

Regd. Office : GNA HOUSE, I-C, CHHOTI BARADARI - PART-II
GARHA ROAD, JALANDHAR- 144 404

Phones : 0181-4630477
Fax : 0181-4630477
E-mail : info@gnagroup.com
Website : www.gnaaxles.in

Dated : August 27, 2024

Department of Corporate Services BSE Limited 25 th Floor Rotunda Building, P J Towers Dalal Street, Fort MUMBAI 400001 SCRIP CODE : 540124	The National Stock Exchange of India Limited "Exchange Plaza" Plot No C-1, G Block Bandra Kurla Complex Bandra (East) MUMBAI - 400051 SCRIP CODE : GNA
--	---

SUB: Notice of 31st Annual General Meeting and Annual Report for the Financial Year 2023-24.

Dear Sir,

In compliance with Regulations 30, 34 and 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Notice convening the 31st AGM of the shareholders of the Company and the Annual Report for the financial year ended 31st March, 2024. The same is being circulated through electronic mode to all the shareholders of the Company whose E-mail addresses are registered with the Company or Depository Participant(s), in compliance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI).

Further, the facility/option to transact through Remote Electronic Voting is also being provided to the shareholders. The remote E-voting will start on Monday, September 16, 2024 at 9.00 A.M. and will end on Wednesday, September 18, 2024 at 5.00 P.M. The cut-off date for the purpose of determining the shareholders for E-voting is September 12, 2024.

This is for your information and record.

Thanking You

Yours Truly
For GNA AXLES LIMITED

Gourav Jain
Company Secretary

GNA

GNA AXLES LIMITED



Expanding
Capabilities.
Engineering
Success.

31st Annual Report
2023-24



Across the Pages



1-20

Company Overview

GNA at a Glance	2
Journey	4
Geographical Presence	6
Chairman's Message	8
Strengths	10
Financial Highlights	12
Environment	14
Social	16
Governance	18
Corporate Information	20



21-90

Statutory Reports

Notice	21
Management Discussion & Analysis	31
Directors' Report	34
Corporate Governance	54
Business Responsibility & Sustainability Report	65



91-149

Financial Statements

Standalone	91
Consolidated	122

Disclaimer: This document contains statements about expected future events and financials of GNA Axles Limited ("The Company"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the beliefs, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.



To view or download the report online, scan the QR code.

For more investor-related information, please visit:
https://gnaaxles.in/board_meeting_notices.php

Investor Information

Market Capitalisation (March 28, 2024): ₹ **163,351.69 Lacs**

CIN: **INE934S01014**

BSE Code: **540124**

NSE Symbol: **GNA**

Dividend Declared: **20%**

AGM Date: **September 19, 2024**

AGM Venue/Mode: **Audio Visual Means**



Expanding Capabilities.

Engineering Success.

The auto components industry stands as a foundation of India's manufacturing prowess, significantly contributing to the nation's GDP and job creation. This sector not only enhances domestic production but also cements India's status as a global hub for sourcing and technological advancements.

GNA Axles Limited stands out with over 30 years of experience in crafting top-tier automotive transmission components. Partnering with leading Original Equipment Manufacturers (OEMs) worldwide, we deliver exceptional performance and reliability. Our advanced facilities in Mehtiana and Gulbargh Jattan empower us to meet stringent standards and tackle production challenges with agility and confidence.

With our theme, '**Expanding Capabilities. Engineering Success**', GNA Axles is not just advancing industry standards but also setting new benchmarks for excellence. Our relentless pursuit of innovation and quality fuels our journey towards a brighter, more successful future for both our Company and the global automotive industry. Together, we will drive progress and embrace the opportunities of tomorrow.



Financial Snapshots

Net Revenue

₹ 1,506.26 Cr

EBITDA

₹ 197.32 Cr

EBITDA Margin

13.10%

PAT

₹ 100.02 Cr

PAT Margin

6.64%

GNA at a Glance

Defining Engineering Excellence



Founded in 1993, GNA Axles Limited (referred to as 'GNA Axles' or 'We', or 'Our Company') has positioned itself as a leading manufacturer of automotive transmission components. Our Company's industry-leading status is built on the strength of our cutting-edge manufacturing units, equipped with world-class technology and facilities located in Mehtiana (Hoshiarpur) and Gulbargh Jattan (Kapurthala).

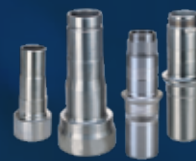


Over the past 30 years, we have experienced extraordinary expansion, underscoring the exceptional reliability of our products across every market. We have surpassed in rigorous durability assessments under the harshest conditions. This track record has enabled us to attract leading clients in their fields of original equipment manufacturing. Through close partnerships with our customers, we craft innovative products designed for peak performance, delivering precise and impactful solutions.



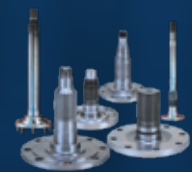
Rear Axle Shafts
Produced

3,769,711



Spindles
Produced

1,054,463



Other Shafts
Produced

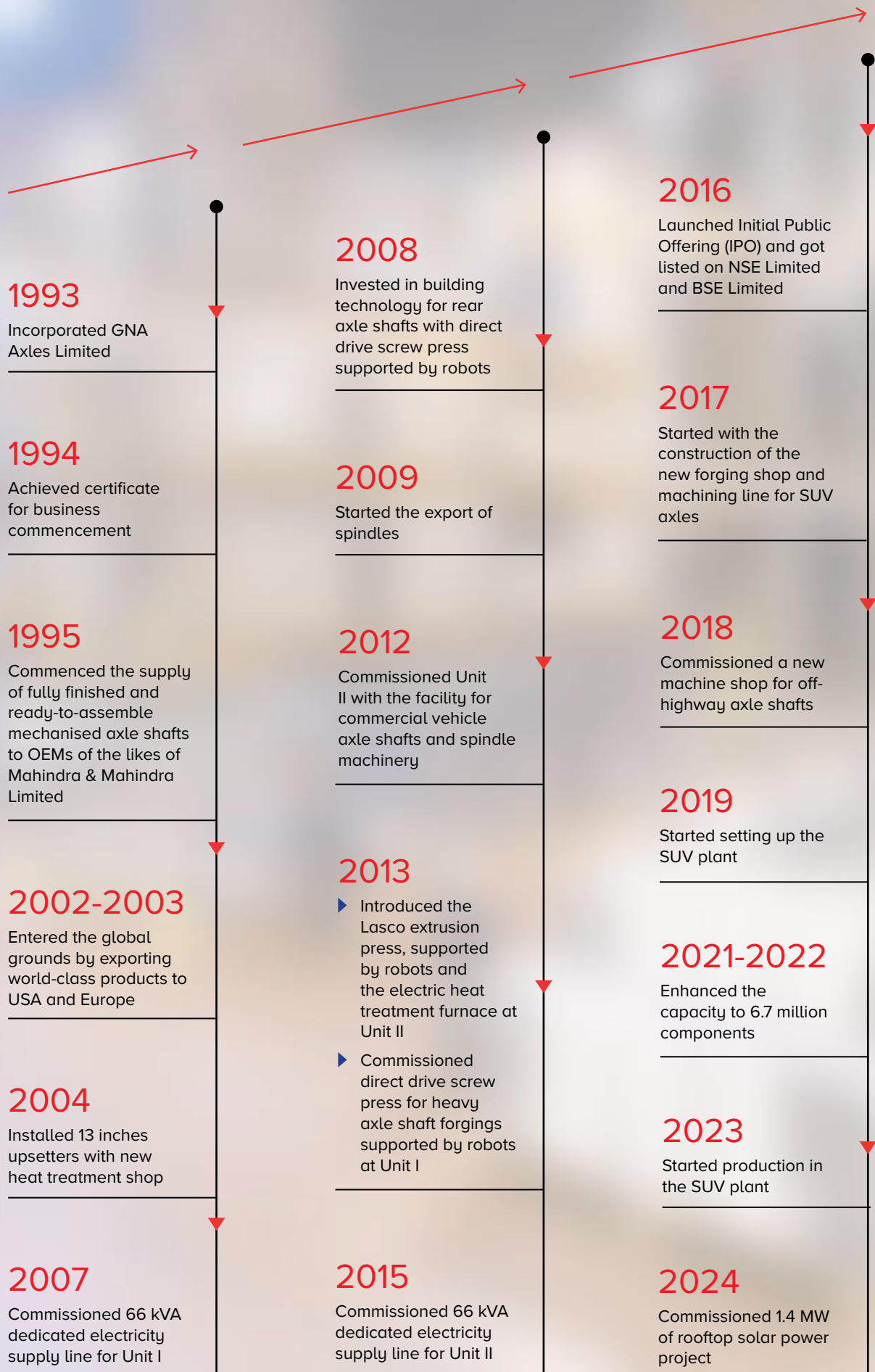
285,946

Journey

Mapping Our Milestones

Over the years, we have undergone growth, driven by our invaluable resources and visionary principles. Our journey has led us to achieve remarkable milestones, each one propelling us forward and fuelling our consistent pursuit of excellence and innovation.





Expanding Our Global Footprint

Our team is driven by a commitment to fostering growth through technological progress. Established as pioneers in 1993, we have consistently delivered cutting-edge products to manufacturers of transmission components, addressing both current and future requirements. Our continuous expansion is propelled by a keen interest in exploring new market opportunities. With an extensive global reach, we not only enhance our customer base but also reinforce our presence in the most dynamic and evolving markets. Our persistent focus is on delivering superior solutions and services to our clients and partners worldwide.



Here is the list of some of our renowned clients:

International

- Dana Limited (USA, Mexico and Brazil)
- John Deere (Spain and USA)
- Kubota Corporation (Japan)
- Meritor HVS AB (Sweden, Italy, Brazil, and USA)

Domestic

- Claas India Private Limited
- TAFE
- International Tractor Limited
- Escorts Limited
- Axles India Limited
- Automotive Axles Limited
- Mahindra & Mahindra Limited

Region-Wise Breakup of Revenue (₹ in Cr)



Driving Innovation & Excellence



66 For more than thirty years, GNA Axles has established a strong reputation in the domestic market, recognised for its top-quality and dependable products.

99

Dear Stakeholders,

Reflecting on the past year, I am profoundly grateful and proud of our shared achievements. We have overcome challenges with tenacity, embraced new ideas, and stayed committed to our core values, achieving notable milestones in the process. Your consistent support and inspiration have played a pivotal role in our journey, and I want to express my heartfelt thanks and appreciation to every one of you.

For more than thirty years, GNA Axles has established a strong reputation in the domestic as well as overseas markets, recognised for its top-quality and dependable products. Our impressive track record and advanced technological expertise have allowed us to provide a broad range of axles and spindles to leading OEMs in multiple vehicle segments. This lasting confidence in our brand reflects our dedication to excellence.

As the automotive industry approaches a period of substantial growth, GNA Axles is ready to tackle this surge in demand directly. We are committed to upholding the highest standards of quality and service, consistently surpassing our customers' expectations.

Our long-term capital expenditure plans are central to our growth strategy. We are enhancing our manufacturing capabilities, boosting production capacities, and improving

operational efficiency while expanding our product portfolio. These upgrades are aimed at ensuring we consistently deliver outstanding products and services to our customers.

Our strategic initiatives are setting the stage for future expansion. We have carved out a strong position in the off-highway and commercial sectors both domestically and internationally, and we are strategically positioning ourselves to capture market share in the passenger vehicle segment, particularly in the spindles market.

We are entering the coveted SUV market and are getting very good responses from our customers both from the domestic and overseas markets. We are well prepared to leverage growth opportunities in exports and domestic OEM sales, ensuring that we capitalise on our market strengths as India continues to outperform the major economies of the world and is expected to register a real Gross Domestic Product (GDP) growth of around 7% for 2024-25 with risks evenly balanced.

Our commitment to delivering top-quality products and outstanding service remains perpetual. Through continuous innovation, employee skill-building, and fostering an engaging work culture, we aim to drive sales and tap into new opportunities. Our goal is to multiply growth by providing differentiated axle solutions that create value for our customers.

The journey we have undertaken has been supported tirelessly by our shareholders, employees, customers, and suppliers. These important relationships have been fundamental to our success over the years, and we are committed to strengthening them further. We express our sincere appreciation for your essential contributions and look forward to your continued support as we move forward.

Sincerely,

Gursaran Singh

Chairman



Building on Our Distinct Advantages

At GNA Axles, we believe that our path to becoming a global leader in automotive transmission components is grounded in a robust foundation. This solid base enables us to cultivate new ideas and continually leverage those opportunities.



Fostering Impactful Relations

To reduce our dependency on the MHCV and tractor segments, we are fostering new growth avenues and drivers for the future. We are on the verge of increasing our market demand for the SUV and LCV axle shaft segments and thereby increasing clientele to continents like North America, Europe, and Asia (India). This would help us to build faith and be the partner of choice for a relatively larger customer base.

Proximity to Customers

GNA Axles is committed to offering maximum flexibility to its customers in terms of transportation and punctuality, with an additional focus on reducing logistic costs. Consequently, we anticipate strategically locating our manufacturing unit in specific areas where we have a sizeable client base, thus enabling such opportunities.

The Complete Setup

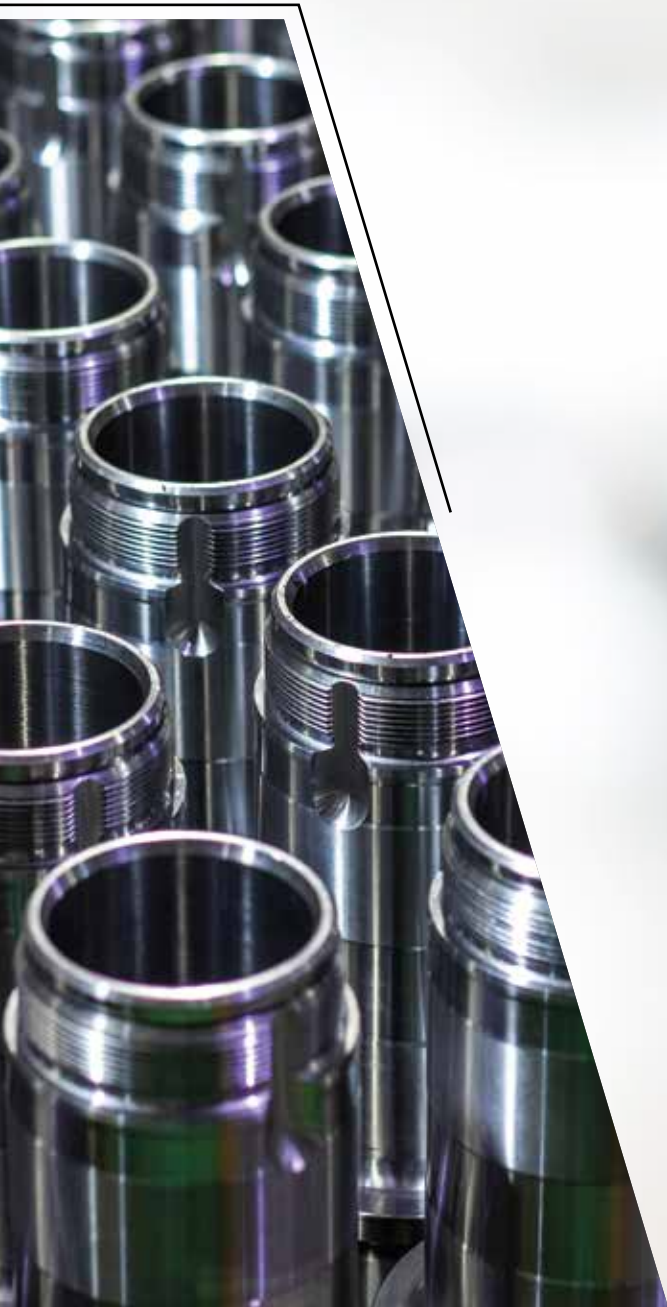
We successfully established integrated plants that enable us to produce goods in bulk capacities with superior quality. This comprehensive setup empowers us to customise products according to our clients' needs, thereby enabling us to handle greater economies of scale.

Full-Service Capabilities

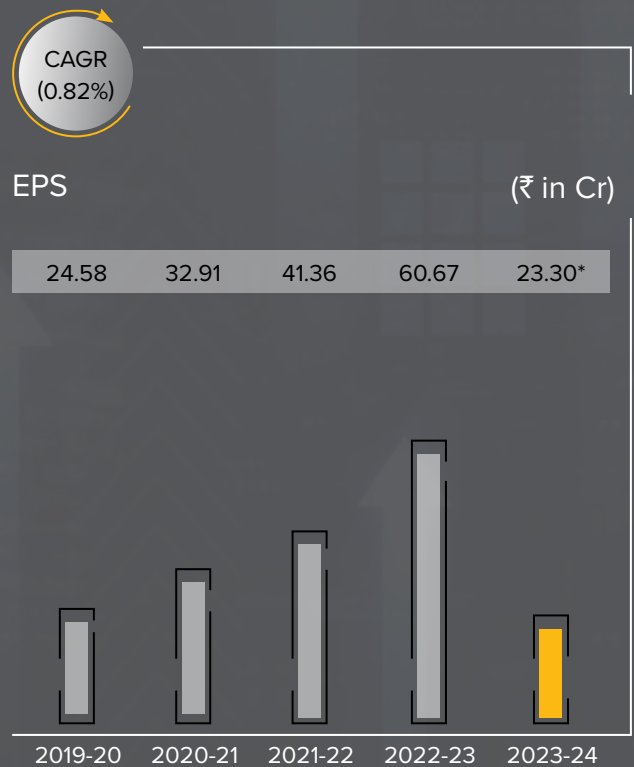
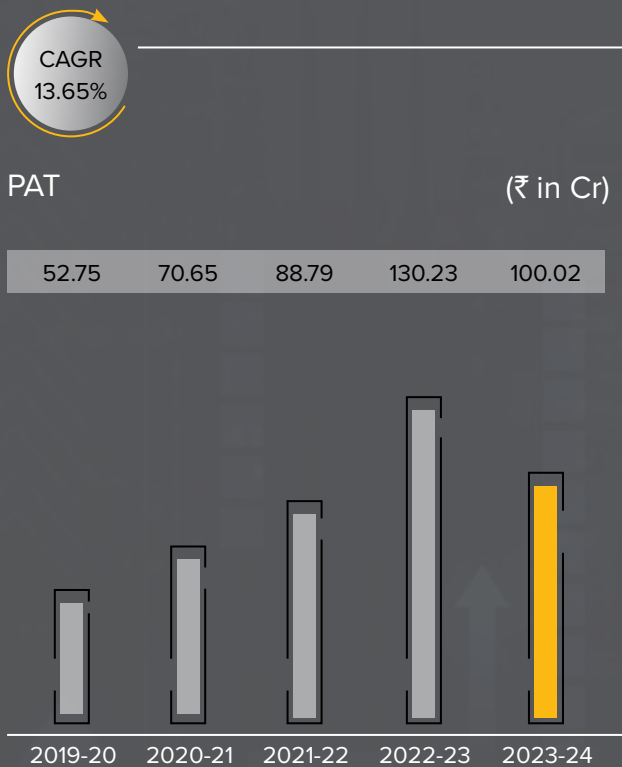
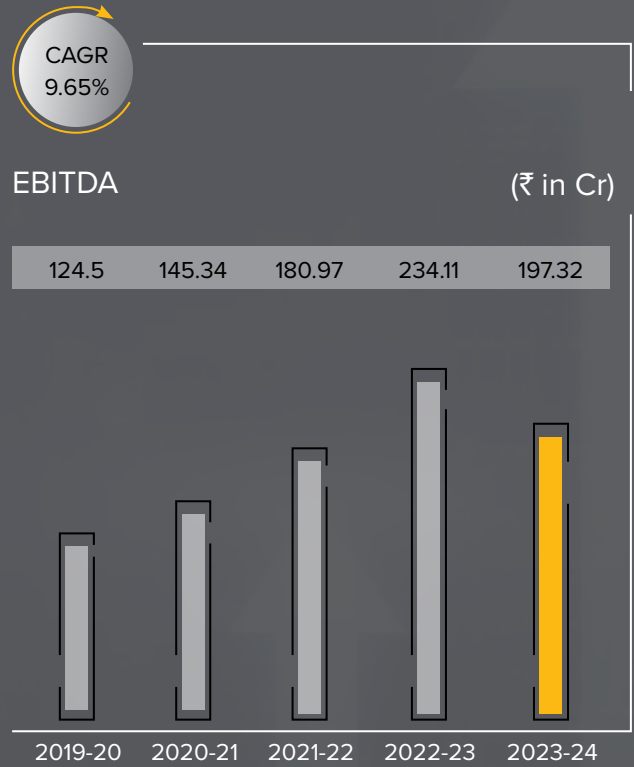
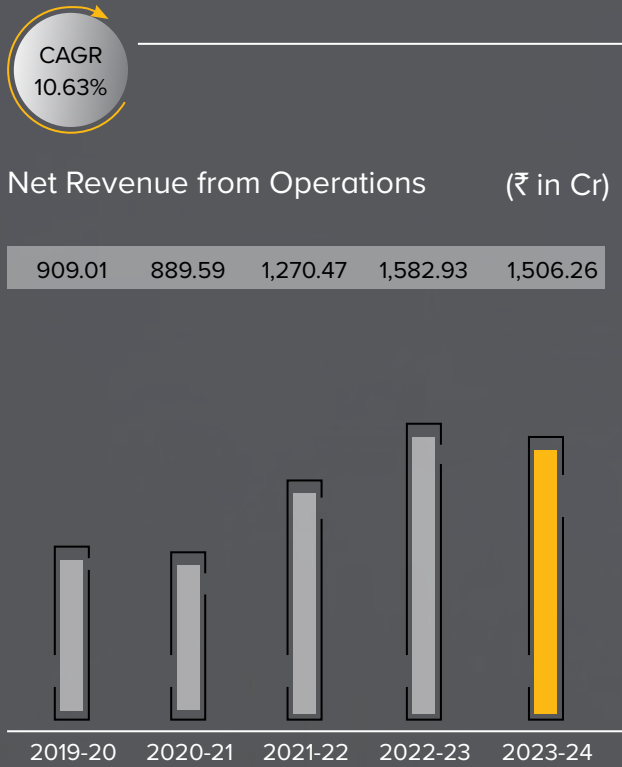
GNA Axles possesses fully equipped facilities, including tooling, machining, and forging systems, that offer a comprehensive range of engineering solutions all under one roof.

Robust Engineering Capabilities

We consistently upgrade our technology to develop new products and enhance our product range, thereby improving manufacturing processes. At GNA Axles, we maintain our own metallurgical and metrological facilities, enabling continuous innovation in our products with minimal input and operational costs.

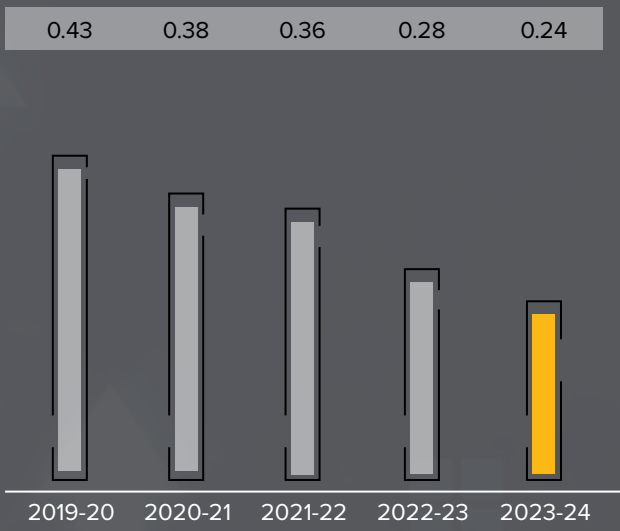


Highlighting Financial Progress



After the Issuance of Bonus Shares in the Ratio of 1:1 in 2023-24

Debt
Equity
Ratio



Championing Environmental Stewardship

At GNA Axles, we place a high priority on environmental improvement and strive to operate with an eco-friendly mindset. While we are a leading name in automotive transmission component manufacturing, we also view ourselves as key players in environmental sustainability by actively monitoring and managing the impact of our operations.

Climate Control Measures

To lower carbon emissions, we have replaced oil-fired furnaces with electric models. Moreover, we have lessened our reliance on conventional fuels by transitioning our material-processing equipment to electricity.



Initiating Environment-Friendly Packaging

By switching from wooden packing boxes to reusable pallets, we have taken a significant step towards environmentally friendly packaging. This move not only conserves wood but also encourages more sustainable packaging alternatives.



Waste Management

We endeavour to manage and reuse waste, as well as treat the effluent before its discharge, which results from the manufacturing of our ancillaries. This approach helps mitigate potential environmental impacts.



Water Control

We are involved in the implementation of water-saving practices, wherein we have formalised a system that collects rainwater and directs it back into the ground, thereby promoting efficient water usage.



Green Energy

At GNA Axles, we're committed to sustainability and actively working to reduce our carbon footprint. This year, we installed a 1.4 MW rooftop solar power project, and we're planning to expand our solar capacity even further in 2024-25.



Building Stronger Communities

Our vision transcends merely providing superior products; we are devoted to giving back through our Corporate Social Responsibility (CSR) initiatives. We look forward to enhancing society by advancing communities through educational and skill-building programmes, environmental preservation efforts, and the promotion of inclusive development. Our ongoing dedication is to empower everyone to contribute to a more sustainable and thriving future.



Empowering Our Employees

Employees are integral to the success of any organisation, and at GNA Axles, we are committed to fostering an environment where their contributions are deeply valued. We emphasise employee growth and development by implementing diverse development initiatives, creating a supportive atmosphere where individuals can excel and achieve their full potential.



Community Engagement

Our goal at GNA Axles is to open new avenues that promote economic advancement and empower the community. We are excited to contribute to community development by encouraging skill-building and entrepreneurship, which will lead to sustainable livelihoods and a promising future for everyone.





Driving Governance Excellence



Mr. Gursaran Singh
Executive Chairman



Mr. Jasvinder Singh
Executive Vice Chairman



Mr. Ranbir Singh
CEO & Managing Director



Mr. Maninder Singh
Whole-Time Director



Mr. Gurdeep Singh
Director



Mr. Harwinder Singh
Whole-Time Director



Mr. Kulwin Seehra
Whole-Time Director



Mr. Jasminder Singh Johal
Independent Director



Mr. Rajan Wadhwa
Independent Director



Air V Marshal S.S. Hothi (Retd.)
Independent Director



Mrs. Pooja Uppal
Independent Director



Mr. Ashwani Kumar Malhotra
Independent Director



Lt. General Praveen Bakshi (Retd.)
Independent Director



Mr. Ajit Singh
Independent Director

Corporate Information

Chief Financial Officer

Mr. Rakesh Kumar

Company Secretary

Mr. Gourav Jain

Auditors

M/s Harish & Co.

Chartered Accountants, Jalandhar

Bankers

Punjab National Bank

Central Bank of India

State Bank of India

Registered Office

GNA House, 1-C Chhoti

Baradari Part II, Garha

Road, Jalandhar - 144 001, Punjab, India.

Ph: 0181 4630477

Corporate Office

VPO Mehtiana,

Phagwara - Hoshiarpur Road,

Dist. Hoshiarpur - 146 001, Punjab, India.

Ph: 01882 262273-79

Fax: 01882 262280, 262302

Website: www.gnaaxles.in

Registrar & Transfer Agent

M/s Linkintime India Private Limited

(Unit: GNA Axles Limited)

C-101, 247 Park, LBS Marg Vikhroli (West),

Mumbai - 400 083, Maharashtra, India.

Ph: 022 4918 6000

Fax: 022 4918 6060

E-mail: rnt.helpdesk@linkintime.co.in

Units

GNA Axles Limited (Unit I)

VPO Mehtiana

Phagwara - Hoshiarpur Road

Dist. Hoshiarpur - 146 001, Punjab, India.

GNA Axles Limited (Unit II)

Village Gulab Garh Jattan

Phagwara - Hoshiarpur Road

Dist. Kapurthala - 144 405, Punjab, India.



Notice

GNA AXLES LIMITED

Regd. Office: GNA HOUSE, 1-C Chhoti Baradari Part – II, Opposite Medical College, Garha Road Jalandhar 144001.

Notice is hereby given that **31st ANNUAL GENERAL MEETING** of the shareholders of GNA Axles Limited will be held on Thursday 19th day of September, 2024 at 12:30 P.M through Audio Visual Means to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at March 31, 2024, statement of Profit & Loss for the year ended on that date, together with the report of Auditor's and Directors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Mr. Maninder Singh, (DIN 01610746) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. Ranbir Singh, (DIN 01572708) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Gurdeep Singh, (DIN 01572748) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment.

6. To appoint M/s G S Syal & Co., Chartered Accountants Jalandhar as Statutory Auditors of the Company for a period of 5 years in place of M/s Harish & Co. the Retiring Auditors and to fix their remuneration.

Special Business

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

RESOLVED THAT pursuant to the Regulation 17(1A) of SEBI (listing Obligations and Disclosure Requirements) (Amendment Regulations, 2018 (Amendment Regulations) and other applicable provisions, if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary in this regard, the consent of the members be and is hereby accorded to continue the Directorship of Air Vice Marshal Saravjit Singh Hothi (Retd.) (DIN 09182046), as Non Executive Independent Director of the Company, who will be attaining the age of 75 years on October 23, 2024, till the expiry of his term i.e June 09, 2027.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all other acts, deeds and things as are necessary and expedient in this regard"

**By order of the Board
FOR GNA AXLES LIMITED**

**Place: Mehtiana
Dated: July 11, 2024**

**Gourav Jain
(Company Secretary)**

Notes:

- 1) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 05, 2020 read with Circular No. 14 dated April 08, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM. The Company has availed the services of M/s Linkintime India Private Limited to facilitate the AGM through Audio Visual Means.
- 2) Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting 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 Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
- 3) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through their registered email address to simran.cs@gmail.com with copies marked to the Company at gjain@gnagroup.com.
- 4) **Registration of email ID and Bank Account details:**
 In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.
 In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

(i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit. **OR**

(ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

- 5) The Notice of the Annual General Meeting along with the Annual Report for the financial year 2023-24 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2023-24 will also be available on the Company's website www.gnagroup.com, websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at nseindia.com and bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- 6) Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 7) Pursuant to the provisions of Section 91 of the Companies Act, 2013 the Company has fixed September 06, 2024 as record date for payment of dividend.
- 8) The Remote E-Voting shall commence on September 16, 2024 at 9:00 AM and shall end on September 18, 2024 at 5:00 PM.
- 9) Members desiring any information, as regards Accounts, are requested to write to the Company at its Registered Office at least 10 days before the Annual General Meeting so as to enable the management to keep the information ready.
- 10) The Company has fixed September 12, 2024 as the cut off date for determining the eligibility of shareholders to attend a vote at the AGM.
- 11) The relevant details, pursuant to Regulation 36(3) of SEBI (LODR) Regulations and Secretarial Standards issued by ICSI on General Meetings, in respect of the Directors seeking appointment / reappointment at AGM are also annexed.

Notice (Contd.)

Remote e-Voting Instructions for shareholders:

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

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

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

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

OR

User who have not registered for NSDL IDeAS facility:

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

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

- Visit URL: <https://www.evoting.nsdl.com/>
- Click on the "Login" tab available under 'Shareholder/Member' section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".

- Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – If registered with CDSL Easi/Easiest facility

Users who have registered for CDSL Easi/Easiest facility.

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

OR

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

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

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

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

Individual Shareholders holding securities in demat mode with Depository Participant:

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

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

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

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

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

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

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/ Company.

Shareholders holding shares in **physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

Shareholders holding shares in **NSDL form, shall provide 'D' above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
 - Click "confirm" (Your password is now generated).
3. Click on 'Login' under '**SHARE HOLDER**' tab.
 4. Enter your User ID, Password, and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

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

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

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

STEP 2 –Investor Mapping

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

Notice (Contd.)

ID followed by 8 Digit Client ID i.e., IN00000012345678

- ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
- b. 'Investor's Name - Enter full name of the entity.
- c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
- d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

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

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- d) Enter '16-digit Demat Account No.' for which you want to cast vote.
- e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).

- f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

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

Helpdesk:

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

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

Helpdesk for Individual Shareholders holding securities in demat mode:

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

Login type	Helpdesk details
Individual 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 : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

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

Notice (Contd.)

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

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

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

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

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

Institutional shareholders ("Corporate Body/ Custodian/ Mutual Fund") has forgotten the password:

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

- Click on '**Login**' under '**Corporate Body/ Custodian/Mutual Fund**' tab and further Click '**forgot password?**'
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

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

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

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

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

Notice (Contd.)

Process and manner for attending the General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & click on "**Login**".
 - Select the "**Company**" and '**Event Date**' and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
 - Click "Go to Meeting" (You are now registered for InstaMeet, and your attendance is marked for the meeting).

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

1. Shareholders who would like to speak during the meeting must register their request with the company at email id gjain@gnagroup.com.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

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

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

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

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

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

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

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

Notice (Contd.)

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

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Notice (Contd.)

ANNEXURE TO THE NOTICE

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT

ITEM NO 7 OF THE SPECIAL BUSINESS.

Pursuant to regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended on May 09, 2018 prescribes that listed entity shall not appoint a person or continue with the directorship of a person as Non Executive Director who has attained the age of 75 years, unless a Special Resolution is passed by the shareholders of the Company to that effect. Air Vice Marshal Saravjit Singh Hothi (Retd.) was appointed as the Non Executive Independent Director of the Company in accordance with the provisions of section 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder w.e.f June 10, 2022 till June 09, 2027. In the opinion of the Board he fulfill the conditions specified under this Act for such appointment and is Independent of the Management. As Air Vice Marshal Saravjit Singh Hothi (Retd.) will be attaining the age of 75 years on October 23, 2024 and his term is valid till June 09, 2027 the Board of Directors in its meeting held on July 21, 2024 decided to seek the approval of the shareholders by way of Special Resolution for continuation of this term.

Details of Air Vice Marshal Saravjit Singh Hothi (Retd.) including information required to be furnished in pursuance of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standard - 2 is given below:-

Name of Director	Air Vice Marshal Saravjit Singh Hothi (Retd.) (DIN 09182046)
Date of Birth	October 23, 1949
Date of Appointment	June 10, 2022
Expertise in specific functional area	Experience of more than 37 years in area of Defence and General Administration.
Qualification	Post Graduate in Defence Studies
Number of Meetings of the Board attended during the year	Held : 4 Attended : 4
Directorship of other Companies	Nil
Chairman / Member of committees of other Companies	Nil
Number of shares held	Nil
Relationship with other Director(s)	Not related to any Director

Keeping in view the experience and the contribution made by Air Vice Marshal Saravjit Singh Hothi (Retd.) (DIN 09182046) who will be attaining the age of 75 years, the Board recommends the Special Resolution set out in Item No 7 for the approval of the shareholders of the Company.

None of the Directors and Key Managerial Personnel except Air Vice Marshal Saravjit Singh Hothi (Retd.) (DIN 09182046) is concerned or interested financially or otherwise, in the Resolution set out in the Notice.

The Board recommends the Special Resolution as set out at Item No 7 of the Notice for the approval by the shareholders.

**By order of the Board
FOR GNA AXLES LIMITED**

**Place: Mehtiana
Dated: July 11, 2024**

**Gourav Jain
(Company Secretary)**

Brief Resume of Directors seeking re-appointment at the ensuing AGM (Retiring by Rotation)

Name of Director	Mr. Maninder Singh	Mr. Ranbir Singh	Mr. Gurdeep Singh
Brief Particulars	Experience of more than 38 years in Auto Components industry.	Experience of more than 38 years in Auto Component industry.	Experience of more than 34 years in Auto Component industry.
DIN	01610746	01572708	01572748
Date of Birth	December 08, 1959	December 04, 1961	January 04, 1967
Nationality	Indian	Indian	Indian
Date of Appointment	July 24, 2021	September 06, 1993	September 06, 1993
Qualification	Graduate	Graduate	Graduate
Shareholding in the Company (As on July 21, 2023)	47,74,426 Equity Shares 11.12%	64,13,096 Equity Shares 14.94%	62,75,332 Equity Shares 14.62%
List of Directorships held in other Companies	<ol style="list-style-type: none"> 1. GNA Investment Limited. 2. Guru Nanak Transmissions Punjab Limited. 	<ol style="list-style-type: none"> 1. GNA Gears Limited. 2. Guru Nanak Transmissions Punjab Limited. 3. GNA Investment Limited 4. The Sukhjit Starch & Chemicals Limited. 5. Association of Indian Forging Industry 	<ol style="list-style-type: none"> 1. GNA Gears Limited. 2. Guru Nanak Transmissions Punjab Limited. 3. GNA Investment Limited 4. Amarsons Automotives Limited.
Relationship with other Directors	Related to Mr. Jasvinder Singh.	Related to Mr. Gursaran Singh, Mr. Gurdeep Singh and Mr. Kulwin Seehra	Related to Mr. Gursaran Singh & Mr. Ranbir Singh

Management Discussion & Analysis

Indian Economy

The Indian economy is set to achieve nearly 7% growth in the FY 2024-25. The positive outlook is attributed to the robust domestic demand that has propelled the country to a growth rate exceeding 6% over the past three years. The strength in domestic demand is driven by private consumption and investment, government reforms and initiatives implemented over the past decade. Investments in both physical and digital infrastructure, along with measures to boost manufacturing, have boosted the supply side, providing a significant boost to economic activity in the country.

Robust public investment driving growth: The Indian government's devotion to boosting infrastructure development and public investment has been a driving force behind the country's economic growth. Increased spending on infrastructure projects, such as roads, ports, and power generation, has not only created employment opportunities but has also facilitated the smooth flow of goods and services, thereby enhancing overall productivity and competitiveness. With its strong economic fundamentals, strategic focus on infrastructure development, resilient domestic demand, and promising export sectors, India is well-positioned to navigate global uncertainties and sustain its robust economic growth trajectory in 2024.

Industry Overview

The Company manufactures and markets Rear Axle Shafts, Spindles and Drive Shafts for Tractors and Commercial Vehicles. The business of the Company is predominantly dependent on the prospects of the Tractor and Commercial Vehicle Industry, both in India and abroad. During the year under review, the total number of Tractors sold in the country dipped by around 12% as compared to the FY 2022-23. This dip was on account of High base and slowdown in

the Tractor Industry. This slowdown in the Tractor Industry resulted in lower demand of the products of the Company. The mid to long term outlook for the Indian tractor industry is positive and the Company hopes to gain in the future. The demand from the tractor Industry from overseas market was also subdued during the year.

FY 2023-24 started on a positive note for the Indian CV industry while it shifted to BS VI Phase II emission norms from April 1, 2023. The first half started optimistically with a surge in sales volumes across most business segments. However, the second half saw a moderation in growth due to the combined impact of a high base, elections in five states, and the impending general elections.

The overall Commercial Vehicle sales increased from 9.62 Lac Units to 9.68 Lac units during FY 2023-24 (As per SIAM). Improving fleet utilisation, uptick in road construction, and increase in cement consumption catalysed demand in the M&HCV segment. Freight rates continue to improve slowly but consistently, with a good level of utilisation. However, the Company managed to improve its market share in the Commercial Vehicles segment and was able to sell a greater number of products in the Year under review as compared to the FY 2022-2023. The Company managed to sell around 10.26 Lac Units to the Commercial Vehicle industry as compared to 5.72 Lac units sold in the previous financial year. The Company saw an increase in sales of both the Rear Axle shafts and Spindles in the domestic market on the volume front but due to a correction in the steel prices, there was a decline in sales on the value front. In the export markets, the demand for the products of the Company was impacted due to the slowdown in the Commercial Vehicle industry in Europe and North America which are the primary markets for the products of the Company.

Business Overview

The Brief Summary of the operational and financial performance of the Company is given below:

Product Wise Volume Distribution

(No. of Pcs in Lacs)

Product Types	FY 2023-2024		FY 2022-23	
	Domestic	Exports	Domestic	Exports
Rear Axle Shafts	21.51	16.19	20.03	17.71
Spindles	4.70	5.84	3.32	4.83
Drive Shafts	1.42	1.44	1.94	1.67
Total	27.63	23.47	25.29	24.21

Segment-wise distribution

(No. of Pcs in Lacs)

Segments	FY 2023-2024		FY 2022-23	
	Domestic	Exports	Domestic	Exports
Off-Highway	17.37	2.99	19.57	2.61
CV	10.26	20.48	5.72	21.60
Total	27.63	23.48	25.29	24.21

Management Discussion & Analysis (Contd.)

Geography-wise Revenue from operations		Amount (₹ in Crores)	
Segments	FY 2023-2024	FY 2022-23	
Exports	776.20	838.91	
Domestic	714.34	720.66	
Total	1490.54	1559.57	

Amount (₹ in Crores)

Financial Highlights	FY 2023-2024	FY 2022-23
Total operating Revenue	1506.26	1582.93
Profit Before Depreciation, Interest and Tax	199.72	234.12
Financial Costs	11.54	10.96
Depreciation	53.34	48.51
Profit before Tax	134.84	174.64
Tax Expense	34.82	44.41
Profit after tax	100.02	130.20
Earnings Per Share		
- Basic	23.30	60.67
- Diluted	23.30	60.67

Key Financial Ratios

The Company has identified the following ratios as key financial ratios :

Sr. No	Particulars	FY 2023-2024	FY 2022-23	Explanation for Significant Change
1	Debtors Turnover Ratio (Times)	2.63	3.01	-
2	Inventory Turnover Ratio (Times)	7.72	8.29	-
3	Debt Service Coverage Ratio	4.60:1	6.72:1	This ratio has dropped due to a decrease on the generation of funds and an increase in the repayment of term loans
4	Current Ratio (Times)	2.16:1	1.93:1	-
5	Debt Equity Ratio (Times)	0.27:1	0.28:1	-
6	Return on Capital Employed (%)	14.65%	20.68%	It has reduced due to a fall in the overall profits of the Company and increase in depreciation.
7	Net Profit Margin (%)	6.71%	8.35%	-
8	Return on Equity (%)	12.47%	18.22%	It has reduced due to a fall in the overall profits of the Company.

Market and Business outlook

With promising GDP growth outlook, incentives from government to improve productivity in both manufacturing and agriculture sectors, and continuing focus on infra, demand for CVs is expected to improve from FY 2024-25. We remain cautiously optimistic about domestic demand while keeping a close watch on geopolitical developments, interest rates, fuel prices and inflation. As far as the Domestic Tractor Market is concerned we expect that the domestic sales are expected to post a lower single digit growth in this year as the Country expects a good monsoon this year which is expected to increase higher farm incomes and a lift in the rural economy.

Opportunities and Threats

It is expected that India will grow faster and ahead of the other economies of the World in the current decade which will give rise to new and manifold opportunities. The Auto component Industry is going to be a big beneficiary of India being made a global hub of Automobile and Auto Component manufacturing. Adapting to the required changes to grab the new opportunities, the Company will be in a strategic position to reap the benefits of globalisation and sourcing of auto components

Management Discussion & Analysis (Contd.)

from India by the global OEMs. The escalation of geopolitical tensions, which have led to a broad-based increase in global commodity prices. The Auto Component Industry continues to face business risks related to higher input costs, supply chain and changing customer preferences. Any delay in the economic recovery coupled with an increase in commodity prices and forex volatility are some of the major risks and headwinds which are being confronted.

Human Resources

The Company believes that human resources is the strong foundation for creating endless possibilities for its business. Our employees are our prime assets and are instrumental and vital to our success. We nurture our people by investing in their empowerment through learning and development, wellness and safety besides providing contemporary workplace facilities. By identifying, developing and nurturing quality talent at every stage of the employee lifecycle, we are empowering them to become future-ready and build rewarding careers. We are committed to creating a professional culture which enables our employees to grow in their careers along with the growth of the organisation. We continue to step up efforts to accelerate our value-based growth strategy and the overall development of our employees and continue to engage them in various initiatives of development and learning opportunities, reward and recognition and their career growth. Richer collaborations and stronger teamwork have accelerated our pursuit of excellence. The Company employed 1489 employees as of the end of FY 2023-24.

Quality, Efficiency & Delivery

During the year under review, we undertook various measures to reflect our strong endeavour towards quality commitment, efficiency and deliveries.

- In-house execution of manufacturing processes to monitor product quality, control production costs and maintain delivery schedules
- Improving forging efficiency to increase capacity utilisation
- Better relations with vendors for achieving quality, costs and delivery objectives with the help of regular vendor Audits
- Centralised approach towards sourcing and vendor management ensuring economies of scale in raw material procurement, especially steel
- Special focus on product packaging to meet customers' requirements. Due consideration is given to the mode of transportation and destination, ensuring timely deliveries

Technology and Automation

Technology defines one's competitive edge in the market. The Company realises that and has been investing in technological upgradation and also fine-tuning the systems and processes to ensure that those are in sync with the technology platforms. Thus, helping us provide a variety of customer specifications. The forging facilities are supported by robots. We intend to invest in automation for most stages of the production process. This will help ensure optimal use of resources, reduction of industrial risk to human workers, economies of scale and significantly higher accuracy in the overall manufacturing and design of products.

Internal Control System

The Company has devised and designed proper and adequate Internal Control Systems which are commensurate with its size and nature of operations and ensure that it is integrated with our financial and operating systems which direct more effectively. These controls have been designed in such a way to provide assurances regarding the maintenance of proper financial records, protection of the assets of the Company, and also ensure monitoring of the operations of the Company. The Internal Audit function of the Company reviews the Compliance of the established designs of Internal Control and the shortfalls and discrepancies, if any, are looked upon and tracked for closure. The summary of the Internal Audit findings and status of implementation of action plans for risk mitigation are submitted to the Audit Committee every quarter for review, and concerns around residual risks if any, are presented to the Board.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include the global economy, political stability, stock performance on stock markets, changes in Government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward-looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

Directors' Report

Dear Members,

The Directors of your Company have pleasure in presenting their 31st Annual Report on the affairs of the Company together with the Audited Accounts of the Company for the year ended March 31, 2024.

Financial Performance

The Financial results for the year are as under:-

Particulars	Amount (₹ in Lacs)	
	Year ended on March 31, 2024	Year ended on March 31, 2023
Net operating Revenue	1,50,626.18	1,58,293.37
Other Income	240.39	142.58
Profit Before Depreciation, Interest and Tax	19,972.41	23,411.80
Financial Costs	1,154.34	1,096.38
Profit before Depreciation and Tax	18,818.07	22,315.42
Depreciation	5,333.71	4,851.25
Profit before Tax	13,484.36	17,464.17
Tax Expense	3,482.27	4,441.06
Profit after tax	10,002.09	13,023.11
Earnings Per Share		
- Basic	23.30	60.67
- Diluted	23.30	60.67

Financial analysis and review of operations:

Revenue from operations decreased by ₹ 7,667.19 Lacs to ₹ 1,50,626.18 Lacs for the Fiscal 2024 from ₹ 1,58,293.37 Lacs for the Fiscal 2023, showing a decrease of 4.84%. Export sales decreased by ₹ 6,271.22 Lacs to ₹ 77,620.15 Lacs for the Fiscal 2024 from ₹ 83,891.37 Lacs for the Fiscal 2023 due to the correction in the steel prices. Domestic sales decreased by ₹ 632.21 Lacs to ₹ 71,433.73 Lacs in the Fiscal 2024 from ₹ 72,065.94 Lacs in the Fiscal 2024 thereby showing a decrease of 0.88 %.

The Company earned Profit before Tax of ₹ 13,484.36 Lacs during the year under review against ₹ 17,464.17 Lacs for the Fiscal 2023 showing a decrease of 22.79%. Profit after tax decreased by ₹ 3,021.02 Lacs to ₹ 10,002.09 Lacs for the Fiscal 2024 from ₹ 13,023.11 Lacs for the Fiscal 2023 thereby showing a decrease of 23.20 %.

There has been no material changes and commitments which can have an effect on the position of the Company which have occurred between the end of the financial year under review and the date of this report.

Transfer to reserves

Your Directors do not propose to transfer any amount to Reserves.

Deposits from Public

The Company has not accepted any deposits from the public as such no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2024.

Resource Utilisation:

Property Plant & Equipment

The property, plant & Equipment (including capital work in progress) as at March 31, 2024 were ₹ 35,254.12 Lacs as against previous year's value of ₹ 31,738.30 Lacs.

Current Assets

The net current assets as on March 31, 2024 were ₹ 44,980.14 Lacs as against ₹ 39,420.84 Lacs in the previous year.

Dividend:

The Board of Directors in its meeting held on May 24, 2024 had recommended a dividend @ 20.00 % i.e of ₹ 2.00/- per Equity Share of ₹ 10/- each (Previous year ₹ 6.00/- per Equity Share) to the shareholders of the Company for their consideration and approval at the ensuing Annual General Meeting of the Company. The dividend @ 20.00 %, if approved at the forthcoming Annual General Meeting, will result in the outflow of ₹ 858.62 Lacs. The Dividend, if approved at the ensuing Annual General Meeting, will be paid within the stipulated time under the Companies Act, 2013 (subject to deduction of Tax at source).

Directors' Report (Contd.)

Share Capital

The paid up Equity share Capital of the Company as on March 31, 2024 was ₹ 42,93,08,000/- divided into 4,29,30,800 Equity shares of ₹ 10/- each. During the Year under review the Company allotted bonus equity shares in the ratio of 1:1 to the shareholders of the Company and the share capital of the Company increased from ₹ 21,46,54,000 to ₹ 42,93,08,000.

Bonus Shares

During the financial year 2023-24, the Company issued and allotted 2,14,65,400 Bonus Equity Share of Rs. 10 each in proportion of 1 (one) Bonus Equity Share for every 1 (one) Equity Share (fully paid-up). The said shares rank pari-passu in all respects with the existing fully paid-up equity shares of the Company. Post bonus share, the issued and paid-up share capital of the Company increased to ₹ 42,93,08,000

Subsidiaries, Joint Ventures and Associate Companies

The Company has one subsidiary namely GNA Axles Inc. incorporated in Michigan USA. The subsidiary is yet to start its business operations. A statement pursuant to section 129(3) in form AOC – 1 is enclosed as an **Annexure 1** to this Report.

The Company does not have any associate or joint venture Company.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared after consolidating the accounts of the Subsidiary Company M/s GNA Axles Inc in the form and manner prescribed under the Companies Act, 2013 and shall be laid before the forthcoming 31st Annual General Meeting. The Consolidated Financial Statements are provided in this Annual Report.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is presented in a separate section forming part of this Annual report.

Corporate Social Responsibility (CSR) Initiatives:

Your company has formulated its Corporate Social Responsibility required under section 135 of the Companies Act, 2013. The Company has identified following thrust areas for CSR:

1. To promote and help in providing healthcare and preventive healthcare facilities to the people.
2. To promote Education and help in delivering quality education to the society and students.

3. To promote the rural sports, nationally recognised sports and Olympic sports.
4. To take initiative in eradication of hunger, malnutrition, sanitation.
5. To promote women empowerment
6. Any other project / programme pertaining to activities listed in Schedule VII of the Companies(Corporate Social Responsibility) Rules, 2014 and amendments thereto.

The disclosures under Section 134(3) of the Companies Act, 2013 read with Rule 9 of Companies (Accounts) Rules 2014 i.e. Annual Report on CSR activities for Financial Year 2023-24 is attached herewith as **Annexure 2**.

Risk Management

The Board of Directors of the Company had formulated and approved the Risk Management Policy of the Company under the provisions of the Companies Act 2013 and SEBI (LODR), Regulations, 2015. The objective of Risk Management at GNA Axles Limited is to create and protect shareholder value by minimising threats or losses, and identifying and maximising opportunities. An enterprise-wide risk management framework is applied so that effective management of risks is an integral part of every employee's job.

The Risk Management Policy of the Company may be accessed on the Company's Website at the link:

<http://gnagroup.com/wp-content/uploads/2015/09/Risk-Management-Policy.pdf>

Vigil Mechanism and Whistle Blower Policy.

Pursuant to provisions of section 177 (9) of the Companies Act, 2013, the Company has established a "Vigil Mechanism" incorporating Vigil Mechanism Policy which also incorporates the Whistle Blower Policy in terms of rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 for employees and Directors of the Company, for expressing the genuine concerns of unethical behavior, frauds or violation of the codes of conduct. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns.

The Policy on Vigil Mechanism as approved by the Board of Directors can be accessed on the Company's website at the link:

<http://gnagroup.com/wp-content/uploads/2015/09/VIGIL-MECHANISM-POLICY.pdf>

Dividend Distribution Policy

The Board of Directors of the Company in their meeting held on April 23, 2021 had adopted and approved the Dividend

Directors' Report (Contd.)

Distribution policy of the Company and the same is annexed as **Annexure – 5** to this Directors Report and is available on the website of the Company at www.gnaaxles.in/pdf/unpaid-dividend/Dividend-Distribution-Policy-23.04.21.pdf.

Remuneration Policy

The Board of Directors of the Company had formulated and approved the Nomination and Remuneration Policy of the Company which includes the criteria determining the qualifications and other matters as provided under section 178(3) of the Companies Act 2013.

The Nomination and Remuneration Policy of the Company is annexed hereto and forms part of this report as **Annexure 3**.

Internal Financial Control:

The Internal Financial Control systems of the Company with reference to financial statements are well placed and are commensurate with the size and nature of operations of the Company. The Statutory Auditors report on the internal financial controls, as required under section 143 of the Companies Act 2013 forms part of the Independent Auditors Report as **Annexure B**.

Particulars of Contracts or Arrangements made with Related Parties:

The Company has not entered into any contract or arrangement with related parties during the period under review except payment of remuneration and payment of Dividend to the Related parties and the details the same are included in the Notes on accounts forming part of the Annual Accounts (both consolidated and standalone) form part of this Annual Report.

Particulars of Loans, Guarantees or Investments Made Under Section 186 of the Companies Act, 2013

The Company has not given any loan, provided any guarantee, provided any security or made any investments u/s 186 of the Companies Act during the financial year 2023-2024.

Directors

In accordance with provisions of the Articles of Association of the Company, Mr. Ranbir Singh, Mr. Gurdeep Singh and Mr. Maninder Singh Directors of your Company, retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offers themselves for re-appointment. The Board of Directors recommends their reappointment as Directors at the forthcoming Annual General Meeting. Mr. Saravjit Singh Hothi, Non Executive Independent Director of the Company was appointed on June 09, 2022 for a period of 5 years. He is attaining the Age of 75 years on October 23, 2024. In terms of Regulation 17A

of SEBI (LODR) regulations, 2015 his appointment is to be ratified by the shareholder by way of Special Resolution for continuation of his Directorship. Your Directors recommend the continuation of his Directorship at the forthcoming Annual General Meeting.

Pursuant to provisions of Section 203 of the Companies Act, 2013, the Company has designated below mentioned persons as KMP's :-

WholeTime Key Managerial Personnel of the Company	Designation
Gursaran Singh	Executive Chairman
Jasvinder Singh	Executive Vice Chairman
Ranbir Singh	Managing Director & Chief Executive Office
Rakesh Kumar	Chief Financial Officer (CFO)
Gourav Jain	Company Secretary (CS)

There has been no change in the Key Managerial Personnel of the Company during the year under review.

Declaration under Section 149(6):

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and read with the relevant rules. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

Familiarisation programmes for Board Members:

The Board members are from time to time provided with necessary documents/policies/internal procedures to get them familiar with the practices of the Company. The business strategies, performance, global developments, legal& other updates, compliance reports and other relevant information/reports etc. are being periodically provided to the Board of Directors.

Board Evaluation:

The Company has put in place the policy for performance evaluation of the Individual Directors of the Company and the Board as a whole including the Chairman of the Company. The meeting of the Independent Directors of the Company for the year 2023-2024 was held on February 09, 2024 to evaluate the performance of the Non Independent Directors of the Company, the Chairman of the Company and Board as a whole. The evaluation was done by discussing the performance of the Individual Directors and the Board as a whole.

Directors' Report (Contd.)

Auditors and Auditors' Report:

a. Statutory Auditors:

The tenure of Statutory Auditors M/s Harish & Co., Chartered Accountants is going to end at the ensuing Annual General Meeting and the Board of Directors in their meeting held on July 11, 2024 had appointed M/s G S Syal & Co., Chartered Accountants Jalandhar as Statutory Auditors of the Company for a period of 5 years, i.e to do the Audit of the Books of Accounts of the Company till March 31, 2029, subject to the approval of the shareholders in the ensuing Annual General Meeting. M/s G S Syal & Co., Chartered Accounts have confirmed their eligibility to be appointed as Statutory Auditors of the Company at the ensuing Annual General Meeting. The Board of Directors recommend the appointment of M/s G S Syal & Co, Chartered Accountants as Statutory Auditors of the Company hold office from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the year 2029. The Company intends to pay a a sum of ₹ 7.50 Lacs (Plus Applicable Taxes) to M/s G S Syal & Co, Chartered Accountants as Statutory Audit Fees for the each Financial Year of their tenure. During the year under review, the Company has paid a sum of ₹ 7.50 Lacs as Statutory Audit Fees to M/s Harish & Co., the Statutory Auditors.

The Auditor's Report does not have any qualification, reservation, adverse remark or disclaimer by the Statutory Auditors.

b. Secretarial Auditor:

M/s H.K & Associates, Practicing Company Secretaries, were appointed as Secretarial Auditor for the year 2023-24. The Report of the Secretarial Auditor in form no MR-3 is annexed to this Report. The Secretarial Audit Report is self explanatory and do not call for any comments. The Secretarial Audit Report forms part of this report as **Annexure 4**.

Board Meetings:

During the Financial Year 2023-24, the Board met 4 times on May 01, 2023, July 21, 2023, October 27, 2023 and February 09, 2024.

Board Committees

A. Audit Committee

The Audit Committee comprises of the following Directors.

1. Air Vice Marshal Sarvjit Singh Hothi – Chairman, Independent Director
2. Mr. Jasvinder Singh Johal – Independent Director

3. Mr. Ajit Singh – Independent Director
4. Mr. Ranbir Singh – Non Independent Director
5. Mr. Rajan Wadhwa – Independent Director

B. Nomination and Remuneration Committee

The Nomination and remuneration Committee comprises of the following Directors.

1. Mr. Ashwani Kumar Malhotra – Chairman, Independent Director
2. Mr. Jasvinder Singh Johal – Independent Director
3. Mr. Gurdeep Singh – Non Independent Director

C. Stakeholders' Relationship Committee

The Stakeholder Relationship Committee comprises of the following Directors.

1. Mr. Ajit Singh – Chairman, Independent Director
2. Mr. Jasvinder Singh – Non Independent Director
3. Mrs. Pooja Uppal – Independent Director

D. Corporate Social Responsibility Committee

The Corporate Social responsibility Committee comprises of the following Directors

1. Air Vice Marshal Sarvjit Singh Hothi – Chairman, Independent Director
2. Mr. Ashwani Kumar Malhotra – Independent Director
3. Mr. Ranbir Singh – Non Independent Director

E. Risk Management Committee

The Corporate Social responsibility Committee comprises of the following Directors

1. Mr. Ranbir Singh – Non Independent Director
2. Mr. Gurdeep Singh – Non Independent Director
3. Mr. Kulwin Seehra – Non Independent Director
4. Mr. Jasvinder Singh Johal – Independent Director

Corporate Governance

A Separate section on Corporate Governance forms an integral part of this Annual Report of the Company. The Statutory Auditors of the Company have given their certificate regarding the compliance of the conditions of Corporate Governance as stipulated under the SEBI (LODR) Regulations, 2015 and the same is annexed to the report on Corporate Governance.

Business Responsibility Sustainability Report

In Compliance of regulation 34 of SEBI Listing regulations, the Business Responsibility Sustainability Report detailing the various initiatives taken by the Company on environmental, social and governance front is forming part of this Annual Report.

Directors' Report (Contd.)

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo:

Conservation of energy has been a major area of emphasis of your Company and every effort is made to achieve the optimum utilisation of energy in carrying out the manufacturing processes. Particulars with respect to conservation of energy and other areas as per section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided in **Annexure 6**.

Annual return

In terms of the provisions of section 92(3) of the Companies Act, 2013 read with Companies (Amendment) Act 2017 and the relevant rules made thereunder, a copy of the Annual Return as prescribed under Section 92 of the Companies Act, 2013 as amended shall be made available at the website of the Company www.gnaaxles.in under the investor relations tab on the website of the Company.

Human Resources/Industrial Relations:

For your Company its Human Resources are its most important assets. It has been the endeavor of the Company to attract and retain talent. Performance management is the key word for the Company. The Industrial relations have been peaceful and harmonious in both the plants of the Company during the year under review. As on March 31, 2024, 1489, personnel were employed by the Company.

Personnel & Related Information:

The disclosures required under section 197(12) of the Companies Act 2013 and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are annexed as **Annexure 7** hereto and forms part of this report.

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

The Company has in place a Prevention of Sexual Harassment policy (POSH) in line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Compliance Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary and trainees) are covered under this policy. The Company has not received any complaint about sexual harassment during the year 2023-24.

Director's Responsibility Statement:

Pursuant to Section 134 (5) of the Companies Act, 2013, the Directors of the Company confirm that:

1. In the preparation of the annual accounts, the applicable Accounting Standards have been followed;

2. Appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. 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 safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual accounts have been prepared on a going concern basis.
5. The Board of Director of the Company has laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
6. Devised proper systems to ensure compliance with the provisions of all applicable laws and those systems were adequate and operating effectively.

General Disclosures:

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

1. Details of joint venture or associate company.
2. Issue of equity shares with differential rights to dividend, voting or otherwise.
3. Details relating to the deposits covered under Chapter V of the Companies Act 2013.
4. No significant/material orders have been passed by any Regulator/Court /Tribunal which could impact the going concern status & future operations of the Company.
5. No change in nature of Business of the Company.

Acknowledgement:

Your Directors express their appreciation for the sincere co-operation and assistance of the Central and state Government authorities, bankers, customers, suppliers and business associates. Your Directors also wish to place on record their appreciation for the Committed employees of the Company. They also acknowledge with gratitude, the encouragement and support extended by our valued shareholders.

For and on Behalf of the Board

Date: July 11, 2024
Place: Mehtiana

Gursaran Singh
Executive Chairman

Annexure - I

FORM NO. AOC – 1 PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANIES.

Part A

Amount in Rupees

Particulars	GNA Axles Inc. (Current Year)
a) Reporting period of subsidiary concerned, if different from the holding Company's reporting period.	NA
b) Reporting currency and exchange rate as on the last date of the relevant financial year in case of foreign subsidiaries	Exchange Rate 1 USD = 83.3739
c) Capital	83373.90
d) Reserves	(2984843.98)
e) Total Assets	55385.28
f) Total Liabilities	55385.28
g) Details of investments (Except in case of investment of subsidiaries)	0.00
h) Turnover (net)	0.00
i) Profit before taxation	(413334.45)
j) Provision for taxation	0.00
k) Profit after taxation	(413334.45)
l) Proposed dividend (including tax thereon)	0.00
m) % of shareholding	100.00

Annexure - 2

ANNUAL REPORT ON CSR PURSUANT TO RULE 8 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014

The CSR programmes and pursuits of the Company are illustrated in the Social & Relationship Capital section of the Integrated Report on Page 37

1. Brief Outline on CSR Policy of the Company

- i. Eradicating hunger and providing for healthcare.
- ii. Empowerment of Women.
- iii. Promoting Education
- iv. Promotion of sports
- v. Rural Development
- vi. Any other project / programme pertaining to the activities listed in the Schedule vii) of Companies Act, 2013 and Companies (CSR) Rules, 2014.

2. Composition of CSR Committee

As at March 31, 2024, the Corporate Social Responsibility Committee comprised of 3(three) Members of the Board, 2 (Two) of which were Independent Directors and 1(One) was Executive. The Chairman of the Committee is an Independent Director.

Sl. No.	Name and Designation/ Nature of Directorship	Total No. of CSR Committee Meetings held during the year - 1
		Attendance in CSR Committee Meeting held on July 21, 2023
1.	Air Vice Marshal Sarvjit Singh Hothi (Retd.)	Present
2.	Mr. Ranbir Singh	Present
3.	Mr. Ashwani Kumar Malhotra	Present

Annexure - 2 (Contd.)

3. Provide the web-link where Composition of CSR Committee, CSR Policy or CSR projects approved by the Board are disclosed on the website of the Company

CSR Committee – www.gnaaxles.in

CSR Policy – www.gnaaxles.in

CSR Programmes – www.gnaaxles.in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not applicable for financial year 2023-24.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – NIL

6. Average net Profit of the Company as per Section 135(5) – ₹ 13,045.79 Lacs.

7. (a) Two percent of average net profit of the Company as per section 135(5) ₹ 260.92 Lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NIL

(c) Amount required to be set off for the financial year, if any NIL

(d) Total CSR obligation for the financial year (7a+7b-7c) ₹ 260.92 Lacs

8. (a) CSR spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹ Lacs)	Amount Unspent (in ₹ Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
272.23	NA	NA	NA	NA	NA

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. 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		Project Duration	Amount allocated for the project (in ₹ Lacs)	Amount spent in the current Financial Year (in ₹ Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹ Lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration Number
-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL							-	-	-	-	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	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 ₹ Lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Regn No., If already registered
1	Eradicating Hunger	(i)	Yes	Punjab	Amritsar, Jalandhar & Kapurthala	50.69	No	Bibi Kaulan Ji Bhalai Kender Trust	CSR00009149
2.	Promoting Education	(ii)	Yes	Punjab	Jalandhar, Kapurthala, Hoshiarpur	31.54	Yes	-	-

Annexure - 2 (Contd.)

(1) Sl. No.	(2) Name of the Project	(3) Project Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No)	(5) Location of the Project		(6) Amount spent for the Project (in ₹ Lacs)	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Regn No., If already registered
3	Promoting Healthcare	(i)	No	Punjab	Ludhiana	5.00	No	Helpful NGO Welfare Society	CSR00052073
4	Promoting Day Care centres and promoting Sports	(iii) & (vii)	Yes	Punjab	Hoshiarpur	185.00	No	Nanak Foundation	CSR00024807

TOTAL AMOUNT SPENT = ₹ 272.23 Lacs

- (d) Amount spent in Administrative Overheads : NIL
(e) Amount spent on Impact Assessment, if applicable : NIL
(f) Total Amount spent for the Financial Year (8b+8c+8d+8e) : 126.35 Lacs
(g) Excess amount for set off, if any : 11.31 Lacs

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the companythe Company as per section 135(5)	260.92
(ii)	Total amount spent for the Financial Year	272.23
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	11.31
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	11.31

9. (a) Details of unspent CSR amount for the preceding three financial year(s) :

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹ Lacs)	Amount spent in the reporting Financial Year (in ₹ Lacs)	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 ₹ Lacs)
				Name of the fund	Amount (in ₹ Lacs)	Date of transfer	
1.	2020-2021	69.34	69.34	-	-	-	NIL
2.	2021-2022	76.06	76.06	-	-	-	NIL
3.	2022-2023	29.31	29.31	-	-	-	NIL

- (b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **NIL**

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project Duration	(6) Total Amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project – Completed/ Ongoing
1.	CSR	Bibi Kaulan Ji Bhalai Kender Trust	2022-23	2 years	113.82	29.31	113.82	Completed

Annexure - 2 (Contd.)

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset (₹ in Lacs.)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
March 21, 2024	185.00	Nanak Foundation	Land measuring 4 acres at village Sunra Tehsil & Dist Hoshiarpur
TOTAL	185.00		

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5). – NA

Date : July 11, 2024
Place : Mehtiana

Ashwani Malhotra
 Chairman CSR Committee

Annexure 3

Nomination and Remuneration Policy of GNA Axles Limited

1. Preface:

The Nomination and Remuneration Committee was constituted by our Board on September 29, 2014. The Nomination and Remuneration Committee was reconstituted on June 09, 2015 and the terms of reference were modified pursuant to the Board resolution dated March 07, 2016. The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013.

The amended policy is as under:-

2. Role of the committee:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal, and carrying out evaluations of every director's performance;
5. Analyzing, monitoring and reviewing various human resource and compensation matters;
6. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
7. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
8. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
9. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

10. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

- (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

11. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.
12. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

3. Membership:

- a) The Committee shall consist of a minimum 3 nonexecutive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

4. Chairman:

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairman of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

5. Frequency Of Meetings:

The meetings of the Committee shall be held at such regular intervals as may be required.

Annexure - 3 (Contd.)

6. Committee Members' Interests:

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

7. Secretary:

The Company Secretary of the Company shall act as Secretary of the Committee.

8. Voting:

- a) Decisions of the Committee shall be decided by a majority of votes of Members present and voting

and any such decision shall for all purposes be deemed a decision of the Committee.

- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

9. Minutes Of Committee Meeting:

The minutes of all the proceedings of all meetings must be signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board meetings.

10. Effective Date & Amendments:

This policy will be effective from March 07, 2016 and may be amended subject to the

Annexure 4

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2021

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

To the Members of

GNA Axles Limited

GNA House

1-C, Chhoti Baradari Part – 2

Garha Road, Opposite Medical College

Jalandhar – 144001

CIN: L29130PB1993PLC013684

We have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **GNA Axles Limited**. The Secretarial Audit was conducted in a manner that provided to us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of **GNA Axles Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers agents and authorised 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, 2021 complied with 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, 2022 according to the provisions of:

- I. The Companies Act, 2013 and the rules made thereunder;
- II. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – [Not Applicable during the audit period];
- 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 (Listing Obligations & Disclosure Requirements) Regulations, 2015
 - c. The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equities) Regulations, 2021. [Not applicable as there was no reportable event during the financial year under review.]
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021 [Not Applicable as the Company has not issued and listed any debt securities during the financial year under review]
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. [Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the financial year under review]
 - h. The Securities and Exchange Board of India (Delisting Of Equity Shares) Regulations, 2021 (w.e.f. June 10, 2021) [Not applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the financial year under review]
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. [Not applicable as the Company has not bought back / proposed to buy-back any of its securities during the financial year under review]

Annexure - 4 (Contd.)

- VI. The following laws as identified and confirmed by the Management as specifically applicable to the Company:
- Environment (Protection) Act, 1986.
 - Air (Prevention and Control of Pollution) Act, 1981.
 - Water (Prevention and Control of Pollution) Act, 1974.
 - Hazardous Wastes (Management, Handling and Trans-boundary Movement) Rules, 2008

We further report that, adequate systems are in place to monitor and ensure compliance with general laws like labour laws, competition law, environmental laws etc.

We have also examined compliances with the applicable clauses of the following.

- Secretarial Standards issued by the Institute of Companies Secretaries of India.
- Uniform Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the Period under review, the Company has generally complied with the provisions of the Act, rules, regulations, guidelines', standards etc. mentioned above.

We further report that:

The Board of Directors of Company duly constituted with the proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder.

Adequate Notice is given to all Directors to schedule the board meeting, agenda and detailed notes on agenda are sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and the meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried through with requisite majority while the dissenting members' views, if any, are captured and recorded as part of the minutes. No dissenting views have been noticed during the period covered under audit.

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.

We further report that during the audit period there were no events/actions, having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulation, guidelines, standards, etc.

For H. K. & Associates
Company Secretaries
Peer Review No.2233/2022

Place: Jalandhar
Dated: July 11, 2024

Harsimran Kaur
Proprietor
M. No: FCS-8174, C.P No: 9252
UDIN: F008174F000721062

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

Annexure - 4 (Contd.)

Annexure to the Secretarial Audit Report

To the Members of

GNA Axles Limited

GNA House

1-C, Chhoti Baradari Part – 2

Garha Road, Opposite Medical College

Jalandhar – 144001

CIN: L29130PB1993PLC013684

Management's Responsibility

It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditors Responsibility

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

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

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company

**For H. K. & Associates
Company Secretaries
Peer Review No.2233/2022**

**Harsimran Kaur
Proprietor**

**Place: Jalandhar
Dated: July 11, 2024**

M. No: FCS-8174, C.P No: 9252
UDIN: F008174F000721062

Dividend Distribution Policy of GNA Axles Limited

Preamble

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (the "**Regulations**") mandated top five hundred listed companies, to formulate a Dividend Distribution Policy, which shall be disclosed in its Annual Report and on its website. Other Companies can opt for the policy on voluntary basis.

The policy, in the interest of providing transparency to the shareholders, sets out the circumstances and different factors for consideration by the Board at the time of deciding on distribution or of retention of profits. In view of the said requirement, the Board of Directors of the Company recognises the need to lay down a broad framework with regard to the distribution of dividend to its shareholders and utilisation of the retained earnings. The Policy reflects the intent of the Company to reward its shareholders by distributing a portion of its profits after retaining sufficient funds for the business needs and growth of the Company.

The Company would ensure to strike the right balance between the quantum of the dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will have regards to this policy while declaring/recommending dividends on the behalf of the Company. Through this policy, the Company would strive to maintain a consistent approach to dividend pay-out plans.

The Board of Directors (**the "Board"**) of GNA Axles Limited (**the "Company"**) at its meeting held on April 23, 2021 has adopted this Dividend Distribution Policy (the "**Policy**"), pursuant to the terms of Regulation 43A of the SEBI (LODR) Regulations, 2015. The policy shall become effective from the date of its approval by the Board i.e. April 23, 2021.

2. Definitions

1. "**Board**" shall mean Board of Directors of the Company;
2. "**Companies Act**" shall mean the Companies Act, 2013 and Rules there under, notified by the Ministry of Corporate Affairs, Government of India, as amended;
3. "**Dividend**" includes any interim dividend;
4. "**Listed Entity / Company**" shall mean GNA Axles Limited;
5. "**Policy**" means Dividend Distribution Policy;
6. "**Stock Exchange**" shall mean a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (regulation) Act, 1956.

3. Policy

A. PARAMETERS AND FACTORS FOR DECLARATION OF DIVIDEND

The dividend pay-out decision of the Board depends upon the following financial parameters, internal and external factors:

Financial parameters and Internal Factors:

1. Operating cash flow of the Company
2. Profit earned during the year
3. Profit available for distribution
4. Earnings Per Share ("EPS")
5. Working capital requirements
6. Capital expenditure requirements
7. Business expansion and growth
8. Likelihood of crystallisation of contingent liabilities, if any
9. Additional investment in subsidiaries and associates of the Company
10. Creation of contingency fund
11. Acquisition of brands and business
12. Cost of Borrowings
13. Need for conservation of cash due to economic downturn
14. Past dividend payout ratio / trends

External Factors:

1. Economic environment
2. Government regulations
3. Global conditions
4. Statutory provisions and guidelines

B. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

The Board will assess the Company's financial requirements, including present and future organic and inorganic growth opportunities, government policies & regulations and other relevant factors (as mentioned elsewhere in this policy) and accordingly declare dividend in any financial year.

The shareholders of the Company may not expect dividend under certain circumstances including the following,

- In the event of inadequacy of profits or whenever the Company has incurred losses;
- Significant cash flow requirements towards higher working capital requirements / tax

Annexure - 5 (Contd.)

demands / or others , adversely impacting free cash flows;

- An impending / ongoing capital expenditure program or any acquisitions or investment in joint ventures requiring significant allocation of capital;
- Allocation of cash required for buy-back of securities;
- Any of the internal or external factors restraining the Company from considering dividend.

C. UTILIZATION OF THE RETAINED EARNING

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following factors:

1. Product expansion plan
2. Increase in production capacity
3. Increase in the market footprint
4. Modernisation plan
5. Diversification of business
6. Replacement of capital assets
7. High Cost of Debt

D. RATE/ QUANTUM OF DIVIDEND:

The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business, to the shareholders, in the form of dividend. The Company would maintain a dividend pay-out as may be determined by the Board from time to time, considering the general business factors and other significant parameters specified in this policy.

E. MANNER OF DIVIDEND PAYOUT**In case of final dividend:**

- i. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- ii. The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration, to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

In case of interim dividend:

- i. Interim dividend, if any, shall be declared by the Board.
- ii. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- iii. The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- iv. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

F. PARAMETERS TO BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive the same amount of dividend per share. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations and will be determined, if and when the Company decides to issue any other classes of shares.

4. Conflict In Policy

In the event of any conflict between this Policy and the provisions contained in the regulations, the regulations shall prevail.

5. Disclosures

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company i.e. www.gnagroup.com.

6. Policy Review And Amendments

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Board may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Dividend Distribution Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

INFORMATION PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT – 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES 2014 FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31st MARCH, 2024.

CONSERVATION OF ENERGY

The Company has been taking adequate measures for the conservation of energy by ensuring the optimum utilisation of energy and other resources at its disposal. The Company has been at the forefront to conserve energy and natural resources by implementing various energy conservation measures not limited to using the energy and power efficient machinery which reduces the consumption of Power, Oil, Water and other energy resources while carrying on the production processes and adhering to the following guidelines:-

1. Implementing the latest technology to reduce energy losses.
2. Minimising idle running hours of machinery and Equipments.
3. Innovation and Up-gradation of Technology.
4. Regular auditing of Oil, & Power conservation.
5. Minimal energy has been generated from the DG sets.
6. Energy Audits are done at continuous basis and corrective action is taken wherever necessary.

B. TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT

i) Efforts made in Technology Absorption:

As result of ongoing improvements the Company has been absorbing and localising the latest technology in production and process with the help of importing of latest machinery & allied equipments. The Company always strives to meet the highest standards of precision and customer satisfaction by improving the existing processes and by setting up the world class manufacturing facilities with best available machining set up. The Company has not imported technologies in the last five years. The efficient machineries acquired and imported by the Company in the past have been absorbed by the Company.

ii) Benefits derived as a result of the above:

Owing to these, the Company has been able to derive benefits like improvement of the product quality, eliminating wastages, reducing the consumption of the Raw Material and reducing

the overall cost of production. Initiative planning and absorbing new technology has been taken by the R & D team of the Company by visiting & participating in various trade shows & exhibitions in various parts of India & across the Globe. Further Quality Council is looking after other process improvement activities. For sustainable development and business growth, our focus and objectives are towards a clean environment at the work place and the surroundings. Attempts are made to reduce, reuse, and recycle, for elimination of waste resulting in efficient use of available resources.

iii) Expenditure on Research & Development

The development work is carried on a continuous basis by the respective and concerned departments in the organisation in the field of product design and development, cost reduction and automation, reduction in the process time and environment protection and conservation of energy. Due to the benefits derived by the Company on account of the initiatives taken in the above fields the Company has been able to achieve seamless production of world class auto components for its OEM customers in both domestic and overseas market. No separate records of the expenditure on Research and Development are kept by the Company.

FOREIGN EXCHANGE EARNING AND OUTGO

- Continued efforts/ initiatives made with a focus on development of new products as well as product extension of the existing lines.
- Mobilisation/ Gearing up of the existing as well as new markets keeping in view the ongoing expansions.
- Total Foreign Exchange earned and used :

	₹ in Lacs	
	Current Year	Previous Year
Earnings in Foreign Exchange	77620.15	83,891.37
Foreign Exchange Outgo	6,037.70	9,614.95

For and on Behalf of the Board

Date: July 11, 2024
Place: Mehtiana

Gursaran Singh
Executive Chairman

Annexure - 7

INFORMATION PURSUANT TO SECTION 197(12) REAS WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONEL)RULES, 2014

Details of the Ratio of remuneration of each director to the median employees remuneration.

I) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year is as follows:-

Sr. No	Name & Designation of Director	Remuneration (Amount ₹ In Lakhs)	Ratio To Median Remuneration
1.	Mr. Gursaran Singh – Executive Chairman	239.81	126.22
2.	Mr. Jasvinder Singh – Executive Vice Chairman	281.09	147.94
3.	Mr. Ranbir Singh – Managing Director & CEO	284.93	149.96
4.	Mr. Gurdeep Singh – Director	-	-
5.	Mr. Maninder Singh – Wholetime Director	83.90	44.16
6.	Mr. Harwinder Singh – WholeTime Director	83.79	44.10
7.	Mr. Kulwin Seehra – Wholetime Director	83.79	44.10
8.	Mr. Jasminder Singh Johal – Independent Director	-	Not Applicable as only sitting fees is paid during the year
9.	Mr. Ajit Singh – Independent Director	-	Not Applicable as only sitting fees is paid during the year
10.	Lt. Gen. Praveen Bakshi (Retd.)	-	Not Applicable as only sitting fees is paid during the year
11.	Mr. Rajan Wadhwa – Independent Director	-	Not Applicable as only sitting fees is paid during the year
12.	Mr. Ashwani Kumar Malhotra - Independent Director	-	Not Applicable as only sitting fees is paid during the year
13.	Air Vice Marshal S S Hothi (Retd.) - Independent Director	-	Not Applicable as only sitting fees is paid during the year
14.	Mrs. Pooja Uppal - Independent Director	-	Not Applicable as only sitting fees is paid during the year

II) The percentage increase in remuneration of each Director, CFO , CEO, CS or Manager if any in the financial year 2023-2024 compared to 2022-23

Sr. No	Name & Designation of Director, CFO, CEO and CS	Remuneration For the Year Ended 2023-24 (₹ In Lakhs)	Remuneration For the Year Ended 2022-23 (₹ In Lakhs)	% Change
1.	Mr. Gursaran Singh – Executive Chairman	239.81	269.94	(11.16)
2.	Mr. Jasvinder Singh – Executive Vice Chairman	281.09	314.34	(10.58)
3.	Mr. Ranbir Singh – Managing Director & CEO	284.93	314.34	(9.36)
4.	Mr. Gurdeep Singh – Director	-	-	-
5.	M. Maninder Singh – Wholetime Director	83.90	74.78	12.20
6.	Mr. Harwinder Singh – WholeTime Director	83.79	66.15	26.67
7.	Mr. Kulwin Seehra – Wholetime Director	83.79	66.15	26.67
8.	Mr. Jasminder Singh Johal – Independent Director	-	-	Not applicable as only sitting fees is paid during the year

Annexure - 7 (Contd.)

Sr. No	Name & Designation of Director, CFO, CEO and CS	Remuneration For the Year Ended 2023-24 (₹ In Lakhs)	Remuneration For the Year Ended 2022-23 (₹ In Lakhs)	% Change
9.	Mr. Ajit Singh – Independent Director	-	-	Not applicable as only sitting fees is paid during the year
10.	Lt. Gen. Praveen Bakshi (Retd.) - Independent Director	-	-	Not applicable as only sitting fees is paid during the year
11.	Mr. Rajan Wadhwa – Independent Director	-	-	Not applicable as only sitting fees is paid during the year
12.	Mr. Ashwani Kumar Malhotra - Independent Director	-	-	Not applicable as only sitting fees is paid during the year
13.	Air Vice Marshal S S Hothi - Independent Director	-	-	Not applicable as only sitting fees is paid during the year
14.	Mrs. Pooja Uppal - Independent Director	-	-	Not applicable as only sitting fees is paid during the year
15.	Mr. Rakesh Gupta – CFO	18.79	17.16	9.50
16.	Mr. Gourav Jain – CS	10.21	9.05	12.82

III) The median remuneration of the employees has increased by 11.80 % In 2023-2024 as compared to 11.50 % in 2022-2023.

IV) Number of permanent employees on the rolls of the company during Financial Year 2023-24 was 1489.

V) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and is there are any exceptional circumstances for increase in the managerial remuneration:- Average increase in the Employees remuneration other than managerial remuneration is 11.40 % while the managerial remuneration decreased by 4.38 %.

VI) We affirm that the remuneration paid to the Directors, Key Managerial Personnel and employees is as per the remuneration policy of the Company.

Annexure - 7 (Contd.)

INFORMATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**I) Names of the Top ten employees of the Company in terms of remuneration drawn.**

S. No	Name of Employee	Designation of the Employee	Remuneration Received (Amt. in Lacs)	Nature of employment whether contractual or otherwise	Qualification and experience of employee	Date of commencement of employment	Age (in Years)	Last Employment held before joining the Company	The percentage of equity shares held by employee of the Company	Whether any such employee is a relative of any Director of the Company and if so name of the Director.
1	Mrs. Loveleen Kaur	Sr. Vice President (Corporate Affairs)	26.99 Lacs	Permanent	Graduate, 25 years	01.02.2018	59	-	0.047%	Relative of Mr. Ranbir Singh and Mr. Kulwin Seehra
2.	Mr. Satwinder Singh	Sr. Vice President – Projects	20.37 Lacs	Permanent	Diploma in Mechanical Engineering, 42 Years	01.03.2005	68	GNA Udyog Limited	0.00%	Not Related
3.	Mr. Surinder Singh	Sr. Vice President – Works	19.48 Lacs	Permanent	Diploma in Mechanical Engineering 45 Years	16.05.1994	67	Guru Nanak Auto Enterprises Limited	0.00%	Not Related
4.	Mr. Rakesh Kumar	CFO	18.79 Lacs	Permanent	B.Com, FCA 29 Years	06.05.2006	55	GNA Gears Limited	0.00%	Not Related
5.	Mr. Pradeep Sharma	Sr. Vice President – Marketing	18.15 Lacs	Permanent	B.Com, 40 Years	16.05.1994	61	Guru Nanak Auto Enterprises Limited	0.01%	Not Related
6.	Mr. Manjit Singh Rihal	GM - Exports	16.81 Lacs	Permanent	B.Com, 19 Years	01.11.2006	46	Genpact	0.05%	Not Related
7.	Mr. G S Cheema	Sr. GM – Personnel & HRD	14.92 Lacs	Permanent	B.Sc, LL.B 29 Years	16.05.1994	58	Guru Nanak Auto Enterprises Limited	0.00%	Not Related
8.	Dr. Jaswant Singh	Sr. GM - Forging	14.24 Lacs	Permanent	Ph.d in Metal Forming 29 Years	16.05.1994	55	Guru Nanak Auto Enterprises Limited	0.00%	Not Related
9.	Mr. Paramjit Singh Nanda	Vice President (Admin)	13.29 Lacs	Permanent	36 Years M.Sc, LL.B	01.04.2021	50	GNA Gears Limited	0.00%	Not Related
10.	Mr. Harish Kumar	Sr. GM- PPC	13.04 Lacs	Permanent	38 Years	16.05.1994	59	Guru Nanak Auto Enterprises Limited	0.00%	Not Related

- II) Name of the employees who were employed throughout the Financial Year 2023-24 and were paid remuneration not less than Rupees 1.02 Crores per annum – NIL
- III) Name of employees who were employees in part during the Financial Year 2023-24 and were paid remuneration not less than rupees 8.50 Lacs per month – NIL.
- IV) Name of employees who were employees throughout the Financial Year 2023-24 or part thereof and were paid remuneration in excess of Managing Director or Wholtime Director or Manager and hold along with his spouse or dependent children not less than 2% of the equity shares of the Company – NIL.

Corporate Governance Report

This Report on Corporate Governance forms part of the Annual Report. It assumes a great deal of importance in the business life of the Company. The Company's goal is to find creative and productive ways of delighting its stakeholders i.e. investors, customers & associates, while fulfilling the role of a responsible corporate representative committed to best practices. This section besides being in compliance of the provisions of Listing Agreement, gives an insight into the process of functioning of the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to maintain the highest standards of transparency, accountability and equality in its working so that the underlying goal of increasing overall shareholder value can be attained in a sustained way. Further the Company has also implemented several best Corporate Governance practices as prevalent globally.

2. BOARD OF DIRECTORS:

The Board is entrusted with the ultimate responsibility of the management, direction and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, guidance, objective and independent view to the Company's Management while discharging its responsibilities thus ensuring that the Management adheres to ethics, disclosures and transparency.

- a) **Composition:** As on March 31, 2024, the Company's Board comprises of an Executive Chairman, Executive Vice Chairman, Managing Director, Executive Directors and Non Executive Directors. Out of the total strength of Fourteen (14) Directors, seven Directors are independent.
- b) **Board Meetings:** During the Financial Year 2023-24, the Board met Four (4) times on May 01, 2023, July 21, 2023, October 27, 2023 and February 09, 2024.

The composition of Board of Directors and Directors attendance at the Board Meetings and at last Annual General Meeting of the Company, as also the number of Directorship/Chairmanships, Committee Memberships and Committee Chairmanships held by them in other Public Limited Companies, as on March 31, 2024 are given below:-

Name of Director	Designation & Category	Number of Board Meetings Attended	Attendance at Last Annual General Meeting	Directorship in other Companies	Other Committee Membership	Board Chairmanship in other Companies	Committee Chairmanships in other Companies
Mr. GURSARAN SINGH	EXECUTIVE CHAIRMAN	4	YES	2	-	2	-
Mr. JASVINDER SINGH SEEHRA	EXECUTIVE VICE CHAIRMAN	3	NO	3	-	1	-
Mr. RANBIR SINGH	MANAGING DIRECTOR AND CEO	4	YES	5	-	-	3
Mr. MANINDER SINGH	EXECUTIVE DIRECTOR	4	NO	2	-	-	-
Mr. GURDEEP SINGH	NON-INDEPENDENT AND NON EXECUTIVE DIRECTOR	4	YES	4	-	-	-
Mr. HARWINDER SINGH SEEHRA	EXECUTIVE DIRECTOR	4	YES	-	-	-	-
Mr. KULWIN SEEHRA	EXECUTIVE DIRECTOR	4	NO	1	-	-	-
Mr. JASMINDER SINGH JOHAL	INDEPENDENT DIRECTOR	4	YES	-	-	-	-
Mr. AJIT SINGH	INDEPENDENT DIRECTOR	4	NO	1	-	-	-
Lt. Gen. PRAVEEN BAKSHI (Retd.)	INDEPENDENT DIRECTOR	4	YES	0	-	-	-
Mr. RAJAN WADHERA	INDEPENDENT DIRECTOR	4	NO	0	-	-	-

Corporate Governance Report (Contd.)

Name of Director	Designation & Category	Number of Board Meetings Attended	Attendance at Last Annual General Meeting	Directorship in other Companies	Other Committee Membership	Board Chairmanship in other Companies	Committee Chairmanships in other Companies
Mr. ASHWANI MALHOTRA	INDEPENDENT DIRECTOR	4	YES	1		-	-
AIR VICE MARSHAL SARAVJIT SINGH HOTH (RETD.)	INDEPENDENT DIRECTOR	4	YES	-		-	-
MRS. POOJA UPPAL	INDEPENDENT DIRECTOR	3	YES	1		-	-

Board Skill Matrix

The Board has identified the key qualifications, skills and attributes essential for the effective oversight of the Company taking into account its varied business interests. These are presented as a matrix below:

Expertise & Experience	Remarks
Leadership	All Directors have experience & expertise required for business of the Company.
Technology	
Strategy	
Finance & Accounting	
Board Insight	

3. AUDIT COMMITTEE:

The Audit Committee of the Board of Directors was constituted in conformity with the requirements of the SEBI (LODR), Regulations, 2015 as well as Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are as set out in the SEBI (LODR), Regulations, 2015 and Section 177 of the Companies Act, 2013.

All members of the Audit Committee are financially literate and have accounting or related financial management expertise. Statutory Auditors, Internal Auditors and Chief Financial Officer are permanent invitees to the Committee.

The Company Secretary of the Company is the Secretary to this Committee.

During the Financial Year 2023-24, the Audit Committee met Four (4) times on May 01, 2023, July 21, 2023, October 27, 2023 and February 09, 2024 :

The attendance of the members of the Committee for the Financial Year 2023-24 is as under:

Committee Members	Category	No. of Audit Committee Meetings Attended
Ranbir Singh	Executive Director	4
Jasminder Singh Johal	Independent Director	3
Ajit Walia	Independent Director	4
Air Vice Marshal Saravjit Singh Hothi (retd.)	Independent Director	4
Mr. Rajan Wadhera	Independent Director	3

4. NOMINATION AND REMUNERATION COMMITTEE :**i. Committee – constitution, policy & meeting details:**

The constitution and terms of reference of Nomination & Remuneration committee of the Board of Directors is in conformity with the SEBI (LODR), Regulations, 2015 as well as Section 178 of the Companies Act, 2013. During the year under review, the Committee comprised of three directors i.e. Mr. Ashwani Malhotra - Independent Director, Mr. Jasminder Singh Johal - Independent Director and Mr. Gurdeep Singh – Non Independent Director. Mr. Ashwani Malhotra is the Chairman of the Committee. During the Financial Year 2023-2024, the Committee met three times on July 21, 2023, October 27, 2023 and February 09, 2024.

The attendance of the members of the Committee for the Financial Year 2023-24 is as under:

Committee Members	Category	No. of Nomination & Remuneration Committee Meetings Attended
Jasminder Singh Johal	Independent Director	3
Gurdeep Singh	Non-Independent and Non-Executive Director	3
Ashwini Malhotra	Independent Director	3

The Company's approved Nomination & Remuneration Policy is already attached with Board Report (pls refer **Annexure 4** of Directors' Report).

ii. Remuneration details:

a) Executive Directors:

The Company paid an amount of ₹ 1,057.31 Lacs as remuneration to the Executive Director(s) during the Financial Year 2023-2024 as follows:-

₹ in Lacs

S. No	Name	Designation	Salary	Other Benefits	Gross Remuneration
1	Mr. Gursaran Singh	Executive Chairman	239.81	-	239.81
2	Mr. Jasvinder Singh	Executive Vice Chairmn	281.09	-	281.09
3	Mr. Ranbir Singh	Managing Director & CEO	284.93	-	284.93
4	Mr. Maninder Singh	Wholetime Director	83.90	-	83.90
5	Mr. Harwinder Singh	Wholetime Director	83.79	-	83.79
6	Mr. Kulwin Seehra	Wholetime Director	83.79	-	83.79
	Total		1,057.31	-	1,057.31

The Employment of the Executive Directors is Contractual in nature and their tenure is as per the resolutions passed by the share holders. They are not entitled to severance pay and their Notice period is 6 months.

b) Non-Executive Directors:

Non-Executive Directors have not been paid any remuneration except sitting fees for attending Board and Committee Meetings.

The details of the sitting fees paid to the Directors during the Financial Year 2023-24 is given below:-

SR. NO.	NAME OF THE DIRECTOR	SITTING FEE (₹)
1.	Mr. Jasminder Singh Johal	1,65,000
2.	Ajit Singh	1,50,000
3.	Lt. Gen Praveen Bakshi (Retd.)	90,000
4.	Mr. Rajan Wadhwa	1,35,000
5.	Mr. Ashwani Malhotra	1,35,000
6.	AVM Saravjit Singh Hothi (Retd.)	1,65,000
7.	Mrs. Pooja Uppal	75,000

Corporate Governance Report (Contd.)

(iii) Shareholding :

The Shareholding of the Directors in the equity share capital of the Company as at March 31, 2024 is given as follows:-

SR. NO.	NAME OF DIRECTOR	NUMBER OF SHARES HELD	SR. NO.	NAME OF DIRECTOR	NUMBER OF SHARES HELD
1.	Mr. Gursaran Singh	37,30,650	2	Mr. Jasvinder Singh	65,67,200
3.	Mr. Maninder Singh	47,74,426	4.	Mr. Ranbir Singh	64,13,096
5.	Mr. Gurdeep Singh	62,75,332	6.	Mr. Harwinder Singh	9,970
7	Air Vice Marshal Saravjit Singh Hothi (Retd.)	NIL	8	Mr. Kulwin Seehra	4,25,500
9	Mr. Ashwani Kumar Malhotra	NIL	10.	Mr. Rajan Wadhwa	NIL
11	Mr. Jasminder Singh Johal	NIL	12.	Lt. Gen Praveen Bakshi (Retd.)	5
13	Mrs. Pooja Uppal	NIL	14.	Mr. Ajit Singh	20

(iv) Relationship inter se:

Except as provided below, none of our Director are related to each other:

1. Mr. Gursaran Singh is the father of Mr. Ranbir Singh and Mr. Gurdeep Singh
2. Mr. Jasvinder Singh Seehra is the father of Mr. Harwinder Singh Seehra
3. Mr. Jasvinder Singh Seehra is the brother of Mr. Maninder Singh Seehra
4. Mr. Ranbir Singh is the father of Mr. Kulwin Seehra
5. Mr. Ranbir Singh is brother of Mr. Gurdeep Singh

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

To look into the redressal of investors' complaints on various issues, the Company constituted a Shareholders'/Investors' Grievance Committee. Pursuant to provisions of Section 178 (5) of the Companies Act, 2013, the Board of Directors in their meeting held on June 09, 2015, recognised and renamed the said committee as "Stakeholders Relationship Committee". During the year under review, the Committee comprised of three directors i.e. Mr. Ajit Singh - Independent Director, Mrs. Pooja Uppal - Independent Director, and Mr. Jasvinder Singh – Non Independent Director. Mr. Ajit Singh is the Chairman of the Committee. During the Financial Year 2023-2024, the Committee met one time on July 21, 2023.

6. CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE:

The CSR Committee has been constituted under section 135 of the Companies Act,2013. The committee assists the Board in implementing the CSR Policy of the Company and recommending/budgeting the amount of expenditure to be incurred on CSR activities and also approves the Annual CSR Report of the Company to the shareholders. During the year under review, the Committee comprised of three directors i.e. Air Vice Marshal Saravjit Singh Hothi (retd.) as its Chariman, Mr. Ashwani Kumar Malhotra and Mr. Ranbir Singh as members. During the Financial Year 2023-2024, the Committee met one time on July 21, 2023.

7. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted as per the provisions of SEBI (LODR) regulations, 2015. The Committee comprised of four directors i.e Mr. Gurdeep Singh as its Chairman, Mr. Ranbir Singh, Mr. Jasminder Singh Johal and Mr. Kulwin Seehra as members. During the Financial Year 2023-2024, the Committee met three times on July 21, 2023, October 27, 2023 and February 09, 2024.

The attendance of the members of the Committee for the Financial Year 2023-24 is as under:

Committee Members	Category	No. of Risk Management Committee Meetings Attended
Mr. Gurdeep Singh	Non Executive Director	2
Mr. Jasminder Singh Johal	Independent Director	2
Mr. Ranbir Singh	Non-Independent and Non-Executive Director	3
Mr. Kulwin Seehra	Non-Independent and Non-Executive Director	2

8. GENERAL BODY MEETINGS :

- a. The detail of Extra Ordinary General Meeting and last three Annual General Meetings and passing of Special Resolutions, are given as follows:-

Nature of Meeting	Day, Date and Time of the Meeting	Venue	Number of Special Resolutions Passed
30 th Annual General Meeting	Friday, September 29, 2023 at 12:30 PM	Through Audio Visual Means	1
29 th Annual General Meeting	Tuesday, September 20, 2022 at 12:30 PM	Through Audio Visual Means	0
28 th Annual General Meeting	Monday, September 20, 2021 at 12:30 PM	Through Audio Visual Means	4

- B: Postal Ballot:** During the Year 2023-2024, 4 Special Resolutions pertaining to increase in the Authorised Capital of the Company from 40.00 Cr to 100.00 Cr, for issuance of Bonus shares to the shareholders in the ratio of 1:1 and for the reappointment of Mr. Harwinder Singh and Mr. Kulwin Seehra as Wholetime directors of the Company for a period of 5 years w.e.f October 01, 2023 were passed through Postal ballot.

9. DISCLOSURES:

- a. There was no materially significant related party transaction that may have any potential conflict with interest of the Company at large.
- b. There has not been any non-compliance by the Company in respect of which penalties or strictures were imposed by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other Statutory Authority during the last three years.
- c. The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The policy on "Vigil mechanism and Whistle Blower" may be accessed on the Company's website at <http://gnagroup.com/wp-content/uploads/2015/09/VIGIL-MECHANISM-POLICY.pdf> . During the year no claim was lodged and accessed by the Audit Committee.

10. MEANS OF COMMUNICATION:

The Company communicates with the shareholders at large through its Annual Reports, publication of financial results, press releases in leading newspapers and by filing of various reports and returns with the Statutory Bodies like Stock Exchanges and the Registrar of Companies. The quarterly results are published in prominent daily newspapers viz. The Business Standard in English and Rozana Spokesman in Punjabi. The Results of the Company are also made available at the web-site of the Company www.gnagroup.com

11. GENERAL SHAREHOLDERS INFORMATION:

i) 31st Annual General Meeting:

Date : September 19, 2024

Time : 12:30 PM

Venue : Through Audio Visual Means

ii) Financial Calendar 2024-25 (Tentative):

First Quarter Results : July, 2024

Second Quarter Results : October, 2024

Third Quarter Results : January, 2025

Annual Results : May, 2025

iii) Record Date : September 06, 2024 for the payment of Dividend for the financial year 2023-2024.

Corporate Governance Report (Contd.)

iv) **Dividend payment date** : On or before October 15, 2024.

v) **Listing:**

The Equity shares of the Company are listed on the following Stock Exchanges:

1. BSE Limited, 25th Floor PJ Towers, Dalal Street, Fort Mumbai – 400 001
2. The National Stock Exchange of India Limited, "Exchange Plaza" Bandra Kurla Complex, Bandra (East) Mumbai 400051

The Company has duly paid the listing fees to both the Stock Exchanges for the Financial year 2023-24.

vi) **Stock Code:**

BSE Limited : **540124**

National Stock Exchange of India Limited : **GNA**

vii) **Stock Market Data:**

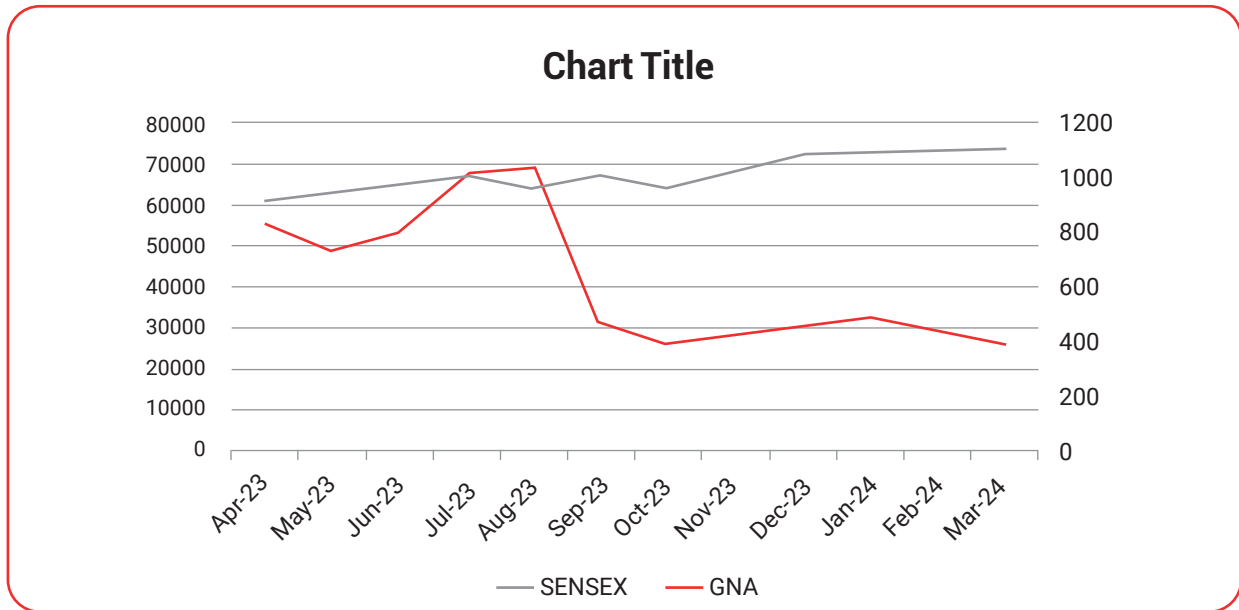
The month wise highest, lowest and closing price of the Company in NSE and BSE during the financial year 2023-24 are given below:-

BSE LIMITED

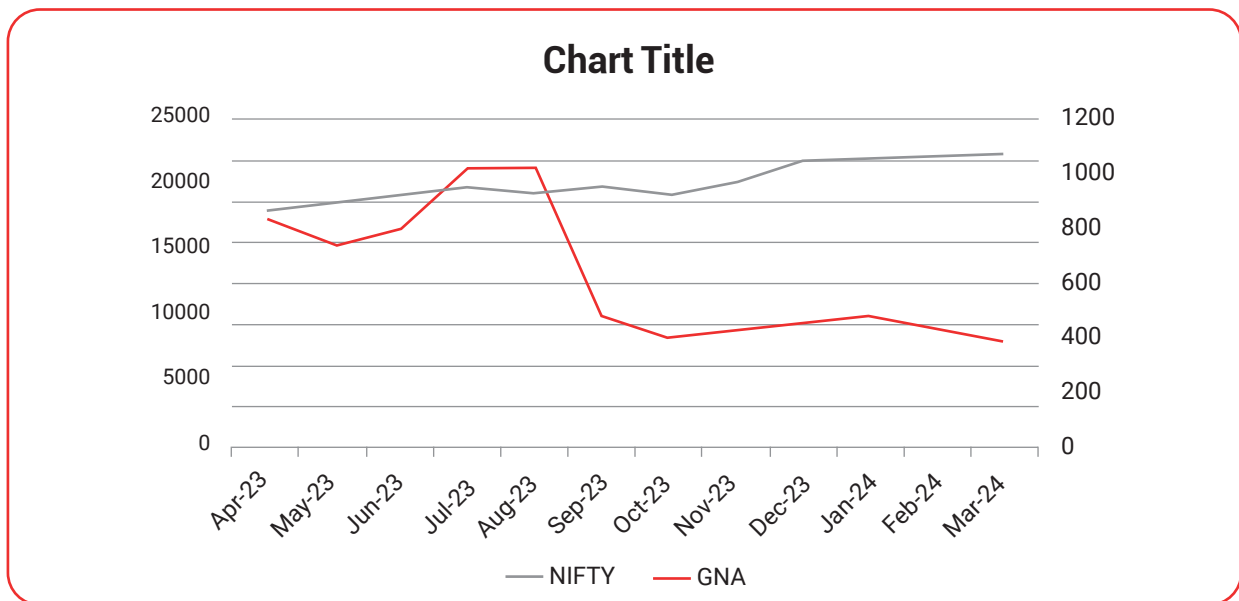
MONTH	HIGHEST	LOWEST	CLOSE	% age Change over last month closing
Apr-23	847.65	785.70	825.40	4.73
May-23	860.00	731.05	733.35	(11.15)
Jun-23	832.90	735.05	796.05	8.55
Jul-23	1,024.05	825.00	1021.55	28.33
Aug-23	1,065.00	951.85	1028.60	0.69
Sep-23	582.05	455.50	472.75	(54.04)
Oct-23	475.25	389.00	392.55	(16.96)
Nov-23	442.65	388.00	415.50	5.85
Dec-23	464.55	401.60	445.30	7.17
Jan-24	519.00	438.0	487.85	9.56
Feb-24	490.00	395.10	424.55	(12.98)
Mar-24	443.20	379.65	380.85	(10.29)

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Month	High Price	Low Price	Close Price	% age Change over last month closing
Apr-23	856.95	785.55	826.10	4.87
May-23	870.00	731.00	732.85	(11.29)
Jun-23	833.95	734.40	794.85	8.46
Jul-23	1,024.00	824.10	1,021.20	28.48
Aug-23	1,064.90	951.60	1,025.25	0.40
Sep-23	583.25	456.00	470.80	(54.08)
Oct-23	475.00	389.00	391.85	(16.77)
Nov-23	443.20	388.00	415.55	6.05
Dec-23	466.00	402.30	445.10	7.11
Jan-24	518.45	438.05	488.10	9.66
Feb-24	493.75	395.00	426.20	(12.68)
Mar-24	437.70	376.00	380.50	(10.72)



Stock Price Movement during 2023-2024 in comparison with BSE Sensex Index.



Stock Price Movement during 2023-2024 in comparison with NSE Nifty Index.

viii) Information regarding dividend payment:

Members who have not en-cashed their Dividend declared for the below mentioned financial years, should contact the Company for revalidation of the original dividend warrants or for obtaining duplicate dividend warrants. The unpaid/ unclaimed amount will be deposited in the Investors Education and Protection Fund as per the schedule given below:

Dividend for Financial Year	Date of Declaration	Due Date for deposit in IEPF
2017-2018	September 15, 2018	September 14, 2025
2018-2019	August 23, 2019	August 22, 2026
2020-2021	September 20, 2021	September 19, 2028
2021-2022	September 20, 2022	September 19, 2029
2022-2023	September 29, 2023	September 28, 2030

Corporate Governance Report (Contd.)

ix) Registrar & Transfer Agent:

The work related to Share Transfer Registry in terms of both physical and electronic mode is being dealt with by M/s. Link Intime India Private Limited as per address given below :-

M/s. Link Intime India Private Limited
C101, 247 Park, LBS Marg Vikhroli West
Mumbai 400083
Ph: 022-49186000, Fax : 022-49186270
Email : rnt.helpdesk@linkintime.co.in

x) Share Transfer System:

100% of the Company's Equity shares are held in dematerialised form. Transfer of these shares is done through the Depositories with no involvement of the Company. Securities and Exchange Board of India has mandated that w.e.f. April 01, 2019 the physical shares held by the shareholders will not be transferred except in the cases of transmission and transposition of names.

xi) Distribution of Shareholding pattern of the Company as on March 31, 2024.

S. No	Shares Range	Number of shareholders	% of total shareholders	Total shares for the range	% of issued Capital
1	1-500	49,182	94.92	38,33,550	8.93
2	501-1000	1,495	2.89	11,37,161	2.65
3	1001-2000	433	1.22	9,37,887	2.18
4	2001-3000	191	0.37	4,77,614	1.11
5	3001-4000	93	0.18	3,33,968	0.78
6	4001-5000	59	0.11	2,75,984	0.64
7	5001-10000	93	0.18	6,31,379	1.47
8	Above 10001	68	0.13	3,53,03,257	82.24
	Total	51,814		4,29,30,800	100.00

xii) Dematerialisation:

As on March 31, 2024, 4,29,30,800 Equity Shares of the Company i.e. 100 % of the Equity Capital of the Company comprising of 4,29,30,800 Equity shares were held in dematerialised form.

xiii) Outstanding GDR/ADR/ Warrants or any other Convertible Instruments, conversion dates and likely impact on the Equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments during the year.

xiv) Address for correspondence:

Registered Office : GNA House, 1-C, Chotti Baradari- Part-II, Garha Road, Jalandhar-144001
Telephone : 0181 - 4630477
Fax : 0181 - 4630477
E-mail : gjain@gnagroup.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

12. DECLARATION UNDER REGULATION 26 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015.

All the members of the Board and Senior Management have affirmed Compliance to the code of Conduct for the Financial Year 2023-24.

Place : Mehtiana
Dated : July 11, 2024

Gursaran Singh
Executive Chairman

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,

The Board of Directors

G N A Axles Limited

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of GNA Axles Limited ("the Company"), to the best of our

knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2024 and based on our knowledge and belief, we state that:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal, or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial

reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- (d) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
 - (i) Significant changes, if any, in the internal control over financial reporting during the year;
 - (ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Ranbir Singh

Chief Executive Officer

Rakesh Kumar

Chief Financial Officer

Place : Mehtiana

Date : May 24, 2024

Auditors' Certificate on Corporate Governance

To

The Members of

G N A Axles Limited

We have examined the compliance of the conditions of Corporate Governance by G N A Axles Limited for the year ended on March 31, 2024, as stipulated under Regulation 15(2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and Management, we

certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Harish & Co.**

Chartered Accountants

(Firm Regn No.017372N)

Suraj Bajaj

Partner

M.No 091343

Place : Jalandhar

Dated : July 11, 2024

CERTIFICATE OF NON – DISQUALIFICATION OF DIRECTORS

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

To
The Members of GNA Axles Limited
Jalandhar

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **GNA Axles Limited**, (CIN: L29130PB1993PLC013684) having registered office at GNA House, 1-C, Chhoti Baradari Part – 2, Garha Road, Opposite Medical College, Jalandhar produced by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read Clause 10(i) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended 31st March 2024.

In our opinion, to the best of our knowledge and according to the verifications (including Directors Identification Number

(DIN) status at the portal of MCA) as considered necessary and explanations furnished to me by the Company and its Officers, we certify that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Companies, by the SEBI, Ministry of Corporate Affairs or any such statutory authority.

For **H. K. & Associates**
Company Secretaries

Harsimran Kaur

Proprietor

Membership No.FCS-8174,
CP No.9252

Place: Jalandhar

Peer Review No. 2233/2023

Dated: August 12, 2024

UDIN: F008174F000959828

Note: Ensuring the eligibility of for the appointment/continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L29130PB1993PLC013684
2.	Name of the listed entity	GNA Axles Limited
3.	Year of incorporation	1993
4.	Registered office address	GNA House, 1-C Chhoti Baradari – II Garha Road, Jalandhar - 144 001, Punjab
5.	Corporate address	GNA Axles Limited, VPO Mehtiana Phagwara Hoshiarpur Road, Dist. Hoshiarpur - 146 001, Punjab
6.	E-mail	gjain@gnagroup.com
7.	Telephone	01882-262273-79
8.	Website	http://www.gnagroup.com/
9.	Financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Ltd. 2. National Stock Exchange of India Limited
11.	Paid-up capital	₹ 42,93,08,000
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Gourav Jain – Company Secretary GNA Axles Limited, VPO Mehtiana Dist. Hoshiarpur - 146 001, Punjab Telephone: 01882-262273-79 E-mail: gain@gnagroup.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone basis
14.	Name of assurance provider	NA
15.	Type of assurance obtained	NA

II. Products/services

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

S. no.	Description of main activity	Description of business activity	% of turnover of the entity
1	Manufacturer of auto components	Manufacturer of auto components	100.00

17. Products/services sold by the entity (accounting for 90% of the entity's turnover)

S. no.	Product/service	NIC code	% of total turnover contributed
1	Axle shafts	29301	73.77
2	Spindles	28132	20.63
3	Other shafts	29301	5.60

III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	1	3
International	Nil	Nil	Nil

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of states)	30
International (No. of countries)	12

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

52.00%

c. A brief on types of customers

GNA Axles focusses exclusively on the auto components sector, producing parts for off-highway vehicles, commercial vehicles, and SUVs. These components are supplied to Original Equipment Manufacturers (OEMs) across both domestic and international markets. The customer base includes manufacturers of tractors, commercial vehicles, and SUVs.

IV. Employees

20. Details as at the end of financial year

a. Employees and workers (including differently abled)

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	463	454	98.06	9	1.94
2.	Other than permanent (E)	0	0	0.00	0	0.00
3.	Total employees (D + E)	463	454	98.06	9	1.94
Workers						
4.	Permanent (F)	1,026	1,024	99.81	2	0.19
5.	Other than permanent (G)	703	685	97.44	18	2.56
6.	Total workers (F + G)	1,729	1,709	98.84	20	1.16

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

b. Differently abled employees and workers

Sr. no.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1.	Permanent (D)					
2.	Other than permanent (E)			NA		
3.	Total differently abled workers (D + E)					
Differently abled workers						
4.	Permanent (F)			NA		
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

21. Participation/inclusion/representation of women

Particulars	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	14	1	7.14
Key Management Personnel	0	0	0.00

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

Particulars	2023-24 (Turnover rate in current FY)			2022-23 (Turnover rate in previous FY)			2021-22 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	5	11	5	2	13	2	3	13	3
Permanent workers	10	Nil	10	5	Nil	5	5	Nil	5

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding/subsidiary/associate companies/joint ventures

Sr. no.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/associate/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	GNA Axles Inc.	Subsidiary	100.00	No, as the subsidiary is yet to start its operations.

VI. CSR details

24. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
 ii. Turnover (in ₹): ₹ 14,905,387,563
 iii. Net worth (in ₹): ₹ 8,017,900,178

VII. Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint was received	Grievance redressal mechanism in place (Yes/No) (If yes, then provide a weblink to the grievance redress policy)	2023-24 (Current financial year)			2022-23 (Previous financial year)		
		Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints with pending resolution at the close of the year	Remarks
Communities	No	Nil	Nil	NA	Nil	Nil	NA
Investors (other than shareholders)	Yes, a copy of the policy shall be made available on receipt of a written request from stakeholders.	Nil	Nil	NA	Nil	Nil	NA
Shareholders	<u>Yes, a copy of the policy shall be made available on receipt of a written request from stakeholders.</u>	12	1	NA	13	Nil	NA
Employees and workers	Yes, a copy of the policy shall be made available on receipt of a written request from stakeholders.	0	Nil	NA	11	Nil	NA
Customers	<u>Yes, a copy of the policy shall be made available on receipt of a written request from stakeholders.</u>	Nil	Nil	NA	Nil	Nil	NA
Value chain partners	No	Nil	Nil	NA	Nil	Nil	NA
Other (please specify)	-	Nil	Nil	NA	Nil	Nil	NA

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, and approach to adapt or mitigate the risk along with its financial implications, as per the following format

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
1	Customer centricity	Opportunity	At the core of the Company's business is customer centricity, which will remain a key driver of its growth. The Company is dedicated to addressing dynamic customer needs and delivering zero-defect products.	NA	Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. no.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (indicate positive or negative implications)
2	Responsible supply chain	Risk	The Company consistently intends to establish a responsible supply chain by engaging with its supply partners to adopt and implement practices that align with its ESG requirements and policies, recognising that a responsible supply chain is essential for the business's survival.	GNA Axles generates local employment by engaging with local suppliers and service providers and actively developing and managing local supply chains around its manufacturing sites.	Negative
3	Waste management	Risk	The Company abides by the principles of the circular economy - reduce, reuse, and recycle. It is committed to minimising waste generation from its manufacturing processes while maximising resource utilisation.	Waste at all GNA Axles' units is segregated into hazardous and non-hazardous and disposed of in appropriate ways, while adhering to the applicable safety norms and regulations for each type of waste.	Negative
4	Compliance	Risk	Uninterrupted adherence to existing regulations and vigilant monitoring of emerging ones are vital for the ongoing sustainability of GNA Axles.	GNA Axles constantly strives to ensure zero non-compliance with regulatory requirements and uses various digital tools to ensure and track regulatory compliance.	Negative
5	Water management	Risk	Clean and fresh water is a scarce resource, and GNA Axles has a responsibility to conserve water and ensure its availability in sufficient quantities.	The Company treats its used water in its effluent treatment plants and uses the same for plantations.	Negative
6	Employee well-being	Opportunity	The Company is committed to the well-being of its employees, ensuring their physical, mental, and financial health.	NA	Positive
7.	Social responsibility	Opportunity	Social responsibility is a fundamental part of GNA Axles' founding philosophy. The Company acknowledges the rights of communities surrounding its operations and upholds these rights through various social initiatives and engagements.	NA	Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. no.	Disclosure questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	-	Y	-	-	Y	-	Y	-
	c. Weblink of the policies, if available	GNA Axles' policies are available internally and can be shared with the stakeholders on receiving a written request.								
2	Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	-	-	Y	-	Y	-
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	-	-	Y	-	Y	-
4	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	-	-	-	-	ISO 14001: 2015	-	-	IATF 16949: 2016
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<ul style="list-style-type: none"> Dedicated to establishing a responsible and sustainable supply chain through formal assessments Aims to boost renewable energy usage and decrease energy consumption through various initiatives Pursuing zero liquid discharge by treating and recycling wastewater Committed to continuously improving safety practices through training programmes, risk mitigation protocols, and comprehensive emergency preparedness Focussed on meeting or exceeding consumer expectations by promptly resolving issues and incorporating feedback 								
6	Performance of the entity against the specific commitments, goals and targets alongwith reasons in case the same are not met.	The Company is committed to building a sustainable supply chain by evaluating suppliers based on environmental and social criteria. In 2023-24, the installation of 1.4 MW solar plant has supported the renewable energy objectives. The ongoing transition to LED lighting across facilities aims to reduce energy consumption. To achieve zero liquid discharge, the Company has implemented effluent treatment and wastewater recycling systems. Additionally, it continuously enhances workplace safety through safety training programmes, risk mitigation protocols, and emergency preparedness measures.								
Governance, leadership and oversight										
7	Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>GNA Axles is dedicated to incorporating environmental, social, and governance factors to foster a sustainable business with a lasting positive impact on stakeholders. The Company addresses operational and supply chain risks by adopting practices such as renewable energy generation for in-house use, minimising emissions, assessing suppliers based on environmental and social criteria, and continuously improving waste and water consumption management. To support the transition to a low-carbon economy, GNA Axles invests in R&D focussed on automation and renewable energy. The Board oversees ESG performance to ensure statutory compliance, and the Company is committed to regular reporting. GNA Axles strives to integrate environmental stewardship, social responsibility, and ethical governance to create sustainable value for all stakeholders.</p>								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Sr. no.	Disclosure questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
8	Details of the highest authority responsible for implementing and overseeing the Business Responsibility policy(ies).	Mr. Ranbir Singh – CEO & Managing Director Telephone: 01882-262273 E-mail: ranbir@gnagroup.com								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Yes, the Board of Directors is responsible for decision-making on sustainability-related issues.								

10 Details of review of NGRBCs by the Company:

Subject for review	Indicate whether the review was undertaken by Director/Committee of the Board/any other Committee									Frequency (annually/half yearly/quarterly/any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against the above policies and follow-up action	Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Board of Directors									Quarterly								

11 Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
	No								

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

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total no of training and awareness programmes held	Topics/principles covered under the training and impact	% age of persons in respective category covered by the awareness programme
Board of Directors	1	GNA Axles conducts a variety of training programmes throughout the year, including those on the Code of Conduct, POSH, Whistle Blower Policy and environmental, health, and safety standards. For instance, new employees undergo a series of training sessions, both technical and non-technical, beginning with environmental, health, and safety training as part of their induction programme. These training sessions boast a 100% participation rate.	100.00
Key Managerial Personnel	1		100.00
Employees other than BOD & KMPs	3		100.00
Workers	7		100.00

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
Particulars	NGRBC principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred (Yes/No)
Penalty/fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-monetary					
Imprisonment	Nil	Nil		Nil	Nil
Punishment	Nil	Nil		Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case details	Name of the regulatory/enforcement agencies/judicial institutions
N.A.	

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

Yes, GNA Axles has established a Code of Conduct for its Directors, Key Managerial Personnel, and Senior Management Personnel, which includes provisions on anti-bribery and anti-corruption. This code applies to all employees, and non-compliance results in disciplinary action. It highlights professional ethics such as trust, transparency, integrity, and credibility. The Code's zero-tolerance stance on bribery and corruption supports lawful and ethical business practices.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

It is reviewed periodically and updated as necessary. Additionally, GNA Axles has a Whistle Blower Policy that allows employees to report concerns responsibly. Through its Code of Conduct and Whistle Blower Policy, GNA Axles reinforces its commitment to ethics and the fight against corruption.

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

Particulars	2023-24 (Current financial year)	2022-23 (Previous financial year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	2023-24 (Current financial year)	2022-23 (Previous financial year)
Number of complaints received in relation to issues of conflict of interest of the Directors	Nil	Nil
Number of complaints received in relation to issues of conflict of interest of the KMPs	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

NA

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

	2023-24 (Current financial year)	2022-23 (Previous financial year)
No. of days of accounts payable	66	78

9. Openness of business.

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

Parameter	Metrics	2023-24 (Current financial year)	2022-23 (Previous financial year)
Concentration of purchases	a. Purchases from trading houses as % of total purchases	Nil	Nil
	b. Number of trading houses where purchases are made from	Nil	Nil
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil

Parameter	Metrics	2023-24 (Current financial year)	2022-23 (Previous financial year)
Concentration of sales	a. Sales to dealers/distributors as % of total sales	Nil	Nil
	b. Number of dealers/distributors to whom sales are made	Nil	Nil
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	Nil	Nil
Share of RPTs in	a. Purchases (Purchases with related parties/Total purchases)	Nil	Nil
	b. Sales (Sales to related parties/ Total sales)	Nil	Nil
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	Nil	Nil
	d. Investments (Investments in related parties/Total Investments made)	Nil	Nil

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

Essential Indicators

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

Particulars	2023-24 (Current financial year)	2022-23 (Current financial year)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	Nil	Nil	NA

- a. Does the entity have procedures in place for sustainable sourcing (Yes/No)**

GNA Axles is committed to fostering a sustainable supply chain. The Company sources steel from vendors that adhere to international standards such as ISO 9001 and ISO 14001. Moving forward, GNA Axles plans to develop a programme to formally assess and incorporate environmental and social impact criteria in supplier selection and management. This reflects the Company's dedication to responsible and ethical sourcing throughout its supply network.

- b. If yes, what percentage of inputs were sourced sustainably?**

NA

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

GNA Axles has implemented robust processes for the safe reclamation of various waste types:

- Plastic and packaging waste: Gathered and processed through certified plastic waste recyclers
- Electronic waste (e-waste): Collected and dispatched to authorised e-waste dismantlers and recyclers for proper scientific disposal
- Hazardous waste: Managed, transported, and disposed of at government-approved facilities for treatment, storage, and disposal, adhering to hazardous waste regulations
- Other waste: Sorted into recyclable materials like paper, wood, and metal, which are sent to licensed scrap dealers. Non-recyclable waste is directed to approved landfill sites

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

The Company emphasises reducing, reusing, and recycling waste whenever possible. By partnering with approved agencies, adhering to regulations, and ensuring environmentally responsible waste disposal, GNA Axles effectively manages all categories of waste produced.

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

Extended producer responsibility (EPR) applies to GNA Axles' activities as it is an automobile ancillary company. The Company's waste collection plan aligns with the EPR plan submitted to Pollution Control Boards. Measures such as waste reduction, reuse, and recycling are implemented by the Company for efficient resource utilisation. Furthermore, compliance with EPR is ensured through mechanisms like collection centres and engagement, facilitating the scientific and eco-friendly disposal of automotive waste.

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

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	454	454	100.00	454	100.00	0	0.00	Nil	NA	Nil	NA
Female	9	9	100.00	9	100.00	9	100	Nil	NA	Nil	NA
Total	463	463	100.00	463	100.00	9	1.94	Nil	NA	Nil	NA
Other than permanent employees											
Male											
Female											
Total											

b. Details of measures for the well-being of workers

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	1,024	1,024	100.00	1,024	100.00	0	0	Nil	NA	Nil	NA
Female	2	2	100.00	2	100.00	2	100.00	Nil	NA	Nil	NA
Total	1,026	1,026	100.00	1,026	100.00	2	0.19	Nil	NA	Nil	NA
Other than permanent workers											
Male											
Female											
Total											

Health insurance benefits are provided through ESI to other than permanent workers.

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

Particulars	2023-24 (Current financial year)	2022-23 (Current financial year)
Cost incurred on well- being measures as a % of total revenue of the company	0.15%	0.13%

2. Details of retirement benefits, for current financial year and previous financial year

Benefits	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with authority (Y/N/NA)
PF	95.24	98.83	Yes	100.00	100.00	Yes
Gratuity	100.00	100.00	Yes	100.00	100.00	Yes
ESI	54.64	89.96	Yes	36.00	100.00	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

3. Accessibility of workplaces

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

Yes. While the office premises of GNA Axles are equipped with accessibility provisions such as elevators, ramps, wheelchairs, and washrooms for differently-abled employees, the manufacturing units currently lack these facilities. The nature of operations poses challenges for the inclusion of specially-abled persons in the manufacturing process. Nevertheless, the Company is actively exploring feasible ways to enhance accessibility in line with the Rights of Persons with Disabilities Act, 2016.

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

GNA Axles upholds fair employment practices and values diversity and equal opportunity. The Company ensures fair and equal opportunities for all applicants and employees, in accordance with the Rights of Persons with Disabilities Act, 2016. Employees and workers with disabilities are treated on par with other employees, reflecting the Company's commitment to its equal opportunity policy.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	The Company has a structured grievance redressal mechanism that enables workers to raise issues either verbally or in writing with their line manager for resolution. If the grievance is not resolved at this level, it is progressively escalated to the Sectional Head and then to the HR Head for further action.
Other than permanent workers	
Permanent employees	Employees can raise grievances through multiple channels, including e-mail, written submissions, or verbal communication, with their respective Head of Department. If the issues are not resolved at this level, they are escalated to HR and senior management, including the Executive or Managing Director, for final resolution.
Other than permanent employees	

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

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total employees/workers in the respective category (A)	No. of employees/workers in the respective category who are part of association(s) or Union (B)	% (B / A)	Total employees/workers in the respective category ©	No. of employees/workers in the respective category who are part of association(s) or Union(D)	% (D / C)
Total permanent employees	N.A.			N.A.		
Male						
Female						
Total permanent workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2023-24 (Current financial year)					FY 2022-23 (Previous financial year)				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	454	289	63.66	289	63.66	433	208	48.04	290	66.97
Female	9	3	33.33	3	33.33	8	8	100.00	8	100.00
Total	463	292	63.07	292	63.07	441	216	48.98	298	67.57
Workers										
Male	1,709	880	51.49	880	51.49	1738	548	31.53	618	35.56
Female	20	20	100.00	20	100.00	NA				
Total	1,729	900	52.05	900	52.05	1738	548	31.53	618	35.56

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

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	454	449	98.90	433	425	98.15
Female	9	9	100.00	8	7	87.50
Total	463	458	98.92	441	432	97.96
Workers						
Male	1,024	998	97.46	980	910	92.86
Female	2	2	100.00		NA	
Total	1,026	1,000	97.47	980	910	92.86

10. Health and safety management system:

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

Yes, GNA Axles has established a comprehensive occupational health and safety management system across all its operations. The Company provides medical insurance to employees as part of its health management efforts. It supplies safety gear, including gloves and protective equipment to ensure safe working conditions. Facilities are equipped with fire safety measures such as extinguishers, emergency exits, and smoke detectors. Additionally, features like elevators, staircases, and ergonomic workstation designs are in place to support occupational well-being.

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

GNA Axles uses a variety of processes for identifying hazards and assessing risks, both routine and non-routine. These include safety inspections, scheduled risk assessments, regular audits, preventative equipment maintenance, and pre-work evaluations. Together, these methods facilitate a comprehensive assessment of potential hazards, ensuring that risks are quickly identified and managed through effective safety protocols.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, GNA Axles has established a reporting card and suggestion scheme for workers to report work-related hazards. The Safety Steward Programme further trains employees to gather, update, and report safety observations, and to take part in Safety Committee meetings where on-the-job hazards are discussed and addressed. This approach fosters active worker participation in identifying and resolving safety issues.

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

Yes, employees have access to extensive medical and healthcare services beyond their occupational needs. Minor health issues are addressed at on-site dispensaries by trained first-aid staff. For further care, workers can use ESI hospitals or other medical facilities as needed, with costs covered by medical insurance.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Safety incident/number	Category	2023-24 (Current financial year)	2022-23 (Previous financial year)
Lost Time Injury Frequency Rate (LTIFR) (per one million person-hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High-consequence work-related injury or ill-health (excluding fatalities)	Employees		

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

GNA Axles' adopts a comprehensive approach to safeguarding its workforce, encompassing training, risk mitigation, workplace design, health promotion, preparedness, and culture building. Each accident is thoroughly analysed to identify root causes and implement corrective actions to prevent recurrence. Additionally, the Company proactively takes various measures to eliminate potential hazards and risks.

- Regular leadership reviews of safety processes and performance metrics
- Hazard identification through safety walkthroughs, toolbox talks, and audits
- Evaluation and control of process hazards through risk assessments
- Extensive safety training and induction provided to all workers
- Emergency drills and preparedness programmes to ensure readiness
- Routine health checkups and medical camps for employees
- Inspections of equipment, pressure vessels, and electrical systems for safety compliance
- Implementation of interlocks and machine guarding to manage hazards
- Enforcement of safety accountability through consequence management protocols

This multilayered approach aims to continuously improve safety through leadership oversight, worker engagement, proactive risk mitigation and robust emergency preparedness.

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

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working conditions	Nil	Nil	NA	Nil	Nil	NA
Health & safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00
Working conditions	100.00

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

The Company has robust safety protocols and controls in place to proactively mitigate hazards and ensure workplace safety.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all their stakeholders.

Essential Indicators

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

GNA Axles determines its key stakeholders through discussions among its functional heads, business leaders, and directors, leveraging its extensive experience as a well-established organisation. The Company has identified key stakeholders such as promoters, employees, customers, associates, investors, lenders, suppliers, regulators, local communities, and CSR agencies. Moreover, the Company prioritises the interests and concerns of all stakeholders and shows respect for their contributions.

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

Stakeholder group	Whether identified as vulnerable & marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> E-mails 1:1 meeting, plant meetings, townhalls Performance reviews Employee engagement 	Ongoing basis	<ul style="list-style-type: none"> Keeping employees informed through operational and strategic updates Offering learning opportunities Promoting diversity and inclusion Building a strong safety culture with safe work practices Improving employee engagement
Customers	No	<ul style="list-style-type: none"> Meetings Project-related discussions, project management reviews Mailers, newsletters, brochures Surveys 	Need-based	<ul style="list-style-type: none"> Understanding business challenges Identifying opportunities to improve GNA Axles' offerings
Investors	No	<ul style="list-style-type: none"> Press releases and media interactions E-mails, SMS, newspaper publications AGM, general meetings, meeting notices Stock exchange filings Updates on the Company's website 	Ongoing basis	<ul style="list-style-type: none"> Explaining financial results Providing updates and addressing queries about the Company's operations from investors and analysts Gaining insights into shareholder expectations
Suppliers	No	<ul style="list-style-type: none"> Individual meetings, conferences E-mails, telephone/ conference calls Supplier visits 	Ongoing and need-based	<ul style="list-style-type: none"> Ensuring alignment on values, strategy, and operational priorities Resolving operational issues

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Stakeholder group	Whether identified as vulnerable & marginalised Group (Yes/No)	Channels of communication (E-mail, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website), other	Frequency of engagement (annually/half yearly/quarterly/others – please specify)	Purpose and scope of engagement, including key topics and concerns raised during such engagement
Regulators	No	<ul style="list-style-type: none"> Project review meetings Surveys Field visits Press releases and media interactions 	Need-based	<ul style="list-style-type: none"> Understanding areas for sustainable development Communicating GNA Axles' performance and strategy Sharing and contributing thought leadership and insights into public policy and business concerns
Local communities	Yes	<ul style="list-style-type: none"> Field visits and meetings 	Ongoing basis	<ul style="list-style-type: none"> Enabling corporate social responsibility activities Redressing grievances Identifying social needs to promote community welfare

PRINCIPLE 5: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity in the following format

Category	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Total (A)	No. of employees/workers covered (B)	% (B/A)	Total (C)	No. of employees/workers covered (D)	% (D/C)
Employees						
Permanent	463	40	8.64	441	50	11.34
Other than permanent	Nil	NA	NA	Nil	NA	NA
Total employees	463	40	8.64	441	50	11.34
Workers						
Permanent	1,026	180	17.54	980	150	15.31
Other than permanent	703	Nil	NA	758	Nil	NA
Total workers	1,729	180	10.41	1,738	150	8.63

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

Category	2023-24 (Current financial year)					2022-23 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	463	0	0.00	463	100.00	441	Nil	NA	441	100.00
Male	454	0	0.00	454	100.00	433	Nil	NA	433	100.00
Female	9	0	0.00	9	100.00	8	Nil	NA	8	100.00
Other than permanent	NA					NA				
Male	NA					NA				
Female	NA					NA				

Category	2023-24 (Current financial year)					2022-23 (Previous financial year)				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	1,026	Nil	NA	1,026	100.00	980	Nil	NA	980	100.00
Male	1,024	Nil	NA	1,024	100.00	980	Nil	NA	980	100.00
Female	2	Nil	NA	2	100.00	Nil	NA	NA	NA	NA
Other than permanent	703	Nil	NA	703	100.00	758	710	93.67	48	6.33
Male	685	685	100.00	Nil	NA	758	710	93.67	48	6.33
Female	18	18	100.00	Nil	NA	Nil	NA	NA	NA	NA

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of the respective category (in ₹ Lacs per annum)	Number	Median remuneration/salary/wages of the respective category (in ₹ Lacs per annum)
Board of Directors (BoD)	6	161.86	0	NA
Key Managerial Personnel	2	14.49	0	NA
Employees other than BoD and KMP	454	2.69	9	4.62
Workers	1,024	1.67	2*	0.51
Contractual workers	685	1.61	18	1.58

*Both workers were employed for part of the year.

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

	2023-24 (Current financial year)	2022-23 (Current financial year)
Gross wages paid to females as % of total wages	1.10%	1.00%

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

Yes. A dedicated team investigates grievances and determines the appropriate actions based on the details of each case and is responsible for addressing human rights issues within the business.

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

Employees are required to direct any work-related or rights concerns to the HR & Personnel Head. The HR & Personnel Head will then investigate the issues, implement appropriate corrective measures, and keep the employee updated on the resolution. This process ensures that grievances are addressed promptly and fairly.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual harassment	Nil	NA	NA	Nil	NA	NA
Discrimination at workplace	Nil	NA	NA	Nil	NA	NA
Child labour	Nil	NA	NA	Nil	NA	NA
Forced labour/Involuntary labour	Nil	NA	NA	Nil	NA	NA
Wages	Nil	NA	NA	Nil	NA	NA
Other human rights related issues	Nil	NA	NA	Nil	NA	NA

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

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees/workers	NA	NA
Complaints on POSH upheld	NA	NA

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

GNA Axles is dedicated to ensuring a safe and hygienic working environment for all employees. The Company maintains a zero-tolerance policy towards any form of harassment in the workplace. In accordance with The Companies Act, 2013, it has implemented a Policy for the Prevention, Prohibition, and Redressal of Sexual Harassment. An Internal Complaints Committee has been established to handle complaints with strict confidentiality. Complainants are guaranteed full protection against any form of victimisation or retaliation.

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

Yes, GNA Axles places strong emphasis on human rights, making them an integral part of its business agreements and contracts.

10. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100.00
Forced/involuntary labour	100.00
Sexual harassment	100.00
Discrimination at workplace	100.00
Wages	100.00
Others – please specify	NA

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

There were no significant risks identified. Hence, no corrective action has been taken.

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in joules or multiples) and energy intensity in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
From renewable sources		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources (C)	Nil	Nil
Total energy consumed from renewable sources (A+B+C)	Nil	Nil
From non-renewable sources		
Total electricity consumption (D)	4,30,280.75	404,015.69
Total fuel consumption (E)	8,638.33	7,196.40
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	4,38,919.07	411,212.09
Total energy consumed (A+B+C+D+E+F)	4,38,919.07	411,212.09
Energy intensity per rupee of turnover (Total energy consumption in GJ/Revenue from operations in ₹ million)	29.14	25.98
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed in GJ/Revenue from operations in ₹ million adjusted for PPP)	8.04	7.03
Energy intensity in terms of physical output (Total energy consumed in GJ/Employees)	947.99	932.45
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.: No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The PAT scheme of the Government of India is not applicable to GNA Axles.

3. Provide details of the following disclosures related to water in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil
(ii) Groundwater	84,090	1,42,715
(iii) Third party water	Nil	Nil
(iv) Seawater/desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	84,090	1,42,715
Total volume of water consumption (in kilolitres)	84,090	1,06,520
Water intensity per rupee of turnover (Water consumed in KL/Revenue from operations in ₹ million)	5.58	6.73
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption in KL/Revenue from operations in ₹ million adjusted for PPP)	1.54	1.82

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water intensity in terms of physical output (Total water consumption in KL/Employees)	181.62	241.54
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, the name of the external agency.: No

4. Provide the following details related to water discharged:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment		
With treatment – please specify level of treatment		
(ii) To groundwater		
No treatment		
With treatment – please specify level of treatment	NA	NA
(iii) To seawater		
No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties		
No treatment		
With treatment – please specify level of treatment		
(v) Others	Nil	Nil
No treatment	Nil	Nil
With treatment – The treated water is used for plantations and wash rooms.	45,705	36,195
Total water discharged (in kilolitres)	45,705	36,195

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.: No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, GNA Axles has established a zero liquid discharge system by incorporating an effluent treatment plant and a sewage treatment plant. This advanced mechanism processes all industrial wastewater and repurposes it for irrigation of plantations. By recycling treated effluents, the Company ensures that no liquid waste is discharged from its operations, thereby conserving water resources and reducing its environmental footprint.

6. Please provide details of air emissions (other than GHG emissions) by the entity in the following format

Parameter	Please specify unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
NOx	NA	24.2	26
SOx	mg/Nm ³	19.6	18.2
Particulate matter (PM)	NA	110	105
Persistent organic pollutants (POP)	NA	Nil	Nil
Volatile organic compounds (VOC)	NA	Nil	Nil
Hazardous air pollutants (HAP)	NA	Nil	Nil
Others – please specify	NA	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, the name of the external agency.: No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity in the following format:

Parameter	Unit	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	NA	NA
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	tCO ₂ e	NA	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations)	tCO ₂ e/₹ in million of turnover	NA	NA
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO ₂ e/₹ in million of turnover adjusted to PPP	NA	NA
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO ₂ e/employee	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, the name of the external agency.: No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

GNA Axles has launched several sustainability initiatives to lower greenhouse gas emissions and energy consumption. In 2023, the Company installed a 1.30 MW solar power plant to boost its use of renewable energy. Additionally, GNA Axles is replacing all CFL bulbs with energy efficient LED lighting, anticipated to result in substantial electricity savings. The manufacturing process has also shifted from using furnace oil for heating to electricity, reducing emissions. Furthermore, the Company now utilises treated wastewater from its effluent treatment plant for irrigation instead of relying on freshwater.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Total waste generated (in metric tonnes)		
Plastic waste (A)	530 Drums	518 Drums
E-waste (B)	Nil	Nil
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	Nil	Nil
Radioactive waste (F)	Nil	Nil
Other hazardous waste (in MT)		
• Crude oil	6.04	5.68
• Waste or residues containing oil	28.91	30.77
• Chemical sludge from waste water treatment	2.18	0.29
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A+B + C + D + E + F + G + H)	37.13	36.74

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Waste intensity per rupee of turnover (Total waste generated in MT/Revenue from operations in ₹ million)	0.0025	0.0023
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated in MT/Revenue from operations in ₹ million adjusted for PPP)	0.0007	0.0006
Waste intensity in terms of physical output (Total waste generated in MT/Employee)	0.0802	0.0833
Waste intensity (optional) – the relevant metric may be selected by the entity	NA	NA
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	Nil	Nil
(ii) Re-used	Nil	Nil
(iii) Other recovery operations	Nil	Nil
Total	Nil	Nil
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Nil	Nil
(ii) Landfilling	Nil	Nil
(iii) Other disposal operations	Nil	Nil
Total	Nil	Nil

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, the name of the external agency.: No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

GNA Axles has implemented stringent waste management protocols. Plastics and packaging materials are collected and recycled through accredited recyclers. Electronic waste is systematically dismantled and processed by approved recycling specialists. Hazardous waste is securely contained, transported, and treated at authorised disposal sites in accordance with legal guidelines. Remaining waste is sorted, with reusable materials like paper, wood, and metals sent to certified dealers, while non-reusable waste is directed to sanctioned landfills. Any additional hazardous waste is managed in strict adherence to regulations.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. no.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of the Company's operations or offices are present in or around ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year

Name and brief details of project	EIA notification no.	Date	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
-----------------------------------	----------------------	------	--	--	------------------

NA

13. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. no.	Specify the law/regulation/guidelines which were not complied with	Provide details of the non-compliance	Any fines/penalties/action taken by regulatory agencies such as Pollution Control Boards or by courts	Corrective action taken if any
--------	--	---------------------------------------	---	--------------------------------

Yes, GNA Axles complies with all applicable environmental laws, regulations, and guidelines in India.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

Six

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. no.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1.	Confederation of Indian Industries (CII), New Delhi	National
2.	The Associated Chambers Of Commerce and Industry of India (ASSOCHAM)	National
3.	Association of Indian Forging Industry (AIFI)	National
4.	Automotive Components Manufacturers Association of India (ACMA, New Delhi)	National
5.	The Council of EU Chambers of Commerce in India	National
6.	Swiss-Indian Chamber of Commerce	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of authority	Brief of the case	Corrective action taken
-------------------	-------------------	-------------------------

NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of the project	SIA notification no.	Date of notification	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No)	Relevant weblink
---------------------------------------	----------------------	----------------------	--	--	------------------

The Company conducts its CSR activities in line with its CSR policy. However, it has not conducted any social impact assessments, as they are not required by the rules.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format**

Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the financial year(In ₹)
--	-------	----------	---	--------------------------	--

NA

3. **Describe the mechanisms to receive and redress grievances of the community**

Open communication with the communities in which it operates is highly valued by GNA Axles. The Company provides various channels for receiving feedback and complaints, including written letters, e-mails, and regular community meetings. Grievances are reviewed by the team, with timely and respectful action taken to address issues.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Parameter	2023-24 (Current financial year)	2022-23 (Previous financial year)
Directly sourced from MSMEs/small producers	11	12
Sourced directly from within India	89	78.73

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost**

Location	2023-24 (Current financial year)	2022-23 (Previous financial year)
Rural	100	100
Semi-urban	0	0
Urban	0	0
Metropolitan	0	0

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.**Essential Indicators**

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customer satisfaction is central to the mission of GNA Axles. The Company offers various channels for consumer complaints and feedback, promptly investigating issues, implementing remedies, and following up to ensure satisfaction. Additionally, it analyses feedback trends to identify areas for improvement, which are then communicated to the product teams, facilitating continuous enhancement and aiming to exceed consumer expectations.

2. **Turnover of products and/services as a percentage of turnover from all products/services that carry information about**

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

	As a percentage of total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following

	2023-24 (Current financial year)			2022-23 (Previous financial year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	NA	NA	Nil	NA	NA
Advertising	Nil	NA	NA	Nil	NA	NA
Cyber-security	Nil	NA	NA	Nil	NA	NA
Delivery of essential services	Nil	NA	NA	Nil	NA	NA
Restrictive trade practices	Nil	NA	NA	Nil	NA	NA
Unfair trade practices	Nil	NA	NA	Nil	NA	NA
Other	Nil	NA	NA	Nil	NA	NA

4. Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a weblink to the policy.

GNA Axles does not have a formal policy in place but adheres to its requirements.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.

NA

7. Provide the following information relating to data breaches:

- Number of instances of data breaches alongwith impact Nil
- Percentage of data breaches involving personally identifiable information of customers Nil
- Impact, if any, of the data breaches Nil

Independent Auditor's Report

To the Members of

GNA AXLES LIMITED.

Report on the audit of the standalone financial statements.

Opinion

We have audited the accompanying Standalone financial statements of **GNA AXLES LIMITED** ("the Company"), which comprise the Balance Sheet as at, March 31, 2024, the statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the standards on auditing 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 standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 on the standalone financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial

statements as a whole, and in forming our opinion thereon. And we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report Corporate Governance and share holder information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind. AS financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards Ind. AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian accounting standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Ind. As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditor's Report (Contd.)

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 standalone 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 safeguard. 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"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
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

Independent Auditor's Report (Contd.)

the best of our knowledge and belief were necessary for the purpose of our audit;

- b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and loss (including other comprehensive income), the statement of change in equity, the statement of cash flow and notes to the standalone financial statements 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 Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rule 2014 as amended.
- e. As per the management representation we report.

no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries") with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contains any material mis-statement.

- f. In our opinion Company has complied with section 123 of the Companies Act, 2013 with respect to dividend declared/paid during the year.

- g. Based on our examination, which included test checks, performed by us on the company, has used accounting soft wares for maintaining its books of account for the financial year ended March 31,2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the soft wares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- h. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- i. 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- j. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by company to it's directors during the year is in accordance with the provisions of Section 197 of the Act.

Independent Auditor's Report (Contd.)

k. With respect to the other matters to be included in the auditor's Report in accordance with rule II of the Companies (Audit and auditors) Rule, 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 on its financial position in its standalone Ind. AS financial Statements-Refer notes to financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **HARISH & CO.**
Chartered Accountants (FRN: 017372N)

(SURAJ BAJAJ)

Partner

M. No. 538094

Place: Jalandhar

Date: May 24, 2024

UDIN: 24538094BKFETW7028

“Annexure A”

to the Independent Auditors’

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Ind. AS financial statements of the Company for the year ended March 31, 2024.

1) Property, Plant & Equipment:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment;
- (b) As explained to us, the Property, Plant & Equipment have been physically verified by the management at reasonable intervals in accordance with regular programme of verification. According to the information and explanation given to us no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) No re-valuations were done during the year.
- (e) No proceeding has been initiated or pending against the company for holding any Benami Property under The Benami Transactions (Prohibition) Act, 1988

2) Inventory

- (a) As explained to us, the management has conducted the physical verification of inventory at reasonable intervals.
- (b) No Material discrepancies of 10% or more in the aggregate for each class of inventories were noticed on physical verification of the inventory by the management as compared to books records.
- (c) The company has been sanctioned working capital limits in excess of Rs. 5.00 Crores from banks or financial institutions on the basis of security of current assets.

3) Loans, Guarantee and Advances given

According to the information and explanations given to us and on the basis of our examination of books of accounts, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act.

Accordingly, the provisions of clause 3 (iii) (a) to (c) of the order are not applicable to the Company and hence not commented upon.

4) Loans, Guarantee and Advances to Director of Company

In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, Guarantee and advances.

5) Deposits

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6) Maintenance of Cost Records

As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

7) Deposit of Statutory Liabilities

- (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no material dues of customs duty and Income Tax, which have not been deposited with the appropriate authorities on account of any dispute. However, according

Annexure A (Contd.)

to information and explanations given to us, the following dues of sales tax, Goods & service tax and value added tax, income tax have not been deposited by the Company on account of disputes;

Nature of the Statute	Nature of the Dues	Amount (Rs.)	Period to which the amount relates	Forum where dispute is pending
Punjab Sales Tax Act	Demand P-VAT	54,67,036	2009-2010	VAT Tribunal
Punjab Sales Tax Act	Demand P-VAT	22,25,430	2008-2009	VAT Tribunal
Punjab Sales Tax Act	Demand P-VAT (Crane)	1,80,000	2004-2005	VAT Tribunal
Goods & Service Tax Liability	RCM	64,49,522	2018-2019	Before Assistant Commissioner
Service Tax	RCM	11,48,852	2005 to 2007	Asstt. Commissioner
Income Tax	Demand	65,030	Ay. 2022-2023	CIT (A)

c) The company management believes that the ultimate outcome of these contingent liabilities will not have a material adverse effect on the Company's financial position and its results of operations.

8) Surrendered or disclosed as income in the Tax Assessments

The company does not have any transactions to be recorded in the books of accounts that has been surrendered or disclosed as income during the year in the Tax Assessments under The Income Tax Act, 1961.

9) Default in repayment of borrowing

In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings from a financial institutions and banks.

10) Funds Raised and Utilization

Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including Debt instruments). During the year the Company has taken Term Loans from Banks and utilized the amount of Term Loans for the purpose for which they were raised.

The company has not made any preferential allotment or private placement or shares or fully or partly convertible debentures during the year under review.

11) Fraud & Whistle-blower complaints

Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

12) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause xii of the Order are not applicable to the Company.

13) Related Party Transactions

In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Internal Audit

The company has an internal audit system commensurate with the size and nature of its business. Reports of internal audit committee for the period under audit were taken into consideration.

15) Non-Cash Transactions

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him and the provisions of section 192 of Companies Act, 2013 have been complied with.

16) Registration under RBI Act

In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

17) Cash Losses

The Company has not incurred cash losses in the financial year under Audit and in the immediately preceding financial year.

Annexure A (Contd.)

18) Resignation of Statutory Auditors

There has been no resignation of the statutory auditors occurred during the year.

19) Material uncertainty on meeting liabilities

On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that 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.

20) Transfer to fund specified under Schedule VII of Companies Act, 2013.

The CSR Budget for the year 2023-24 of the company was Rs. 290,22,976/- (including unspent of previous year). The company has spent Rs.301,53,774/- on CSR activities during the Financial Year 2023-24 with the approval of CSR Committee. There is no unspent CSR Amount as on 31.03.2024.

21) Remarks of Subsidiary Company

The Company does not have any qualifications or any adverse remarks by the auditors of its subsidiary company GNA Axles Inc., Michigan.

For **HARISH & CO.**
Chartered Accountants (FRN: 017372N)

(SURAJ BAJAJ)

Partner

M. No. 538094

Place: Jalandhar

Date: May 24, 2024

UDIN: 24538094BKFETW7028

“Annexure B”

to the Independent Auditors’

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of GNA Axles Limited 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 **GNA Axles 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. 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 ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the 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 Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

Annexure B (Contd.)

internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the Internal Control over financial reporting criteria

established by the company considering the essential components of the 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 **HARISH & CO.**
Chartered Accountants (FRN: 017372N)

(SURAJ BAJAJ)

Partner

Place: Jalandhar
Date: May 24, 2024

M. No. 538094
UDIN: 24538094BKFETW7028

Balance Sheet

As at March 31, 2024

₹ in Lacs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
NON-CURRENT ASSETS			
a) Property, Plant & Equipment	1	34,436.76	30,560.13
b) Right of use assets		0.00	0.00
c) Capital Work in Progress	1	817.36	1,178.17
d) Goodwill		0.00	0.00
e) Other Intangible Assets		0.00	0.00
f) Intangible Assets under Development		0.00	0.00
g) Financial Assets			
(i) Investments	2	0.66	0.66
(ii) Loans		0.00	0.00
(iii) Other Financial Assets	3	988.31	1,038.39
h) Deferred Tax Assets		308.92	231.19
i) Current Tax Assets (net)		334.60	0.00
j) Other Non-Current Assets	4	1,224.21	2,051.08
		38,110.82	35,059.62
CURRENT ASSETS			
a) Inventories	5	19,760.16	18,824.88
b) Financial Asset			
Investments		0.00	0.00
Trade Receivables		57,127.19	56,093.74
Cash & Cash Equivalents	6	24.94	32.38
Bank Balance Other than Cash and Cash Equivalents	7	3,233.93	2,688.38
Loans		0.00	0.00
Other Financial Assets		0.00	0.00
c) Other Current Assets	8	3,594.63	4,352.15
		83,740.85	81,991.53
Total Assets		1,21,851.67	1,17,051.15
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	9	4,293.08	2,146.54
b) Other Equity	10	75,885.93	69,328.32
Total Equity		80,179.01	71,474.86
LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Lease Liabilities		0.00	0.00
(ii) Borrowings	11	2,911.95	3,005.60
(iii) Other Financial Liabilities		0.00	0.00
b) Provisions		0.00	0.00
c) Deferred Tax Liabilities (net)		0.00	0.00
d) Other Non-Current Liabilities		0.00	0.00
Total Non-Current Liabilities		2,911.95	3,005.60
CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Lease Liabilities		0.00	0.00
(ii) Borrowings	11	16,005.14	15,592.38
(iii) Trade Payable		0.00	0.00
Total Outstanding Dues of Micro & Small Enterprises		893.56	325.21
Total Outstanding Dues of Creditors other than Micro & Small Enterprises		17,230.16	22,200.80
Other Current Financial Liabilities	12	2,429.95	1,727.86
b) Other Current Liabilities	13	439.35	470.53
c) Current Provisions	14	1,762.55	1,979.19
d) Current Tax Liabilities (Net)		0.00	274.72
		38,760.71	42,570.69
Total Liabilities		41,672.66	45,576.29
Total Equity & Liabilities		1,21,851.67	1,17,051.15

Annexed hereto Notes forming Parts of Financial Statements and Notes on Accounting Policies

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Statement of Profit & Loss

For the year ended March 31, 2024

₹ in Lacs

Particulars	Notes No.	March 31, 2024	March 31, 2023
Revenue from Operations			
Income from Operations	15	1,49,053.88	1,55,957.31
Other Operating income	16	1,572.30	2,336.06
		1,50,626.18	1,58,293.37
Other Income	17	240.39	142.58
		1,50,866.57	1,58,435.95
Expenditure			
Cost of Material consumed	18	1,01,121.06	1,05,476.25
Purchases of Stock-in-Trade			
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	19	(1,240.55)	(472.78)
Employee Benefits Expense	20	7,089.73	6,637.10
Financial Costs	21	1,154.34	1,096.38
Depreciation, Impairment and Amortisation Expenses	22	5,333.71	4,851.25
Other Expenses	23	23,923.92	23,383.58
		1,37,382.21	1,40,971.78
Profit Before Exceptional items and Tax		13,484.36	17,464.17
Exceptional items		0.00	0.00
Profit from continuing operations before Tax		13,484.36	17,464.17
Tax Expense (Current & Deferred Tax)		3,482.27	4,441.06
Profit for the year (A)		10,002.09	13,023.11
Other Comprehensive Income/Loss		0.00	0.00
(Items that will not be reclassified to Statement of Profit and Loss)			
Other Comprehensive Income/(Loss) for the year (B)		0.00	0.00
Total Comprehensive Income for the year (A+B)		10,002.09	13,023.11
Earnings Per Equity Share of face value of ₹ 10/- each			
Basic		23.30	60.66
Diluted		23.30	60.66

Annexed hereto the Notes forming Parts of Financial Statements and Notes on Accounting Policies

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Standalone Cash Flow Statement

as at March 31, 2024

₹ in Lacs

Particulars	For the Year Ending March 31, 2024	For the Year Ending March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	13,484.36	17,464.17
Adjustments for :		
Depreciation	5,333.71	4,851.25
Interest income	(240.39)	(142.58)
Interest paid	1,021.89	950.73
Loss/profit on sale of assets	1.24	1.11
Operating profit before working capital changes	19,600.81	23,124.68
Adjustments for :		
Inventories	(935.28)	(24.31)
Increase in Trade Rec./Other Current/Non-Current Assets	(329.2)	(10,742.15)
Decrease/Increase in Trade Payable/Other Current Liabilities	(4,924.82)	2,795.45
Income tax of earlier year	(10.02)	(11.45)
Income Tax Paid	(3,560)	(4,600)
Net cash from operating activities	9,841.49	10,542.22
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Decrease in Other Financial Assets	50.08	740.19
Purchase of Fixed assets	(8,867.66)	(7,544.27)
Sale of Fixed Assets	16.88	15.00
Interest received	240.39	142.58
Net cash used in Investing activities	(8,560.31)	(6,646.5)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	2,369.03	4,522.34
Repayment of long term borrowings	(1,760.59)	(5,993.07)
Dividend Paid	(1,287.92)	(1,073.27)
Increase/Decrease in cash credits & Packing credits	412.75	(393.54)
Interest Paid	(1,021.89)	(950.73)
Net cash flow from financing activities	(1,288.62)	(3,888.27)
Net increase/ (decrease) in cash & cash equivalents (A+B+C)	(7.44)	7.45
Cash & Cash equivalents at the beginning of the year (see Note 2)	32.38	24.93
Cash & Cash equivalents at the end of the year (see Note 2)	24.94	32.38
	(7.44)	7.45

1 Notes :

The Cash flow is based on and derived from the accounts of company for the year ended March 31, 2024 and March 31, 2023

Standalone Cash Flow Statement
as at March 31, 2024 (Contd.)

₹ in Lacs

Particulars	For the Year Ending March 31, 2024	For the Year Ending March 31, 2023
2 Cash & cash equivalents comprise of :		
Cash in hand	22.11	28.13
With scheduled banks :		
In current accounts	2.83	4.25
Cash & Cash Equivalent at the end of the year	24.94	32.38

Certified correct as per our separate report annexed

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Notes

Forming part of standalone financial statements for the year ended March 31, 2024.

I. Corporate information

GNA Axles Ltd. ("the Company") is a Company established in 1993. The Company manufactures auto components for the four-wheeler industry, primary product being Rear Axles, Shafts, Spindles & other Automobiles Components for sale in domestic and foreign market. The Company has manufacturing location in the state of Punjab Unit –I at Mehtiana & Unit-II at VPO Gulabgarh Jattan (Phagwara-Hoshiarpur Road).

II. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

II. 1 Basis of Preparation:

(i) Compliance with Ind AS

This 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 Standard) Rules, 2015 and other relevant provision of the Act.

(ii) Historical cost convention

The financial statements have been prepared on an accrual basis and under the historical cost convention.

(iii) Classification of asset and liabilities

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycles of business activities of the Company, which is twelve months.

II. 2 Summary of significant Accounting Policies:

a) Property, plant and Equipment:

Freehold land is carried at historical cost. All other items of Property, plant and equipment are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other non refundable taxes or levies and any cost directly attributable to the acquisition/ construction of those items: any trade

discounts and rebates are deducted in arriving at the cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statements of profit or loss during the reporting period in which they are incurred.

b) Depreciation on tangible fixed assets.

Depreciation on tangible fixed assets is provided using the Written down value Method as per rate prescribed by Companies Act.

c) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Gross Sales are Net of returns, Claims, and Discount. The Company recognises Revenue when amount of revenue can be measured reliably and it is probable that the economic benefits associated with transaction will flow to the entity.

Interest Income is accounted on accrual basis and Fixed deposit interest is accounted as per statement/documents issued by bank.

d) Inventories

Inventories are valued as follows:

- | | | |
|-----------------------------------|---|---|
| a) Stock of Raw Material & Stores | : | At Purchase price plus Direct Expenses |
| b) Stock of work in Progress | : | At Estimated cost price |
| c) Stock of Finished Goods | : | At cost or net realisable value whichever is less |

e) Insurance and other claims

Revenue in respect of claims is recognised when no significant uncertainty exists with regard to the amount to be realised and ultimate collection thereof.

f) Tax Expenses

Current income tax is measured at the amount expected to be paid to the income tax authorities in accordance with the income-tax Act, 1961 enacted in India. Deferred Income

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax assets is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set-off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

g) Earning per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue: bonus element in a rights issue to existing shareholders: share split: and reverse share split (consolidation of shares).

h) Impairment of assets

At each balance sheet date an assessment is made whether any indication exists that an assets has been impaired. If any such indication exists, an impairment loss i.e the amount by which the carrying amount of an assets exceeds its recoverable amount is provided in the books of accounts.

i) Borrowing Costs:

Borrowing cost that is attributable to acquisition or construction of a qualifying asset is capitalised as part of cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost is recognised as expenses in the period in which they are incurred.

j) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flow, cash & cash equivalents includes cash in hand, cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an in significant risk of change in value.

k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can reliably estimated. 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.

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent. The Company does not recognise a contingent liability but discloses its existence in financial statements

l) Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating investing and financing activities of the Company are segregated.

m) Foreign Currency Transactions

The functional currency of the Company is Indian Rupee. These financial statements are presented in Indian Rupee.

Transactions and Balances.

The foreign current transactions are recorded, on initial recognition in the functional currency, by applying foreign current amount the spot exchange rate between the functional currency and the foreign current at the date of transaction.

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

The foreign current monetary items are translated using closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

n) Retirement & Other Benefits

i.) **Gratuity:** - The Company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service is entitled to gratuity on terms not less favorable than the Provisions

of "The Payment of Gratuity Act 1972." The Company contributes periodically with LIC of India.

ii) **Provident Fund:** - Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

iii.) **Superannuation Fund:-** Certain employees are also participants in the superannuation plan which is a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contribution which are periodically contributed to corpus which is invested with the Life Insurance Corp. of India.

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

1. Property Plant & Equipment

Particulars	₹ in Lacs								Total	
	Freehold Land	Factory Building	Plant & Machinery	Computers	Office Equipments	Furniture & Fixtures	Vehicle			
(A) Gross Block										
Balance as at April 01, 2023	1,621.72	10,152.43	56,211.58	785.54	845.19	701.83	1,582.07			71,900.36
Addition during the year	108.38	1,733.91	6,855.86	92.12	71.65	113.10	253.46			9,228.48
Discarded/Disposed off during the year	16.65	0.00	0.00	0.00	0.00	0.00	25.48			42.13
Balance as at March 31, 2024	1,713.45	11,886.34	63,067.44	877.66	916.84	814.93	1,810.05			81,086.71
(B) Accumulated Depreciation										
Balance as at April 01, 2023	0.00	4,310.62	34,202.23	735.34	540.73	492.08	1,059.23			41,340.23
Depreciation for the year	0.00	634.29	4,321.57	56.30	58.08	66.00	197.47			5,333.71
Accumulated depreciation on discarded/ disposal	0.00	0.00	0.00	0.00	0.00	0.00	23.99			23.99
Balance as at March 31, 2024	0.00	4,944.91	38,523.80	791.64	598.81	558.08	1,232.71			46,649.95
(C) Net carrying Amount										
Balance as at April 01, 2023	1,621.72	5,841.81	22,009.35	50.20	304.46	209.75	522.84			30,560.13
Balance as at March 31, 2024	1,713.45	6,941.43	24,543.64	86.02	318.03	256.85	577.34			34,436.76

CAPITAL WORK IN PROGRESS

BUILDING (1 - 2 YEARS)

Balance as at April 01, 2023	1,178.17
Addition for the year	1,309.10
Trfd to BuildingA/c	1,669.91
Balance as at March 31, 2024	817.36

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

2. Non-current investments

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Shares of GNA Axles Inc Michigan	0.66	0.66
	0.66	0.66

3. Other Financial Assets

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	988.31	1,038.39
	988.31	1,038.39

4. Other-Non Current Assets

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Advance for Fixed Assets	1,224.21	2,051.08
	1,224.21	2,051.08

5. Inventories

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Material		
Raw Material Steel	4,589.94	5,209.34
Raw Material Non Steel	24.99	12.55
Work in Progress	11,660.83	10,158.53
Finished Goods	1,772.08	2,047.47
Stores, Spares & Loose Tools		
Stock of Operating Supply	1,084.18	932.78
Stock of Spare Parts	285.28	204.24
Stock of Diesel	62.48	38.62
Stock of Die Steel	114.52	35.79
Stock of Oil Lubricant	67.70	73.97
Others		
Stock of Scrap Material	42.52	28.87
Stock of Packing	55.64	82.72
	19,760.16	18,824.88

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

6. Cash & Cash Equivalents

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	22.11	28.13
Balance with Banks		
(In Current Account)	2.83	4.25
	24.94	32.38

7. Other Bank Balance

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
In Dividend Account	3.66	2.92
In Deposit Account	3,229.77	2,685.46
In CBI FDR against Margin Money	0.50	0.00
	3,233.93	2,688.38

8. Other Current Assets

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Pre-paid Expenses	155.76	109.85
Advance to Vendor	505.85	719.78
Advance to Employee	17.99	18.33
Other Current Assets	2,915.03	3,504.19
	3,594.63	4,352.15

9. Equity Share Capital

₹ in Lacs

Particulars	March 31, 2024		March 31, 2023	
	Nos.	Amount	Nos.	Amount
SHARE CAPITAL				
(1) Authorised Share Capital				
Equity Share of ₹ 10/- each.	10,00,00,000	10,000	3,00,00,000	3,000
(Previous year Equity Share of ₹ 10/- each)				
(2) Issued, Subscribed & Paid-up				
Equity Shares of ₹ 10/- each	4,29,30,800	4,293.08	2,14,65,400	2,146.54
(Previous year Equity Share of ₹ 10/- each)				
	4,29,30,800	4,293.08	2,14,65,400	2,146.54

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

Reconciliation of number of shares outstanding at the beginning and at the end of the year

₹ in Lacs

Equity Shares	March 31, 2024		March 31, 2023	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,14,65,400	2,146.54	2,14,65,400	2,146.54
Shares issued during the year	2,14,65,400	2,146.54	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	4,29,30,800	4,293.08	2,14,65,400	2,146.54

Detail of Shareholding more than 5% share of the Company

Equity Shares	March 31, 2024		March 31, 2023	
	Nos.	% Age Holding	Nos.	% Age Holding
Name of Shareholder (Equity Shares of ₹ 10/- each)				
S. Gursaran Singh	37,30,650	8.69	18,09,075	8.43
S. Maninder Singh	47,74,426	11.12	24,40,300	11.37
S. Jasvinder Singh	65,67,200	15.30	32,83,600	15.30
S. Ranbir Singh	64,13,096	14.94	32,06,548	14.94
S. Gurdeep Singh	62,75,332	14.62	31,37,666	14.62
HDFC Small Cap Fund	39,27,613	9.15	19,40,874	9.04

A. Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share 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 proportion to the number of equity shares held by the shareholders.

B. There are Nil No. of shares (**Previous Year: NIL**) in respect of shares in our Company held by its holding or its ultimate holding company including shares held by or by subsidiary or associates of holding company or ultimate holding company in aggregate.

C. There are NIL No. of shares (**Previous year NIL**) reserved for issue under option and contracts/commitment for the sale of shares/dis-investment including the terms and amounts.

Particulars	As at March 31, 2024	As at March 31, 2023
1. Aggregate No and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	NIL	NIL
2. Aggregate No. and class of shares allotted as fully paid-up by way of Bonus Shares	2,14,65,400 (Equity Shares)	NIL
3. Aggregate No. and class of shares bought back.	NIL	NIL

D. There are no securities (**Previous year NIL**) convertible into Equity shares

E. There are no calls un-paid (**Previous year NIL**) including calls un-paid by Directors and officers as on balance sheet date.

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

F. Share holding of Promoters:

Sr. No.	Promoter's Name	No. of shares as on March 31, 2024	No. of shares as on March 31, 2023	% of total Shares as on March 31, 2024	% of total Shares as on March 31, 2023	% change during the year
1	Jasvinder Singh (Promoter)	65,67,200	32,83,600	15.30	15.30	0.00
2	Ranbir Singh (Promoter)	64,13,096	32,06,548	14.94	14.94	0.00
3	Gurdeep Singh (Promoter)	62,75,332	31,37,666	14.62	14.62	0.00
4	Maninder Singh (Promoter Group)	47,74,426	24,40,300	11.12	11.37	(2.20)
5	Gursaran Singh (Promoter Group)	37,30,650	18,09,075	8.69	8.43	3.08
6	Kulvin Seehra (Promoter Group)	4,25,500	2,12,750	0.99	0.99	0.00
7	Keerat Seehra (Promoter Group)	4,25,000	2,12,500	0.99	0.99	0.00
8	Harjinder Kaur (Promoter Group)	5,07,800	2,53,900	1.18	1.18	0.00
9	Jasleen Kaur (Promoter Group)	20,024	10,012	0.05	0.05	0.00
10	Ashmeet Seehra (Promoter Group)	36,852	7,151	0.09	0.03	200.00
11	Lovleen Kaur (Promoter Group)	20,100	10,050	0.05	0.05	0.00
12	Manjot Seehra (Promoter Group)	12,080	6,040	0.03	0.03	0.00
13	GNA Gears Limited (Promoter Group)	26,200	10,100	0.06	0.05	20.00
14	Harwinder Singh (Promoter Group)	9,970	4,985	0.02	0.02	0.00
15	Rupinder Singh (Promoter Group)	8,500	4,250	0.02	0.02	0.00
16	Rasleen Kaur Pahuja (Promoter Group)	10,324	5,162	0.02	0.02	0.00

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) Current Reporting period

₹ in Lacs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
₹ 2,146.54	0	₹ 2,146.54	₹ 2,146.54	₹ 4,293.08
(2,14,65,400 Equity Share of ₹10/-each)		(2,14,65,400 Equity Share of ₹10/-each)	(2,14,65,400 Equity Share of ₹10/-each)	(4,29,30,800 Equity Share of ₹ 10/-each)

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
₹ 2,146.54	0	₹ 2,146.54	0	₹ 2,146.54
(2,14,65,400 Equity Share of ₹ 10/- each)		(2,14,65,400 Equity Share of ₹ 10/- each)		(2,14,65,400 Equity Share of ₹ 10/- each)

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

10. Other Equity

(1) Current reporting period

	Share application money pending allotment (₹)	Reserve & Surplus				Debt instruments through Other Comprehensive Income (₹)	Equity Instruments through Other Comprehensive Income (₹)	Effective portion of Cash Flow Hedges (₹)	Revaluation Surplus (₹)	Exchange differences on translating the financial statements of a foreign operation (₹)	Other items of Other Comprehensive Income (specify nature) (₹)	Money received against share warrants (₹)	Total (₹)
		Equity Component of compound financial instruments (₹)	Capital Reserve (₹)	Securities Premium (₹)	Other Reserves (specify nature) (₹)								
Balance at the beginn of the current reporting period	0	0	11,802.98	0.00	57,525.34	0.00	0.00	0.00	0.00	0.00	0.00	69,328.32	
Changes in accounting policy or prior period errors	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Restated balance at the beginning of the current reporting period	0	0	11,802.98	0.00	57,525.34	0.00	0.00	0.00	0.00	0.00	0.00	69,328.32	
Total comprehensive income for the current year	0	0	11,802.98	0.00	57,525.34	0.00	0.00	0.00	0.00	0.00	0.00	69,328.32	
Dividends	0	0	0.00	0.00	(1,287.92)	0.00	0.00	0.00	0.00	0.00	0.00	(1,287.92)	
Transfer to retained earnings	0	0	0.00	0.00	10,002.09	0.00	0.00	0.00	0.00	0.00	0.00	10,002.09	
Utilised for issue of fully paid bonus shares	0	0	(2,146.54)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,146.54)	
Income Tax Adjustments of previous year	0	0	0.00	0.00	(10.02)	0.00	0.00	0.00	0.00	0.00	0.00	(10.02)	
Balance at the end of the current reporting period	0	0	9,656.44	0.00	66,229.49	0.00	0.00	0.00	0.00	0.00	0.00	75,885.93	

₹ in Lacs

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

(2) Previous reporting period

	Share application money pending allotment (₹)	Reserve & Surplus				Debt instruments through Other Comprehensive Income (₹)	Equity Instruments through Other Comprehensive Income (₹)	Effective portion of Cash Flow Hedges (₹)	Revaluation Surplus (₹)	Exchange differences on translating the financial statements of a foreign operation (₹)	Other items of Other Comprehensive Income (specify nature) (₹)	Money received against share warrants (₹)	Total (₹)
		Equity Component of compound financial instruments (₹)	Capital Reserve (₹)	Securities Premium (₹)	Other Reserves (specify nature) (₹)								
Balance at the beginn of the previous reporting period	0	0	11,802.98	0	45,586.95	0	0	0	0	0	0	57,389.93	
Changes in accounting policy or prior period errors	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Restated balance at the beginning of the previous reporting period	0	0	11,802.98	0	45,586.95	0	0	0	0	0	0	57,389.93	
Total comprehensive income for the previous year	0	0	11,802.98	0	45,586.95		0	0	0	0	0	57,389.93	
Dividends	0	0	0	0	(1,073.27)	0	0	0	0	0	0	(1,073.27)	
Transfer to retained earnings	0	0	0	0	13,023.11	0	0	0	0	0	0	13,023.11	
Income Tax Adjustments of previous year	0	0	0	0	(11.45)	0	0	0	0	0	0	(11.45)	
Balance at the end of the previous reporting period	0	0	11,802.98	0	57,525.34	0	0	0	0	0	0	69,328.32	

₹ in Lacs

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

11. Borrowings

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
A) Non Current		
Secured		
From Banks		
Term Loan	5,341.90	4,733.46
	5,341.90	4,733.46
Less: Current Maturities	2,429.95	1,727.86
	2,911.95	3,005.60
Unsecured	0.00	0.00
	2,911.95	3,005.60
B) Current		
Secured		
From Banks (Repayable on Demand)	16,005.14	12,592.38
From Other		
Bajaj Finance Limited	0.00	3,000.00
Unsecured	0.00	0.00
	16,005.14	15,592.38

11.1 The above non-current borrowings are secured by mortgage created on the immovable assets of the Company both present and future and hypothecation of all moveable assets including movable machinery, tools and accessories and other movables, both present and future subject to charges created in favour of the Bankers/NBFC'S for securing the working capital limits and the personal guarantee of promoter directors.

11.2 Current Borrowings includes Cash Credit Limit, O/D Limit & PCFC from Consortium Banks which are secured by hypothecation of entire present and future tangible current assets of the Company as well as second charges on the entire present and future fixed assets of company and personal guarantee of promoter directors.

12. Other Current Financial Liabilities

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Current Maturity of Non-Current Borrowings	2,429.95	1,727.86
	2,429.95	1,727.86

13. Other Current Liabilities

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Statutory Liabilities	435.69	467.61
Unpaid Dividend	3.66	2.92
	439.35	470.53

14. Current Provisions

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Outstanding Expenses Payable	1,516.05	1,761.76
Employee Dues	246.50	217.43
	1,762.55	1,979.19

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

15. REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
SALE OF PRODUCTS		
Sale Domestic	71,433.73	72,065.94
Sale Export (Direct)	77,620.15	83,891.37
	1,49,053.88	1,55,957.31

16. OTHER OPERATING REVENUE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
DEPB/FPS Service	358.07	752.35
Duty Drawback	1,474.26	1,438.46
Exchange Difference	(260.03)	145.25
	1,572.30	2,336.06

17. OTHER INCOME

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Interest Income	240.39	142.58
	240.39	142.58

18. COST OF MATERIALS CONSUMED

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
CONSUMPTION OF RAW MATERIAL		
Raw Material -Steel	87,047.96	92,463.87
Raw Material-Non-Steel	8.89	16.81
	87,056.85	92,480.68
CONSUMPTION OF STORE & SPARES		
Consumption of operating supply	7,653.65	6,814.77
Consumption of Die Steel	530.20	440.58
Consumption of oil & Lubricants	1,741.59	1,628.37
Consumption of Packing Materials	3,512.90	3,499.07
Consumption of Furnace Oil	625.87	612.78
	14,064.21	12,995.57
	1,01,121.06	1,05,476.25

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

19. CHANGE IN INVENTORY OF-

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
WORK IN PROGRESS & FINISHED GOODS		
At the beginning of Accounting period	12,234.88	11,762.10
At the end of the Accounting period	13,475.43	12,234.88
	(1,240.55)	(472.78)

20. EMPLOYEE BENEFIT EXPENSE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Wages	2,194.51	2,094.41
Salary	2,984.80	2,737.69
Production Incentive Bonus	753.58	729.78
Contribution to Provident Fund	174.59	156.89
Family Pension	163.56	149.93
Administration charges	24.07	21.93
Group gratuity	123.91	145.97
Super Annuation Fund	44.70	37.43
Workers and Staff Welfare	231.68	210.05
Bonus	260.46	232.46
Leave with Wages	39.52	44.63
Medical Reimbursement	40.29	27.85
Employees State Insurance	54.06	48.08
	7,089.73	6,637.10

21. FINANCIAL COSTS

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
a) Interest Expense		
Interest on Term Loan	242.78	515.93
Interest on Cash Credit	760.57	433.85
Interest to Others	18.54	0.95
b) Other Borrowing Cost		
Bank Commission	132.45	145.65
	1,154.34	1,096.38

22. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
DEPRECIATION		
Building	634.29	564.49
Plant & Machinery	4,321.57	3,924.27
Furniture & Fixture	66.00	54.86
Vehicle	197.47	216.20
Computers	56.30	36.15
Office Equipments	58.08	55.28
	5,333.71	4,851.25

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

23. OTHER EXPENSES

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Machining charges	3,823.01	3,229.87
Power & Fuel	8,797.76	7,625.92
Repair & Maintenance	564.04	478.51
Factory Expenses	132.65	114.76
Office Expenses	24.61	17.88
Donation / CSR	323.25	268.17
Subscription / Membership fees	10.86	12.36
Entertainment Expense	8.85	6.78
Fees & Taxes	69.74	18.72
Insurance	381.97	209.79
Legal & Professional Expenses	331.47	165.57
News Paper & Periodicals	0.29	1.48
PAYMENT TO AUDITORS		
As Audit Fee	7.50	7.50
For Taxation purpose	0.00	0.00
For any other matters	0.00	0.00
Vehicle Petrol	142.90	134.45
Vehicle Repair	76.95	71.73
Repair of Building	71.24	43.38
Postage & Courier expenses	0.91	1.24
Printing & Stationery	48.26	43.74
Repair & Maintenance of Computer	41.50	38.58
Telephone Expenses	10.60	9.43
Directors sitting fees	9.15	13.35
Travelling Expenses	221.55	200.01
Unrecoverable amount	0.00	0.00
Travelling Expenses Foreign	179.29	110.61
Advertisement expenses	12.30	38.40
Loss/Profit on sale of Asset	1.24	1.11
Club Fee	1.09	1.12
Freight & Cartage outward	1,393.12	1,252.45
Business Promotion Expenses	5.19	5.70
Export Packing & Forwarding expenses	7,232.63	9,260.97
	23,923.92	23,383.58

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

24. Earnings Per Share

Particulars	₹ in Lacs	
	2023-24 Amount(₹)	2022-23 Amount(₹)
Basic and Diluted Earnings Per Share		
Net Profit attributable to Equity Shareholders	10,002.09	13,023.11
Weighted Average number of Equity Shares		
outstanding during the year	Nos. 4,29,30,800	2,14,65,400
Face Value	₹ 10	10
Basic Earnings Per Share	₹ 23.30	60.66
Diluted Earnings Per Share	₹ 23.30	60.66

25. Corporate Social Responsibility

As per the provisions of amended companies Act 2013 the companies having profit of 5CR or more has to spent 2% of their average profits of last 3 years upon specific activity falling within CSR. The CSR Budget for the year 2023-24 of the Company was ₹ 2,90,22,976/- (including unspent of previous year). The Company has spent ₹ 3,01,53,774/- on CSR activities during the Financial Year 2023-24 with the approval of CSR Committee of the Board. There is no unspent CSR Amount as on 31.03.2024

26. Contingent Liabilities

The following are the contingent liabilities during the year.

Particulars	₹ in Lacs	
	2023-24	2022-23
(A) Contingent Liabilities		
1. Bank Guarantees	5.00	2.00
2. Excise Duty, VAT and Service Tax demand against which the Company has preferred appeals.	11.49	Nil
3. Value Added Tax Liabilities	78.72	78.72
4. Good & Service Tax Liability (RCM Liability)	64.50	64.50
5. Income Tax (Asst. Year 2022-23)	0.65	Nil
(B) Commitments		
Capital Commitments	0	0

The Company management believes that ultimate outcome of these contingent liabilities will not have a material adverse effect on the Company's financial position & results of operations

27. Details of Benami Property

No proceedings has been initiated or pending against the Company for holding any benami property under The Benami Transactions (Prohibition) Act, 1988.

28. Related Party Disclosure

Disclosures as required by Accounting Standards (Ind AS-24) "Related Party Disclosure" are given below.

(a) Related Parties

- S. Gursaran Singh – Executive Chairman
- S. Jasvinder Singh - Executive Vice-Chairman
- S. Ranbir Singh – Managing Director & CEO
- S. Maninder Singh – Whole time Director

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

S. Kulwin Seehra – Whole Time Director
 S. Harwinder Seehra – Whole Time Director
 S. Gurdeep Singh – Non-Executive Director
 S. Rupinder Singh – Promoter Group
 S. Keerat Seehra – Promoter Group
 Ashmeet Seehra – Promoter Group
 Manjot Seehra – Promoter Group
 Rasleen Kaur Pahuja – Promoter Group
 Mrs. Loveleen Kaur – Sr. Vice-President (Corporate Affairs)
 GNA Gears Limited – Group Entity

(b) Key Managerial Personnel

Mr. Rakesh Gupta – Chief Financial Officer
 Mr. Gaurav Jain – Company Secretary

(c) Wholly owned Subsidiary Company

GNA Axles INC Michigan

(d) Company in which Directors and their relatives are directors

GNA Gears Limited
 GNA Drivelines Limited
 GNA Transmission (Punjab) Limited
 GNA Investment Limited
 Amarson Automotive Limited

(e) Firms in which Directors and their Relatives are Partners

M/s Seehra Overseas
 M/s GNA Sons
 M/s GNA Consultancy
 M/s GNA Autotech
 M/s Design 360 Protolab & Consultants

Nature of Transaction	₹ in Lacs	
	2023-24	2022-23
(a) Security Deposit with-		
GNA Drivelines Limited	Nil	138.96
(b) Remuneration		
S. Gursaran Singh	239.81	269.93
S. Ranbir Singh	284.93	314.33
S. Jasvinder Singh	281.09	314.33
S. Kulwin Seehra	83.79	66.15
S. Harwinder Seehra	83.79	66.15
S. Maninder Singh	83.90	74.78
(c) Remuneration Paid to Key Managerial Personnel		
Mr. Rakesh Gupta	18.79	17.16
Mr. Gaurav Jain	10.20	9.06
(d) Remuneration paid to Director's relatives		
Mrs. Loveleen Kaur	26.99	26.99

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

29. Segment Reporting

The Company is in the business of manufacturing automobile components which is a single business segment, so separate segment reporting is not required.

30. Remuneration to Directors

Particulars	₹ in Lacs	
	2023-24	2022-23
Salary	1,057.32	1,105.69

31. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

32. Foreign Exchange Earnings

The Company has exported goods during the year FOB value of which is ₹ 7,03,87,52,269/-.

33. Borrowing from Banks and financial Institutions

The Company has taken Term loans from Banks during the year under Audit. The Company Utilized the amount of Term Loans raised for the purpose for which it was obtained.

The Company also borrowed working capital facility from banks against current assets. The quarterly/Monthly statements filed by the Company with banks are in agreement with books of accounts. No discrepancies noticed.

34. Trade Payables Ageing Schedule:

Particulars	Outstandings for following periods from due date of payments				Total
	Less than 1 Yr.	1-2 Yr.	2-3 Yrs.	More than 3 Yrs.	
	MSME	893.56	--	--	
Others	17,230.16				17,230.16
Disputed dues MSME		--	--	--	--

35. Trade Payables Ageing Schedule:

Particulars	Outstanding for the following periods from due date of payments					Total
	Less than 6 Months	6 months – 1 Yrs.	1-2 Yrs.	2-3 Yrs.	More than 3 Yrs.	
	Undisputed Trade Receivables-considered good	51,238.16	5,238.92	557.04	93.07	
Undisputed Trade receivables considered doubtful	--	--	--	--	--	--
Disputed Trade Receivables considered Good	--	--	--	--	--	--
Disputed Trade Receivables considered doubtful..	--	--	--	--	--	--

Notes

Forming part of standalone financial statements for the year ended March 31, 2024. (Contd.)

36. Loan and Advances to directors/ KMP/ Related Parties:

During the year under audit the Company has not granted any Loan and Advances to directors/KMP/Related Parties either severally or jointly with any other persons.

37. Transaction with struck off companies:

During the year under audit the Company has not entered into any transactions with another company whose name has been struck off.

39. Registration of charges or Satisfaction with Registrar of companies:

The Company has registered charges for Term Loans availed during the year with the Registrar of Companies. The Company has satisfied the charges with Registrar of companies for loans, the re-payment of which was completed.

39. Auditors Remuneration:

		₹ in Lacs	
Sr. No	Particulars	Current year	Previous year
1.	Audit Fee	7.50	7.50

40. Ratio Analysis:

Sr. No	Ratio	2023-24	2022-23
1.	Current Ratio	2.16:1	1.93 : 1
2.	Debt Equity Ratio	0.27:1	0.28 : 1
3.	Debt Service Coverage Ratio	4.60:1	6.72 : 1
4.	Return on Equity Ratio	12.47%	18.22%
5.	Inventory turnover ratio	7.72 Times	8.29 Times
6.	Trade Receivable Turnover Ratio	2.63 Times	3.01 Times
7.	Trade Payable Turnover ratio	7.33 Times	7.37 Times
8.	Net Capital Turnover Ratios	3.31 Times	3.96 Times
9.	Net Profit Ratio	6.71 %	8.35 %
10.	Return on Capital Employed	14.65%	20.68%

Remarks

- i) Decrease in Debt Service Ratio is due to Decrease in Generation of Funds and Increase in Repayment of Term loans.
- ii) Decrease in Return on Equity ratio is due to fall in Profits.
- iii) Decrease in Return on Capital Employed is due to fall in profits and increase in Depreciation Expenses.

41. Previous Years Figures have been re-grouped/ re-arranged wherever consider necessary.

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Independent Auditor's Report

To the Members of

GNA AXLES LIMITED.

Report on the audit of the consolidated financial statements.

Opinion

We have audited the accompanying consolidated financial statements of GNA Axles Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at March 31, 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiary, the aforesaid consolidated annual financial results:

- a) Include the annual financial results of the subsidiary (GNA Axles Inc Michigan)
- b) Are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c) Give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31st March, 2024.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the standards on auditing 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 consolidated 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 there under, 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 on the consolidated financial statements.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. And we do not provide a separate opinion on these matters

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the 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 the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated cash flows of the Company and consolidated 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 Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The holding companies Board of Directors and the respective Board of Directors of the Companies included

Independent Auditor's Report (Contd.)

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; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective board of directors of the company's including in the group is responsible for overseeing the Company's financial reporting process of each company.

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 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 in the consolidated financial statements made by management and Board of Directors.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 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.

We communicate with those charged with governance of holding company and such other entities included in consolidated annual financial statements of which we are independent auditors 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 safeguard. 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

Independent Auditor's Report (Contd.)

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.

Others Matters

We did not audit the financial statements of GNA Axles Inc. Michigan and placed reliance on the accounts reviewed by certified public Accountant Alina Rits of RITS Accounting PC Birmingham Michigan which shows the net operating loss \$ 6820.79. No adverse remarks by the auditors in their report.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of 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.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow, and statement of changes in equity 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. As per the management representation we report. no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries") with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties) with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Based on the audit procedures performed, we report that nothing has come to our notice that has caused us to believe that the representations given under sub-clause (i) and (ii) by the management contain any material mis-statement.

- f. In our opinion Company has complied with section 123 of the Companies Act, 2013 with respect to dividend declared/paid during the year.
- g. Based on our examination, which included test checks, performed by us on the holding company ,the Company has used accounting soft wares for maintaining its books of account for the financial year ended March 31,2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the soft wares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. The financial Statements of its subsidiary i.e GNA Axles INC , Michigan that are not material to the consolidated financial statements of the group, have not been audited under the provisions of the Act, as of the date of this report. Therefore, we are unable to comment on the reporting requirement under Rule 11 (g) of the Companies (Audit & Auditors) Rules, 2014 in respect of this subsidiary.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024
- h. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated outside India, none of the Directors of the Group companies

Independent Auditor's Report (Contd.)

- incorporated outside India is disqualified as on March 31, 2024 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
- i. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**; and
- j. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by company to its directors during the year is in accordance with the provisions of Section 197 of the Act
- k. 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Notes to the consolidated financial statements;
- ii. The holding company and its subsidiaries did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.; and
- iii. There were no amounts which were required to be transferred to investor education and protection fund by the holding and its subsidiaries.

For **HARISH & CO.,**
Chartered Accountants (FRN 017372N)

(SURAJ BAJAJ)

Partner

Place: Jalandhar

M.No. 538094

Dated: May 24, 2024

UDIN: 24538094BKFETX6841

“Annexure A”

to the Independent Auditors’

Annexure - A to the Independent Auditors’ Report of even date on the Consolidated Financial Statements of GNA Axles Limited Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls over financial reporting of GNA Axles Limited (“the Holding Company”) and its subsidiary companies which are companies incorporated outside India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated outside India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that 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”) issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial

controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Annexure A (Contd.)

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated outside India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the 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.

Other Matters

We did not audit the financial statements of GNA Axles Inc. Michigan and placed reliance on the accounts reviewed by

certified public Accountant Alina Rits of RITS Accounting PC Birmingham Michigan which shows the net operating loss \$ 6820.79. Our opinion is not qualified in respect of the above matter with respect to our reliance on the work done by and the reports of certified public accountants.

For **HARISH & CO.,**
Chartered Accountants (FRN 017372N)

(SURAJ BAJAJ)

Partner

Place: Jalandhar

M.No. 538094

Dated: May 24, 2024

UDIN: 24538094BKFETX6841

Consolidated Balance Sheet

As at March 31, 2024

₹ in Lacs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
NON-CURRENT ASSETS			
a) Property, Plant & Equipment	1	34,436.76	30,560.13
b) Right of use assets		0.00	0.00
c) Capital Work in Progress	1	817.36	1,178.17
d) Goodwill		0.00	0.00
e) Other Intangible Assets		0.00	0.00
f) Intangible Assets under Development		0.00	0.00
g) Financial Assets			
(i) Investments		0.00	0.00
(ii) Loans		0.00	0.00
(iii) Other Financial Assets	2	988.31	1,038.39
h) Deferred Tax Assets		308.92	231.19
i) Current Tax Assets (net)		334.60	0.00
j) Other Non-Current Assets	3	1,224.21	2,051.08
		38,110.16	35,058.96
CURRENT ASSETS			
a) Inventories	4	19,760.16	18,824.88
b) Financial Asset			
Investments		0.00	0.00
Trade Receivables		57,127.19	56,093.74
Cash & Cash Equivalents	5	25.35	33.34
Bank Balance Other than Cash and Cash Equivalents	6	3,233.93	2,688.38
Loans		0.00	0.00
Other Financial Assets		0.00	0.00
c) Other Current Assets	7	3,594.63	4,352.15
		83,741.26	81,992.49
Total Assets		1,21,851.42	1,17,051.45
EQUITY AND LIABILITIES			
Equity			
a) Equity Share Capital	8	4,293.08	2,146.54
b) Other Equity	9	75,854.55	69,306.57
Total Equity		80,147.63	71,453.11
LIABILITIES			
NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Lease Liabilities		0.00	0.00
(ii) Borrowings	10	2,911.95	3,005.60
(iii) Other Financial Liabilities		0.00	0.00
b) Provisions		0.00	0.00
c) Deferred Tax Liabilities (net)		0.00	0.00
d) Other Non-Current Liabilities		0.00	0.00
Total Non-Current Liabilities		2,911.95	3,005.60
CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Lease Liabilities		0.00	0.00
(ii) Borrowings	10	16,005.14	15,592.38
(iii) Trade Payable		0.00	0.00
Total Outstanding Dues of Micro & Small Enterprises		893.56	325.21
Total Outstanding Dues of Creditors other than Micro & Small Enterprises		17,261.29	22,222.85
Other Current Financial Liabilities	11	2,429.95	1,727.86
b) Other Current Liabilities	12	439.35	470.53
c) Current Provisions	13	1,762.55	1,979.19
d) Current Tax Liabilities (Net)		0.00	274.72
		38,791.84	42,592.74
Total Liabilities		41,703.79	45,598.34
Total Equity & Liabilities		1,21,851.42	1,17,051.45

Annexed hereto Notes forming Parts of Financial Statements and Notes on Accounting Policies

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Consolidated Statement of Profit & Loss

For year ended March 31, 2024

₹ in Lacs

Particulars	Notes No.	March 31, 2024	March 31, 2023
Revenue from Operations			
Income from Operations	14	1,49,053.88	1,55,957.31
Other Operating income	15	1,572.30	2,336.06
		1,50,626.18	1,58,293.37
Other Income	16	240.39	142.58
		1,50,866.57	1,58,435.95
Expenditure			
Cost of Material consumed	17	1,01,121.06	1,05,476.25
Purchases of Stock-in-Trade			
Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	18	(1,240.55)	(472.78)
Employee Benefits Expense	19	7,089.73	6,637.10
Financial Costs	20	1,154.90	1,096.93
Depreciation, Impairment and Amortisation Expenses	21	5,333.71	4,851.25
Other Expenses	22	23,929.05	23,385.35
		1,37,387.90	1,40,974.10
Profit Before Exceptional items and Tax		13,478.67	17,461.85
Exceptional items		0.00	0.00
Profit from continuing operations before Tax		13,478.67	17,461.85
Tax Expense (Current & Deferred Tax)		3,482.27	4,441.06
Profit for the year (A)		9,996.40	13,020.79
Other Comprehensive Income/Loss		0.00	0.00
(Items that will not be reclassified to Statement of Profit and Loss)			
Other Comprehensive Income/(Loss) for the year (B)		0.00	0.00
Total Comprehensive Income for the year (A+B)		9,996.40	13,020.79
Earnings Per Equity Share of face value of ₹ 10/- each			
Basic		23.28	60.66
Diluted		23.28	60.66

Annexed hereto the Notes forming Parts of Financial Statements and Notes on Accounting Policies

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Consolidated Cash Flow Statement

as at March 31, 2024

₹ in Lacs

Particulars	For the Year Ending March 31, 2024	For the Year Ending March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	13,478.67	17,461.85
Adjustments for :		
Depreciation	5,333.71	4,851.25
Interest income	(240.39)	(142.58)
Interest paid	1,021.89	950.73
Loss/profit on sale of assets	1.24	1.11
Operating profit before working capital changes	19,595.12	23,122.36
Adjustments for :		
Increase in Inventories	(935.28)	(24.31)
Increase in Trade Rec./Other Current/Non-Current Assets	(329.20)	(10,742.14)
Decrease/Increase in Trade payable/Other Current Liabilities	(4,919.68)	2,798.10
Income tax of earlier year	(10.02)	(11.45)
Income Tax Paid	(3,560.00)	(4,600.00)
Net cash from operating activities	9,840.94	10,542.56
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Decrease in other financial assets	50.08	740.19
Purchase of Fixed assets	(8,867.66)	(7,544.27)
Sale of fixed assets	16.88	15.00
Interest received	240.39	142.58
Net cash used in Investing activities	(8,560.31)	(6,646.50)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term Borrowings	2,369.03	4,522.34
Repayment of long term borrowings	(1,760.59)	(5,993.07)
Dividend Paid	(1,287.92)	(1,073.27)
Increase/ Decrease in cash credits & Packing credits	412.75	(393.54)
Interest Paid	(1,021.89)	(950.73)
Net cash flow from financing activities	(1,288.62)	(3,888.27)
Net increase/ (decrease) in cash & cash equivalents (A+B+C)	(7.99)	7.79
Cash & Cash equivalents at the beginning of the year (see note 2)	33.34	25.55
Cash & Cash equivalents at the end of the year(see note 2)	25.35	33.34
	(7.99)	7.79

Consolidated Cash Flow Statement as at March 31, 2024 (Contd.)

1 Notes :

The Cash flow is based on and derived from the accounts of company for the year ended March 31, 2024 and March 31, 2023

₹ in Lacs

Particulars	For the Year Ending March 31, 2024	For the Year Ending March 31, 2023
2 Cash & cash equivalents comprise of :		
Cash in hand	22.11	28.13
With scheduled banks :		
On current accounts	3.24	5.21
Cash and cash equivalents at the end of the year	25.35	33.34

Certified correct as per our separate report annexed

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024

I. Group Information

GNA Axles Ltd. ("the Company") is a Company established in 1993. The Company manufactures auto components for the four-wheeler industry, primary product being Rear Axles, Shafts, Spindles & other Automobiles Components for sale in domestic and foreign market. The Company has manufacturing location in the state of Punjab Unit –I at Mehtiana & Unit-II at VPO Gulabgarh Jattan (Phagwara-Hoshiarpur Road).

The Company & its subsidiary (Jointly referred to as the "Group") herein considered in these consolidated financial statements are:

A) SUBSIDIARIES:

Name of the Company	Country of Incorporation	% voting power held as at March 31, 2024	% voting power held as at March 31, 2023
GNA Axles Inc.	Michigan	100%	100%

II. Significant Accounting Policies:

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated.

II. 1 Basis of Preparation:

(i) Compliance with Ind AS

These Consolidated financial statements of group 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 Standard) Rules, 2015 and other reliant provision of the Act.

(ii) Historical Cost Convention

The Consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

(iii) Classification of asset and liabilities

The classification of assets and liabilities into current and non-current, wherever applicable, are based on normal operating cycles of business activities of the Company, which is twelve months.

(iv) Principles of Consolidation

The consolidated financial statements relate to GNA Axles Ltd. And its Subsidiary. Subsidiary is an entity over which GNA Axles Ltd. Exercise control. The Consolidated financial statements have been prepared on the following basis:

The financial Statements of the Group have been combined on a line by line basis by adding together the books values of like items

of assets, liabilities income and expenses, after fully eliminating intra-Group balance and intra group transactions and resulting unrealised profits/unrealised losses resulting from intra-group transactions are eliminated unless cost cannot be recovered.

The financial statements of the subsidiary used for the purpose of consolidation are drawn upto the same reporting date as of the group. The consolidated financial statement have been prepared using uniform account policies for like transactions and other events in similar circumstances and are presented to the extent possible in the same manner as the companies separate financial statements. On consolidation the assets and liabilities have been translated into ₹ at the closing rate at the reporting date.

II. 2 Summary of significant Accounting Policies:

a) Property, plant and Equipment:

Freehold land is carried at historical cost. All other items of Property, plant and equipment are shown at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises its cost of acquisition inclusive of inward freight, import duties, and other non refundable taxes or levies and any cost directly attributable to the acquisition/ construction of those items: any trade discounts and rebates are deducted in arriving at the cost of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

cost of the item can be measure reliably. All other repairs and maintenance are charged to statements of profit or loss during the reporting period in which they are incurred.

b) Depreciation on tangible fixed assets.

Depreciation on tangible fixed assets is provided using the Written down value Method as per rate prescribed by Companies Act.

c) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Gross Sales are Net of returns, Claims, and Discount. The Company recognises Revenue when amount of revenue can be measured reliably and it is probable that the economic benefits associated with transaction will flow to the entity.

Interest Income is accounted on accrual basis and Fixed deposit interest is accounted as per statement/documents issued by bank.

d) Inventories

Inventories are valued as follows:

- | | | |
|-----------------------------------|---|---|
| a) Stock of Raw Material & Stores | : | At Purchase price plus Direct Expenses |
| b) Stock of work in Progress | : | At Estimated cost price |
| c) Stock of Finished Goods | : | At cost or net realisable value whichever is less |

e) Insurance and other claims

Revenue in respect of claims is recognised when no significant uncertainty exists with regard to the amount to be realised and ultimate collection thereof.

f) Tax Expenses

Current income tax is measured at the amount expected to be paid to the income tax authorities in accordance with the income-tax Act, 1961 enacted in India. Deferred Income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in

tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax assets is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities where it has a legally enforceable right to set-off the recognised amounts and where it intends either to settle on a net basis or to realise the assets and settle the liability simultaneously.

g) Earning per Share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue: bonus element in a rights issue to existing shareholders: share split: and reverse share split (consolidation of shares).

h) Impairment of assets

At each balance sheet date an assessment is made whether any indication exists that an assets has been impaired. If any such indication exists, an impairment loss i.e the amount by which the carrying amount of an assets exceeds its recoverable amount is provided in the books of accounts.

i) Borrowing Costs:

Borrowing cost that is attributable to acquisition or construction of a qualifying asset is capitalised as part of cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing cost is recognised as expenses in the period in which they are incurred.

j) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flow, cash & cash equivalents includes cash in hand, cash at bank and demand deposits with banks with an original maturity of three months or less which are subject to an in significant risk of change in value.

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can reliably estimated. 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.

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent. The Company does not recognise a contingent liability but discloses its existence in financial statements

l) Cash flow statement

Cash flow are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating investing and financing activities of the Company are segregated.

m) Foreign Currency Transactions

The functional currency of the Company is Indian Rupee. These financial statements are presented in Indian Rupee.

Transactions and Balances.

The foreign current transactions are recorded, on initial recognition in the functional currency, by applying foreign current amount the spot exchange rate between the functional currency and the foreign current at the date of transaction.

The foreign current monetary items are translated using closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of transaction. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements shall be recognised in profit or loss in the period in which they arise.

n) Retirement & Other Benefits

a) Gratuity : - The Company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service is entitled to gratuity on terms not less favorable than the Provisions of " The Payment of Gratuity Act 1972." The Company contributes periodically with LIC of India.

b) Provident Fund : - Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expenses, when an employee renders the related service.

c) Superannuation Fund:- Certain employees are also participants in the superannuation plan which is a defined contribution plan. The Company has no further obligations to the plan beyond its monthly contribution which are periodically contributed to corpus which is invested with the Life Insurance Corp. of India.

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

1. Property Plant & Equipment

₹ in Lacs

Particulars	Freehold Land	Factory Building	Plant & Machinery	Computers	Office Equipments	Furniture & Fixtures	Vehicle	Total
(A) Gross Block								
Balance as at April 01, 2023	1,621.72	10,152.43	56,211.58	785.54	845.19	701.83	1,582.07	71,900.36
Addition during the year	108.38	1,733.91	6,855.86	92.12	71.65	113.10	253.46	9,228.48
Discarded/Disposed off during the year	16.65	0.00	0.00	0.00	0.00	0.00	25.48	42.13
Balance as at March 31, 2024	1,713.45	11,886.34	63,067.44	877.66	916.84	814.93	1,810.05	81,086.71
(B) Accumulated Depreciation								
Balance as at April 01, 2023	0.00	4,310.62	34,202.23	735.34	540.73	492.08	1,059.23	41,340.23
Depreciation for the year	0.00	634.29	4,321.57	56.30	58.08	66.00	197.47	5,333.71
Accumulated depreciation on discarded/ disposal	0.00	0.00	0.00	0.00	0.00	0.00	23.99	23.99
Balance as at March 31, 2024	0.00	4,944.91	38,523.80	791.64	598.81	558.08	1,232.71	46,649.95
(C) Net carrying Amount								
Balance as at April 01, 2023	1,621.72	5,841.81	22,009.35	50.20	304.46	209.75	522.84	30,560.13
Balance as at March 31, 2024	1,713.45	6,941.43	24,543.64	86.02	318.03	256.85	577.34	34,436.76

CAPITAL WORK IN PROGRESS**BUILDING (1 - 2 YEARS)**

Balance as at April 01, 2023	1,178.17
Addition for the year	1,309.10
Trfd to BuildingA/c	1,669.91
Balance as at March 31, 2024	817.36

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

2. Other Financial Assets

₹ in Lacs

Particulars	March 31, 2024	March 31, 2023
Security Deposits	988.31	1,038.39
	988.31	1,038.39

3. Other-Non Current Assets

₹ in Lacs

Particulars	March 31, 2024	March 31, 2023
Advance for Fixed Assets	1,224.21	2,051.08
	1,224.21	2,051.08

4. Inventories

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Material		
Raw Material Steel	4,589.94	5,209.34
Raw Material Non Steel	24.99	12.55
Work in Progress	11,660.83	10,158.53
Finished Goods	1,772.08	2,047.47
Stores, Spares & Loose Tools		
Stock of Operating Supply	1,084.18	932.78
Stock of Spare Parts	285.28	204.24
Stock of Diesel	62.48	38.62
Stock of Die Steel	114.52	35.79
Stock of Oil Lubricant	67.70	73.97
OTHERS		
Stock of Scrap Material	42.52	28.87
Stock of Packing	55.64	82.72
	19,760.16	18,824.88

5. Cash & Cash Equivalents

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash in hand	22.11	28.13
Balance with Banks		
(In Current Account)	3.24	5.21
	25.35	33.34

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

6. Other Bank Balance

₹ in Lacs

Particulars	As at	
	March 31, 2024	March 31, 2023
In Dividend Account	3.66	2.92
In Deposit Account	3,229.77	2,685.46
In CBI FDR against Margin Money	0.50	0.00
	3,233.93	2,688.38

7. Other Current Assets

₹ in Lacs

Particulars	As at	
	March 31, 2024	March 31, 2023
Pre-paid Expenses	155.76	109.85
Advance to Vendor	505.85	719.78
Advance to Employee	17.99	18.33
Other Current Assets	2,915.03	3,504.19
	3,594.63	4,352.15

8. Equity Share Capital

₹ in Lacs

Particulars	March 31, 2024		March 31, 2023	
	Nos.	Amount	Nos.	Amount
SHARE CAPITAL				
(1) Authorised Share Capital				
Equity Share of ₹ 10/- each.	10,00,00,000	10,000	3,00,00,000	3,000
(Previous year Equity Share of ₹ 10/- each)				
(2) Issued, Subscribed & Paid-up				
Equity Shares of ₹ 10/- each	4,29,30,800	4,293.08	2,14,65,400	2,146.54
(Previous year Equity Share of ₹ 10/- each)				
	4,29,30,800	4,293.08	2,14,65,400.00	2,146.54

Reconciliation of number of shares outstanding at the beginning and at the end of the year

₹ in Lacs

Equity Shares	March 31, 2024		March 31, 2023	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,14,65,400	2,146.54	2,14,65,400	2,146.54
Shares issued during the year	2,14,65,400	2,146.54	0.00	0.00
Shares bought back during the year	0.00	0.00	0.00	0.00
Shares outstanding at the end of the year	4,29,30,800	4,293.08	2,14,65,400	2,146.54

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

Detail of Shareholding more than 5% share of the Company

Equity Shares	March 31, 2024		March 31, 2023	
	Nos.	% age holding	Nos.	% age holding
Name of Shareholder				
(Equity Shares of ₹ 10/- each)				
S. Gursaran Singh	37,30,650	8.69	18,09,075	8.43
S. Maninder Singh	47,74,426	11.12	24,40,300	11.37
S. Jasvinder Singh	65,67,200	15.30	32,83,600	15.30
S. Ranbir Singh	64,13,096	14.94	32,06,548	14.94
S. Gurdeep Singh	62,75,332	14.62	31,37,666	14.62
HDFC Small Cap Fund	39,27,613	9.15	19,40,874	9.04

A. Terms/rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share 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 proportion to the number of equity shares held by the shareholders.

- B.** There are Nil No. of shares (**Previous Year: NIL**) in respect of shares in our Company held by its holding or its ultimate holding company including shares held by or by subsidiary or associates of holding company or ultimate holding company in aggregate.
- C.** There are NIL No. of shares (**Previous year NIL**) reserved for issue under option and contracts/commitment for the sale of shares/dis-investment including the terms and amounts.

Particulars	As at March 31, 2024	As at March 31, 2023
1. Aggregate No and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash	NIL	NIL
2. Aggregate No. and class of shares allotted as fully paid-up by way of Bonus Shares	2,14,65,400	NIL
	(Equity Shares)	
3. Aggregate No. and class of shares bought back.	NIL	NIL

D. There are no securities (**Previous year NIL**) convertible into Equity shares

E. There are no calls un-paid (**Previous year NIL**) including calls un-paid by Directors and officers as on balance sheet date

F. Share holding of Promoters:

Sr. No.	Promoter's Name	No. of shares as on March 31, 2024	No. of shares as on March 31, 2023	% of total Shares as on March 31, 2024	% of total Shares as on March 31, 2023	% change during the year
1	Jasvinder Singh (Promoter)	65,67,200	32,83,600	15.30	15.30	0.00
2	Ranbir Singh (Promoter)	64,13,096	32,06,548	14.94	14.94	0.00
3	Gurdeep Singh (Promoter)	62,75,332	31,37,666	14.62	14.62	0.00
4	Maninder Singh (Promoter Group)	47,74,426	24,40,300	11.12	11.37	(2.20)
5	Gursaran Singh (Promoter Group)	37,30,650	18,09,075	8.69	8.43	3.08
6	Kulvin Seehra (Promoter Group)	4,25,500	2,12,750	0.99	0.99	0.00
7	Keerat Seehra (Promoter Group)	4,25,000	2,12,500	0.99	0.99	0.00
8	Harjinder Kaur (Promoter Group)	5,07,800	2,53,900	1.18	1.18	0.00

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

Sr. No.	Promoter`s Name	No. of shares as on March 31, 2024	No. of shares as on March 31, 2023	% of total Shares as on March 31, 2024	% of total Shares as on March 31, 2023	% change during the year
9	Jasleen Kaur (Promoter Group)	20,024	10,012	0.05	0.05	0.00
10	Ashmeet Seehra (Promoter Group)	36,852	7,151	0.09	0.03	200.00
11	Lovleen Kaur (Promoter Group)	20,100	10,050	0.05	0.05	0.00
12	Manjot Seehra (Promoter Group)	12,080	6,040	0.03	0.03	0.00
13	GNA Gears Limited (Promoter Group)	26,200	10,100	0.06	0.05	20.00
14	Harwinder singh (Promoter Group)	9,970	4,985	0.02	0.02	0.00
15	Rupinder Singh (Promoter Group)	8,500	4,250	0.02	0.02	0.00
16	Rasleen Kaur Pahuja (Promoter Group)	10,324	5,162	0.02	0.02	0.00

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(1) Current Reporting period

₹ in Lacs

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
₹ 2,146.54	0	₹ 2,146.54	₹ 2,146.54	₹ 4,293.08
(2,14,65,400 Equity Share of ₹ 10/- each		(2,14,65,400 Equity Share of ₹ 10/- each	(2,14,65,400 Equity Share of ₹ 10/- each	(4,29,30,800 Equity Share of ₹ 10/- each

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
₹ 2,146.54	0	₹ 2,146.54	0	₹ 2,146.54
(2,14,65,400 Equity Share of ₹ 10/- each		(2,14,65,400 Equity Share of ₹ 10/- each		(2,14,65,400 Equity Share of ₹ 10/- each

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

9. Other Equity

(1) Current reporting period

	Share application money pending allotment (₹)	Reserve & Surplus				Equity Instruments through Other Comprehensive Income (₹)	Effective portion of Cash Flow Hedges (₹)	Revaluation Surplus (₹)	Exchange differences on translating the financial statements of a foreign operation (₹)	Other items of Other Comprehensive Income (specify nature) (₹)	Money received against share warrants (₹)	Total (₹)
		Equity Component of compound financial instruments (₹)	Capital Reserve (₹)	Securities Premium (₹)	Other Reserves (specify nature) (₹)							
Balance at the bennin of the current reporting period	0.00	0.00	11,802.98	0.00	57,503.34	0.00	0.00	0.26	0.00	0.00	0.00	69,306.58
Changes in accounting policy or prior period errors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Restated balance at the beginning of the current reporting period	0.00	0.00	11,802.98	0.00	57,503.34	0.00	0.00	0.26	0.00	0.00	0.00	69,306.58
Total comprehensive income for the current year	0.00	0.00	0.00	0.00	(1,287.92)	0.00	0.00	0.00	0.00	0.00	0.00	(1,287.92)
Dividends	0.00	0.00	0.00	0.00	9,996.40	0.00	0.00	(3.95)	0.00	0.00	0.00	9,992.45
Transfer to retained earnings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,146.54)
Utilised for issue of fully paid Bonus shares	0.00	0.00	0.00	0.00	(10.02)	0.00	0.00	0.00	0.00	0.00	0.00	(10.02)
Income Tax Adjustments of previous year	0.00	0.00	9,656.44	0.00	66,201.80	0.00	0.00	(3.69)	0.00	0.00	0.00	75,854.55
Balance at the end of the current reporting period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

₹ in Laos

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

(2) Previous reporting period

	Share application money pending allotment (₹)	Reserve & Surplus				Debt instruments through Other Comprehensive Income (₹)	Equity Instruments through Other Comprehensive Income (₹)	Effective portion of Cash Flow Hedges (₹)	Revaluation Surplus (₹)	Exchange differences on translating the financial statements of a foreign operation (₹)	Other items of Other Comprehensive Income (specify nature) (₹)	Money received against share warrants (₹)	Total (₹)
		Equity Component of compound financial instruments (₹)	Capital Reserve (₹)	Securities Premium (₹)	Other Reserves (specify nature) (₹)								
Balance at the bennin of the previous reporting period	0	0	11,802.98	0	45,567.26	0	0	0	3.86	0	0	0	57,374.10
Changes in accounting policy or prior period errors	0	0	0	0	0	0	0	0	0	0	0	0	0
Restated balance at the beginning of the previous reporting period	0	0	11,802.98	0	45,567.26	0	0	0	3.86	0	0	0	57,374.10
Total comprehensive income for the previous year	0	0	11,802.98	0	45,567.26	0	0	0	3.86	0	0	0	57,374.10
Dividends	0	0	0	0	(1,073.27)	0	0	0	0	0	0	0	(1,073.27)
Transfer to retained earnings	0	0	0	0	13,020.79	0	0	0	(3.60)	0	0	0	13,017.19
Income Tax Adjustments of previous year	0	0	0	0	(11.45)	0	0	0	0	0	0	0	(11.45)
Balance at the end of the previous reporting period	0	0	11,802.98	0	57,503.33	0	0	0	0.26	0	0	0	69,306.57

₹ in Lacs

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

10. Borrowings

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
A) Non Current		
Secured		
From Banks		
Term Loan	5,341.90	4,733.46
	5,341.90	4,733.46
Less: Current Maturities	2,429.95	1,727.86
	2,911.95	3,005.60
Unsecured	0.00	0.00
	2,911.95	3,005.60
B) Current		
Secured		
From Banks (Repayable on Demand)	16,005.14	12,592.38
From Other		
Bajaj Finance Limited	0.00	3,000.00
Unsecured	0.00	0.00
	16,005.14	15,592.38

10.1 The above non-current borrowings are secured by mortgage created on the immovable assets of the Company both present and future and hypothecation of all moveable assets including movable machinery, tools and accessories and other movables, both present and future subject to charges created in favour of the Bankers/NBFC'S for securing the working capital limits and the personal guarantee of promoter directors.

10.2 Current Borrowings includes Cash Credit Limit, O/D Limit & PCFC from Consortium Banks which are secured by hypothecation of entire present and future tangible current assets of the Company as well as second charges on the entire present and future fixed assets of company and personal guarantee of promoter directors.

11. Other Current Financial Liabilities

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Current Maturity of Non-Current Borrowings	2,429.95	1,727.86
	2,429.95	1,727.86

12. Other Current Liabilities

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Statutory Liabilities	435.69	467.61
Unpaid Dividend	3.66	2.92
	439.35	470.53

13. Current Provisions

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Outstanding Expenses Payable	1,516.05	1,761.76
Employee Dues	246.50	217.43
	1,762.55	1,979.19

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

14. REVENUE FROM OPERATIONS

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
SALE OF PRODUCTS		
Sale Domestic	71,433.73	72,065.94
Sale Export (Direct)	77,620.15	83,891.37
	1,49,053.88	1,55,957.31

15. OTHER OPERATING REVENUE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
DEPB/FPS Service	358.07	752.35
Duty Drawback	1,474.26	1,438.46
Exchange Difference	(260.03)	145.25
	1,572.30	2,336.06

16. OTHER INCOME

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Interest Income	240.39	142.58
	240.39	142.58

17. COST OF MATERIALS CONSUMED

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
CONSUMPTION OF RAW MATERIAL		
Raw Material -Steel	87,047.96	92,463.87
Raw Material-Non-Steel	8.89	16.81
	87,056.85	92,480.68
CONSUMPTION OF STORE & SPARES		
Consumption of operating supply	7,653.65	6,814.77
Consumption of Die Steel	530.20	440.58
Consumption of oil & Lubricants	1,741.59	1,628.37
Consumption of Packing Materials	3,512.90	3,499.07
Consumption of Furnace Oil	625.87	612.78
	14,064.21	12,995.57
	1,01,121.06	1,05,476.25

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

18. CHANGE IN INVENTORY OF-

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
WORK IN PROGRESS & FINISHED GOODS		
At the beginning of Accounting period	12,234.88	11,762.10
At the end of the Accounting period	13,475.43	12,234.88
	(1,240.55)	(472.78)

19. EMPLOYEE BENEFIT EXPENSE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Wages	2,194.51	2,094.41
Salary	2,984.80	2,737.69
Production Incentive Bonus	753.58	729.78
Contribution to Provident Fund	174.59	156.89
Family Pension	163.56	149.93
Administration charges	24.07	21.93
Group gratuity	123.91	145.97
Super Annuation Fund	44.70	37.43
Workers and Staff Welfare	231.68	210.05
Bonus	260.46	232.46
Leave with Wages	39.52	44.63
Medical Reimbursement	40.29	27.85
Employees State Insurance	54.06	48.08
	7,089.73	6,637.10

20. FINANCIAL COSTS

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
a) Interest Expense		
Interest on Term Loan	242.78	515.93
Interest on Cash Credit	760.57	433.85
Interest to Others	18.54	0.95
b) Other Borrowing Cost		
Bank Commission	133.01	146.20
	1,154.90	1,096.93

21. DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
DEPRECIATION		
Building	634.29	564.49
Plant & Machinery	4,321.57	3,924.27
Furniture & Fixture	66.00	54.86
Vehicle	197.47	216.20
Computers	56.30	36.15
Office Equipments	58.08	55.28
	5,333.71	4,851.25

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

22. OTHER EXPENSES

Particulars	₹ in Lacs	
	March 31, 2024	March 31, 2023
Machining charges	3,823.01	3,229.87
Power & Fuel	8,797.76	7,625.92
Repair & Maintenance	564.04	478.51
Factory Expenses	132.65	114.76
Office Expenses	24.61	17.88
Donation / CSR	323.25	268.17
Subscription / Membership fees	10.86	12.36
Entertainment Expense	8.85	6.78
Fees & Taxes	69.74	18.72
Insurance	381.97	209.79
Legal & Professional Expenses	336.60	167.34
News Paper & Periodicals	0.29	1.48
PAYMENT TO AUDITORS		
As Audit Fee	7.50	7.50
For Taxation purpose	0.00	0.00
For any other matters	0.00	0.00
Vehicle Petrol	142.90	134.45
Vehicle Repair	76.95	71.73
Repair of Building	71.24	43.38
Postage & Courier expenses	0.91	1.24
Printing & Stationery	48.26	43.74
Repair & Maintenance of Computer	41.50	38.58
Telephone Expenses	10.60	9.43
Directors sitting fees	9.15	13.35
Travelling Expenses	221.55	200.01
Unrecoverable amount	0.00	0.00
Travelling Expenses Foreign	179.29	110.61
Advertisement expenses	12.30	38.40
Loss/Profit on sale of asset	1.24	1.11
Club Fee	1.09	1.12
Freight & Cartage outward	1,393.12	1,252.45
Business Promotion Expenses	5.19	5.70
Export Packing & Forwarding expenses	7,232.63	9,260.97
	23,929.05	23,385.35

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

23. Earnings Per Share

Particulars	₹ in Lacs	
	2023-24 Amount(₹)	2022-23 Amount(₹)
Basic and Diluted Earnings Per Share		
Net Profit attributable to Equity Shareholders	9,996.40	13,020.79
Weighted Average number of Equity Shares outstanding during the year Nos.	4,29,30,800	2,14,65,400
Face Value	10	10
Basic Earnings Per Share	23.28	60.66
Diluted Earnings Per Share	23.28	60.66

24. Corporate Social Responsibility

As per the provisions of amended companies Act 2013 the companies having profit of 5CR or more has to spent 2% of their average profits of last 3 years upon specific activity falling within CSR. The CSR Budget for the year 2023-24 of the Company was ₹ 2,90,22,976/- (including unspent of previous year). The Company has spent ₹ 3,01,53,774/- on CSR activities during the Financial Year 2023-24 with the approval of CSR Committee of the Board. There is no unspent CSR Amount as on March 31, 2024

25. Contingent Liabilities

The following are the contingent liabilities during the year.

Particulars	₹ in Lacs	
	2023-24	2022-23
(A) Contingent Liabilities		
1. Bank Guarantees	5.00	2.00
2. Excise Duty, VAT and Service Tax demand against which the Company has preferred appeals.	11.49	Nil
3. Value Added Tax Liabilities	78.72	78.72
4. Good & Service Tax Liability (RCM Liability)	64.50	64.50
5. Income Tax (Asst. Year 2022-23)	0.65	Nil
(B) Commitments		
Capital Commitments	0	0

The Company management believes that ultimate outcome of these contingent liabilities will not have a material adverse effect on the Company's financial position & results of operations

26. Related Party Disclosure

Disclosures as required by Accounting Standards (Ind AS-24) "Related Party Disclosure" are given below.

(a) Related Parties

- S. Gursaran Singh – Executive Chairman
- S. Jasvinder Singh - Executive Vice-Chairman
- S. Ranbir Singh – Managing Director & CEO
- S. Maninder Singh – Whole time Director
- S. Kulwin Seehra – Whole Time Director
- S. Harwinder Seehra – Whole Time Director
- S. Gurdeep Singh – Non-Executive Director
- S. Rupinder Singh – Promoter Group

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

S. Keerat Seehra – Promoter Group
 Ashmeet Seehra – Promoter Group
 Manjot Seehra – Promoter Group
 Rasleen Kaur Pahuja – Promoter Group
 Mrs. Loveleen Kaur – Sr. Vice-President (Corporate Affairs)
 GNA Gears Limited – Group Entity

(b) Key Managerial Personnel

Mr. Rakesh Gupta – Chief Financial Officer
 Mr. Gaurav Jain – Company Secretary

(c) Wholly owned Subsidiary Company

GNA Axles INC Michigan

(d) Company in which Directors and their relatives are directors

GNA Gears Limited
 GNA Drivelines Limited
 GNA Transmission (Punjab) Limited
 GNA Investment Limited
 Amarson Automotive Limited

(e) Firms in which Directors and their Relatives are Partners

M/s Seehra Overseas
 M/s GNA Sons
 M/s GNA Consultancy
 M/s GNA Autotech
 M/s Design 360 Protolab & Consultants

Nature of Transaction	₹ in Lacs	
	2023-24	2022-23
(a) Security Deposit with-		
GNA Drivelines Limited	Nil	138.96
(b) Remuneration		
S. Gursaran Singh	239.81	269.93
S. Ranbir Singh	284.93	314.33
S. Jasvinder Singh	281.09	314.33
S. Kulwin Seehra	83.79	66.15
S. Harwinder Seehra	83.79	66.15
S. Maninder Singh	83.90	74.78
(c) Remuneration Paid to Key Managerial Personnel		
Mr. Rakesh Gupta	18.79	17.16
Mr. Gaurav Jain	10.20	9.06
(d) Remuneration paid to Director's relatives		
Mrs. Loveleen Kaur	26.99	26.99

27. Details of Benami Property

No proceedings has been initiated or pending against the Company for holding any Benami property under The Benami Transaction (Prohibition) Act, 1988.

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

28. Segment Reporting

The Company is in the business of manufacturing automobile components which is a single business segment, so separate segment reporting is not required.

29. Remuneration to Directors

Particulars	₹ in Lacs	
	2023-24	2022-23
Salary	1,057.32	1,105.69

30. In the opinion of the Board of Directors, the Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The Provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

31. Foreign Exchange Earnings

The Company has exported goods during the year FOB value of which is ₹ 7,03,87,52,269/-.

32. Borrowing from Banks and financial Institutions:

The Company has taken Term loans from Banks during the year under Audit. The Company Utilised the amount of Term Loans raised for the purpose for which it was obtained.

The Company also borrowed working capital facility from banks against current assets. The quarterly/Monthly statements filed by the Company with banks are in agreement with books of accounts. No discrepancies noticed.

33. Trade Payables Ageing Schedule:

Particulars	Outstandings for following periods from due date of payments				Total
	₹ in Lacs				
	Less than 1 Yr.	1-2 Yr.	2-3 Yrs.	More than 3 Yrs.	
MSME	893.56	--	--	--	893.56
Others	17,261.29				17,261.29
Disputed dues MSME	--	--	--	--	--
Disputed Dues Others	--	--	--	--	--

34. Trades Receivable Ageing Schedule:

Particulars	Outstanding for the following periods from due date of payments					Total
	₹ in Lacs					
	Less than 6 Months	6 months – 1 Yrs.	1-2 Yrs.	2-3 Yrs.	More than 3 Yrs.	
Undisputed Trade Receivables-considered good	51,238.16	5,238.92	557.04	93.07	--	57,127.19
Undisputed Trade receivables considered doubtful	--	--	--	--	--	--
Disputed Trade Receivables considered Good	--	--	--	--	--	--
Disputed Trade Receivables considered doubtful..	--	--	--	--	--	--

Notes

Forming part of consolidated Financial Statements for the year ended March 31, 2024 (Contd.)

35. Loan and Advances to directors/ KMP/ Related Parties:

During the year under audit the Company has not granted any Loan and Advances to directors/KMP/Related Parties either severally or jointly with any other persons.

36. Transaction with struck off companies:

During the year under audit the Company has not entered into any transactions with another company whose name has been struck off.

37. Registration of charges or Satisfaction with Registrar of companies:

The Company has registered charges for Term Loans availed during the year with the Registrar of Companies. The Company has satisfied the charges with Registrar of companies for loans, the re-payment of which was completed.

38. Auditors Remuneration:

Sr. No	Particulars	₹ in Lacs	
		Current year	Previous year
1.	Audit Fee	7.50	7.50

39. Ratio Analysis:

Sr. No	Ratio	2023-24	2022-23
1.	Current Ratio	2.16:1	1.92 : 1
2.	Debt Equity Ratio	0.27:1	0.28 : 1
3.	Debt Service Coverage Ratio	4.60:1	6.61 : 1
4.	Return on Equity Ratio	12.47%	18.22%
5.	Inventory turnover ratio	7.72 Times	8.29 Times
6.	Trade Receivable Turnover Ratio	2.63 Times	3.01 Times
7.	Trade Payable Turnover ratio	7.32 Times	7.30 Times
8.	Net Capital Turnover Ratios	3.31 Times	3.96 Times
9.	Net Profit Ratio	6.70 %	8.35 %
10.	Return on Capital Employed	14.65%	20.68%

Remarks

- i) Decrease in Debt Service Ratio is due to Decrease in Generation of Funds and Increase in Repayment of Term loans.
- ii) Decrease in Return on Equity ratio is due to fall in Profits.
- iii) Decrease in Return on Capital Employed is due to fall in profits and increase in Depreciation Expenses.

40. Previous Years Figures have been re-grouped/ re-arranged wherever consider necessary

As per our Report of even date annexed.

For **Harish & Co.**

Chartered Accountants (FRN017372N)

(SURAJ BAJAJ)

Partner

M.No. 538094

Place: Jalandhar

Dated: May 24, 2024

Ranbir Singh

Managing Director

Rakesh Kumar

Chief Financial Officer

Kulwin Seehra

Whole Time Director

Gourav Jain

Company Secretary



GNA

If undelivered please return to:

Registered Office

GNA Axles Limited, GNA House, 1-C,
Chhoti Baradari-II
Garha Road, Jalandhar City - 144 001, Punjab, India.

Corporate Office

GNA Axles Limited, Mehtiana,
Dist. Hoshiarpur - 146 001, Punjab, India.