of interest income, dividend income, gain/loss on investments, exchange gain/loss on translation of other assets and liabilities.

Interest income is recognized on time proportion basis taking into account the amount invested and rate of interest.

Dividend income is recognized when the Company's right to receive dividend is established by the Balance Sheet date, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Claims for export incentives/duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

E. Income tax

Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to 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 in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized in outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

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 liabilities are recognized for all taxable temporary differences.

Deferred tax assets including Minimum Alternate Tax (MAT) are generally recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

F. Leases

As a lessee

Initial measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability: Company measures the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a WDV basis over the shorter of the lease term and useful life of the underlying asset.

Impairment:

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

G. Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

H. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

J. Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value.

Cost of raw materials and traded goods comprise of cost of purchase.

Cost of work-in-progress and manufactured finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

K. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. All financial assets not recorded at fair value through profit or loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For Purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value;
- Financial assets at amortised cost.

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- **Cash flow characteristics test:** 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss as doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's statement of financial position) 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 or has assumed an obligation to

pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:

- (a) The Company has transferred substantially all the risks and rewards of the asset; or
- (b) The Company has either transferred substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to received cash flow from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

(ii) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial Liabilities

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 and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials/services. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months. These arrangements for raw materials are recognized as Deferred Payment Liabilities under Borrowings.

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.

Reclassification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

L. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

M. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or Losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its

recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Spares in the nature of capital spares/insurance spares are added to the cost of the assets. The total cost of such spares is depreciated over a period not exceeding the useful life of the asset to which they relate.

Depreciation/Amortization methods, estimated useful lives and residual value

Depreciation on tangible fixed assets has been provided on WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis. For any addition during the year, depreciation is charged for whole year whereas for disposals of any assets during the year, depreciation is provided on pro-rata for the year of use.

The estimated useful lives are as mentioned below:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 25 years*
Furniture & Fixtures - Cabin & Aluminium Section	15 Years*
Laptop, Scanner & Monitors	5 Years*

* The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

N. Intangible assets

(i) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

(ii) Amortization methods and periods

The Company amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of five years.

O. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

P. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

Q. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

R. Provisions

Provisions for legal claims and returns are recognised when the Company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present

value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

S. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Re-measurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized 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 with the assistance of independent actuaries.

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 the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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 recognized immediately in profit or loss.

Defined contribution plans

The Company pays provident fund contributions to publicly administered funds as per local regulations and superannuation fund to LIC. 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 recognized as employee benefit expense when they are due.

(iv) Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

T. Earnings per share

(i) Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Company;
- By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

I. NOTES TO ACCOUNTS

1. In the opinion of Directors, the Current Assets, Loans & Advances, and Investments have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated in the Balance Sheet.

2. Contingent Liabilities

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
a) Unutilized Letters of Credit with Bankers	1.81	4.27
b) Bank Guarantee	0.12	0.02
c) Labour cases in the court for reinstatement and/or higher compensation, which in the opinion of the management demand no provision of liability than what is recorded in accounts.	0.07	0.07
d) Excise Department has rejected the appeal filed by the Company and has raised demand as regards inter-unit transfers. The Company has filed appeal against the said order in CESTAT and has made payment of ₹0.05 Crores for stay order. Stay order against recovery of the dues has been granted. In the opinion of Company's Consultant, since there is no suppression of facts by the Company, penalty imposed will be quashed. In case, if the case is decided against the Company, there will be no actual outflow to the Company due to availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the Company and has set aside the show cause notices.		
Duty Demanded	0.32	0.32
Penalty	0.32	0.32
e) Interest on Central Excise loan (Operated through ICICI). In 1995-96, Company has taken interest free loan under the Excise relief scheme as approved by the Government of India and said loan was disbursed by designated financial institutions. ICICI, the Operating Agency raised certain demands towards the installments repaid with delay. The Company has provided simple interest on repayment of these delayed installments, which may be reversible if the Central Government doesn't demand during settlement. Additional interest if claimed by the government, will be payable. However, the management does not expect any liability on that account. Company had approached ministry of finance, government of India for instruction of settlement of account as one time settlement, and as per information, same is under consideration. Disbursing agency ICICI, has also forwarded Settlement proposal to the ministry on July 30, 2013 vide letter bearing reference no SSG/NA/2013-14/324 for seeking the directions. In view of the above situation, management does not feel any extra liability towards interest on the interest free excise loan. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. Loan Principal Amount repaid on during FY 17-18	22.01*	22.01*
f) Corporate guarantee issued for subsidiary Company for EPCG license (export obligation)	0.83	-

*Management has tried to resolve the issues of Central Excise Loan with higher authorities of Ministry of Finance, Government of India and made various representations, but did not get proper response as above scheme has been over and no proper documents are available with ministry of finance, Government of India. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. The Company has been repaid balance Principal Amount of the loan during FY 17-18.

3. Honorable Bombay High Court has passed winding up order on the petition of M/s Savino Del Beno "Petitioner" (Freight forwarder agent & CHA of Company).

Facts of the case: During the year 2010, Petitioner has raised bills for their services but failed to submit Original EP copy to the Company which is essential documents to claim Excise rebate, and accordingly Company withheld their payment. Subsequently, petitioner has filed winding up petition against the Company of dues of ₹0.13 Crores. Honorable Mumbai High Court has passed an order allowing the petition and issued direction for appointment of official liquidator in winding up order.

On the appeal against this order made by the Company before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Company) dated April 15, 2015. Company has deposited ₹0.19 Crores with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court. Next hearing in this matter shall come up as per listing of the court.

Amount deposited of ₹0.19 Crores with court is shown in Balance sheet under Current Assets.

4. Balance under the head 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by concerned parties and adjustment if any, on reconciliation thereof. Balance Confirmation e-mails have been issued to parties for confirmation of balances with the request to confirm or send/comments by the stipulated date failing which the balances as appearing in the letter would be taken as confirmed. Confirmation e-mails have been received in very few cases; however, no adverse communication has been received from the parties.

5. Interest on outstanding balances of MSME creditors not provided in the books as contractual terms with the parties are more than 60/90 days and parties are also agreed upon the terms of payment. Now, Company is developing the procedure for compliance the relevant act and will provide interest, if payable as per act.

6. During the year ₹2.17 Crores (P. Y. ₹3.69 Crores credit) has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

7. Segment Reporting

The Chief Operational Decision Maker identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Standalone Financial Statements. The Operating segments have been identified on the basis of the nature of products/services.

8. Leases: Effective Date and Transition

Effective April 01, 2019, the Company has adopted Ind AS 116 Leases. Company applies retrospectively with the cumulative effect of initially applying the Standard recognized at the date of initial application. Company measure lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. Company is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Opening Balance as on 1 st day of year	1.62	3.55
Additions	6.79	0.15
Finance cost accrued during the period	0.77	0.36
Payment of lease liabilities	2.94	2.43
Closing Balance as on last day of year	6.24	1.62

B) Maturity Analysis of Lease Liabilities

(₹ in Crores)

Maturity analysis-Contractual undiscounted cashflows	March 31, 2024	March 31, 2023
Less than one year	2.40	1.62
One year to five years	5.16	-
More than five years	-	-
Total Undiscounted lease liabilities	7.56	1.62
Lease liabilities included in the statement of financial position	-	-
Non-Current	4.41	-
Current	1.83	1.62
Total	6.24	1.62

C) Amount Recognised in the Statement of profit and loss

(₹ in Crores)

Particulars	March 31, 2024	March 31, 2023
Interest on Lease Liabilities	0.77	0.36
Depreciation on Lease Asset	2.30	2.01
Rent Expenses -short term leases and leases of low value assets	0.01	0.01

9. Related Party Disclosure

As per the Ind AS 24 details of related parties and nature of relationships:

Sr. No.	Name of the Related Parties	Nature of Relationship
Key Managerial Personnel		
1	Sharad Taparia	Managing Director
2	Sukhamal Jain	Chief Financial Officer
3	Rachana Rane	Company Secretary
Non-Executive Directors		
4	Rajeev Mundra	Independent Director
5	Kamal Binani	Independent Director
6	Sunaina Taparia	Director
7	Mukul Taparia	Director
8	Girish Desai	Director
Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence		
1	Varij Plantation Private Limited	
2	Pregna International Limited	
3	Megh Exim LLP	
4	NYMPH Properties Private Limited	
1	Quantum Magnetix Private Limited	Wholly Owned Subsidiary

Details of Transactions with and outstanding balances of related parties are furnished below:

(₹ in Crores)

Names of Related Parties	Nature of Transactions	Year ended March 31, 2024		Year ended March 31, 2023	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Sharad Taparia	Remuneration	1.41	-	1.14	-
Sukhamal Jain	Remuneration	0.44	-	0.44	-
Rachana Rane	Remuneration	0.10	-	0.08	-
Rajeev Mundra	Sitting fees	0.01	-	0.01	-
Kamal Binani	Sitting fees	0.009	-	0.009	-
Sunaina Taparia	Sitting fees	0.006	-	0.007	-
Mukul Taparia	Sitting fees	0.007	-	0.006	-
Girish Desai	Sitting fees	0.006	-	0.007	-
Quantum Magnetix Private Limited	Loan Given	1.48	1.33	-	-
	Loan Repaid	0.15		-	-
	Expenses incurred on behalf of QMPL	0.02	0.01	-	-
	Reimbursement Received	0.01		-	-

10. Disclosure as required by Ind AS-19, Employee Benefits

I. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit, and loss account is ₹0.685 Crores.

Other long-term employee benefits:

II. Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation for accumulating paid leaves has been recognized at the end of the reporting period.

In respect of Gratuity & Leave Encashment, provision is made based on the actuarial valuation by an independent actuary. The following information as required under Ind AS-19 is based on the report of the Actuary:

(₹ in Crores)

Particulars	2023-24		2022-23	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Funded)
A) Actuarial assumption				
i) Discounting rate	7.20%	7.20%	7.30%	7.50%
ii) Future salary increases	5.00%	5.00%	5.00%	5.00%
iii) Expected rate of return on plan assets	-	-	-	-
iv) Retirement age (in Years)	60	60	60	60
v) Mortality rates upto Retirement age	IALM 2012-14 Uit	IALM 2012-14 Uit	IALM 2012-14 Uit	IALM 2012-14 Uit
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	0.11	0.04	0.11	0.04
ii) Net interest cost	0.02	0.03	0.02	0.03
iii) Expected return on plan assets	-	-	-	-
iv) Net actuarial (gain)/loss recognized in the period	0.06	0.01	(0.06)	(0.01)
v) Expenses recognized in the statement of Profit & Loss	0.18	0.08	(0.06)	(0.07)
C) Recognised in other comprehensive income				
i) Actuarial (gain)/loss arising on assets	-	-	-	-
ii) Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	-	0.01	-	(0.01)
Change in experience assumptions	0.05	(0.01)	(0.06)	-
iii) Net (gain)/loss recognised in other comprehensive income	0.06	0.01	(0.06)	(0.01)
D) Change in present value of obligation				
i) Present value of obligation as at year beginning	0.24	0.44	0.24	0.39
ii) Interest cost	0.02	0.03	0.02	0.03
iii) Current service cost	0.11	0.04	0.11	0.04
iv) Past service cost incl. Curtailment gains and loss	-	-	-	-
v) Benefits paid	(0.20)	(0.09)	(0.06)	(0.01)
Actuarial (gain)/loss on PBO arising from:	-	-	-	-
Change in demographic assumptions	-	-	-	-
Change in financial assumptions	-	0.01	-	(0.01)
Change in experience assumptions	0.05	(0.01)	(0.06)	-
vi) Present value of obligation as at year end	0.22	0.44	0.24	0.44

II. Leave encashment (Contd.)

(₹ in Crores)

Particulars	2023-24		2022-23	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Funded)
E) Change in fair value of plan assets				
i) Fair value of plan assets at year beginning	-	-	-	-
ii) Actual return on plan assets	-	-	-	-
iii) Contributions	-	-	-	-
iv) Fund management charges (FMC)	-	-	-	-
v) Benefits paid	-	-	-	-
vi) Actuarial gain/(loss) on plan assets	-	-	-	-
vii) Fair value of plan assets at year end	-	-	-	-
F) Liability/(Assets) recognized in Balance Sheet	0.22	0.44	0.24	0.44
i) Within the next 12 months (next annual reporting period)	-	0.01	-	0.01
ii) Between 1 and 5 years	0.02	0.11	0.03	0.13
iii) Beyond 5 years	0.03	0.14	0.03	0.13
iv) Total Expected Payments	0.05	0.26	0.07	0.27

11. Component Accounting for Fixed Assets

In opinion of the management, based on internal verification of the assets of the Company, there is no major part, in case of any asset, which is significant to total cost of the asset and whose useful life is different from the useful life of the asset. Hence, there is no change in accounting of fixed assets and depreciation thereon as required under Ind AS 16: Property, Plant and Equipment.

12. Segment Reporting

As the Company operates mainly in one Business Segment i.e. Engineering and Current Sensing applications hence are considered to be a single primary business segment. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

13. Impairment of Assets

In accordance with Ind AS 36 "Impairment of Assets" Company has recognized impairment loss of ₹ Nil during year.

14. Disclosure as per amendment of the Listing Regulation

(₹ in Crores)

Sr. No.	Name of the Parties	Maximum balance outstanding during the year ended		Outstanding Balance as on	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
1.	Loans to Subsidiary Co.	1.33	Nil	1.33	Nil
2.	Unsecured Loans given where there are no Repayment Schedule	Nil	Nil	Nil	Nil

15.

a) Purchases of Finished Goods: Nil (P.Y. Nil)

b) Expenditure and earning in Foreign Currencies:

A. CIF Value of Imports:

(₹ in Crores)

Particulars	2023-24	2022-23
Raw Materials & component	71.80	70.04

B. Value of Imported and Indigenous Raw Materials and Spare Parts consumed during the year and its percentage to total consumption:

Particulars	2023-24		2022-23	
	Amount (₹ in Crores)	%	Amount (₹ in Crores)	%
Raw Materials				
Imported	56.32	49.36	43.55	45.94
Indigenous	57.78	50.64	51.24	54.06
Total	114.10	100.00	94.79	100.00

C. Expenditure in foreign currencies incurred during the year:

(₹ in Crores)

Particulars	2023-24	2022-23
1. Travelling Expenses	0.91	0.38
2. Others	0.04	0.12
3. Financial Charges	0.40	0.12

D. Earnings in foreign currencies during the year:

(₹ in Crores)

Particulars	2023-24	2022-23
1. FOB Value of Exports	103.31	120.73

16. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, healthcare, women empowerment, measures for the benefit of war widows and contributions to incubators has been formed by the Company as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2023-24 are as under:

(₹ in Crores)

Particulars	2023-24	2022-23
(i) Amount required to be spent by the Company during the year	0.58	0.44
(ii) Amount spent towards CSR Activities	0.58	0.44
(iii) Shortfall at the end of the year	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	N.A.	N.A.
(vi) Nature of CSR activities		
Promoting Education, Healthcare, rural development and other key allied social initiatives.		
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	N.A.	N.A.
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N.A.	N.A.

17. Financial Instruments and Risk Management

Fair values

- The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short-term nature.
- Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consist of interest accrued but not due on deposits other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of 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.

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost				
Non-Current				
(i) Loans	1.05	1.05	0.84	0.84
(ii) Bank Balances	1.19	1.19	7.99	7.99
Current				
(i) Trade Receivables	39.68	39.68	50.95	50.95
(ii) Cash and Cash Equivalents	4.84	4.84	1.40	1.40
(iii) Bank Balances	35.47	35.47	10.36	10.36
(iv) Loans	3.35	3.35	1.38	1.38
Measured at fair value through profit and loss				
Non-Current				
(i) Investments	0.05	0.05	-	-
Total	85.62	85.62	72.93	72.93
Financial Liabilities				
Measured at amortised cost				
Non-Current				
Borrowings	10.05	10.05	4.02	4.02
Lease Liabilities	4.41	4.41	-	-
Provisions	0.65	0.65	0.67	0.67
Other Non-Current Liabilities	-	-	-	-
Current				
Borrowings	3.37	3.37	1.96	1.96
Trade Payables	27.29	27.29	29.35	29.35
Lease Liabilities	1.83	1.83	1.62	1.62
Other Financial Liabilities	0.83	0.83	0.42	0.42
Total	48.44	48.44	38.04	38.04

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

18. Financial Risk Management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2024.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

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 March 31, 2023 and March 31, 2024.

(i) Foreign currency exchange rate risk

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 trade/other payables, trade/other receivables assets/liabilities. The risks primarily relate to fluctuations in US Dollar & EURO against the functional currencies of the Company. To mitigate the Group's exposure to foreign currency risk, cash flows are monitored and natural hedge is used. (Amounts to be paid and received in a specific currency are expected to largely offset one another). The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(ii) 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 change 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. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents Company's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds deposits as security from certain customers to mitigate credit risk.

19. Event Occurring after the Balance Sheet date

The Board of Directors has recommended an Equity dividend of ₹1.80/- per share on face value of ₹10/- each,

for the financial year 2023-24. The proposal is subject to the approval of shareholders at the Annual General Meeting.

20. Commitments

Company has commitment to pay for the acquisition of plant and machinery (net of advances) is ₹0.33 Crores (Previous year 3.93 Crores).

21. Other Disclosures

- (a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- (c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (e) There is no transaction in Crypto Currency or Virtual Currency.
- (f) The Company is not declared wilful defaulter by any bank or financial institution or lender during the year.
- (g) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.

- (h) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone Financial Statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (j) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

22. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current year presentation.

For Jayesh Sanghrajka & Co LLP

Chartered Accountants
ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner
M. No.: 403143
UDIN: 24403143BKDIFM1394

Place: Mumbai

Dated: May 16, 2024

For & on behalf of the Board of Directors

Sharad Taparia

Managing Director
DIN: 00293739

Mukul Taparia

Director
DIN: 00318434

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary

Independent Auditor's Report

To,
The Members of
Permanent Magnets Limited

Report on the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of **Permanent Magnets Limited** (Hereinafter referred to as "the Holding Company") and its sole subsidiary (the Holding Company and its sole subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other comprehensive income) Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material 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, the aforesaid Consolidated Financial Statements give the information required by 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 their consolidated state of affairs of the Company as at March 31, 2024, its consolidated Profit, other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India (ICAI) and specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no significant key audit matters observed by us.

EMPHASIS OF MATTERS

We draw attention to the following matters in the Notes to the Consolidated Financial Statements:

- a. We draw attention to Note no. 3 of notes to accounts of the financial statement, which states that Honorable Bombay High Court has given interim stay order against the winding up order passed against the Company dated April 15, 2015.

Honorable High Court of Bombay had passed a winding up order dated April 15, 2015 for the Winding up of the Company on a petition filed by M/s. Savino Del Bene Freight Forwarders (I) Private Limited, and the court had issued directions for the appointment of an official liquidator in winding up the order. On the appeal against this order made by the Company before the Honorable Bombay High Court, the Honorable Bombay High Court has given an interim stay order against the winding up order passed (against the Company) dated April 15, 2015. The Company has deposited ₹0.19 Crores with interest as per the direction of the Honorable Bombay High Court. The matter is pending before the Bombay High Court and the next hearing in this matter shall come up as per listing of the court. The financial statements of the Company have been prepared on Going Concern Basis on reasons mentioned in the Note no. 3 of notes of accounts.

- b. We draw attention to Note no. 4 of notes to accounts of the financial statement regarding non-receipts of confirmation in respect of balances due under Trade receivables and Trade payables, Loans, and advances receivable though the Company has issued an email to the Trade receivables and Trade Payables to that effect, adjustments, if any, required upon such confirmation is not ascertainable. In response to the above, only a few confirmations have been received.

Our opinion is not modified in respect of these matters.

INFORMATION OTHER THAN THE 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 Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group 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 are responsible for overseeing the financial reporting process of the Group.

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 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 system 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 management.
- 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 ability of the Group and its associates and joint ventures 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 and its associates and joint ventures 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 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.

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 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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure A** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the Consolidated Financial Statements and other financial information of the sole subsidiary incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our

knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

- (b) In our opinion, proper books of account as required by law relating to 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.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated statement of changes in equity and the Consolidated Cash Flow Statement 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.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019.
- (e) On the basis of the written representations received from the directors of the Holding Company as on April 01, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its sole subsidiary Company incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 2 of notes to accounts.
 - II. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its sole subsidiary Company incorporated in India.
 - IV. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to

Consolidated Financial Statements, no funds 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 Companies to or in any other persons or entities, including foreign entities ("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 ("Ultimate Beneficiaries") by or on behalf of the Group; or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party; or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as 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 (d)(i) and (d)(ii) contain any material mis-statement.

V. The Company has declared and paid dividend during the year in compliance with Section 123 of the Act.

VI. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 01, 2023. Based on our examination which included test checks, the group has 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.

Further, for the periods where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For Jayesh Sanghrajka & Co LLP

Chartered Accountants
ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner
M. No.: 403143
UDIN: 24403143BKDIFN4093

Place: Mumbai

Dated: May 16, 2024

Annexure A

TO THE INDEPENDENT AUDITOR'S REPORT

To the Consolidated Financial Statements of Permanent Magnets Limited for the year ended March 31, 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) 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 the Auditors' report, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company and its Sole Subsidiary Company and included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFN4093

Place: Mumbai

Dated: May 16, 2024

Annexure B

TO THE INDEPENDENT AUDITOR'S REPORT

On Consolidated Audited Annual Financial Results of the Permanent Magnets Limited for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to the aforesaid Consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Act (Referred to in paragraph 2A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

To,
The Members of
Permanent Magnets Limited

In conjunction with our audit of the Consolidated Financial Statements of **Permanent Magnets Limited** as at and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of Permanent Magnets Limited (hereinafter referred to as the "Holding Company") and its sole subsidiary (the Holding Company and its sole subsidiary together referred to as "the Group") which are companies incorporated in India, as at that date.

MANAGEMENTS AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its sole subsidiary, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to these consolidated Ind AS 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 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 with reference these consolidated Ind AS 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 these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to these consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of these Consolidated 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 internal financial controls with reference to these consolidated Ind AS financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial controls with reference to these consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to these consolidated Ind AS financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated Ind AS 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 these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company have maintained in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls 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").

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFN4093

Place: Mumbai

Dated: May 16, 2024

Consolidated Balance Sheet

As at March 31, 2024

(₹ in Crores)

Particulars	Note No	March 31, 2024
ASSET		
(1) Non-Current Assets		
(a) Property, Plant and Equipment	2	29.20
(b) Intangible assets	2	0.18
(c) Right-of-use Assets	2	10.71
(d) Financial Assets		
(i) Investments	3	-
(ii) Bank Balances	4	1.19
(iii) Loans	5	1.87
(iv) Others		-
(e) Deferred Tax Assets (Net)	6	2.14
(f) Other Non-Current Assets	7	2.08
		47.37
(2) Current Assets		
(a) Inventories	8	54.89
(b) Financial Assets		
(i) Trade Receivables	9	39.69
(ii) Cash and Cash Equivalents	10	4.85
(iii) Bank Balances	11	35.47
(iv) Loans	12	2.01
(c) Other Current Assets	13	6.75
		143.66
Total Assets		191.03
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share Capital	14	8.60
(b) Other Equity	15	121.05
		129.65
Liabilities		
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	16	10.05
(ii) Lease Liabilities	17	8.25
(b) Provisions	18	0.65
(c) Deferred Tax Liabilities (Net)		-
		18.96
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	19	3.37
(ii) Trade Payables	20	28.12
(iii) Lease Liabilities	21	2.80
(iv) Other Financial Liabilities	21	0.85
(b) Other Current Liabilities	22	7.27
(c) Provisions	23	0.01
(d) Current Tax Liabilities	24	-
		42.43
Total Equity and Liabilities		191.03

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants
ICAI Firm Reg. No.: 104184W/W100075

For & on behalf of the Board of Directors

CA Hemant Kumar

Designated Partner
M. No.: 403143
UDIN: 24403143BKDIFN4093

Sharad Taparia

Managing Director
DIN: 00293739

Mukul Taparia

Director
DIN: 00318434

Place: Mumbai

Dated: May 16, 2024

Sukhmal Jain
Chief Financial Officer

Rachana Rane
Company Secretary

Consolidated Statement of Profit and Loss

For the year ended March 31, 2024

(₹ in Crores)

Particulars	Note No	For the year ended March 31, 2024
I Revenue From Operations	25	201.48
II Other Income	26	4.45
III Total Income (I+II)		205.93
IV Expenses		
Cost of materials consumed	27	114.11
Purchases of Stock-in-Trade		-
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	(2.67)
Employee benefits expense	29	11.85
Finance costs	30	2.28
Depreciation and amortization expense	31	9.09
Other expenses	32	43.83
Total expenses (IV)		178.49
V Profit/(loss) before exceptional items and tax (I-IV)		27.44
VI Exceptional Items		-
VII Profit/(loss) before tax (V-VI)		27.44
VIII Tax expense:		
(1) Current tax		8.39
(2) Deferred tax		(0.14)
(3) Short/Excess provision of earlier years		0.02
IX Profit for the period from continuing operations (VII-VIII)		19.16
X Profit/(loss) from discontinued operations		-
XI Tax expense of discontinued operations		-
XII Profit/(loss) from Discontinued operations (after tax) (X-XI)		-
XIII Profit for the period (IX+XII)		19.16
XIV Other Comprehensive Income		-
A (i) Items that will not be reclassified to profit or loss	33	(0.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B (i) Items that will be reclassified to profit or loss		-
(ii) Income tax relating to items that will be reclassified to profit or loss		-
XV Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period)		19.16
XVI Earnings per equity share (for continuing operation)	34	
(1) Basic		23.24
(2) Diluted		23.24
XVII Earnings per equity share (for discontinued operation)	34	
(1) Basic		-
(2) Diluted		-
XVIII Earnings per equity share (for discontinued & continuing operations)	34	
(1) Basic		23.24
(2) Diluted		23.24

Significant Accounting Policies

1

The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

CA Hemant Kumar

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFN4093

Place: Mumbai

Dated: May 16, 2024

For & on behalf of the Board of Directors

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary

Consolidated Cash Flow Statement

(Indirect Method)

For the year ended March 31, 2024

(₹ in Crores)

Particulars	For the year ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES	
Profit before tax and extraordinary items (PAT)	28.26
Adjustment for:	
Depreciation & amortization	-
Depreciation for PPE	6.15
Depreciation for leased assets	2.95
Impairment	-
Loss/(Profit) on sale of assets	(0.01)
Finance charges	1.29
Financial charges under lease agreement	1.00
Interest income on security deposit	(0.13)
Misc balance w/off	0.47
Short/Excess provision of earlier years	(0.02)
Unrealised foreign exchange gain	(0.02)
Operating profit before working capital changes	39.92
Adjustment for:	
Inventories	(1.50)
Trade receivables	11.17
Other assets	(30.67)
Trade payables	(1.67)
Other liabilities	14.85
	32.10
Direct taxes paid	8.53
Net cash flow from operating activities	23.56
CASH FLOW FROM INVESTMENT ACTIVITIES	
Additions to fixed assets (Net)	(26.29)
Sale of fixed assets	0.05
Sale of/(Additions to) investments (Net)	-
Net cash used in investing activities	(26.24)
CASH FLOW FROM FINANCING ACTIVITIES	
Dividend paid	(1.29)
Proceeds from long term borrowings	6.43
Repayment of long term borrowings	(0.30)
Proceeds/(Repayment) from current borrowings (Net)	2.75
Finance charges paid (Net)	(1.29)
Payment of lease liabilities	(3.51)
Equity capital inflow	-
Net cash from Financing Activities	2.79
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.11
Opening cash and cash equivalents	1.40
Closing cash and cash equivalents	1.51

Notes:

1. The above statement has been prepared in indirect method as described in Ind AS-7 issued by ICAI.

2. Cash and Cash Equivalent

(₹ in Crores)

Particulars	March 31, 2024
Cash in hand	0.03
Balance with banks	4.82
Total	4.85

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

CA Hemant Kumar

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFN4093

Place: Mumbai

Dated: May 16, 2024

For & on behalf of the Board of Directors**Sharad Taparia**

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary

Notes forming part of Consolidated Financial Statements

For the year ended March 31, 2024

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		April 01, 2023	Additions	Deductions Adjustments Impairment	March 31, 2024	April 01, 2023	During the year	Deductions/ Adjustments	Upto March 31, 2024	As at March 31, 2024	As at March 31, 2023
A	Tangible Assets										
1	Freehold Land	4.26	-	-	4.26	-	-	-	-	4.26	4.26
2	Building	0.62	1.24	-	1.86	0.32	0.37	-	0.69	1.17	0.30
3	Plant & Machinery	14.56	18.31	0.11	32.75	7.27	3.94	0.07	11.13	21.62	7.29
4	Electric Installation	0.01	1.27	-	1.28	0.01	0.24	-	0.25	1.03	0.01
5	Laboratory Equipments	-	-	-	-	-	-	-	-	-	-
6	Automobiles & Vehicles	0.91	0.06	-	0.96	0.58	0.12	-	0.70	0.26	0.32
7	Furniture & Fixtures	0.12	0.52	-	0.64	0.08	0.17	-	0.25	0.39	0.04
8	Office Equipments	1.06	0.57	-	1.63	0.77	0.39	-	1.16	0.47	0.29
	TOTAL A	21.53	21.96	0.11	43.38	9.03	5.23	0.07	14.18	29.20	12.51
B	Intangible Assets										
1	Computer Software	0.38	0.16	-	0.54	0.27	0.09	-	0.36	0.18	0.11
	TOTAL B	0.38	0.16	-	0.54	0.27	0.09	-	0.36	0.18	0.11
C	Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	-
	TOTAL C	-	-	-	-	-	-	-	-	-	-
	TOTAL (A+B+C)	21.91	22.12	0.11	43.92	9.30	5.32	0.07	14.54	29.38	12.61
	Previous Year	12.88	3.90	0.38	16.40	7.54	2.27	0.33	9.49	6.91	5.33

(₹ in Crores)

C	Particulars	Building
	Cost	
	Recognition on Initial application of Ind AS 116 as at April 01, 2019	-
	Reclassified on account of adoption of Ind AS 116	6.17
	Addition during the year	12.32
	Deletion during period	-
	As at March 31, 2024	18.48
	Accumulated Depreciation April 01, 2023	4.82
	Depreciation for the year	2.95
	Deletion during period	-
	As at March 31, 2024	7.77
	Net Block	-
	As at March 31, 2024	10.71

NOTE 3: INVESTMENT

(₹ in Crores)

Particulars	March 31, 2024
50,000 shares of Quantum Magnetics Private Limited	-
Total	-

NOTE 4: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2024
Term Deposits*	1.05
Bank - Dividend a/c	0.14
Total	1.19

* Bank deposits of ₹ Nil (P.Y. ₹7.19 Crores) held as collateral security for various banks limit.

NOTE 5: LOANS

(₹ in Crores)

Particulars	March 31, 2024
Security Deposits	1.87
Loans & Advances to Employees	-
Total	1.87
Secured, considered good	-
Unsecured, considered good	1.87
Doubtful	-

NOTE 6: DEFERRED TAX ASSET

(₹ in Crores)

Particulars	March 31, 2024
Deferred Tax Asset	
- On account of Depreciation difference	1.10
- On account of Depreciation difference ROU	0.07
- On account of Depreciation diff. (ROU diff in Retained earning)	0.20
- On account of Disallowance of expenses	0.63
	2.00

NOTE 6: DEFERRED TAX ASSET (Contd.)

(₹ in Crores)

Particulars	March 31, 2024
Add/Less:	
- On account of Depreciation diff.	0.06
- On account of Depreciation diff. (ROU)	0.08
- On account of Gratuity diff.	-
	0.14
Total	2.14

NOTE 7: OTHER NON-CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2024
Security Deposits with Govt Dept/courts	0.35
Capital Advances*	1.73
Total	2.08
Secured, considered good	-
Unsecured, considered good	2.08
Doubtful	-

*Including Land advances of ₹0.06 Crores.

NOTE 8: INVENTORIES

(₹ in Crores)

Particulars	March 31, 2024
Raw materials	39.30
Work-in-progress	9.20
Stores and spares	0.45
Finished goods	5.94
Total	54.89

NOTE 9: TRADE RECEIVABLES

(₹ in Crores)

Particulars	March 31, 2024
Secured, considered good	-
Unsecured, considered good	39.69
Doubtful	-
Less: Provision for Doubtful Debts	-
Total	39.69

Ageing for trade receivables as on March 31, 2024 are as below:

(₹ in Crores)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivable - Considered Good	30.19	8.44	1.05	0.01	-	-	39.69
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
Disputed Trade Receivable - Considered Good	-	-	-	-	-	-	-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-	-
	30.19	8.44	1.05	0.01	-	-	39.69

NOTE 10: CASH AND CASH EQUIVALENTS

(₹ in Crores)

Particulars	March 31, 2024
Balances with Banks	4.82
Cash on hand	0.03
Total	4.85

NOTE 11: BANK BALANCES

(₹ in Crores)

Particulars	March 31, 2024
Term Deposits*	35.47
Total	35.47

* Bank deposits of ₹2.11 Crores (P.Y. ₹2.01 Crores) held as collateral security for term loan taken from bank and ₹9.33 Crores (P.Y. ₹2.05 Crores) held as margin money against bank guarantee/LC & Collateral Against Working Capital.

NOTE 12: LOANS

(₹ in Crores)

Particulars	March 31, 2024
Advances recoverable in cash or kind	2.01
Loans & Advances to Employees	-
Total	2.01
Secured, considered good	-
Unsecured, considered good	2.01
Doubtful	-

NOTE 13: OTHER CURRENT ASSETS

(₹ in Crores)

Particulars	March 31, 2024
Advance to Suppliers	3.10
Balance with statutory/Government Authorities	2.37
Prepaid Expenses	1.22
Other Advance	0.06
Total	6.75

NOTE 14: EQUITY SHARE CAPITAL

(₹ in Crores)

Particulars	March 31, 2024
AUTHORIZED CAPITAL	
1,00,00,000 (P.Y. 1,00,00,000) Equity Shares of ₹10/- each	10.00
60,00,000 (P.Y. 60,00,000) Redeemable Cumulative/Non-Cumulative Preference Shares of ₹10/- each	6.00
	16.00
ISSUED, SUBSCRIBED & PAID UP CAPITAL:	
85,98,453 (P.Y. 85,98,453) Equity Shares of ₹10/- each, Fully Paid-Up	8.60
Total	8.60

14.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period**Equity Shares**

Particulars	March 31, 2024	
	No. of Shares	(₹ in Crores)
Number of Shares at the beginning	85,98,453	8.60
Add: Number of Shares Issued	-	-
Number of Equity Shares at the end	85,98,453	8.60

14.2 Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of Amount ₹10/- each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.3 Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2024	
	No. of Shares	(₹ in Crores)
Equity shares of ₹10 each fully paid		
Sharad Jaiprakash Taparia	13,40,067	15.58
Mukul Taparia	13,63,737	15.86
Kamla Anil Taparia, hold in the capacity of Partner of Shri Orient Corporation	5,77,060	6.71
Jaiprakash Hanumanbux Taparia	6,06,081	7.05

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shareholding of Promoters

Shares held by promoters at the end of the year	No. of Shares	% of total shares	% Change during the year
Promoter name			
SUNILKUMAR VERAUDAN TAPARIA [#]	63,340	0.74%	0.06%
RISHI TAPARIA [#]	41,000	0.48%	-
NANDINI TAPARIA [#]	25,000	0.29%	-
KAMALA ANIL TAPARIA [#]	1,34,835	1.57%	-
RASHI MITTAL [#]	1,000	0.01%	-
SUNITA SUNIL TAPARIA [#]	25,290	0.29%	-
ANJU TOSHNIWAL [#]	25	-	-
DIVYA ANIL TAPARIA [#]	16,040	0.19%	-
ROLI BAJPAI [#]	50,000	0.58%	0.58%

Shareholding of Promoters (Contd.)

Shares held by promoters at the end of the year	No. of Shares	% of total shares	% Change during the year
Promoter name			
MANMOHAN TAPARIA [#]	50,000	0.58%	-
KAMALA ANIL TAPARIA, PARTNER OF SHRI ORIENT CORPORATION - PARTNERSHIP FIRM [#]	5,77,060	6.71%	-
SUNAINA TAPARIA [*]	76,800	0.89%	-
ANILKUMAR TAPARIA [#]	1,58,180	1.84%	0.46%
MEENA KABRA [#]	1,90,000	2.21%	2.21%
BANK OF RAJASTHAN LIMITED [#]	31,290	0.36%	-
NYMPH PROPERTIES PRIVATE LIMITED [#]	1,60,000	1.86%	-
MUKUL TAPARIA [*]	13,63,737	15.86%	3.91%
SHARAD JAYPRAKASH TAPARIA [*]	13,40,067	15.58%	3.17%
JAIPRAKASH HANUMANBUX TAPARIA [#]	6,06,081	7.05%	-
YAMINI TAPARIA [#]	78,130	0.91%	-
SHYAMSUNDER TAPARIA [#]	-	-	-9.87%
ANILKUMAR TAPARIA, HUF (ANILKUMAR TAPARIA) [#]	-	-	-0.46%
SUNILKUMAR TAPARIA, HUF (SUNILKUMAR TAPARIA) [#]	-	-	-0.06%

* Promoter # Promoter Group

The above details are as certified by the Registrar and Share transfer Agents.

NOTE 15: OTHER EQUITY

(₹ in Crores)

Particulars	March 31, 2024
Securities Premium Reserve	
Opening Balance	2.80
Add/Less:	-
Closing Balance	2.80
General Reserve	-
Opening Balance	-
Add/Less: Transferred to Surplus in Statement of Profit & Loss	-
Closing Balance	-
Retained Earnings	
Opening Surplus in the Statement of Profit and Loss	99.55
Add: Profit/(Loss) of the year	19.98
Less: Dividend for FY 2020-21/2021-22/22-23	(1.29)
Closing Balance	118.24
Total Equity	121.05

- (1) The Board of Directors in its meeting held on May 17, 2023 has recommended dividend of 15% (₹1.50 per equity share of ₹10 each) for the year ended March 31, 2023 and the same was approved by the shareholders at the Annual General Meeting held on August 31, 2023, which resulted in a cash outflow of ₹1.29 Crores.
- (2) The Board of Directors, in their meeting held on May 16, 2024, have proposed a final dividend of 18% (₹1.80 per equity share of ₹10 each) per equity share for the financial year ended March 31, 2024 subject to the approval of shareholders at the ensuing Annual General Meeting.

NOTE 16: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2024
Term Loan	
Rupee Loan from Bank	8.30
Central Excise loan*	1.76
Total	10.05
The above amount includes	
Secured Borrowings	8.30
Unsecured Borrowings	-
Secured by Personal Guarantee by Director relative's (see note below)	8.30

16.1 Term loan taken from Bank is repayable in 5-6 years with 1 year moratorium period. Interest rate is @ 10.90% p.a. (Inter-set to be served as and when applied including moratorium) with monthly installment of ₹0.10 Crores starting from December 31, 2023. Facility is secured against specific fixed assets purchased using term loan and exclusive bank deposits of ₹2 Crores Facility is further secured by personal guarantee of relatives of MD's of the Company

16.2 Details of defaults as at year end in repayment of Term Loans are as follows:

(₹ in Crores)

Particulars	March 31, 2024
Name of Bank	
Central Excise Loan - ICICI Bank *	1.76

* During FY 2017-18 Company repaid entire principal amount of Central Excise loan of ICICI Bank but Interest is not paid so default persist to the extent of interest amount till the last payment of principal of loan.

NOTE 17: OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024
Lease Liability*	8.25
Total	8.25

* Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease agreements.

NOTE 18: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2024
Provision for Gratuity	0.43
Provision for Leave Encashment	0.22
Total	0.65

NOTE 19: BORROWINGS

(₹ in Crores)

Particulars	March 31, 2024
Foreign Currency Loan from Banks*	-
Rupee Loan from Banks	1.84
Current maturities of long term debts	1.53
Total	3.37
The above amount includes	
Secured Borrowings	3.37
Unsecured Borrowings	-
Secured by Personal Guarantee by Promoters/Directors/relatives	3.37

19.1 Foreign as well as Rupee currency Loans taken from State bank of India, are secured by Hypothecation of Stocks, Receivables and Other Current Assets, present and future under consortium. These working capital facilities are further secured against Fixed deposit of ₹2.89 Crores plus interest accrued thereon and Hypothecation of entire fixed assets of the Company (excluding Borivali land & Building) rate of interest is 10.65% and payable on demand.

19.2 The portion of working capital limits from Central Bank of India is secured first pari-passu charge by way of Hypothecation on Stocks, domestic receivable & export receivable and first pari-passu charge on entire fixed assets of the company (excluding Borivali property). facilities is further secured by fixed deposits of ₹4.30 Crores, rate of interest is RBLR+0.45% = 9.80% and payable on demand. Further these facilities are secured by personal guarantees of MD's relatives.

NOTE 20: TRADE PAYABLES

(₹ in Crores)

Particulars	March 31, 2024
Micro Small & Medium Enterprises*	6.74
Others Trade Payables	21.37
Total	28.12

*As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

(₹ in Crores)

Particulars	March 31, 2024
a. (i) The principal amount remaining unpaid to any supplier at the end of accounting year	6.74
(ii) The interest due on above	-
Total of (i) & (ii) above	6.74
b. Amount of interest paid by the buyer in terms of Section 18 of the Act	-
c. The amounts of payment made to the supplier beyond the due date	-
d. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under the Act	-

Note: The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the Company.

Trade Payables ageing Schedule for the year ending March 31, 2024

(₹ in Crores)

Particulars	Not Due	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total O/s
MSME	5.42	1.33	-	-	-	6.74
Others	17.44	2.92	-	-	1.01	21.37
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Total	22.86	4.25	-	-	1.01	28.12

NOTE 21: OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024
Lease Liabilities*	2.80
Other Liabilities	0.71
Dividend Payable	0.14
Total	3.65

* Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub-leases and no restrictions imposed by the lease agreements.

NOTE 22: OTHER CURRENT LIABILITIES

(₹ in Crores)

Particulars	March 31, 2024
Withholding & Other taxes payable	0.27
Advances received from Customers	7.00
Total	7.27

NOTE 23: PROVISIONS

(₹ in Crores)

Particulars	March 31, 2024
Provision for Gratuity	0.01
Provision for Leave Encashment	-
Total	0.01

NOTE 24: CURRENT TAX LIABILITY (NET)

(₹ in Crores)

Particulars	March 31, 2024
Provision for Income Tax *	-
Total	-

* Provision for income tax is net of advance taxes paid.

NOTE 25: REVENUE FROM OPERATIONS

(₹ in Crores)

Particulars	March 31, 2024
Sale of Products	
Cast Magnets & Magnetic Assembly	26.10
Engineering and Current Sensing applications	168.10
Sale of services	
Job work Sale	0.02
Total A	194.22
Export Benefits	0.87
Sale of Residue	6.39
Total B	7.26
Revenue from Operations (Gross)	201.48

NOTE 26: OTHER INCOME

(₹ in Crores)

Particulars	March 31, 2024
Other Miscellaneous Income	0.53
Profit/(Loss) on Sale of Assets	0.01
Interest Income	1.70
Interest on Security Deposit	0.13
Exchange differences (net)	2.09
Total	4.45

NOTE 27: COST OF MATERIAL CONSUMED

(₹ in Crores)

Particulars	March 31, 2024
Inventory at the beginning of the year	40.50
Add: Purchases (net)	112.91
	153.41
Less: Inventory at the end of the year	39.30
Cost of raw material & components Consumed	114.11

NOTE 28: CHANGE IN INVENTORIES OF WIP & FINISHED GOODS

(₹ in Crores)

Particulars	March 31, 2024
Inventory at the end of the year	
Work-in-progress	9.20
Finished goods	5.94
	15.14
Less:	
Inventory at the beginning of the year	
Work-in-progress	8.06
Finished goods	4.40
	12.47
Total	(2.67)

NOTE 29: EMPLOYEE BENEFIT EXPENSES

(₹ in Crores)

Particulars	March 31, 2024
Contribution to PF & Other Fund	0.39
Gratuity Expenses	0.08
Salaries, Wages & Bonus	10.89
Staff Welfare Expenses	0.50
VRS Compensation	-
Total	11.85

NOTE 30: FINANCIAL COST

(₹ in Crores)

Particulars	March 31, 2024
Interest	0.29
Other Borrowing cost*	0.44
Exchange difference on borrowings (Net)	(0.09)
Interest on Lease Liabilities	1.00
LC & Bill Collection Charges	0.65
Total	2.28

*includes Bank charges & BG Commission.

NOTE 31: DEPRECIATION & AMORTISED COST

(₹ in Crores)

Particulars	March 31, 2024
Depreciation	6.06
Amortisation	0.09
Depreciation on Right of use assets	2.95
Total	9.09

NOTE 32: OTHER EXPENSES

(₹ in Crores)

Particulars	March 31, 2024
Manufacturing Expenses	
Consumption of Stores, Spares & Consumbles	6.28
Freight Inward	0.75
Sub-Contract Charges & Labour Charges	16.28
Repairs & Maintenance - Machinery	0.49

NOTE 32: OTHER EXPENSES (Contd.)

(₹ in Crores)

Particulars	March 31, 2024
Tool Cost expenses	0.06
Power & Fuel Charges	3.79
A	27.65
Selling & Distribution Expenses	
Advertising & Sales Promotion Expenses	0.17
Commission to Sale	2.88
Freight Outward & Transportation	3.32
Hiring charges	0.04
B	6.41
Administrative & Other Expenses	
Advertisement	0.01
Auditors Remuneration	0.06
Bank Charges	0.05
Brokerage	0.10
Computer & Software Expenses	0.35
Directors' Sitting Fees	0.04
Travelling & Conveyance	1.36
Insurance	0.33
Printing & Stationery Expenses	0.19
Legal & Professional Charges	3.12
Miscl Exp	0.05
Rates & Taxes	0.47
Rent Exp	0.33
Security Service Charges	0.37
Communication Cost	0.22
Vehicle Running exp	0.18
Repairs - Building	0.84
Repairs - Others	0.22
Office Expense	0.38
Misc-Balance W/off	0.47
Listing and membership fee	0.03
Corporate Social Responsibility	0.58
Exchange differeces (Net)	0.03
C	9.77
Total A+B+C	43.83

Payment to Auditor

(₹ in Crores)

Particulars	March 31, 2024
As Auditor	
- Audit Fee	0.06
- Tax Audit Fee	-
- Others	-
Certifications	-
Others Services	-
Total	0.06

(Note: Above Figures are Excluding GST)

NOTE 33: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

Particulars	March 31, 2024
Remeasurements of the defined benefit plans	(0.01)
Others	-
Total	(0.01)

NOTE 33: ITEMS THAT WILL BE RECLASSIFIED TO PROFIT OR LOSS

(₹ in Crores)

Particulars	March 31, 2024
Exchange differences in translating the financial statements of a foreign operation	-
Total	-

NOTE 34: EARNING PER SHARE**For Continued Operations**

Particulars	March 31, 2024
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	19.98
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453
Basic EPS (Amount in ₹)	23.24
Diluted EPS (Amount in ₹)	23.24

For Discontinued Operations

Particulars	March 31, 2024
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	-
Weighted Average Number of Shares for Basic and Diluted EPS	-
Basic EPS (Amount in ₹)	-
Diluted EPS (Amount in ₹)	-

For Continued and Discontinued Operations

Particulars	March 31, 2024
Profit/(Loss) attributable to Equity shareholders (₹ in Crores)	19.98
Weighted Average Number of Shares for Basic and Diluted EPS	85,98,453
Basic EPS (Amount in ₹)	23.24
Diluted EPS (Amount in ₹)	23.24

Significant Accounting Policies and Notes on Accounts

CORPORATE INFORMATION

Permanent Magnet Limited (PML) ("the Company") and its subsidiary (collectively referred to as "the Group") are one of the leading manufacturers of Cast alloy Magnets, Parts and accessories of electricity and electric vehicle parts in the world. PML also supplies Gas meters parts and accessories. The assembly includes Die cast parts, Plastic parts, Brass parts, Bi-metal parts, Stainless steel parts and special copper alloy and nickel alloy parts. The combination of these parts fitted together is further aligned under special conditions to be directly used in gas meters. PML Group is adding similar range of product and forward integration of parts to assemblies in current business based on customer demand. Permanent Magnets Limited ("the Company") is listed on the Bombay Stock Exchange (BSE).

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 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation

(i) Compliance with Ind AS

These Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provision of the Act.

(ii) Historical cost convention

These Consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans-plan assets measured at fair value.

B. Basis for Consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases. The results of subsidiaries acquired, or sold, during the

year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

The financial statements of the Group companies are consolidated on a line-by-line basis and all inter-Company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

C. Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

D. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group has identified Managing Director as chief operating decision maker. Refer Note 06 of Notes to Accounts for segment information presented.

E. Foreign currency translation

(i) Functional and presentation currency

Items included in the Consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Consolidated financial statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

F. Revenue Recognition

Effective from April 01, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2018. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

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.

Other income is comprised primarily of interest income, dividend income, gain/loss on investments, exchange gain/loss on translation of other assets and liabilities.

Interest income is recognized on time proportion basis taking into account the amount invested and rate of interest.

Dividend income is recognized when the Group's right to receive dividend is established by the Balance Sheet date, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Claims for export incentives/duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

G. Income tax

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to 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 in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized in outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

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 liabilities are recognized for all taxable temporary differences.

Deferred tax assets including Minimum Alternate Tax (MAT) are generally recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. 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.

H. Leases

As a lessee

Initial measurement

Lease Liability: At the commencement date, the Group measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability: The Group measure the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a WDV basis over the shorter of the lease term and useful life of the under lying asset.

Impairment:

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the Group elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

As a lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

I. Impairment of assets

Property, plant and equipment and intangible assets are tested for impairment annually whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

J. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

K. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

L. Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value.

Cost of raw materials and traded goods comprise of cost of purchase.

Cost of work-in-progress and manufactured finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

M. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. All financial assets not recorded at fair value though profit or loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For Purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value;
- Financial assets at amortised cost.

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).
- **Cash flow characteristics test:** 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.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.
- **Cash flow characteristics test:** 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.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss as doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'.

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's statement of financial position) 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 or has assumed an obligation to pay the received cash flows in full without

material delay to a third party under a 'pass-through' arrangement and either;

- (a) The Group has transferred substantially all the risks and rewards of the asset; or
- (b) The Group has either transferred substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to received cash flow from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

(ii) Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial Liabilities

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 and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

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. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised 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.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

The Group enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials/services. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 3 months. These arrangements for raw materials are recognized as Deferred Payment Liabilities under Borrowings.

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.

Reclassification of Financial Instruments

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model.

Original Classification	Revised Classification	Accounting Treatment
Amortised Cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

N. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

O. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or Losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Spares in the nature of capital spares/insurance spares are added to the cost of the assets. The total cost of such spares is depreciated over a period not exceeding the useful life of the asset to which they relate.

Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation on tangible fixed assets has been provided on WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis. For any addition during the year, depreciation is charged for whole year whereas for disposals of any assets during the year, depreciation is provided on pro-rata for the year of use.

The estimated useful lives are as mentioned below:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 25 years*
Furniture & Fixtures - Cabin & Aluminium Section	15 Years*
Laptop, Scanner & Monitors	5 Years*

* The Group believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

P. Intangible assets

(i) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

(ii) Amortization methods and periods

The Group amortizes intangible assets on a straight line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of five years.

Q. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

R. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled

or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

S. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

T. Provisions

Provisions for legal claims and returns are recognised when the Group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

U. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up

to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity; and
- (b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized 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 with the assistance of independent actuaries.

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 the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized 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 recognized immediately in profit or loss.

Defined contribution plans

The Group pays provident fund contributions to publicly administered funds as per local regulations and superannuation fund to LIC. 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 recognized as employee benefit expense when they are due.

(iv) Bonus plans

The Group recognizes a liability and an expense for bonuses. The Group recognizes a provision where contractually

obliged or where there is a past practice that has created a constructive obligation.

(v) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

V. Earnings per share

(i) Basic earnings per share

Basic earnings per share are calculated by dividing:

- The/profit attributable to owners of the Group;
- By the weighted average number of equity-shares outstanding during the financial year, adjusted for bonus

elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares; and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

I. NOTES TO ACCOUNTS

1. In the opinion of Directors, the Current Assets, Loans & Advances and Investments have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated in the Balance Sheet.

2. Contingent Liabilities

(₹ in Crores)

Particulars	March 31, 2024
a) Unutilized Letters of Credit with Bankers	1.81
b) Bank Guarantee	0.12
c) Labour cases in the court for reinstatement and/or higher compensation, which in the opinion of the management demand no provision of liability than what is recorded in accounts.	0.07
d) Excise Department has rejected the appeal filed by the Group and has raised demand as regards inter-unit transfers. The Group has filed appeal against the said order in CESTAT and has made payment of ₹0.05 Crores for stay order. Stay order against recovery of the dues has been granted. In the opinion of the Group's Consultant, since there is no suppression of facts by the Group, penalty imposed will be quashed. In case, if the case is decided against the Group, there will be no actual outflow to the Group due to availability of Cenvat credit. Further, in similar cases, the Commissioner of Central Excise has ruled in favour of the Group and has set aside the show cause notices.	
Duty Demanded	0.32
Penalty	0.32
e) Interest on Central Excise loan (Operated through ICICI). In 1995-96, the Group has taken interest free loan under the Excise relief scheme as approved by the Government of India and said loan was disbursed by designated financial institutions. ICICI, the Operating Agency raised certain demands towards the installments repaid with delay. The Group has provided simple interest on repayment of these delayed installments, which may be reversible if the Central Government doesn't demand during settlement. Additional interest if claimed by the government, will be payable. However, the management does not expect any liability on that account. The Group had approached ministry of finance, government of India for instruction of settlement of account as one time settlement, and as per information, same is under consideration. Disbursing agency ICICI, has also forwarded Settlement proposal to the ministry on July 30, 2013 vide letter bearing reference no SSG/NA/2013-14/324 for seeking the directions. In view of the above situation, management does not feel any extra liability towards interest on the interest free excise loan. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. Loan Principal Amount repaid on during FY 17-18.	22.01*

*Management has tried to resolve the issues of Central Excise Loan with higher authorities of Ministry of Finance, Government of India and made various representations, but did not get proper response as above scheme has been over and no proper

documents are available with ministry of finance, Government of India. Management of PML is providing simple interest on outstanding dues of above loan even though this was interest free. The Group has been repaid balance Principal Amount of the loan during FY 17-18.

3. Honorable Bombay High Court has passed winding up order on the petition of M/s Savino Del Beno "Petitioner" (Freight forwarder agent & CHA of the Group).

Facts of the case - During the year 2010, Petitioner has raised bills for their services but failed to submit Original EP copy to the Group which is essential documents to claim Excise rebate, and accordingly the Group withheld their payment. Subsequently, petitioner has filed winding up petition against the Group of dues of ₹0.13 Crores. Honorable Mumbai High Court has passed an order allowing the petition and issued

direction for appointment of official liquidator in winding up order.

On the appeal against this order made by the Group before Honorable Bombay High Court, Honorable Bombay High Court has given interim stay order against the winding up order passed (against the Group) dated April 15, 2015. The Group has deposited ₹0.19 Crores with interest as per direction of honorable Bombay High Court. Matter is pending before Bombay High Court. Next hearing in this matter shall come up as per listing of the court.

Amount deposited of ₹0.19 Crores with court is shown in Balance sheet under Current Assets.

4. Balance under the head 'Trade Receivables', 'Trade Payables', 'Loan and Advances Receivable and Payable' are shown as per books of accounts subject to confirmation by

concerned parties and adjustment if any, on reconciliation thereof. Balance Confirmation e-mails have been issued to parties for confirmation of balances with the request to confirm or send/comments by the stipulated date failing which the balances as appearing in the letter would be taken as confirmed. Confirmation e-mails have been received in very few cases; however, no adverse communication has been received from the parties.

5. During the year ₹2.14 Crores has been credited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

6. Segment Reporting

The Chief Operational Decision Maker identifies and monitors the operating results of its business segments separately for purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Consolidated

financial statements. The Operating segments have been identified on the basis of the nature of products/services.

7. Leases

Effective date and transition

Effective April 01, 2019, the Group has adopted Ind AS 116 Leases. The Group applies retrospectively with the cumulative effect of initially applying the Standard recognized at the date of initial application. The Group measure lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The Group is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities

(₹ in Crores)

Particulars	March 31, 2024
Opening Balance as on 1 st day of year	1.62
Additions	11.94
Finance cost accrued during the period	1.00
Payment of lease liabilities	3.51
Closing Balance as on last day of year	11.05

B) Maturity Analysis of Lease Liabilities

(₹ in Crores)

Particulars	March 31, 2024
Maturity analysis-Contractual undiscounted cashflows	
Less than one year	3.59
One year to five year	9.38
More than five years	-
Total Undiscounted lease liabilities	12.97
Lease liabilities included in the statement of financial position	
Non-Current	8.25
Current	2.80
Total	11.05

C) Amount Recognised in the Statement of profit and loss

(₹ in Crores)

Particulars	March 31, 2024
Interest on Lease Liabilities	1.00
Depreciation on Lease Asset	2.85
Rent Expenses - short term leases and leases of low value assets	0.01

8. Related Party Disclosure

As per the Ind AS 24 details of related parties and nature of relationships:

Sr. No.	Name of the Related Parties	Nature of Relationship
Key Managerial Personnel		
1	Sharad Taparia	Managing Director
2	Sukhamal Jain	Chief Financial Officer
3	Rachana Rane	Company Secretary
Non-Executive Directors		
4	Rajeev Mundra	Independent Director
5	Kamal Binani	Independent Director
6	Sunaina Taparia	Director
7	Mukul Taparia	Director
8	Girish Desai	Director
Director		
9	Anil Kumar Taparia	Director
Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence		
1	Varij Plantation Private Limited	
2	Pregna International Limited	
3	Megh Exim LLP	
4	NYMPH Properties Private Limited	

Details of Transactions with and outstanding balances of related parties are furnished below:

(₹ in Crores)

Names of Related Parties	Nature of Transactions	Year ended March 31, 2024	
		Transaction during year	Closing balance
Sharad Taparia	Remuneration	1.41	-
Sukhamal Jain	Remuneration	0.44	-
Rachana Rane	Remuneration	0.10	-
Rajeev Mundra	Sitting fees	0.01	-
Kamal Binani	Sitting fees	0.009	-
Sunaina Taparia	Sitting fees	0.006	-
Mukul Taparia	Sitting fees	0.007	-
Girish Desai	Sitting fees	0.006	-

Note: Reimbursement of expenses incurred by the related parties for and on behalf of the Group and vice-versa has not been included above.

9. Disclosure as required by Ind AS-19, Employee Benefits

I. Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Group contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit, and loss account is ₹0.784 Crores

Other long-term employee benefits:**II. Leave encashment**

The Group provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees. The obligation for accumulating paid leaves has been recognized at the end of the reporting period.

In respect of Gratuity & Leave Encashment, provision is made based on the actuarial valuation by an independent actuary. The following information as required under Ind AS-19 is based on the report of the Actuary:

(₹ in Crores)

Particulars	2023-24	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)
A) Actuarial assumption		
i) Discounting rate	7.20%*	7.50%
ii) Future salary increases	5.00%	5.00%
iii) Expected rate of return on plan assets	-	-
iv) Retirement age (in Years)	60	60
v) Morality rates upto Retirement age	IALM 2012-14 Uit	IALM 2012-14 Uit
B) Expenses recognised in the statement of profit and loss		
i) Current service cost	0.11	0.05
ii) Net interest cost	0.02	0.03
iii) Expected return on plan assets	-	-
iv) Net actuarial (gain)/loss recognized in the period	0.06	0.01
v) Expenses recognized in the statement of Profit & Loss	0.18	0.08
C) Recognised in other comprehensive income		
i) Actuarial (gain)/loss arising on assets	-	-
ii) Actuarial (gain)/loss on PBO arising from:		
Change in demographic assumptions	-	-
Change in financial assumptions	-	0.01
Change in experience assumptions	0.05	(0.01)
iii) Net (gain)/loss recognised in other comprehensive income	0.06	0.01
D) Change in present value of obligation		
i) Present value of obligation as at year beginning	0.24	0.44
ii) Interest cost	0.02	0.03
iii) Current service cost	0.11	0.05
iv) Past service cost incl. Curtailment gains and loss	-	-
v) Benefits paid	(0.20)	(0.09)
Actuarial (gain)/loss on PBO arising from:		
Change in demographic assumptions	-	-
Change in financial assumptions	-	0.01
Change in experience assumptions	0.05	(0.01)
vi) Present value of obligation as at year end	0.22	0.44
E) Change in fair value of plan assets		
i) Fair value of plan assets at year beginning	-	-
ii) Actual return on plan assets	-	-
iii) Contributions	-	-
iv) Fund management charges (FMC)	-	-
v) Benefits paid	-	-
vi) Actuarial gain/(loss) on plan assets	-	-
vii) Fair value of plan assets at year end	-	-

II. Leave encashment (Contd.)

(₹ in Crores)

Particulars	2023-24	
	Leave Encashment (Unfunded)	Gratuity (Unfunded)
F) Liability/(Assets) recognized in Balance Sheet	0.22	0.44
i) Within the next 12 months (next annual reporting period)	-	0.01
ii) Between 1 and 5 years	0.02	0.11
iii) Beyond 5 years	0.03	0.15
iv) Total Expected Payments	0.05	0.26

* Discount Rate for QMPL is 7.30%

10. Component Accounting for Fixed Assets

In opinion of the management, based on internal verification of the assets of the Group, there is no major part, in case of any asset, which is significant to total cost of the asset and whose useful life is different from the useful life of the asset. Hence, there is no change in accounting of fixed assets and depreciation thereon as required under Ind AS 16: Property, Plant and Equipment.

11. Segment Reporting

As the Group operates mainly in one Business Segment i.e. Engineering and Current Sensing applications hence are considered to be a single primary business segment. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under Ind AS 108.

12. Impairment of Assets

In accordance with Ind AS 36 "Impairment of Assets" the Group has recognized impairment loss of ₹ Nil during year

13.a) **Purchases of Finished Goods:** Nilb) **Expenditure and earning in Foreign Currencies:**A. **CIF Value of Imports:**

(₹ in Crores)

Particulars	March 31, 2024
Raw Materials & component	73.70

B. Value of Imported and Indigenous Raw Materials and Spare Parts consumed during the year and its percentage to total consumption:

Particulars	2023-24	
	Amount (₹ in Crores)	%
Raw Materials		
Imported	56.32	49.36
Indigenous	57.78	50.64
Total	114.10	100.00

C. **Expenditure in foreign currencies incurred during the year:**

(₹ in Crores)

Particulars	March 31, 2024
1. Travelling Expenses	0.91
2. Others	0.04
3. Financial Charges	0.40

D. Earnings in foreign currencies during the year:

(₹ in Crores)

Particulars	March 31, 2024
1. FOB Value of Exports	103.32

14. Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, the Group, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, healthcare, women empowerment, measures for the benefit of war widows and contributions to incubators has been formed by the Group as per the Act. The funds were primarily allocated to a corpus and utilised through the year on these activities which are specified in schedule VII of the Companies Act, 2013.

The amount of expenditure to be spent on CSR activities and financial details as per the Companies Act, 2013 for the F.Y 2023-24 are as under:

(₹ in Crores)

Particulars	March 31, 2024
(i) Amount required to be spent by the Group during the year	0.58
(ii) Amount spent towards CSR Activities	0.58
(iii) Shortfall at the end of the year	Nil
(iv) Total of previous years shortfall	Nil
(v) Reason for shortfall	N.A.
(vi) Nature of CSR activities, Promoting Education, Healthcare, rural development and other key allied social initiatives	N.A.
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	N.A.
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	N.A.

15. Financial Instruments and Risk Management**Fair values**

- The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short-term nature.
- Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (non-current) consist of interest accrued but not due on deposits other financial assets consists of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of 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.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

(₹ in Crores)

Particulars	As at March 31, 2024	
	Carrying Amount	*Fair Value
Financial Assets		
Measured at Amortized Cost		
Non-Current		
(i) Loans	1.87	1.87
(ii) Bank Balances	1.19	1.19

(i) Categories of financial instruments (Contd.)

(₹ in Crores)

Particulars	2023-24	
	Carrying Amount	*Fair Value
Current		
(i) Trade Receivables	39.69	39.69
(ii) Cash and Cash Equivalents	4.85	4.85
(iii) Bank Balances	35.47	35.47
(iv) Loans	2.01	2.01
Measured at fair value through profit and loss		
Non-Current		
(i) Investments	-	-
Total	85.08	85.08
Financial Liabilities		
Measured at Amortized Cost		
Non-Current		
Borrowings	10.05	10.05
Lease Liabilities	8.25	8.25
Provisions	0.65	0.65
Other Non-Current Liabilities	-	-
Current		
Borrowings	3.37	3.37
Trade Payables	28.12	28.12
Lease Liabilities	2.80	2.80
Other Financial Liabilities	0.85	0.85
Total	54.10	54.10

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Group has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

16. Financial Risk Management

The Group is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

(A) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The sensitivity analyses in the following sections relate to the position as at March 31, 2024 and March 31, 2023.

The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

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 March 31, 2024 and March 31, 2023.

(i) Foreign currency exchange rate risk

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 trade/other payables, trade/other receivables assets/liabilities. The risks primarily relate to fluctuations in US Dollar & EURO against the functional currencies of the Group. To mitigate the Group's exposure to foreign currency risk, cash flows are monitored and natural hedge is used. (Amounts to be paid and received in a specific currency are expected to largely offset one another). The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(ii) 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 change 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. As the Group has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Group has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the Group has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents Group's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group also holds deposits as security from certain customers to mitigate credit risk.

17. Event Occurring after the Balance Sheet date

The Board of Directors has recommended an Equity dividend of ₹1.80/- per share on face value of ₹10/- each, for the financial year 2023-24. The proposal is subject to the approval of shareholders at the Annual General Meeting.

18. Commitments

Group has commitment to pay for the acquisition of plant and machinery (net of advances) is ₹0.33 Crores.

19. Other Disclosures

- (a) Relationship with Struck off Companies - The Group does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- (c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
- (d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (e) There is no transaction in Crypto Currency or Virtual Currency.

- (f) The Group is not declared wilful defaulter by any bank or financial institution or lender during the year.
- (g) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.
- (h) The title deeds of all the immovable properties, (other than immovable properties where the Group is the lessee and the lease agreements are duly executed in favour of the Group) disclosed in the Consolidated financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Group as at the balance sheet date.
- (i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (j) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

20. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current year presentation.

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP

Chartered Accountants

ICAI Firm Reg. No.: 104184W/W100075

Hemant Kumar Agrawal

Designated Partner

M. No.: 403143

UDIN: 24403143BKDIFN4093

For & on behalf of the Board of Directors

Sharad Taparia

Managing Director

DIN: 00293739

Mukul Taparia

Director

DIN: 00318434

Place: Mumbai

Dated: May 16, 2024

Sukhmal Jain

Chief Financial Officer

Rachana Rane

Company Secretary



Permanent Magnets Limited

Corporate Office:

PERMANENT MAGNETS LIMITED
Plot No. B-3, MIDC Industrial Area,
Village Mira, Mira Road - 401107,
Dist. Thane