



High Performance Cutting Tools



June 2, 2025

General Manager,
Listing / Compliance Department,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Subject: 3rd Annual General Meeting ('AGM') of the Company for the Financial Year 2024-25

Dear Sir/Madam,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith, the Annual Report of the Company for the Financial Year 2024-25, containing, inter alia, the Notice of the 3rd Annual General Meeting (AGM) of the Company which is scheduled to be held on Thursday, June 26, 2025, at 3:00 P.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"). The Annual Report is being sent electronically to those Members whose e-mail addresses are registered with the Company/Registrar & Share Transfer Agent ('RTA')/Depository Participant(s) ('DPs').

For Members who have not registered their e-mail address, a letter containing exact web-link of the website where details pertaining to the entire Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories.

The Annual Report containing the Notice is also available on the Company's website:
www.forbesprecision.co.in/

Yours faithfully,
For Forbes Precision Tools and Machine Parts Limited

Rupa Khanna
Company Secretary and Compliance Officer
Membership No. A33322

Forbes Precision Tools and Machine Parts Limited
Registered Office
Forbes' Building, Charanjit Rai Marg, Fort,
Mumbai-400 001, Maharashtra, India.
(T) +91-22-69138900

Factory
B-13, MIDC Waluj, Chhatrapati Sambhajnagar
Maharashtra (India) 431 133
(T) +91-0240-2553421/22



3rd

ANNUAL REPORT

2024-25



Forbes Precision Tools and Machine Parts Limited.



High Performance Cutting Tools










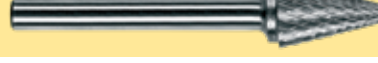


COMPLETE TOOLING SOLUTIONS FOR YOUR BUSINESS



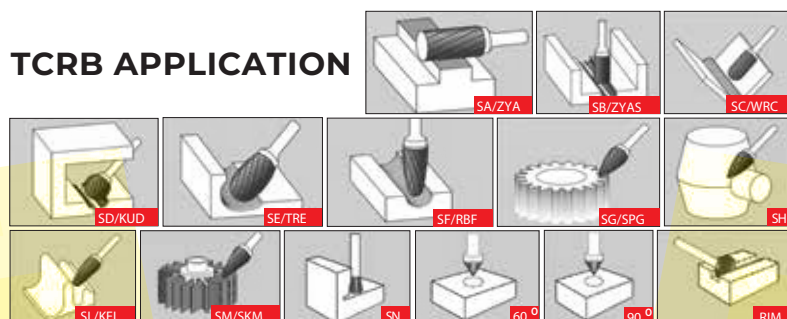
HIGH SPEED STEEL TAPS



CARBIDE BURRS

SERIES	SHAPE DESCRIPTION	TYPE OF SHAPE	TOTEM REFERENCE
SA/ZYA	Cylindrical without end cut		C
SB/ZYAS	Cylindrical with end cut		CE
SC/WRC	Cylindrical with radius end		B
SD/KUD	Ball shape		S
SE/TRE	Oval shape		O
SF/RBF	Tree shape with radius end		TB
SG/SPG	Tree shape with point end		T
SH	Flame shape		F
SL/KEL	Cone with radius end		K
SM/SKM	Cone shaped		A
SN	Inverted cone shape		N
RIM	RIM shape		R

TCRB APPLICATION



Board of Directors

Marzin R. Shroff	Non-Executive Chairman
Mahesh C. Tahilyani	Managing Director
Jai L. Mavani	Non-Executive Director
D. Sivanandhan	Independent Director
Rani A. Jadhav	Independent Director
Nikhil Bhatia	Independent Director

Chief Financial Officer

Vikram Nagar

Company Secretary & Compliance Officer

Rupa Khanna

Statutory Auditors

M/s. Sharp & Tannan Associates

Registered Office

Forbes' Building, Charanjit Rai Marg, Fort, Mumbai 400 001
Tel: +91 22 69138900
Email: investor.relations@forbesprecision.co.in
Website: www.forbesprecision.co.in/
CIN: L29256MH2022PLC389649

Registrars & Share Transfer Agents

MUFG Intime India Private Limited
(Formerly Link Intime India Private Limited)
Unit: Forbes Precision Tools and Machine Parts Limited,
C- 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West). Mumbai - 400083
Tel: +91 8108118484
Email: csg-unit@in.mpms.mufg.com
Website: <https://in.mpms.mufg.com>

3rd Annual General Meeting of Forbes Precision Tools and Machine Parts Limited will be held on Thursday, June 26, 2025 at 3.00.p.m through Video Conference ('VC')/ Other Audit Visual Means ("OAVM").

This Annual Report can be accessed at www.forbesprecision.co.in/

THIRD ANNUAL REPORT 2024-25

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NOTICE

NOTICE is hereby given that the 3rd Annual General Meeting (“AGM”) of the Members of Forbes Precision Tools and Machine Parts Limited (“The Company”) will, be held on Thursday, June 26, 2025 at 3.00 p.m. (IST) through Video Conferencing (‘VC’)/ Other Audio-Visual Means (‘OAVM’)/ to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year (F.Y) ended March 31, 2025 together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Marzin R. Shroff (DIN: 00642613), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS

3. Ratification of remuneration to Cost Auditor

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

“**Resolved that** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re- enactment thereof), read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of ₹ 2.50 Lakhs plus applicable taxes and out of pocket expenses payable to M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost accounts of the Company for the financial year ending March 31, 2026 be and is hereby ratified and confirmed.

Resolved further that the Board of Directors of the Company (including any duly constituted Committee thereof) be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

4. Appointment of Secretarial Auditor of the Company and fixing their remuneration

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

“**Resolved that** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) and re-enactment thereof for the time being in force) and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and on recommendation of Audit Committee and Board of Directors of the Company, M/s Makarand M Joshi & Co. Practicing Company Secretaries. (Firm Registration No. P2009MH007000) be and hereby appointed as Secretarial Auditors of the Company for a term

of five (5) consecutive financial years commencing from F.Y 2025-2026 to F.Y 2029-2030.

Resolved further that the Audit Committee/ Board of Directors of the Company, be and are hereby authorised to revise/ alter/ modify/ amend the terms and conditions and/ or remuneration, from time to time, as may be mutually agreed with the Secretarial Auditors, during the tenure of their appointment.”

By Order of the Board

Rupa Khanna
Company Secretary & Compliance Officer
Membership No. A33322

Mumbai, April 24, 2025

Registered Office:

Forbes’ Building, Charanjit Rai Marg, Fort, Mumbai 400 001
Tel: +91 22 6913 8900
Email: investor.relations@forbesprecision.co.in
CIN: L29256MH2022PLC389649
Website: www.forbesprecision.co.in/

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”) with respect to the special business set out in the Notice is annexed hereto. Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI LODR] and Secretarial Standard on General Meetings (‘SS-2’) issued by The Institute of Company Secretaries of India in respect of Director seeking re-appointment at the AGM is annexed as Annexure to this Notice.
2. In accordance the Ministry of Corporate Affairs (MCA) General Circulars Nos. 20/2020 dated May 5, 2020, No. 09 / 2024 dated September 19, 2024 and SEBI Circular Nos. SEBI/ HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024, the companies are allowed to hold AGM through video conference/other audio visual means (“VC/OAVM”) upto September 30, 2025 without the physical presence of members. In compliance with the applicable provisions of the Act, MCA & SEBI circulars, the 3rd AGM of the Company is held through VC/OAVM on Thursday, June 26, 2025, at 3.00 p.m (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Forbes’ Building, Charanjit Rai Marg, Fort, Mumbai 400 001, which shall be the deemed venue for the AGM.

In compliance of the aforesaid circulars, the Notice of the AGM along with the Annual Report for the Financial Year ended March 31, 2025 is being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company Registrar and Transfer Agent MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) or the Depository Participant(s). Notice and Annual Report for the Financial Year 2024-25

are also available on the website of the Company www.forbesprecision.co.in/. In compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter specifying the exact web link to the complete annual report is being sent to shareholders who have not registered their email address.

Members who are desirous to have a physical copy of the Annual Report should send a request to the Company's e-mail id viz., investor.relations@forbesprecision.co.in clearly mentioning their Folio number / DP and Client ID.

3. Members are advised to:

- (a) submit their PAN and bank account details to their respective Depository Participants (DPs) with whom they are maintaining their demat accounts and complete KYC process to keep demat account active.
- (b) contact their respective DPs for registering the nomination, in respect of their shareholding in the Company.
- (c) register / update their mobile number and e-mail address with their respective DPs for receiving communications electronically.
- (d) inform any change in address and bank mandate to DP.

4. Since the AGM is being held pursuant to the Circulars issued by the Ministry of Corporate Affairs through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility to appoint a proxy by a Member will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there and cast their vote through remote e-voting.

5. Institutional / Corporate Members are requested to send to the Company a scanned copy (pdf/jpg format) of certified Authorisation / Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorised to participate in the AGM on their behalf and to vote through remote e-voting to the Scrutinizer by email to csmeulraval@gmail.com with a copy marked to evoting@nsdl.com

6. The Company has vide its Circular dated March 26, 2024 to the Members holding shares in physical form had informed that their shares have been transferred to an Escrow Demat Account pursuant to the direction received from BSE Limited that the proposed equity shares be issued in term of "Scheme of Arrangement" shall mandatory be in demat form only. Kindly note that all the Shareholders who were holding shares in physical form in Forbes & Company Limited (Demerged Company) are requested to follow the undernoted procedure to claim their shares in the Company

To claim these fully paid-up Equity Shares from the Escrow Demat Account maintained by the Company, you are requested to submit following documents:

- a. Request letter duly signed by all the shareholders
- b. Form ISR - 4 (Please select the option - Claim from Unclaimed Suspense Account)
- c. Self-attested copy of Client Master List
- d. Self-attested copy of Pan Card for all shareholders
- e. Form ISR - 1 for registration of KYC details if not done earlier
- f. Form SH - 13 or Form ISR - 3
- g. Signature Verification as per Form ISR - 2
- h. Self-attested copy of address proof

Form of ISR 1, ISR 2, SH-13, ISR-3 and ISR-4 can be downloaded from www.forbesprecision.co.in

7. Members are requested to immediately notify the Registrars and Share Transfer Agents or the Depository Participants of any change in their address.

8. Members are requested to update their email address with Depository Participant/Company to enable us to send Annual Report and other communications electronically.

9. As per Regulation 40 of SEBI LODR, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019. Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; consolidation of securities certificate/folios; Transmission and Transposition. Accordingly, Members are requested to make service by request submitting a duly filled and signed Form ISR-4, the format of which is available on the website of the Company www.forbesprecision.co.in and RTA <https://in.mpms.mufg.com>.

Kindly note that any service request can be processed only after the Folio is KYC compliant.

10. Members desiring any additional information/clarification on the Financial Statements are requested to send such requests at the earliest through email on investor.relations@forbesprecision.co.in on or before June 20, 2025. The same will be replied by the Company suitably at the AGM.

11. Members desiring inspection of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act during the AGM may send their request in writing to the Company to investor.relations@forbesprecision.co.in by June 20, 2025.

12. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice..
13. The Board of Directors of the Company, at its meeting held on Thursday, April 24, 2025, inter alia, approved the payment of an Interim Dividend of ₹5/- per equity share of face value ₹10/- each for the financial year 2025-26, on the paid-up equity share capital of the Company. The Interim Dividend will be paid to those shareholders whose names appeared in the Register of Members as on May 2, 2025, being the record date fixed for this purpose. Members who have not received or have not encashed their dividend demand drafts (DDs) are requested to approach the Company's Registrar and Transfer Agent (RTA).
14. Members are hereby informed that, in accordance with applicable provisions, dividends that remain unclaimed for a consecutive period of seven (7) years from the date of their transfer to the Company's Unpaid Dividend Account are liable to be transferred to the Investor Education and Protection Fund (IEPF). Additionally, the shares related to such unclaimed dividends are also subject to transfer to the demat account of the IEPF Authority. In view of the above, Members are advised to claim their unclaimed dividends from the Company within the stipulated timeline to avoid such transfers. Members whose shares have already been transferred to the IEPF may reclaim them by submitting an application in Form IEPF-5, available on the IEPF website at www.iepf.gov.in and by sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. Members may file only one consolidated claim in a financial year as per the IEPF rules.. Details of the shares transferred to the IEPF Authority are available on the Company's website at www.forbesprecision.co.in.
15. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting for participation in the 3rd AGM through VC/OAVM facility and E-voting during the AGM.
16. Members may join the 3rd AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members 30 minutes before the time scheduled to start the 3rd AGM and 15 minutes after the scheduled time to start the 3rd AGM.
17. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of upto 1,000 Members on a firstcome-first-served basis. The large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 3rd AGM without any restriction on account of first-come first- served principle.
18. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder, by sending request mentioning their name, demat account, email id, mobile number

through their registered email to the Company at investors@forbesprecision.co.in upto Friday June 20, 2025. Members holding shares as on the cut-off date shall be entitled to register and participate at the AGM.

The recording of the AGM shall also be made available on the website of the Company at www.forbesprecision.co.in/ as soon as possible after the conclusion of the AGM.

19. E-Voting





- I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, the Company is pleased to provide Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means, through e-Voting Services provided by National Securities Depository Limited (NSDL). Those Members participating in the AGM through VC/OAVM Facility and who have not cast their vote by remote e-voting shall be able to exercise their right to vote through e-voting system during the AGM.
- II. The Members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM but shall not be entitled to cast their vote again.
- III. **The remote e-voting period commences on Monday, June 23, , 2025 (9:00 am) (IST) and ends on Wednesday, June 25, 2025 (5.00 pm) (IST).** During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date of June 19, 2025**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. The process and manner for remote e-voting are as under: How do I vote electronically using NSDL e-Voting system? The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ₹IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ₹Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

Type of shareholders	Login Method
	4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. 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.com or call at 022 48867000
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

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Password details for shareholders other than Individual shareholders are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - a) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - b) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. **If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

Step 2: Cast your vote electronically on NSDL e-Voting system. How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmeulraval@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 48867000 or send a request to Mr. Amit Vishal or Ms. Pallavi Mhatre at evoting@nsdl.com/

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.relations@forbesprecision.co.in/
2. In case shares are held in demat mode, please provide DPID- CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.relations@forbesprecision.co.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com/ for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile

Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

A. Other Instructions:

- I. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Thursday, June 19, 2025 as per the Register of Members/ Statements of beneficial ownership maintained by the Depositories, i.e., NSDL and CDSL. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holds shares as of the cut-off date i.e. June 19, 2025, may obtain the login ID and password by sending a request at evoting@nsdl.com or csg-unit@in.mpms.mufg.com/.

However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” option available on www.evoting.nsdl.com or contact NSDL at 022 48867000.

- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or casting vote.
- IV. Mr. Mehul Raval, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the remote e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
- V. The Scrutinizer shall after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- VI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the BSE Limited. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the date of AGM.

ANNEXURE TO NOTICE

Statement Pursuant to Section 102 (1) of the Companies Act, 2013 ("Act")

The following explanatory statement sets out material facts relating to the special business set out in the accompanying Notice of Annual General Meeting ("AGM"):

Item No. 3

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a Cost Auditor to audit the cost records for applicable products of the Company. Based on the recommendation of the Audit Committee, at its meeting held on April 24, 2025, the Board of Directors have also approved the appointment of M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294) as cost auditors of the Company at a remuneration of ₹ 2.50 Lakhs plus applicable taxes and out of pocket expenses for the financial year ending March 31, 2026.

In accordance with the provisions of Section 148 of the Act, read with The Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2026.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the Notice.

The Board recommends the passing of this Resolution at Item No. 3 of the accompanying Notice in the interest of the Company.

Item No.4

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to appoint Secretarial Auditor for a consecutive term of 5 years. Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on April 24, 2025, approved the appointment of M/s Makarand M Joshi & Co. (MMJC) Practicing Company Secretaries (Firm Registration No. P2009MH007000), to conduct the Secretarial Audit of the Company for a term of 5(Five) consecutive financial years, commencing from F.Y 2025-2026 to F.Y 2029-2030 subject to the approval of the members. They shall be paid remuneration of ₹ 2 Lakhs, plus applicable taxes and out-of-pocket expenses incurred in connection with the secretarial audit. The proposed fees are determined based on the scope of work, team size, industry experience, and the time and expertise required to conduct the audit effectively. Remuneration for subsequent years will be determined by the Audit Committee and/or the Board of Director following mutual discussions.

The Company has also received their eligibility and consent to act as Secretarial Auditors. They have further confirmed that they are not disqualified to be appointed as Secretarial Auditors in term of provisions of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Companies Secretaries Act, 1980 and Rules and Regulations made thereunder.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item No. 4 of the notice.

The Board recommends the passing of this Resolution at Item No. 4 of the accompanying Notice in the interest of the Company.

Details of Secretarial Auditor seeking appointment at the forthcoming Annual General Meeting. [Pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

Particular	Details
Proposed Fees Payable	₹ 2.00 Lakhs (Rupees Two Lakh only) per annum plus applicable taxes and other out-of-pocket expenses in connection with the Secretarial audit for Financial Years ending March 31, 2026. Remuneration for subsequent years will be determined by the Audit Committee and/or the Board following mutual discussions.
Terms of Appointment	The Board at its meeting held on April 24, 2025, approved the appointment of M/s. Makarand M Joshi & Co., as Secretarial Auditors, for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the shareholders at the Annual General Meeting.

Particular	Details
Any material change in the fee payable to such Auditor from that paid to the outgoing auditor along with the rationale for such change	Not Applicable
Basis of recommendation for appointment including the details in relation to and credentials of the auditor proposed to be appointed	<p>M/s. Makarand Joshi & Co. (MMJC) is a reputed firm of Practicing Company Secretaries, with over 25 years of demonstrated excellence in Corporate Governance and Compliance. The firm is well-regarded for its specialized expertise in Secretarial Audits, Compliance Audits, and Due Diligence, serving a diverse range of industries including banking, financial services, IT/Telecom, pharmaceuticals, FMCG, and infrastructure, among others.</p> <p>MMJC offers comprehensive advisory and compliance solutions across various regulatory domains such as Corporate Laws, SEBI Regulations, FEMA Regulations, and Mergers & Acquisitions. The firm's services are designed to provide end-to-end support, ensuring clients remain fully compliant with evolving legal and regulatory frameworks.</p> <p>The firm's recommendations are grounded in its adherence to the eligibility criteria and qualifications as prescribed under the applicable provisions of the Companies Act, relevant rules, and SEBI Listing Regulations. This includes evaluation of key factors such as Availability of qualified full-time partners, extensive experience in secretarial and compliance audits, proven capability and independent professional judgment and a strong track record of quality audit work.</p>

By Order of the Board

Rupa Khanna
Company Secretary & Compliance Officer
Membership No. A33322

Mumbai, April 24, 2025

Registered Office:

Forbes' Building, Charanjit Rai Marg, Fort, Mumbai 400 001

Tel: +91 22 6913 8900

Email: investor.relations@forbesprecision.co.in

CIN: L29256MH2022PLC389649

Website: www.forbesprecision.co.in/

Details of Director whose re-appointment is proposed at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ('SS-2') issued by The Institute of Company Secretaries of India]

Name of Director	Mr. Marzin R. Shroff	
Director Identification Number (DIN)	00642613	
Date of Birth	September 23, 1965	
Date of first Appointment on Board	March 30, 2024	
Qualification	Chartered Marketer from the Chartered Institute of Marketing, UK, and an MBA in Marketing	
Pecuniary relationship directly or indirectly with the Company or the relationship with the Managerial Personnel, if any.	Not related to any Director/Key Managerial Personnel of the Company.	
Expertise in specific functional areas	In a career spanning almost three decades, Mr. Marzin has acquired multi-dimensional experience in Direct Selling, Digital, Advertising, Strategy, Luxury Branding and International Business. He was Managing Director of Erstwhile Eureka Forbes Limited. His responsibility at Eureka Forbes is 'Thought Leadership', 'Talent Leadership', and 'Brand Leadership'. He was responsible for cultivating talent, as well as nurturing Brands such as "Aquaguard", and "Euroclean". His contribution to the improvement in water quality (internationally) has been recognised by Water Quality Association USA by awarding him with 'International Award of Merit'.	
List of Directorship held in other listed companies in India (excluding Private and Section 8 Companies)	Nil	
Listed companies from which the Director has resigned in the past 3 (three) years	Nil	
Chairmanship / Membership of the Committees of Audit Committee and Stakeholders Relationship Committee of other Indian Listed Companies	N.A.	
Terms and Conditions of re-appointment	Non-executive Director, liable to retire by rotation.	
No. of shares held in the Company	Nil	
Attendance at the Board Meeting in the Financial Year 2024-2025	No. of Meetings held	Attended
	4	4
Details of remuneration	Except for sitting fees for attending the meeting of the Board, Committees and commission as may be approved by the shareholders, no other remuneration is paid to Mr. Marzin R. Shroff.	

REPORT OF BOARD AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

The Board of Director of Forbes Precision Tools and Machine Parts Limited hereby submit their 3rd Annual Report of the business and operations of the Company along with the Audited Financial Statements of the Company for the Financial Year (FY) ended March 31, 2025.

Financial Results and Highlights of Performance

The Company's performance, as per Indian Accounting Standards (IND AS), during the Financial Year under review is summarized as follows:

₹ in Lakhs

Particulars	FY 24-25	FY 23-24*
Revenue and Other Income (Total Income)	23,703.51	22,955.60
Earnings before Finance Cost, Depreciation and Tax	5,550.41	5,243.48
Profit / (Loss) after Finance Cost, Depreciation and before Tax	4,087.59	3,983.03
Profit before Tax (PBT)	4,087.59	3,983.03
Profit/(loss) after tax for the year from continuing operations	2,874.57	2,971.11
Tax Expense	1,213.02	1,011.92
Profit/(Loss) for the year	2,874.57	2,971.11
Other Comprehensive Income (net of tax)/(Loss)	(25.65)	6.29
Total Comprehensive Income	2,848.93	2,977.40
Earnings Per Share - Basic and Diluted (₹) (Continuing operation)	₹ 5.57	₹ 110.63
Earnings Per Share - Basic and Diluted (₹) (Discontinued operations)	₹ 5.57	₹ 110.63
Paid up Shares (each paid up ₹10) as on end of respective period	51,594,464	51,594,464

Note: The above figures are extracted from Financial Statements as per Indian Accounting Standard ('IND AS') and are prepared in accordance with the principles stated therein as prescribed by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ("Act") read with relevant rules issued therein.

* The Company has been incorporated on August 30, 2022 and had little or no operations till March 1, 2024 (being the Effective date). However, in view of the provisions of the Companies Act read along with the Order dated February 9, 2024 passed by Honorable National Company Law Tribunal approving the Scheme of Arrangement your Company was to required to report the operations from April 1, 2023 (Appointed Date) to March 1, 2024 (Effective date) as its own operations even though the physical transactions were conducted with the legal entity, Forbes & Company Limited (Demerged Company).

Management Discussion & Analysis of Financial Conditions, Results of Operations and State of Company Affairs

General Performance and Outlook

The overall macro environment for India has been much better than many or most of the developed and the developing economies. There have been continued setbacks like continuation of regional conflicts with some parts of the world, and its consequent impacts on the respective currencies, interest rates, access to those markets and commodity prices which may have created some negative influences. However, for the medium to long term, as it seems today, the inherent strength of India economy coupled with the incentivization and promotion of industry by the Government has been a solid positive and the driver of the Indian economy and we expect the approach and the trend to continue. Your company has some impact for the reasons stated above, however, the management is confident that over the long and medium term the situation

The published economic survey of 2025 indicates the country GDP to grow approximately 6.5%. It is interesting to note that overall exports has grown 6%, capex has grown @ 8.2% and expected to pick up pace with the elections out of the way. The capacity addition in solar and wind increased around 15.8% for year on year for December, 2024 indicates the Government intention to go green. The continued set up of Infrastructure Investments being focused will result in higher economic growth. The economic survey further advocates deregulation to accelerate and sustain higher economic growth. These very factors indicate an optimism of growth for our industry as well.

Coupled with the fact that the direction of the Government as stated is to ensure upliftment of the poor, women, youth and farmer with a focus on development that is all-round, all-pervasive and all-inclusive. With such a self adopted mandate the future looks promising and rewarding.

Performance and outlook

During the year under consideration, your Company has seen many actions of consolidation as this was the first year of full operations as a Precision Tool business entity with its own full-fledged operations and governance set ups and the highlights are discussed hereunder followed by the discussion on results.

This demerged business now allows your Company's Management to focus specifically on the core and growth-oriented businesses, namely Precision Tools. During the year, major actions have been taken in various areas and the key points are being summarized hereunder for the better understanding of all its stakeholders.

Precision Tools business

Precision Tools business achieved a reasonable year-on-year growth, in some new segments that the company ventured into. The overall growth was however not in line with the expectations and hence the numbers were only 2% higher as compared to the previous year. The business has also seen an improving trend in the export business performance. The profitability was however maintained in the respective category and the operating management is confident of taking the right steps to ensure and follow a solid growth trajectory by reinforcing the sales strategy adapted for growth.

Our business remains aligned with emerging opportunities in India's Défense, Railways, and electronic industries through the Make in India initiatives. Channel sales play a pivotal role in our growth strategy, with expansions facilitated by the appointment of channel partners in previously unrepresented territories. We believe this India opportunity is vast and it will be a test of our sales channel ability to extract the best from this markets which will limit the growth. International sales efforts focus on targeted geographies, complemented by product development tailored for markets such as South Americas, GCC, the Far East etc. with focus on large contracts with well recognised Brands operating across the globe.

The overall export market has not been very encouraging and despite volume drops from Russia, Israel and Europe, over the last few years, some of our businesses exhibited decent growth, demonstrating our resilience in the face of market challenges.

Coming specifically to our own businesses, we have attempted to make inroads into new areas in the Tap Segments and have seen success in many application areas. We believed that the success seen in Indian and companies abroad in these area give us the required confidence of our ability to scale up the business substantially. In the Solid Carbide Tools space, we have explored areas of Rock Drilling, Aerospace and Defence and related areas and we were able to demonstrate to the customer our ability to offer specific complex geometries to enable them to meet their requirements. This has been achieved through rigorous technology applications and we are now confident of scaling this further. High Speed Steel Drills are recent introduction to our portfolio and we have received sufficient acceptance on the quality and performance of our Drills portfolio. We are confident, this portfolio will grow substantially over time. Consequent to the above, we have made substantial capacity investments in this segment and we expect high rate of growth in this segment.

Our capital investment strategies yielded substantial returns and reduced our dependencies on third parties supplies, particularly evident in the doubling of our High-Speed Drills portfolio in the last fiscal year. Centre drill manufacturing set up was installed successfully with substantial capacity thereby increasing the product range within the High-Speed Steel Drills portfolio. Further, the acquisition of international accounts in the Far East and Americas contributed significantly to the revenue, while simultaneously enhancing our market share domestically.

The growth trajectory extended to our flagship High Speed Steel Taps business, which expanded across various segments with the addition of new customers in the export market. Strengthening our product development capabilities and operational efficiencies allowed us to offer innovative technological solutions for emerging applications. Investments in new technology, which will become operational in current financial year will further broaden our Carbide Taps portfolio, drawing increased market interest in this segment.

Our commitment to advancing technology and fortifying the supply chain ensures that we meet the evolving quality and supply demands of our customers. Continued investments in new technology, machinery, and software systems facilitate accelerated product development with consistency and precision. We have seen substantial progress on the improvement of the supply and delivery capability of the company.

Efforts to elevate brand visibility and product promotion through domestic and international exhibitions were fruitful, with engagements at IMTS at Chicago, USA, Aerospace and Defense summit in Bangalore, Machine Tool show at Kolhapur showcasing the capability of providing productive solutions. TOTEM is also awarded as a best Metal Cutting brand. These initiatives aimed to keep customers informed about our latest offerings, particularly in high- end threading and long drilling solutions and also exploring the direction and trends of the markets we operate in.

The Precision Tool portfolio made significant strides in penetrating key accounts and developing channel partners to meet future growth requirements. Our cutting tools portfolio garnered widespread acceptance across multiple sectors, including Aerospace,

Defense, Die & Mould, Valve Industries, and Auto component manufacturing. Successful demonstrations of product superiority enabled us to secure long term relationships with focus key accounts. Strong measures in supply chain management and volume-based negotiations further contributed to the improved profitability. We continue to explore and innovate our product portfolio for various product groups, and we continually seek to introduce new products in all possible geographies in and outside India.

In the context of Quality, it is important for your company to have standards of excellence embedded into the organization. As you are all aware, the operations within this entity started w.e.f. March 1, 2024 and as on date we have obtained the following certifications.

Sr No	Standard	Description
1	AS 9100 D	Aerospace Standard (AS) Required for Aviation, Space, and Defence Organizations
2	ISO 9001	International Organization for Standardization (ISO) required for Quality management systems
3	IATF 16949	International Automotive Task force (IATF) required for Automotive Quality Management systems standard and automotive production and relevant service parts organisations
4	ISO 14001	International Organization for Standardization (ISO) required for Environmental management systems guidance for use
5	ISO 45001	International Organization for Standardization (ISO) required for Occupational health and safety management systems with guidance for use

The focus of the management was to ensure that key operations are sustainable and are complying to the basic requirements of process control, meet the standards of Governance (Environment, Health and Safety) expected and protect all stakeholders from unwanted risks. We will continuously monitor the operations and attempt raising our operating standards to meet the best in class as much as possible.

Key Financial performance, Operational Information and Ratio Analysis

Key Ratios/ Indicators	Standalone		Explanation for change of 25% or more
	FY 24-25	FY 23-24	
Debtors Turnover (in days)	49.01	23.51	Change is 108% - # Refer Note below
Interest Coverage Ratio	37.24	35.38	
Operating Profit Margin %	18%	18%	-NA-
Return on Net Worth	17%	22%	

The figure is not comparable and do not offer a correct representation of the variances as the figures for 31-03-2023 were with no operation and hence either zero or minimal.

Revenue

During the year Company has achieved total standalone revenue (including other income) of ₹23,703.51 Lakhs (previous year ₹22,955.60). Standalone EBIDTA is ₹5,550.41 Lakhs (previous year ₹5,243.48 Lakhs), a significant increased mainly as the activity started this financial year.

Profit/(Loss) Before Tax ("PBT")

Consequent to the above, during the year standalone PBT is ₹4,087.59 Lakhs (previous year ₹3,983.03 Lakhs)

Profit / (loss) After Tax

The tax liability for the year was computed ₹1,213.02 Lakhs (previous year ₹1,011.92 Lakhs) and the resultant profit after tax was ₹2,874.57 Lakhs (previous year ₹2971.11 Lakhs)

Total Comprehensive Income / (Loss)

During the year standalone profit after other comprehensive income is ₹2,848.93 Lakhs (previous year ₹2,977.40 Lakhs)

Fixed Assets:

During the year Gross Block is ₹24,517 Lakhs (previous year ₹22,571 Lakhs). This includes an addition of ₹2,612 Lakhs (previous year ₹1,216 Lakhs). We remain committed to investment in technologies, which increase value and help us expand our market share.

Borrowing

Total standalone borrowing is ₹1,968.29 Lakhs (previous year ₹542.40 lakhs) as a result of borrowings resulting due to capital investments during the year. However, after considering the deposits and mutual funds on hand your company is "net debt free"

Opportunities & Risks

Our success as an organization depends on our ability to identify opportunities and leverage them while mitigating the risks that arise while conducting our business. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Some of the opportunities and key risks, anticipated impact on the Company and mitigation strategy is as follows:

Market Development

Your Company monitors external market trends and collates consumer insights to develop category and brand strategies.

The Company actively searches for ways to translate the trends in consumer preference and taste into new technologies for incorporation into future products. We develop product ideas both in-house and with selected partners to enable us to respond to rapidly changing consumer trends with speed.

The Company is dedicated to ensuring that its vendors, suppliers, contractors etc. work in a healthy and safe environment while delivering on the expected standard.

Given our dependency on Automotive sector, one more aspect of risk is the way the development of this industry will evolve due to the Electric initiatives of the sector. The trends of this industry moving to different fuel options will impact the demand of the consumer and we will have to align ourselves and remain abreast of the happenings to be able to have an important share in contributing to this aspect. While this is being mentioned, the country manufacturing expansion has created opportunities for our own company which we are trying to leverage to our advantage.

Political and Global Uncertainty

Political uncertainty or volatile economic uncertainty may adversely affect the reduced demand and could restrict revenue growth opportunities.

The Company has broad based diversified businesses catering to various industry segments and diverse markets and hence may not get affected by such uncertainty.

While the previous couple of years were difficult due to countries engaged in war across continents, the current situation of tariff levies has created uncertainties and needs resolution amongst all trading partners.

Legal and Regulatory

Compliance with laws and regulations is an essential part of your Company's business operations. We are subject to laws and regulations in diverse areas as product safety, product claims, trademarks, copyright, patents, competition, employee health and safety, the environment, Water and Air Pollution, corporate governance, listing and disclosure, employment, and taxes. Frequent changes in legal and regulatory regime and introduction of newer regulations with multiple authorities regulating same areas lead to complexity in compliance. We closely monitor and review our practices to ensure that we remain compliant with relevant laws and legal obligations.

Systems and Information

Your Company's operations are increasingly dependent on IT systems and the management of information. Increasing digital interactions with customers, suppliers and consumers place even greater emphasis on the need for secure and reliable IT systems and infrastructure, and careful management of the information that is in our possession.

The cyber-attack threat of unauthorized access and misuse of sensitive information or disruption to operations continues to increase.

To reduce the impact of external cyber-attacks impacting our business, we have sufficient security measures including firewalls and threat monitoring systems in place, complete with immediate response capabilities to mitigate identified threats. Our employees are trained to understand these requirements.

Energy Management

The Company's factories consume power for the manufacturing and for the purpose of air cooling. The Company identifies it as a critical resource and gives it due attention to optimize its use including using green source like solar power etc. The Company has initiated over the years, installation of solar system within its factory, in small measures. Though this has met only partial demand, attempts have been made to look at the opportunity and enlarge the scope of such coverage.

Internal control systems and their adequacy

The Company has already initiated to install an internal control system, which ensures that all transactions are recorded satisfactorily and reported and that all assets are protected against loss from unauthorized use or otherwise. The internal control systems are supplemented by an internal audit system. The findings of such internal audits will be periodically reviewed by the management and suitable actions taken to address the gaps, if any. The Audit Committee of the Board will meet at regular intervals to address significant issues raised by both the Internal Auditors and the Statutory Auditors. The process of internal control and systems, statutory compliance, information technology, risk analysis and risk management are inter-woven to provide a meaningful support to the management of the business.

M/s Sharp & Tannan Associates, the Statutory Auditors of the Company has audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

Material Development in Human Resources and Industrial Relations

The fiscal year 2024-25 started with promising business results across all the Product Categories. The focus of Human Resources Function was in the areas of Safety, Health & wellbeing of the employees, Talent Acquisition, Performance Management, Capability Development for making future ready organization. New joiners have undergone the induction program for their integration with the culture, values systems of the Company. Performance Management System workshop was conducted for aligning functional Key Result

Areas and Performance Indicators in line with annual business plan. People Capability Development programs were organized to strengthen employee competence and improve productivity. At the same time, due to the market demand and supply dynamics, the attrition was a higher than normal @ 17.24% , some of it at critical positions, due to which, there were some delays in some the planned operations of the company.

While on the subject, the Board specifically thanks its employees, its union and the Management who have worked cordially and peacefully, leveraging the synergies the operations offer. The Company has labour settlement agreement with the employees which is now be valid till the end of 2028.

Investment in Subsidiaries/Joint Ventures

The Company does not have any subsidiaries nor joint ventures for the year in consideration.

Dividend & Transfer to Reserves

The Board of Directors of the Company, at its meeting held on Thursday, April 24, 2025, inter alia, approved the payment of an Interim Dividend of ₹5/- (Rupees Five only) per equity share of face value ₹10/- each for the financial year 2025-26, on the paid-up equity share capital of the Company.

The Interim Dividend will be paid to those shareholders whose names shall appear in the Register of Members as on May 2, 2025, being the record date fixed for this purpose. The total cash outflow on account of the Interim Dividend shall amount to ₹2,579.72 Lakhs.

There is no dividend which was required to be transferred to Investor Education and Protection Fund during the year ended March 31, 2025. The Directors do not propose to transfer any amounts to the general reserves of the Company, instead have recommended to retain the entire of profits for the financial year ended March 31, 2025 in the profit and loss account. No amount has been transferred to the reserves during the year.

Dividend Distribution Policy

Pursuant to Regulation 43A of the SEBI (LODR) Regulations, 2015, the Board of Directors of the Company formulated a Dividend Distribution Policy keeping in view the provisions of the SEBI (LODR) Regulations, 2015, the Companies Act, 2013, The Policy is available on the Company's website at www.forbesprecision.co.in

Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2025 was ₹5,159.45 Lakhs (Previous year ₹5,159.45 Lakhs).

During the year under review, the Company has not issued any other shares with differential voting rights or sweat equity shares and has not granted any stock options.

Listing of Securities

Company shares were listed on the BSE Limited ("Stock Exchange") on June 11, 2024 after all necessary approvals from SEBI and the Stock Exchange and other Government agencies.

Finance

The Board is pleased to inform the stakeholders that the Company is Net Debt Free as on March 31, 2025. The Company will continue to focus on judicious management of its working capital. Relentless focus on receivables, inventories, strict cost control and use of alternative borrowing instruments, where possible, and the sale of assets has helped in keeping the borrowings and effective interest cost under control.

Deposits

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

Particular of loans, guarantees and investments

Particular of Loans, Guarantees and Investments covered under provisions of section 186 of the Act are given in the notes to the Financial Statements, if any.

Related Party Transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There were no material related party transactions made by the Company with Promoters and Directors, which may have a potential conflict with the interest of the Company at large.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at www.forbesprecision.co.in/.

Vigil Mechanism/Whistle Blower Policy

Pursuant to provision of Section 177 of the Act and Regulation 22 of SEBI LODR, the Board has established a vigil mechanism for the Directors and employees of the Company to report genuine concerns about unethical behaviour actual or suggested fraud or violation of the Company's Code of Conduct or ethics.

The Company has implemented a Whistle Blower Policy, which is available on the Company's website at www.forbesprecision.co.in/.

Nomination and Remuneration Policy

The Board, upon the recommendation of the Nomination and Remuneration Committee, has formulated a policy governing the selection, appointment, and remuneration of Directors, Key Managerial Personnel, and senior management. The Nomination and Remuneration Policy provides guidance on criteria such as qualifications, positive attributes, and independence of Directors, as well as matters concerning remuneration, appointment, removal, and performance evaluation of Directors, Key Managerial Personnel, and senior management. This policy available on the Company's website at www.forbesprecision.co.in/.

Business Responsibility and Sustainability Report

The requirements under Regulation 34 (2)(f) and the proviso thereof of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is not applicable to the Company as the Company was not in list of top 1000 listed entities based on market capitalization as on March 31, 2025.

Internal Complaints Committee

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace as per with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Internal Compliant Committee (ICC) has been setup to redress complaints received regarding sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the ICC includes external member. During FY 2024-25, no complaints on sexual harassment were received.

Corporate Governance

Your Company continues to adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI) and is committed to the highest standard of Corporate Governance. Your Company has complied with all the mandatory requirements relating to Corporate Governance in the Listing Regulations. The Corporate Governance Report pursuant to the requirement of Listing Regulations is given as a separate section and forms a part of this Report. The Certificate from the M/s. MMJB & Associates LLP, Secretarial Auditors confirming the compliance with the conditions of the Corporate Governance stipulated in Para E of Schedule V of Listing Regulations is annexed to the said Corporate Governance Report. A declaration signed by the Managing Director stating that members of the board and senior management personnel have affirmed the compliance vide Code of Conduct of the Board and senior management is attached to the report on corporate governance.

Management Discussion and Analysis

The Management Discussion and Analysis Report, pursuant to Regulation 34(2)(e) read with Para B of Schedule V of the SEBI LODR forms part of this Report.

Corporate Social Responsibility (CSR)

The Company remains committed to conducting its business in an economically, socially, and environmentally sustainable manner, guided by principles of transparency and ethical governance.

The Company is committed to inclusive, sustainable development and contributing to building and sustaining economic, social and environmental capital and to pursue CSR projects, as and when required, that are replicable, scalable and sustainable with a significant multiplier impact on sustainable livelihood creation and environmental replenishment.

The total amount to be spent during the financial year 2024-25 was ₹39.78 Lakhs

The detailed Report on CSR activities, as mandated under Section 135 of the Companies Act, 2013, is annexed as Annexure I to this Annual Report

Risk Management

The requirements under Regulation 21 and the proviso thereof of the SEBI (Listing Obligations and Disclosure Requirements), 2015

is not applicable to the Company as the Company was not in list of top 1000 listed entities.

Recognizing the significance of risk management, the Board of Directors proactively assumes this responsibility during its meetings, identifying and assessing potential risks that, in the Board's view, could impact the Company's operations.

Significant and Material Orders Passed by the Regulators or Courts

There is no significant material orders passed by the Regulators / Courts, which would impact the going concern status of the Company and its future operations.

Major changes and commitments affecting the financial position after the year end and till the date of this report

During the period from April 1, 2025 till the signing of the report there has been no material event which impacts or suggests a change of the operations of the company or indicates any new or further liabilities that may arise during this period.

Directors and Key Managerial Personnel

As per provisions of Section 152(6) of the Act, Mr. Marzin R. Shroff (DIN: 00642613) is due to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors recommends his re-appointment as Director of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as stipulated in Section 149(6) & 149(7) of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations.

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the Act with regard to integrity, expertise and experience (including the proficiency) of an Independent Director and are independent of the management

All Independent Directors have registered themselves with the Indian Institute of Corporate Affairs for the inclusion of their name in the data bank of independent directors, pursuant to the provision of Rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Further, they have confirmed that they shall comply with other requirements, as applicable under the said rule.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of Board/ Committee of the Company. One of the Directors holds 8128 Equity shares of the Company and is entitled to all rights and obligations as of other shareholders.

Independent Directors are familiarized with their roles, rights and responsibilities in the Company.

Pursuant to the provisions of section 203 of the Act, Mr. Mahesh C. Tahilyani, Managing Director, Mr. Vikram Nagar, Chief Financial Officer and Ms. Rupa Khanna, Company Secretary

& Compliance Officer are the Key Managerial Personnel of the Company are the Key Managerial Personnel of the Company as on March 31, 2025.

Audit Committee of the Board of Directors

The details pertaining to the composition of the Audit Committee of the Board of Directors are included in the Corporate Governance Report which forms part of this report.

Board Evaluation

Pursuant to the provisions of the Act and SEBI LODR, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committees.

The performance of the Board was evaluated by the Board after seeking feedback from all the Directors based on the parameters/ criteria, such as, degree of fulfillment of key responsibility by the Board, Board Structures and Composition, establishment and delineation of responsibilities to the Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics and quality of relationship between the Board and the Management.

The performance of the committees viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility and Stakeholders' Relationship Committee was evaluated by the Board after seeking feedback from Committee members based on parameters/ criteria such as degree of fulfillment of key responsibilities, adequacy of committee composition, effectiveness of meetings, committee dynamics and, quality of relationship of the committee with the Board and the Management.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors based on selfassessment questionnaire and feedback/inputs from other Directors (without the concerned director being present). In a separate meeting of Independent Directors, performance of Non-Independent Directors of the Board as a whole and the performance of the Chairman were evaluated.

Disclosure in accordance with Section 197 (12) of Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure 'II' to this Report.

Meetings of the Board

The Board met at least once in each quarter and 4 (four) meetings of the Board were held during the year and the maximum time gap between two Board meetings did not exceed the time limit prescribed in the Act. The details have been provided in the Corporate Governance Report.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Act and as per Schedule II Part C (A)(4)(a) of the SEBI Listing Regulations the Directors, based on the representations received from the operating management, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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;
- (iii) they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Audit Report

There are no qualifications stated in the audit report and hence there is nothing specific to comment on the Audit Report, other than the comments mentioned in the report itself, which are self- explanatory.

Auditors and Audit Report

Statutory Auditors

Pursuant to the provisions of section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s Sharp & Tannan Associates (ICAI Firm Registration No.109983W) are Statutory Auditors of the Company till the conclusion of the 5th Annual General Meeting of the Company.

The Audit Report forms part of the Annual Report. The Auditors have referred to certain matters in their report on Financial Statements to the shareholders, which read with relevant notes forming part of the accounts, is self - explanatory.

Cost Auditors

As per the requirements of Section 148 of the Act read with The Companies (Cost Records and Audit) Rules, 2014, the Cost accounts of the Company are required to be audited by a Cost Accountant. The

Board of Directors of the Company have, on the recommendation of the Audit Committee, appointed M/s Kishore Bhatia & Associates, Cost Accountants, as Cost Auditors for F.Y 2025-26 on a remuneration of ₹ 2.50 lakhs plus applicable taxes and out of pocket expenses. The Cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

Secretarial Audit

Pursuant to provisions of Section 204 of the Companies Act, 2013, read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on April 24, 2025, has appointed M/s Makarand M Joshi & Co. Practicing Company Secretaries as the Secretarial Auditors of the Company for a term of five (5) consecutive financial years, commencing from F.Y 2025-2026 to F.Y 2029-2030 subject to the approval of the members at the General Meeting. They shall be paid remuneration of ₹ 2 Lakhs, plus applicable taxes and out-of-pocket expenses incurred in connection with the secretarial audit. Remuneration for subsequent years will be determined by the Audit Committee and/or the Board following mutual discussions. The auditors have confirmed that they hold valid certificate issued by the Peer Review Board of the Institute of Company Secretaries of India. The consent letter and certificate of eligibility was received from M/s Makarand M Joshi & Co., confirming their eligibility for the appointment.

The Secretarial Auditors' Report for FY 2024-25 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report received from MMJB & Associates LLP for the financial year 2024-25 in the prescribed form MR-3 is annexed as Annexure III.

Secretarial Standards

The Company has complied with the applicable provisions of the Secretarial Standards SS-1 and SS-2 issued by the Institute of Company Secretaries of India.

Annual Secretarial Compliance Report

Secretarial Compliance Report for the financial year ended March 31, 2025 on compliance of all applicable SEBI LODR and circulars/ guidelines issued thereunder, was obtained from MMJB & Associates LLP, Practicing Company Secretaries.

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

- (a) The information required pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

- (b) Information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as Annexure IV.

Annual Return

Pursuant to section 92(3) read with section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the website of the Company viz. www.forbesprecision.co.in/

Maintenance of Cost Records

The Company is duly maintaining the Cost Accounts and records as specified by the Central Government in compliance with Section 148 of the Act.

Insolvency and Bankruptcy Code 2016

During the financial year, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code 2016.

Green Initiative in Corporate Governance

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliances by the Companies and permitted the service of Annual Reports and documents to the shareholders through electronic mode subject to certain conditions. Members who have not yet registered their email addresses are requested to register the same with their Depositories in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, MUFG Intime India Private Limited (Formerly Link Intime India Private Limited), in case the shares are held by them in physical form.

Cautionary Statement

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic demand and supply, input costs, availability, changes in government regulations, tariffs, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Acknowledgements

Your Directors acknowledge and thank all stakeholders of the Company viz. customers, members, employees, dealers, vendors, banks and other business partners for their valuable sustained support and encouragement. Your Directors look forward to receiving similar support and encouragement from all stakeholders in the years ahead.

For and on behalf of the Board

Marzin R. Shroff
Chairman
DIN: 00642613

Mumbai, April 24, 2025

Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Section 135 of the Companies Act, 2013)

1. A Brief outline of the Company’s CSR policy.

CSR Policy (‘Policy’) was adopted by the Board of Directors of the Company on March 29, 2024.

The Company is committed to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to inclusive, sustainable development and contributing to building and sustaining economic, social and environmental capital and to pursue CSR projects that are replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and environmental replenishment.

The Company’s CSR activities focus on :

- Health.
- Education.
- Environment Preservation.
- Rehabilitation of families affected by natural calamities.
- General improvement in quality of life.

Health shall cover WaSH that is, Water, Sanitation, and Hygiene leading to better Health. Our goal here will be to work towards long-term impact by changing habits, inculcating awareness of safe drinking water, good sanitation and hygiene. Providing necessary infrastructural support, for example, community level drinking water plants, filters, educating and creating awareness on need for safe water and hygiene. To enable sustainability, the local community will be equal participants in such programmes, contributing to actual construction, monitoring, maintaining and reporting on impact and usage. Also, providing affordable world-class health care facilities to the under privileged.

Education shall seek to mainstream children, with special focus on children of underprivileged sections of the society, by providing them with non-formal schooling opportunities which can translate later to formal school admissions. Also, supporting tribal schools in the far-flung hamlets and convert them into ‘model’ educational institutions. Skill based training to young adults will be achieved through livelihoods skills’ programmes.

Environment Preservation includes adopting energy conservation practices, measuring and reducing carbon footprint, involving employees in conservation practices, utilizing environment-friendly materials and rainwater harvesting and water conservation. Setting a goal to ‘green our planet’ consciously by planting trees.

Rehabilitation of families affected by natural calamities includes providing assistance to Government agencies involved in ‘Search and Rescue’ operations in areas of our country that are struck by natural calamities like floods, earthquakes or cyclone and providing psychological or material assistance to help distressed persons of such areas to return to their natural ways of living.

General improvement in quality of life will include development of the urban poor specially those who are impacted by re-development

projects, differently abled youth to make them employment worthy, financial inclusion facilities for the poor workers.

The Company may also undertake other CSR activities as permitted in Schedule VII of the Companies Act, 2013. The Policy is available on the Company’s website at www.forbesprecision.co.in

CSR projects of the Company in the financial year included Health, Education & Environment Preservation.

2. The Composition of the CSR Committee as on March 31, 2025

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings attended during the year
1.	Mr. D. Sivanandhan	Non-Executive, Independent Director, Chairman	1	1
2.	Mr. Mahesh C. Tahilyani	Executive, Non-Independent Director, Member	1	1
3.	Mr. Jai Mavani	Non-Executive, Non-Independent Director, Member	1	1

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

The composition of the CSR Committee, CSR Policy and annual action plan / projects is available on our website, at www.forbesprecision.co.in/

The Committee with the approval of the Board has adopted the CSR Policy as required under section 135 of the Companies Act, 2013.

4. Provide the executive summary alongwith web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable - Not Applicable

5. Net Profit Calculation

(₹ in lakhs)

a)	Average net profit of the Company as per sub-section (5) of section 135	1,988.86
b)	Two percent of average net profit of the Company as per section 135(5)	39.78
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
d)	Amount required to be set off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year (5b+5c+5d)	39.78

6. Details of CSR Amount spent

(₹ in lakhs)

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	--
b)	Amount spent on Administrative Overheads	--
c)	Amount spent on Impact Assessment, if applicable	--
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	--

e) CSR amount spent or unspent for the financial year:

Total amount spent/unspent for the Financial Year	Amount Unspent (in ₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Unspent	39.78	Match 31, 2025	-	-	-

f) Excess amount for set-off : Not Applicable

7. Details of Unspent CSR amount for the preceding three financial years

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial year
Not Applicable					

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : Not Applicable.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135

The company entered into a Memorandum of Understanding (MOU) with Aurangabad Municipal Corporation on March 25, 2025, to undertake a significant CSR initiative involving the construction of the Mahanagar Palika Kendriya Vidyalaya Primary & Secondary School building at N-7 CIDCO, Chhatrapati Sambhaji Nagar, Maharashtra - 431003. This project includes the construction of six classrooms, two toilet blocks, and a new staircase up to the terrace floor. The project is scheduled to commence in the financial year 2025-26 due to the need for detailed planning, regulatory approvals, and coordination with the municipal authorities to ensure compliance with construction standards and local requirements. As a result, the allocated CSR funds for FY 2024-25 could not be spent within the financial year, as the expenditure is tied to this major infrastructure project with a timeline extending beyond March 31, 2025.

In accordance with Section 135(6) of the Companies Act, 2013, the unspent CSR amount for FY 2024-25, which pertains to this ongoing project, has been transferred to a separate Unspent CSR Account within 30 days from the end of the financial year. These funds will be utilized for the school construction project as per the agreed timeline starting in FY 2025-26, ensuring full compliance with CSR obligations over the project duration.

Mahesh C. Tahilyani

Managing Director

DIN: 01423084

Mumbai, April 24, 2025

D. Sivanandhan

Chairman of the CSR Committee

DIN:03607203

**Disclosure under Section 197 (12) and Rule 5 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. a. **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March 31, 2025.**

Non-Executive Directors of the Board were paid sitting fees and commission during the financial year ended March 31, 2025 as follows:

Non- Executive Directors	Sitting Fees (₹in lakhs)	Commission (₹in Lakhs)	Total (₹in Lakhs)	Ratio to Median (No. of times to Median Salary)
Mr. D. Sivanandhan	5.00	--	5.00	1.34 : 1
Mr. Jai L. Mavani	2.50	--	2.50	0.67 : 1
Mr. Nikhil Bhatia	5.00	--	5.00	1.34 : 1
Ms. Rani Ajit Jadhav	3.00	--	3.00	0.80 : 1
Mr. Marzin R. Shroff	3.00	--	3.00	0.80 : 1

Remuneration to Executive Director

Director	(₹in lakhs)	Ratio to Median (No. of times to Median Salary)
Mr. M. C. Tahilyani	265.52	71.18

- b. **Percentage increase in remuneration of Key Managerial Personnel (KMPs) in the financial year.**

The percentage increase in remuneration of Key Managerial Personnel are Nil, as the Key Managerial Personnel are appointed on April 1, 2024.

2. **Percentage increase in the median remuneration of employees in the financial 2024 - 2025.**

The percentage increase in the median remuneration of the employees in FY 2024 - 2025- 7%

3. **Number of permanent employees on the rolls of Company as on March 31, 2025 were 481 and in the previous year were 489.**

4. **Average percentile increases already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.**

The average percentile increase in remuneration of Non Key Managerial Personnel was 3% and for Key Managerial Personnel was Nil (Key Managerial Personnel were appointed on April 1, 2024 hence figures are not comparable) There are no exceptional circumstances for an increase in managerial remuneration.

5. **The Company affirms remuneration is as per the remuneration policy of the Company.**

**FORM NO. MR.3
SECRETARIAL AUDIT REPORT**

for the Financial Year ended March 31, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Forbes Precision Tools and Machine Parts Limited
Forbes, Building, Charanjit Rai Marg, Fort,
Mumbai - 400001, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Forbes Precision Tools and Machine Parts Limited (hereinafter called ‘the Company’). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor’s Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (hereinafter called the ‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and 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, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company 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 (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period) and
- (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. (Not Applicable to the Company during the Audit Period)

- (vi) As identified, no laws specifically applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. (‘Listing Regulations’)

During the Audit Period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above.

Further, PIT Regulation Compliances w.r.t. trading by Designated Personnel is checked on the basis of the quarterly Benpos received from the Company since weekly Benpos was not available for verification.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There was no change in the composition of the Board of Directors during the audit period.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are 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, post demerger from Forbes & Company Limited (Demerged Company) and in accordance with the scheme of Arrangement between Demerged Company and the Company (Resulting Company) and their respective Shareholders, the Company has got listed its equity shares on BSE Limited, effective from June 11, 2024.

For MMJB & Associates LLP

Company Secretaries
ICSI UIN: L2020MH006700
Peer Review Cert. No.: 2826/2022

Omkar Dindorkar

Designated Partner
ACS: 43029
CP: 24580
UDIN:A043029G000188482

Date: April 24, 2025
Place: Mumbai

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

Annexure 'A'

To,
The Members,
Forbes Precision Tools and Machine Parts Limited
Forbes Building, Charanjit Rai Marg Fort,
Mumbai - 400001, Maharashtra, India.

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

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

For MMJB & Associates LLP

Company Secretaries
ICSI UIN: L2020MH006700
Peer Review Cert. No.: 2826/2022

Omkar Dindorkar

Designated Partner
ACS: 43029
CP: 24580
UDIN:A043029G000188482

Date: April 24, 2025
Place: Mumbai

Particulars of Technology Absorption and Foreign Exchange Earnings and Outgo, as per section 134(3)(m) of the Companies Act, 2013 and the Rules made therein and forming part of Directors’ Report for the year ended March 31, 2025.

(A) Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

(a) Energy Conservation Measures Taken: Some investments in the nature of modification have been made in existing assets related to Air compression which has resulted in potential energy savings on a perpetual basis. Though the quantum is marginal its benefits over the life of the asset are beneficial to the company.

(b) Impact of measures taken at (a) above for reduction of energy consumption and impact on cost of goods:

Steps taken by the Company for utilising alternate sources of energy:

- Effective utilisation of two roof top solar system, Annual Solar power generation during the year was 19,61,456 KWH

(B) Technology Absorption and Research and Development (R & D):

i. Efforts, in brief, made towards technology & Benefits derived as result of below activities :

Installation of few High precision Tap XCells, 7 Axis CNC Machines, including tooling developed indigenously for capacity augmentation of high-performance tooling were done during the year.

ii. Research & Development

The Research, Development and Engineering (RD&E) of your Company continues in its endeavour to develop and indigenize products and processes with specific focus on materials, processes and machining technology to reduce cost, develop and improve processes, improve product efficiency and enhance the performance of its products and Installed special software for Forming Taps simulations & to facilitate activities for design creation, validations and updations periodically.

iii. Quality Certifications Update:

Company got below Quality Certifications for Scope specified:

1. ISO 14001:2015: For Design, Development, Manufacture & supply of High-Speed Taps
2. IATF 16949:2016: For the manufacture of spring lock washers
3. AS 9100D and ISO 9001:2015: For Manufacture & Supply of Solid Carbide Tools
4. ISO 45001:2018: For Design, Development, Manufacture & supply of High-Speed Taps
5. ISO 9001:2015: For Design, Development, Manufacture & supply of all products

iv. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a)	the details of technology imported	Nil
b)	the year of import	Nil
c)	whether the technology been fully absorbed	Nil
d)	if not fully absorbed, areas where absorption has not taken place and the reasons thereof, and	Nil

v. the expenditure incurred on Research and Development: Nil

vi. Quality Management System Initiative: During the year Company has obtained Quality certificates: ISO 14001-2015, IATF 16949: 2016, AS 9100D, ISO 45001:2018, ISO 9001:2015. Company has implemented Occupational Health and Safety Management System in accordance with ISO 45001:2018.

vii. Personnel: During the Financial year under review your company maintained cordial industrial relations at all levels. Your directors record their appreciation for the contribution made by the employees.

(C) Foreign exchange earnings and outgo:

(a) Foreign exchange earnings:

₹ in Lakhs

1.	Export of goods calculated on FOB basis	3,791.05
2.	Commission and other Services	3.97
3.	Freight and Insurance recoveries	15.79
	Total	3,810.81

(b) Foreign exchange outgo:

₹ in Lakhs

1.	Imports calculated on CIF basis – Raw material	1,823.74
2.	Imports calculated on CIF basis – stores, spares and tools	88.63
3.	Imports calculated on CIF basis – purchase for re-sale	14.37
4.	Imports calculated on CIF basis – Capital Goods	1,970.84
5.	Commission to overseas agents	9.37
6.	Foreign travel	18.42
7.	Others	34.37
	Total	3,959.74

For and on behalf of the Board

Marzin R. Shroff

Chairman

DIN: 00642613

Mumbai, April 24, 2025

CORPORATE GOVERNANCE REPORT FOR FY 2024 - 2025

Corporate Governance Policy

The Company believes in the highest standards of good and ethical corporate governance practices. Good governance practices stem from the culture and mindset of the organization. It is therefore not merely about enacting policies, regulations and procedures but also about establishing an environment of trust and confidence among various shareholders.

The Company's philosophy on the Code of Governance is that the Company should follow contemporary corporate practices and the guiding principle of the Code of Governance of the Company is Harmony i.e.:

- (a) Balancing need for transparency with the need to protect the interest of the Company;
- (b) Balancing the need for empowerment at all levels with the need for accountability; and
- (c) Interaction with all stakeholders including shareholders, employees, lenders and regulatory authorities.

Code of Conduct

The Company follows/believes in fair, transparent and ethical governance practices. The Code has been communicated to the Directors and the Members of Senior Management. The Company has also adopted a Code of Conduct for Non-Executive Directors of the Company. All Board Members and Senior Management have confirmed compliance with the Code for the year ended March 31, 2025. The Non-Executive Directors of the Company have also confirmed compliance with the Code of Conduct for the Non-Executive Directors for the year ended March 31, 2025. The Annual Report contains a declaration to this effect signed by the Managing Director.

Code of Practices and Procedures for Fair Disclosure and Conduct

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has framed a Code for Prevention of Insider Trading & Code of Corporate Disclosure Practices ("Insider Trading Code") based on the principle that Directors, Officers, and Employees of the Company owe a fiduciary duty to the members of the Company to place the interest of the members above their own and conduct their personal securities transactions in a manner that does not create any conflict of interest situation. The Insider Trading Code also seeks to ensure timely and adequate disclosure of Price Sensitive Information to the investors by the Company to enable them to take informed investment decisions with regard to the Company's securities. The Chief Financial Officer of the Company is responsible for implementation of the Code.

Board of Directors

The Board of Directors as on March 31, 2025 comprised of Six (6) Directors. The Chairman of the Board is Non-Executive. Five (5)

(83%) Directors are Non-Executive and 3 (50%) of the six of them are Independent Directors.

The composition of the Board is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('SEBI LODR').

The Company is managed by the Managing Director under the supervision, direction and control of the Board. The Managing Director is assisted by a team of highly qualified and experienced professionals. None of the Independent Directors serve as Independent Director in more than seven listed entities. None of the Directors of the Company are members in more than 10 mandatory committees nor act as a Chairman in more than 5 mandatory committees of public companies.

The Board met at least once in each quarter and the maximum time gap between two Board meetings did not exceed the time limit prescribed in Section 173 of the Companies Act, 2013 and Regulation 17 of SEBI LODR. 4 (Four) meetings were held during the Financial Year (FY) ended March 31, 2025 on May 6, 2024, July 29, 2024, October 24, 2024 and January 24, 2025. The necessary quorum was present for all the meetings. Video conferencing facility was provided, wherever required to enable Directors to participate in meetings.

The terms and conditions of appointment of the Independent Directors and the details of the familiarization program to them are available on the website of the Company www.forbesprecision.co.in/

Based on the declarations received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the SEBI LODR and are independent of the Management.

Pursuant to the provisions of the Companies Act, 2013 ('the Act') and SEBI LODR the Board has carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committee(s) on the basis of the parameters of performance evaluation process provided in the Charter for Performance Evaluation adopted by the Board on October 24, 2024.

All the information required to be placed before the Board of Directors under Regulation 17 (7) of SEBI LODR has been duly placed. The agenda along with explanatory notes are sent in advance to the Directors

The names and categories of the Directors on the Board, their attendance at the Board Meetings and Annual General Meeting (AGM) held during the year, the number of Chairmanships / Directorships of all Boards excluding alternate directorship, directorship of private limited companies, foreign companies and companies under Section 8 of the Act and the Committees of Board (Chairmanship / Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee across all public limited companies (listed as well as unlisted) including those of the Company), held by them as on March 31, 2025 are as follows:

Name of the Director	Category	Number of Board Meetings during the F.Y 2024-25		Attendance at AGM held on July 25, 2024	Number of Shares/ Convertible instruments	Relation-ship with Director	No. of Directorships in all Public Companies	No. of Committee positions held in all Public Companies		Directorship in other listed entity (Category of Directorship)
		Held	Attended					Chairman	Member*	
Mr. Marzin R. Shroff DIN: 00642613	Non- Executive, Non-Independent	4	4	Yes	Nil	None	Nil	Nil	Nil	Nil
Mr. Mahesh C. Tahilyani DIN:01423084	Non-Independent, Executive	4	4	Yes	Nil	None	4	Nil	4	Forbes & Company Limited (Non-Executive, Non Independent)
Mr. Jai Mavani DIN:05260191	Non- Executive, Non-Independent	4	4	Yes	8,128	None	3	Nil	Nil	Forbes & Company Limited (Non-Executive Non Independent)
Mr. D. Sivanandhan DIN:03607203	Non-Executive, Independent	4	3	Yes	Nil	None	5	0	5	Kirloskar Industries Limited (Non-Executive Independent)
Ms. Rani Ajit Jadhav DIN:07070938	Non-Executive, Independent	4	4	No	Nil	None	2	0	2	Procter & Gamble Health Limited (Non-Executive, Independent)
Mr. Nikhil Bhatia DIN: 00414281	Non-Executive, Independent	4	4	Yes	Nil	None	6	5	1	1. Gokak Textiles Limited (Non-Executive, Independent) 2. Forbes & Company Limited (Non-Executive, Independent) 3. Aarti Industries Limited (Non-Executive, Independent)

Notes:

- * Chairmanships / memberships in other Companies include only in Audit and Stakeholders Relationship committees as required under regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.

The Board had identified following skills/expertise/ competencies for effective functioning of the Company which are currently available with the Board:

- Marketing, Sales and Synergies
- Finance, Strategy and HR Management; and
- Corporate Governance and Administration

The specific areas of skills/expertise/competences of the individual Directors as on date is given below:

Director	Areas of Skills/Expertise/Competence
Mr. Marzin R. Shroff Chairman	Direct Selling, Digital, Advertising, Strategy, Luxury Branding and International Business
Mr. Mahesh C. Tahilyani Managing Director	Business management and Administration, Finance and control, IT-Digital Strategy, Building High Performance Teams, Corporate Governance.
Mr. D Sivanadhan Non-Executive – Independent Director	Public Policy and General Administration, Business Development, Business and Corporate Governance, Security - ITS Domain Expertise.
Mr. Jai Mavani Non-Executive Non- Independent Director	Fund raising, business structuring, Finance and Tax, Mergers & Acquisitions and Business Governance.
Ms. Rani A. Jadhav Non-Executive – Independent Director	Public Policy and General Administration, Corporate Governance and Administration.
Mr. Nikhil Bhatia Non-Executive – Independent Director	Risk Management, Taxation and related Regulatory, Business structuring and Governance.

Familiarization Programme for Independent Directors

At the time of appointment of an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected from him/her as a Director of the Company. The Independent Directors of the Company were given full access and opportunity to interact with senior management personnel. They were also provided with relevant documents, brochures, reports, and internal policies to help familiarize them with the industry landscape, the Company's business operations, and the functioning of various divisions and departments. The details of familiarization programme imparted to the Independent Directors are available on the Company's website at www.forbesprecision.co.in.

Meeting of Independent Directors

The Independent Directors meet to discuss:

- a) Evaluation of the performance of Non-Independent Directors and the Board as a whole.
- b) Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive Directors and Non-Executive Directors.

- c) Evaluation of quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meetings of Independent Directors held on January 23, 2025 were attended by all Independent Directors.

CEO/CFO Certification

As required under Regulation 17(8) of SEBI LODR, the Certificate from Mr. Mahesh C. Tahilyani, Managing Director and Mr. Vikram Nagar, Chief Financial Officer was placed before the Board of Directors.

Particulars of Senior Management

Name of Senior Management Personnel	Designation
Mr. Vikram Nagar	Chief Financial Officer
Mrs. Rupa Khanna	Company Secretary and Compliance Officer
Mr. Rajesh Patil	Chief Information Officer
Mr. Haribabu Gopal	General Manager Sales
Mr. Santosh Wadgaonkar	Head – Supply Chain
Mr. Vikram Patwardhan	Head – Quality Assurance,
Mr. Gerald Brownie	General Manager International Sales Head
Mr. Ashok Salunke	Factory Manager
Mr. Atul Chamnikar (resigned w.e.f. October 31, 2024)	HR Manager

Audit Committee

In compliance with section 177 of the Act and Regulation 18 of SEBI (LODR) 2015 the terms of reference of the Audit Committee were as under:

- 1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;

- d) significant adjustments made in the financial statements arising out of audit findings;
- e) compliance with listing and other legal requirements relating to financial statements;
- f) disclosure of any related party transactions;
- g) modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the listed entity with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) discussion with internal auditors of any significant findings and follow up there on;
- 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) to review the functioning of the whistle blower mechanism;
- 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 21) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- 22) Carrying out any other functions required to be carried out by the Audit Committee, as may be decided by the Board and/or as provided under the Companies Act, the SEBI LODR Regulations or any other applicable law, as and when amended from time to time.

In addition to the above the Audit Committee will also reviews the information listed in Schedule II of Part C (B) of SEBI (LODR)

Composition of Audit Committee

The Audit Committee of the Board has been constituted in compliance with the provision of Regulation 18 of SEBI LODR read with Section 177 of the Act. The Committee comprises of 3 members of whom 2 are Independent Non-Executive Directors and 1 Executive Director. The Chairman of the Audit Committee is an Independent Director.

All members are financially literate and at least one member has Accounting expertise.

The Audit Committee meetings are attended by Chief Financial Officer, Statutory Auditors, Internal Auditor and the functional heads as and when required. The Company Secretary acts as the Secretary to the Committee. The gap between two consecutive meetings was not more than one hundred and twenty days. 4 (Four) Audit Committee meetings were held during Financial Year (FY) ended March 31, 2025 on May 06, 2024, July 29, 2024, October 24, 2024 and January 24, 2025.

The Composition of the Committee is as follows:

Name of the Member	Category	No. of Audit Committee meetings held	No. of meetings attended
Mr. Nikhil Bhatia Chairman	Non-Executive, Independent Director	4	4
Mr. D. Sivanandhan	Non-Executive, Independent Director	4	4
Mr. Mahesh C. Tahilyani	Executive, Non- Independent Director	4	4

The Chairman of the Audit Committee was present at the last Annual General Meeting.

Nomination and Remuneration Committee

In compliance with Section 178 of the Act and Regulation 19 of SEBI LODR, the Board had constituted Nomination and Remuneration Committee. The Committee comprises 3 members of whom 2 are Independent Non-Executive Directors. The Chairman of the Nomination and Remuneration Committee is an Independent Director.

1 (One) Nomination and Remuneration Committee (NRC) meetings were held during Financial Year (FY) ended March 31, 2025 on January 23, 2025. The Composition of the Committee and details of meeting attended by its members is as follows:

Name of the Member	Category	No. of NRC meetings held	No. of meetings attended
Mr. D. Sivanandhan Chairman	Non-Executive, Independent Director	1	1
Mr. Marzin R. Shroff	Non-Executive, Non-Independent Director	1	1
Mr. Nikhil Bhatia Chairman	Non-Executive, Independent Director	1	1

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting.

The terms of reference of Nomination and Remuneration Committee includes:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance

with the criteria laid down, and recommend to the board of directors their appointment and removal.

- to recommend 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management. and
- Carrying out any other functions as may be delegated by the Board of Directors of the Company, as provided under the Companies Act, the SEBI LODR Regulations or any other applicable law, as and when amended from time to time.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Board Report. The Nomination and Remuneration Policy of the Company has been uploaded on the website of the Company, www.forbesprecision.co.in/

The Committee will determines and recommends to the Board the compensation of the Managing Director. The Committee will make periodic appraisal of the performance of the Managing Director. The Company does not have stock options.

The Committee determines and recommends to the Board the compensation of the Managing Director. The Committee makes periodic appraisal of the performance of the Managing Director. The Company does not have stock options.

Details of remuneration paid to Directors during the year ended March 31, 2025 are as follows:

A) Non- Executive Directors:

(₹ in Lakhs)

Name of Director	Sitting Fees
Mr. Marzin R. Shroff	3.00
Mr. Jai L. Mavani	2.50
Mr. D. Sivanandhan	5.00
Mr. Nikhil Bhatia	5.00
Mrs. Rani A. Jadhav	3.00

B) Managing Director

(₹ in Lakhs)

Sr. No.	Particulars	Managing Director
a	Salary and allowance	239.74
b	Pension Contribution to PF & Superannuation Fund	25.78
c	Annual Performance Incentive & Ex-Gratia	--
	Total	265.52
d	Break up of fixed components and performance linked incentives with performance criteria include level of profits, reduction of costs,	Item C is performance linked, others are fixed. Performance criteria include level of profits, reduction of costs, improvement of liquidity, steps taken for growth of business of the company

Sr. No.	Particulars	Managing Director
e	Service contracts	April 1, 2024 to March 31, 2027
f	Notice Period	6 months
g	Severance fees	Nil
h	Stock options	NA

Stakeholders' Relationship Committee

In compliance with the provisions of Section 178 of the Act and Regulation 20 of SEBI LODR, the terms of reference of the 'Stakeholders Relationship Committee' includes:

- Approval of Share Transfers / Deletion of Name/s / Transposition of Name/s, Dematerialization / Re-materialization of Shares;
- Approval of Transmission of Shares;
- Approval for issue of Duplicate/Replacement/Renewal of Share Certificates;
- Resolution of all the grievances of the security holders;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted in respect of various services being rendered by Registrar & Share Transfer Agents;
- Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- Such other functions/duties as may be entrusted by the Board from time to time.

The Committee comprises of 3 members of whom 1 Independent Non-Executive Directors, 1 Non-Executive, Non Independent Director and 1 Executive Director. The Stakeholders' Relationship Committee meeting was held on January 23, 2025.

The Composition of Stakeholders' Relationship Committee (SRC) is as follows:

Name of the Member	Category	No. of SRC meetings held	No. of meetings attended
@ Mr. Marzin R. Shroff Chairman	Non-Executive, Independent Director	1	1
Mr. Mahesh C. Tahilyani	Executive, Non-Independent Director	1	1
Ms. Rani A. Jadhav	Non-Executive, Independent Director	1	1

@ Mr. Marzin R. Shroff appointed as Chairman w.e.f May 16, 2024 and Mr. D. Sivanandhan resigned as Chairman w.e.f. May 16, 2024

The Company Secretary functions as Compliance Officer.

During the year under review, no complaints were received by the Company. Further no transfers were pending as on March 31, 2025.

Corporate Social Responsibility Committee

Pursuant to section 135 of the Companies Act, a Corporate Social Responsibility (CSR) Committee of the Board was constituted. The Company has formulated a policy for its CSR activities and the duties and responsibilities of the Committee include-

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred above;
- monitor the Corporate Social Responsibility Policy of the company from time to time;
- ensure that the activities as are included in Corporate Social Responsibility Policy of the company are undertaken by the company;
- Carrying out any other functions or duties as prescribed under Section 135 or other applicable provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time or as may be entrusted by the Board from time to time.

The CSR committee comprises of 1 Independent Director, 1 Executive Director and 1 Non- Executive, Non Independent Directors. The CSR Committee meeting was held on January 23, 2025

The Composition of the CSR Committee is as follows:

Name of Member	Category	No of CSR Meeting held	No of Meeting Attended
Mr. D. Sivanandhan Chairman	Non-Executive, Independent Director	1	1
Mr. Mahesh C. Tahilyani	Executive, Non-Independent Director	1	1
Mr. Jai Mavani	Non-Executive, Non – Independent Director	1	1

General Body Meetings

The details of date, time and venue of the Annual General Meeting held during the last two year till March 31, 2025 are as under:

Particulars	Date	Time	Venue
2 nd Annual General Meeting	July 25, 2024	03.00 pm	The Annual General Meeting was held at Indian Merchant Chambers, Walchand Hirachand Hall, IMC Building, 4 th Floor, IMC Marg, Churchgate, Mumbai 400020
1 st Annual General Meeting	August 9, 2023	10.00 a.m	The Annual General Meeting was held at the registered office of the Company i.e Forbes, Building, Charanjit Rai Marg, Fort, Mumbai -400001.

Details of Special Resolutions passed in the General Meeting during previous 2 financial Year

(₹ in Lakhs)

Details of Special Resolutions passed through Extra Ordinary General Meeting held on January 16, 2024 and February 29, 2024

1. Alteration of Articles of Association.
2. Appointment of Mr. Mahesh C. Tahilyani (DIN: 01423084) as Director and Managing Director of the Company.
3. Appointment of Mr. D. Sivanandhan (DIN: 03607203) as an Independent Director of the Company.
4. Appointment of Mr. Nikhil Bhatia (DIN: 00414281) as an Independent Director of the Company.
5. Appointment of Ms. Rani A. Jadhav (DIN: 07070938) as an Independent Director of the Company.
6. Borrowing funds in excess of the prescribed limits.
7. Creation of charge/mortgage on assets of the Company.
8. Authority to provide any loans or guarantee or any security to all such person specified under section 185 of the Companies Act, 2013.
9. Granting of loans/security/guarantee or making investment of funds in excess of the prescribed limits.

Special Resolution passed through Postal Ballot during the FY 2024-2025:

No Postal Ballot was conducted during the year 2024-25.

Whether any special resolution is proposed to be conducted through postal ballot

A special resolution for the payment of commission to Non-Executive Directors was proposed at the Board Meeting held on April 24, 2025. This resolution is intended to be conducted through postal ballot on or before the ensuing Annual General Meeting.

Fees paid by the Company to Statutory Auditors:

M/s. Sharp & Tannan Associates (Firm Registration No. 109983W) are the Statutory Auditors' of the Company. The particulars of payment of Statutory Auditors' fees is given below:

Particulars	Remuneration of M/s Sharp & Tannan Associates for Amount (₹)
Statutory Audit Fees	16.00
Special purpose financial statement	9.00
Total	25.00

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, as amended:

The Company has in a place a Sexual Harassment Policy in line with the requirement of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints during the FY 2024-25.

Related Party Transactions

All related party transactions entered into during the financial year were on arm's length basis and were in the ordinary course of business and does not attract the provisions of Section 188 of the Act.

All related party transactions will be placed before the Audit complain for its approval from the FY 2025-26.

The Board has approved policy for related party transactions which has been uploaded on the Company website viz www.forbesprecision.co.in/

Disclosure on loans and advances

There have been no loans or advances extended by the Company to firms or companies where Directors of the Company hold an interest.

Disclosure of Material Subsidiaries

The Company doesn't have any material subsidiary.

Statutory Compliances

The Company has a system in place whereby the Managing Director/ Chief Financial Officer/Company Secretary provides Compliance Certificate to the Board of Directors based on the confirmations received from concerned persons/heads of the Company relating to compliance of various laws, rules, regulations and guidelines applicable to their areas of operation.

Vigil Mechanism/Whistle Blower Policy

Pursuant to Section 177 of the Act and Regulation 22 of SEBI LODR, the Board has established a vigil mechanism for the Directors and employees of the Company to report genuine concerns about unethical behaviour actual or suggested fraud or violation of the Company's Code of Conduct or ethics. The Company has in place Whistle Blower Policy to provide mechanism for Director or employee of the Company to approach the Chairman of the Audit Committee. The Policy is available on the Company's website viz. www.forbesprecision.co.in/

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

The company has complied with all the mandatory requirements of SEBI LODR the status of compliances with discretionary requirement under regulation 27 (1) and Part E Schedule II of SEBI LODR 2015 is provided below

- **Shareholders' Rights:** The Company is sending financial statements along with the Board's Report and Auditors' Reports to all the shareholders through email. The Same shall be available on the Company's website i.e., www.forbesprecision.co.in/
- **Audit Qualifications:** The Company's standalone financial statement for the financial year 2024-25 does not contain any audit qualification.
- **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non- Executive Director. The Company has appointed Managing Director to take care of the day-to-day affairs of the Company. The position of the Chairman and Managing Director are separate.
- **Reporting of internal auditor:** The internal auditor report directly to the audit committee

Means of Communication

The quarterly, half yearly financial results are generally published in the Financial Express (English daily) and Mumbai Lakshadweep (regional language newspaper). The financial results shareholding pattern are also available on the website of the company i.e www.forbesprecision.co.in

The Company does not have a practice of making presentation to institutional investors and analysts. Management Discussion and Analysis forms part of Annual Report.

General Shareholders Information

AGM-Date, time and Venue	Next Annual General Meeting of the Company is scheduled on Thursday, June 26, 2025, at 3.00 PM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
Financial Year	The Company follows the April – March financial year
Listing on Stock Exchange	BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001.
ISIN	ISIN- INE0TT901016

Equity shares of the Company were listed on BSE Limited on June 11, 2024. The Company will ensure payment of the annual listing fees to the exchange within the prescribed due date.

The Directors have not recommended any dividend for the financial year 2024-25.

The Directors of the Company, at its meeting held on Thursday, April 24, 2025, inter alia, approved the payment of an Interim Dividend of ₹5/- (Rupees Five only) per equity share of face value ₹10/- each for the financial year 2025-26, on the paid-up equity share capital of the Company. The Interim Dividend will be paid to those shareholders whose names appeared in the Register of Members as on May 2, 2025, being the record date fixed for this purpose.

Claim of Shares in IEPF and Suspense Account

Pursuant to the Scheme of Arrangement, the Company has transferred the 6,52,612 equity shares to Investors Education and Protection Fund Authority, Ministry of Corporate Affairs ("IEPFA") for those eligible shareholders whose equity shares were earlier transferred to IEPFA by the Demerged Company") (Forbes & Company Limited) since dividend remained unpaid/unclaimed for continuous 7 years.

The details of shares transferred to IEPF by the Company are available on the website of the Company www.forbesprecision.co.in/. Members, whose shares have been transferred to IEPF Account, are entitled to claim the said shares from IEPF Authority by submitting an online application in the prescribed form available on the website www.iepf.gov.in and sending a duly signed physical copy of the same to the Company along with requisite documents stated in the Form IEPF-5. Shareholders are requested to ensure submission of claim documents, complete in all respect alongwith relevant documents in respect of claim, so as to avoid any rejection by appropriate authorities. The process for claim is also available on the website of the Company.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

Pursuant to the Scheme of Arrangement, the Company has kept in abeyance and credited the shares to a separate suspense account for the benefit of shareholders of Forbes & Company Limited (the Demerged Company) as on the record date. These shares were to be credited to shareholders in demat mode only. These include:(a) shares held in physical form,(b) shares credited to the Suspense Escrow Demat Account (SEDA), and(c) shares under litigation.

Further, the shareholders shall also be eligible to claim the interim dividend for the F.Y 2025-2026 on these shares. The eligible shareholders are advised to contact the RTA to claim shares in demat mode as well as unpaid interim dividend thereon.

In terms of Schedule V of the Listing Regulations, detail of the equity shares lying in the Suspense Account is as follows:

Sr. No.	Particulars	Shares held in physical form		Suspense Escrow Demat Account		Shares under litigation	
		No. of Share holders	No. of Equity Shares	No. of Share holders	No. of Equity Shares	No. of Share holders	No. of Equity Shares
1	Aggregate number of shareholders and the outstanding shares transferred in Suspense Account (pursuant to the Composite Scheme of Arrangement) at the time of allotment during the year	2126	947348	5	1520	38	28516
2	Less: Number of shareholders who approached and shares were transferred from Suspense Account during the year	49	14928	--	--	--	--
3	Less: Number of shareholders whose shares were transferred from Suspense Account to IEPFA during the year	--	--	--	--	--	--
4	Aggregate number of shareholders and the outstanding shares lying in Suspense Account at the end of the year	2077	935912	5	1520	38	28516

In view of the aforesaid, the voting rights on these shares transferred to SEDA shall remain frozen till the rightful owner of such shares claims the shares.

Registrars and Share Transfer & Agents

The Company has appointed MUFG Intime India Private Limited (formerly know as Link Intime India Private Limited) as its Registrar & Share Transfer Agents (RTA). Shareholders are advised to approach MUFG Intime India Private Limited on the following address for any queries and issues related to shares held by them in the Company:

MUFG Intime India Private Limited
Address: C-101, 1st Floor, 247 Park L.B.S. Marg, Vikhroli (West), Mumbai-400 083, Maharashtra, India. Tel.: +91 81081 18484
E-mail: csg-unit@in.mpms.mufg.com
Website: https://in.mpms.mufg.com

Dematerialisation of Equity Shares

Pursuant to the Scheme of Arrangement and in Compliance to BSE observation letter No. DCS/ AMAL/TL/R37/2816/2023-24 dated July 23, 2024 the Company had allotted equity shares in dematerialized form to those shareholders who hold shares as on the record date of the Demerged Company (Forbes & Company Limited).

Shareholders holding shares in physical mode of Forbes & Company Limited, the shares are kept in in abeyance in a separate demat account and such shareholders can make a request to the RTA to claim the shares.

As on March 31, 2025, 100% equity shares of the Company are in dematerialised form.

Distribution of Shareholding as on March 31, 2025

Category	No. of Shares	%
Promoters	38102764	73.85
Central/State Government Institutions	121452	0.24
Financial Institutions/ Banks	47028	0.09
Limited Liability Partnership	23987	0.05
Mutual Fund	150248	0.29
FII & NRI/FBC/FPI	5866300	11.37
Investor Education and Protection Fund	652612	1.26
Directors and their relatives	8128	0.02
Trusts	2400	0.00
Bodies Corporate/Clearing Members	1526260	2.96
Public	5093285	9.87
Total	51594464	100.00

Distribution by size as on March 31, 2025

Holding	No. of Shareholders	No. of Shares	% to Shares
1 to 500	12387	1376097	2.67
501 to 1000	848	636985	1.23
1001 to 2000	432	641682	1.24
2001 to 3000	157	389609	0.76
3001 to 4000	92	326147	0.63
4001 to 5000	41	189121	0.37
5001 to 10000	62	449649	0.87
10001 & above	58	47585174	92.23
Total	14077	51594464	100.00

Credit Rating

The following credit rating was assigned to the Company by Infomerics Valuation and Rating Private Limited as of December 5, 2024:

Facility	Amount Rated (₹ In Crores)	Rating	Rating Action
Long term Bank facilities	4.46	IVR BBB/Stable (IVR Triple B with stable Outlook)	Assigned
Proposed Long term Bank facilities	40.54	IVR BBB/Stable (IVR Triple B with stable Outlook)	Assigned
Proposed Short term Bank facilities	10.00	IVR A3+ (IVR A three plus)	Assigned

Status of dematerialization of shares and liquidity as on March 31, 2025

Details	No. of shares	% of Share Capital	No. of Accounts
National Securities Depository Ltd. (NSDL)	48565145	94.13	6216
Central Depository Services (India) Ltd. (CDSL)	3029319	5.87	7861
Total	51594464	100.00	14077

Outstanding Employee Stock Options, GDRs, ADRs, etc.

The Company has not issued any GDRs/ADRs/Warrants. There are no outstanding Foreign Currency Convertible Bonds ("FCCBs") and Employee Stock Options.

No funds were raised during the year through preferential allotment or qualified institutional placement.

The Company does not undertake any commodity hedging activities.

Foreign exchange risk and hedging activities

The Company has a foreign exchange risk management policy for managing foreign currency exposure. The Company identifies risks and exposures to be hedged from time to time and hedges these exposures. During the year, the Company has managed foreign exchange risk and hedged in compliance with its extant foreign exchange risk management policy. The open foreign exchange exposures are reviewed at a regular interval. Note No. 2(xiii) to the standalone financial statements describes the

accounting policy relating to the foreign currency transactions and translations.

The Company does not undertake any commodity hedging activities.

Plant Locations

Plot B-13, MIDC Waluj Industrial Area Waluj, Chhatrapati Sambhajanagar - 431 133

Address for correspondence

The shareholders may send their communication/ suggestions/ grievances /queries related to the Company to: Company Secretary & Compliance Officer, Forbes Precision Tools and Machine Parts Limited, Forbes' Building,, Charanjeet Rai Marg, Fort. Mumbai 400001, Email id investor.relations@forbesprecision.co.in.

Auditors' Certificate

1. Certificate dated April 24, 2025 issued by M/s. MMJB & Associates LLP, Practicing Company Secretaries certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Board/ Ministry of Corporate Affairs or any such statutory authority.
2. The certificate dated April 24, 2025, issued by M/s. MMJB & Associates LLP, Practicing Company Secretaries on compliance with the Corporate Governance requirements by the Company is annexed herewith.

The Corporate Governance Report was adopted by the Board of Directors at its meeting held on April 24, 2025 as a part of Board's Report.

DECLARATION UNDER REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the code of conduct for Board of Directors and Senior Management for the year ended March 31, 2025.

For Forbes Precision Tools and Machine Parts Limited

Mahesh C. Tahilyani
Managing Director

Place: Mumbai
Dated : April 24, 2025

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Forbes Precision Tools and Machine Parts Limited
Forbes Building, Charanjit Rai Marg Fort,
Mumbai - 400001, Maharashtra, India.

We have examined the compliance of conditions of Corporate Governance by Forbes Precision Tools and Machine Parts Limited ("the Company") for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the corporate governance provisions were not mandatorily applicable to the entity in the last financial year but Company has voluntarily adhered to these provisions to the best of their ability and Company is into process of full compliance with the relevant regulations as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

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

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

For **MMJB & Associates LLP**
Company Secretaries
ICSI UIN: L2020MH006700

Omkar Dindorkar
Designated Partner
ACS: 43029

CP: 24580 PR: 2826/2022
UDIN: A043029G000188647

Date: April 24, 2025
Place: Mumbai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Forbes Precision Tools and Machine Parts Limited
Forbes' Building, Charanjit Rai Marg Fort,
Mumbai, Maharashtra,
India, 400001

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **Fobes Precision Tools and Machine Parts Limited** having CIN **L29256MH2022PLC389649** and having registered office at Forbes' Building, Charanjit Rai Marg, Fort, Mumbai, Maharashtra, India, 400001, India (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other statutory authority as on March 31, 2025

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment / Resignation
1.	Mr. Mahesh Chelaram Tahilyani	01423084	01/04/2024
2.	Mr. Sivanandhan Dhanushkodi	03607203	30/03/2024
3.	Mr. Marzin Roomi Shroff	00642613	30/03/2024
4.	Mr. Jai Laxmikant Mavani	05260191	30/03/2024
5.	Ms. Rani Jadhav Ajit	07070938	30/03/2024
6.	Mr. Nikhil Jaysinh Bhatia	00414281	30/03/2024

General Disclaimer: Our Analysis for this certificate does not cover the verification of criteria pertaining to appointment as independent director under Section 149 and criteria pertaining to appointment as Managing Director under Section 196 and Schedule V of the Companies Act, 2013.

For **MMJB & Associates LLP**
Company Secretaries
ICSI UIN: L2020MH006700

Omkar Dindorkar
Designated Partner
ACS: 43029

Date: April 24, 2025
Place: Mumbai

CP: 24580
UDIN: F009290G000194739

**FINANCIAL STATEMENTS
FORMING PART OF
ANNUAL REPORT
FOR THE YEAR ENDED
MARCH 31, 2025**

INDEPENDENT AUDITOR'S REPORT

To the members of FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED** (hereinafter referred to as "the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2025 and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter collectively 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 (hereinafter referred to as "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 (hereinafter referred to as "Ind AS") and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2025, its profit, other comprehensive

income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred to as "SAs") specified Under Section 143(10) of the Act. Our responsibilities under those Standards are further described in 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 (hereinafter referred to as "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report;

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	<p>Revenue Recognition:</p> <p>The Company's revenue is derived from the sale of carbide and high-speed steel round cutting tools for the automotive and engineering industry. The Company recognizes revenue when the control is transferred to the customer.</p> <p>The terms set out in the Company's sales contracts relating to goods acceptance by customers are varied. Accordingly, the terms and conditions of sales contracts may affect the timing of recognition of sales to customers as each sales contract could have different terms relating to customer acceptance of the goods sold.</p> <p>We identified the recognition of revenue as a key audit matter because revenue is one of the key performance indicators of the Company and is, therefore, subject to an inherent risk of misstatement to meet targets or expectations and because errors in the recognition of revenue could have a material impact on the Company</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ul style="list-style-type: none"> assessed the design and operating effectiveness of the Company's controls around revenue recognition and measurement. assessed the appropriateness of the Company's identification of performance obligations in its contracts with customers, its determination of transaction price, including allocation thereof to performance obligations and accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115; assessed the revenue recognized with substantive analytical procedures including review of price, quantity and product mix variances and analysis of discounts at the customer level. scrutinized sales ledgers to verify the accuracy and completeness of sales transactions. on a sample basis, tested the revenue recognised including testing of cut off assertion as at the year-end; circularized balance confirmations to a selected sample of customers and evaluated the responses; Assessed the disclosures made by the Company. <p>Based on the above audit procedures performed, we did not come across any significant exceptions with regard to revenue recognition.</p>

Information other than the Standalone Financial Statements and Auditor's Report thereon (hereinafter referred as "other information")

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report included in the annual report but does not include the Standalone Financial Statements and our report thereon. We have nothing to report in this regard.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance and/or conclusions thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Company's Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to

issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) 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.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to our auditor's report date. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work, and (ii) evaluating the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

During the previous year, the precision tool business of Forbes & Company Limited was transferred to and vested in the company from the appointed date of April 1, 2023 and the same transfer took effect from March 1, 2024. The statements include the comparative year ended March 31, 2024, and have been given the effect of the order of the scheme of arrangements as mentioned in note 39 to the financial statements.

Our opinion is not modified in respect of this other matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows statement 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 Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements 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 with reference to financial statements; and
- g) 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, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act. The remuneration paid to the director by the company is not in excess of the limit laid down under Section 197(16) of the Act, where request approval is taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as of March 31, 2025, on its financial position in its Standalone Financial Statements - Refer notes 34 (a) to the Standalone 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 that were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded

in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under

(a) and (b) above, contain any material misstatement;

- v. During the year Company has not declared/ paid any dividend hence reporting under rule 11 (f) is not applicable to that extent. and
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account 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 software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 0109983W

by the hand of

Parthiv S Desai
Partner

Membership No.: (F) 042624
UDIN- 25042624BMOCXM1447

Mumbai, April 24, 2025

Annexure A to the independent auditor's report on the standalone financial statements of Forbes Precision Tools and Machine Parts Limited for the year ended March 31, 2025

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)

- | | |
|---|--|
| <p>(i) (a) According to the information and explanation given to us and records examined by us;</p> <p>(A) The Company is maintaining proper records showing full particulars, including quantitative details and the situation of the Property, Plant and Equipment (PPE) of the Company.</p> <p>(B) The Company is maintaining proper records showing full particulars of the Intangible assets of the Company.</p> <p>(b) The Company has a program of verification of PPE to cover all the items once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all the PPE were physically verified by the Management during the previous year. According to the information and explanations given to us, no material discrepancies were noticed in such verification related to assets transferred to the company as per the scheme of arrangement.</p> <p>(c) We report that the title deeds, comprising all the immovable properties of land and buildings, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company as on balance sheet date.</p> <p>(d) We report that the company has not made any revaluation of PPE (including Right of use assets) or intangible assets or both during the year. Accordingly, reporting on paragraphs 3 Clause (i) (d) of the Order is not applicable to the Company.</p> <p>(e) We report that there are no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting on paragraphs 3 Clause (i) (e) of the Order is not applicable to the Company.</p> <p>(ii) In our opinion and according to the information and explanations given to us;</p> <p>(a) the physical verification of inventory has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage</p> | <p>and procedure of such verification by Management is appropriate. Inventory lying with the third parties has been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more and have been appropriately dealt with in the books of accounts.</p> <p>(b) During the year the company has not been sanctioned a working capital facility. Accordingly, reporting on paragraph 3 Clause (ii) (b) of the Order is not applicable to the Company.</p> <p>(iii) In our opinion and according to the information and explanations given to us the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or other parties during the year. Accordingly, paragraph 3 Clause (iii) (a), (b), (c), (d), (e) & (f) of the Order is not applicable to the Company.</p> <p>(iv) During the year the Company has not given loans and advances or made investments in or provided guarantees or security to parties covered by sections 185 and 186 of the Act. Accordingly, reporting on paragraph 3 Clause (iv) of the Order is not applicable to the Company.</p> <p>(v) During the year there is no public deposit as such in the company and no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal. Accordingly, reporting on paragraphs 3 Clause (v) of the Order is not applicable to the Company.</p> <p>(vi) The Central Government has specified maintenance of cost records under Section 148(1) of the Act. We have broadly reviewed these records relating to materials, labour and other items of cost maintained by the Company and are of the opinion that prima facie, the prescribed cost accounts and records have been prepared and maintained. We have not however made a detailed examination of records with a view to determine whether they are accurate or complete.</p> <p>(vii) According to the information and explanations given to us, in respect of statutory dues:</p> <p>(a) in our opinion, the Company is regular in depositing the undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, cess, and other material statutory dues, as applicable, with the appropriate authorities as per the records of the company examined by us.</p> <p>(b) There are no statutory dues referred to in sub-clause (a) as at March 31, 2025, which have not been deposited on account of a dispute, except as mentioned below:</p> |
|---|--|

Name of the Statute	Nature of dues	Period to which the amount relates	Forum where the dispute is pending	Amount involved (Rs. in Lakhs)
Employees Provident Fund and Misc. Provisions Act, 1952	Damages	1996-2014	The Central Government Industrial Tribunal at Mumbai	16.81

- (viii) There are no such transactions that are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraph 3 clause (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us and the records examined by us;
- the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - the company has not been declared a wilful defaulter by banks or financial institutions or other lenders. Accordingly, reporting on paragraph 3 clause (ix) (b) of the Order is not applicable to the Company.
 - In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were obtained.
 - According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on a short-term basis have been used for long-term purposes by the company.
 - The company does not have subsidiaries, associates or joint ventures. Accordingly, reporting on paragraph 3 clause (ix) (e) of the Order is not applicable to the Company.
 - The company does not have subsidiaries, associates or joint ventures. Accordingly, reporting on paragraph 3 clause (ix) (f) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us and the records examined by us,
- In our opinion and according to the information and explanations given to us, the Company has not raised money by way of an initial public offer or further public offer (including debt instruments). Accordingly, reporting on paragraph 3 clause (x) (a) of the Order is not applicable to the Company.
 - During the year the Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, reporting on paragraph 3 clause (x) (b) of the Order is not applicable to the Company.
- (xi) According to the information and explanations given to us and during the course of our examination of the books and records of the company,
- we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the management.
 - No report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was required to be filed with the Central Government. Accordingly, the reporting on paragraph 3 clause (xi)(b) of the Order is not applicable to the company.
 - no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting on paragraphs 3 Clause (xi)(c) of the Order is not applicable to the company.
- (xii) The Company is not a Nidhi Company and hence reporting on paragraph 3 clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us
- the company has an internal audit system commensurate with the size and nature of its business.
 - we have considered the internal audit reports of the company issued till the balance sheet date, for the period under audit.
- (xv) During the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company. Accordingly, reporting on paragraph 3 clause (xv) of the order is not applicable to the company.
- (xvi) According to the information and explanations given to us and the records examined by us,
- the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3 Clause (xvi)(a) of the order is not applicable to the company.

- (b) the Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, reporting on paragraph 3 Clause (xvi) (b) of the order is not applicable to the company.
- (c) the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, reporting on paragraph 3 Clause (xvi)(c) of the order is not applicable to the company.
- (d) The group has seven CICs as part of the Group as detailed in note 43(iii) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) the company has not incurred cash losses in the current year as well as for the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, reporting on paragraph 3 Clause (xviii) of the order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, and other information accompanying the financial statements, 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 that company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanation given to us and on the basis of the accounts and records examined by us;
- (a) there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the Act.
- (xxi) The company does not have any subsidiaries, associates and joint ventures during the year. Hence, the Company is not required to prepare Consolidated Financial Statements. Accordingly, reporting on paragraph 3 Clause (xxi) of the Order is not applicable.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 0109983W

by the hand of

Parthiv S Desai
Partner

Membership No.: (F) 042624
UDIN- 25042624BMOCXM1447

Mumbai, April 24, 2025

Annexure B to the independent auditor's report on the standalone financial statements of FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED for the year ended March 31, 2025.

(Referred to in paragraph 2 (f) under the heading, "Report on other legal and regulatory requirements" of our report on even date)

Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Forbes Precision Tools and Machine Parts Limited (hereinafter referred to as "the Company") as of March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to standalone financial statements 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the guidance note and the Standards on Auditing issued by ICAI and deemed to be prescribed Under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial control with Reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with Reference to Financial Statements 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to standalone financial statements 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.

For Sharp & Tannan Associates
Chartered Accountants
Firm's Registration No.: 0109983W

by the hand of

Parthiv S Desai
Partner

Membership No.: (F) 042624
UDIN- 25042624BMOCXM1447

Mumbai, April 24, 2025

BALANCE SHEET AS AT MARCH 31, 2025

Particulars	Note No.	As at March 31, 2025 ₹ in Lakhs	As at March 31, 2024 ₹ in Lakhs
ASSETS			
1 Non-current assets			
a Property, Plant and Equipment	3	9,946.22	8,527.72
b Right-of-use assets	32	1,015.38	343.09
c Capital work-in-progress	3A	819.79	468.67
d Other Intangible assets	3B	39.81	61.30
e Financial Assets:			
i) Investments	4A	0.03	-
ii) Other financial assets	7A	115.20	94.53
f Income tax assets (net)	20	1,026.64	851.41
g Other non-current assets	10A	49.63	296.69
Total Non-current assets		13,012.70	10,643.41
2 Current assets			
a Inventories	8	3,193.07	3,846.87
b Financial Assets:			
i) Investments	4B	4,395.86	-
ii) Trade receivables	5	3,303.98	2,944.40
iii) Cash and cash equivalents	9	748.23	1,595.63
iv) Loans & Advances	6	0.03	3.26
v) Other financial assets	7B	-	1,137.83
c Other current assets	10B	348.67	88.25
Total Current assets		11,989.84	9,616.24
Total Assets		25,002.54	20,259.65

BALANCE SHEET AS AT MARCH 31, 2025

Particulars	Note No.	As at March 31, 2025 ₹ in Lakhs	As at March 31, 2024 ₹ in Lakhs
EQUITY AND LIABILITIES			
Equity			
a Equity share capital	11	5,159.45	5,159.45
b Other equity	12	11,464.80	8,615.88
Total Equity		16,624.25	13,775.33
Liabilities			
1 Non-current liabilities			
a Financial liabilities:			
i) Borrowings	13	1,487.14	294.15
ii) Lease Liabilities	32	138.92	216.00
iii) Other financial liabilities	14A	126.19	95.15
b Provisions	15A	-	557.56
c Deferred tax liabilities (net)	16	471.45	236.77
Total Non-current liabilities		2,223.70	1,399.63
2 Current liabilities			
a Financial liabilities:			
i) Borrowings	18	481.15	248.25
ii) Lease Liabilities	32	141.13	125.25
iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	19	741.30	782.35
b) total outstanding dues of creditors other than micro enterprises and small enterprises	19	1,600.29	1,387.07
iv) Other financial liabilities	14B	1,078.60	538.22
b Other current liabilities	17	1,164.66	862.61
c Provisions	15B	-	129.23
d Current tax liabilities (net)	20	947.46	1,011.71
Total Current Liabilities		6,154.59	5,084.69
Total Liabilities		8,378.29	6,484.32
Total Equity and Liabilities		25,002.54	20,259.65
Material Accounting Policies	1 & 2		
The accompanying notes form an integral part of the financial statements	3 to 46		

In terms of our report of even date

For Sharp & Tannan AssociatesChartered Accountants
Firm's Registration No.: 109983W**Parthiv S. Desai**Partner
Membership No.: 042624Date: Apr. 24, 2025
Place: Mumbai**For and on behalf of the Board of Directors****M.C. TAHILYANI**
Managing Director
DIN : 01423084**JAI L. MAVANI**
Director
DIN : 05260191**VIKRAM V. NAGAR**
Chief Financial Officer**RUPA KHANNA**
Company Secretary
Membership No : A33322Date: Apr. 24, 2025
Place: Mumbai

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Note No.	Year ended March 31, 2025 ₹ in Lakhs	Year ended March 31, 2024 ₹ in Lakhs
I Revenue from operations	21	23,266.17	22,849.66
II Other income	22	437.34	105.94
III Total Income (I + II)		23,703.51	22,955.60
IV Expenses:			
Cost of materials consumed	23	7,446.42	8,050.05
Purchases of stock-in-trade		31.90	128.72
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	503.96	(220.04)
Employee benefits expense	24	4,403.22	4,106.51
Finance cost	25	112.79	115.86
Depreciation and amortisation expense	26	1,350.03	1,144.59
Other Expenses	27	5,767.60	5,646.88
Total expenses		19,615.92	18,972.57
V Profit before exceptional items and tax (III - IV)		4,087.59	3,983.03
VI Profit / (Loss) before tax (V-VI)		4,087.59	3,983.03
VII Tax expense / (credit):			
Current tax	28	947.46	1,011.71
(Excess) / Short provision for tax of earlier years	28	22.25	-
Deferred tax	28	243.31	0.21
		1,213.02	1,011.92
VIII Profit / (loss) for the year (VII-VIII)		2,874.57	2,971.11
IX Other Comprehensive Income			
A) (i) Items that will not be reclassified to Statement of Profit and Loss			
Remeasurement of the defined benefit plans		(34.28)	8.41
(ii) Income tax relating to these items			
Deferred tax	28	8.63	(2.12)
		(25.65)	6.29
X Total Comprehensive Income / (Loss) for the year (IX + X)		2,848.93	2,977.40
XI Earning per equity share :			
Basic and diluted earnings per equity share After Exceptional Items	29	₹ 5.57	₹ 110.63

Material Accounting Policies

1 & 2

The accompanying notes form an integral part of the financial statements

3 to 46

In terms of our report of even date

For Sharp & Tannan Associates

Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: 042624

Date: Apr. 24, 2025
Place: Mumbai

For and on behalf of the Board of Directors

M.C. TAHILYANI
Managing Director
DIN : 01423084

VIKRAM V. NAGAR
Chief Financial Officer

Date: Apr. 24, 2025
Place: Mumbai

JAI L. MAVANI
Director
DIN : 05260191

RUPA KHANNA
Company Secretary
Membership No : A33322

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Year ended March 31, 2025 ₹ in Lakhs		Year ended March 31, 2024 ₹ in Lakhs	
Cash flows from operating activities				
Profit before tax		4,087.59		3,983.03
Adjustments for -				
Depreciation, amortisation and impairment expense	1,350.03		1,144.59	
Interest income earned on financial assets that are not designated as at fair value through profit or loss:				
i) Bank deposits	(3.07)		(7.81)	
Finance costs	112.79		115.86	
Dividend/ Income from Mutual fund	(22.45)		-	
(Gain)/loss on disposal of property, plant and equipment	6.18		(3.56)	
Credit balances / excess provision written back	(174.68)		(15.36)	
Provision for doubtful loans and advances	3.19		(0.57)	
Trade receivables written off	4.61		(39.35)	
Advances written off	0.67		-	
Gain on fair value of Current investments	(113.41)		-	
Net unrealised exchange Gain	49.27		(31.27)	
		1,213.13		1,162.53
Operating profit before working capital changes		5,300.73		5,145.56
Changes in working capital:				
Increase in trade and other receivables	764.54		(4,093.67)	
(Increase)/Decrease in inventories	653.80		(3,846.87)	
(Increase)/Decrease in other assets	(291.92)		(384.87)	
Increase/ (Decrease) in trade and other payables	224.45		2,179.79	
Increase/ (Decrease) in provisions	(721.07)		686.04	
Increase/(Decrease) in other liabilities	410.27		862.61	
		1,040.07		(4,596.97)
Cash generated from operations		6,340.80		548.59
Income taxes paid/ refunds received (net)		(1,209.19)		397.07
(a) Net cash flow generated from operating activities		5,131.61		945.66
Cash flows from investing activities:				
Payments for property, plant and equipment (including investment properties, intangible assets and advances)	(2,826.29)		(9,726.46)	
Proceeds from disposal of property, plant and equipment (including investment properties and intangible assets)	7.31		3.76	
Investment in Equity shares	(0.03)		-	
Investment in Mutual funds	(4,282.45)		-	
Other Loans & Advances	(0.63)		(2.69)	
Interest received	3.07		7.81	
Dividend/ Income received from Mutual fund	22.45		-	
(b) Net cash flow generated from/(used in) investing activities		(7,076.57)		(9,717.58)

Particulars	Year ended March 31, 2025 ₹ in Lakhs		Year ended March 31, 2024 ₹ in Lakhs	
Cash flows from financing activities:			-	
Proceeds from long-term borrowings	1,700.00		1,256.20	
Repayment of long-term borrowings	(274.11)		(713.80)	
Finance costs paid	(165.16)		67.36	
Proceeds from Equity issue of scheme of demerger	-		9,788.48	
Payment of Lease Liabilities	(163.17)		(35.69)	
(c) Net cash flow generated from/(used in) financing activities		1,097.56		10,362.55
(d) Net increase in cash and cash equivalents (a + b + c)		(847.40)		1,590.63
(e) Cash and cash equivalents as at the commencement of the year		1,595.63		5.00
(f) Cash and cash equivalents as at the end of the year (d + e)		748.23		1,595.63
Cash and cash equivalents as per above comprise of the following	March 31, 2025		March 31, 2024	
Balances with bank				
- In current accounts		574.88		1,595.63
- In EEFC Accounts		173.35		-
Balances as per statement of cash flows		748.23		1,595.63

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" setout in Indian Accounting Standard - 7 on Statement of Cash Flows.
- The cash flow statement shown above has been adjusted to reflect the impact of the Scheme of Arrangement (Refer Note 39). This adjustment ensures that the net cash flow arising from the operating, investing, and financing activities is accurately accounted for.

Material Accounting Policies

1 & 2

The accompanying notes form an integral part of the financial statements

3 to 46

In terms of our report of even date
For Sharp & Tannan Associates

For and on behalf of the Board of Directors

Chartered Accountants
Firm's Registration No.: 109983W

M.C. TAHILYANI
Managing Director
DIN : 01423084

JAI L. MAVANI
Director
DIN : 05260191

Parthiv S. Desai
Partner
Membership No.: 042624

VIKRAM V. NAGAR
Chief Financial Officer

RUPA KHANNA
Company Secretary
Membership No : A33322

Date: Apr. 24, 2025
Place: Mumbai

Date: Apr. 24, 2025
Place: Mumbai

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

a. Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at the beginning of the year	5,159.45	5.00
Cancellation of Shares as per scheme of arrangement (Ref. Note 39)	-	(5.00)
Allotment of share Capital as per scheme of arrangement (Ref. Note 39)	-	5,159.45
Balance as at end of the period	5,159.45	5,159.45

b. Other equity

₹ in Lakhs

Particulars	Reserves and surplus		Other Comprehensive Income	Total
	Capital Reserves on Demerger	Retained earnings		
Balance as at 31st March, 2023	-	(1.18)	-	(1.18)
Impact of demerger as per Scheme of arrangement (Ref. Note 39)	(3,864.58)	9,744.35	(5.67)	5,874.10
Deferred Tax liability (Ref. Note 39)		(234.44)		(234.44)
Profit / (loss) for the year	-	2,971.11	-	2,971.11
Other comprehensive income / (loss) for the year, net of income tax	-	-	6.29	6.29
Total comprehensive income / (loss) for the year	-	2,971.11	6.29	2,977.40
Balance as at 31st March, 2024	(3,864.58)	12,479.84	0.62	8,615.88
Profit / (loss) for the year	-	2,874.57	-	2,874.57
Other comprehensive income / (loss) for the year, net of income tax	-	-	(25.65)	(25.65)
Total comprehensive income / (loss) for the year	-	2,874.57	(25.65)	2,848.92
Balance as at 31st March, 2025	(3,864.58)	15,354.41	(25.03)	11,464.80

Material Accounting Policies 1 & 2

The accompanying notes form an integral part of the financial statements 3 to 46

In terms of our report of even date
For Sharp & Tannan Associates

For and on behalf of the Board of Directors

Chartered Accountants
 Firm's Registration No.: 109983W

M.C. TAHILYANI
 Managing Director
 DIN : 01423084

JAI L. MAVANI
 Director
 DIN : 05260191

Parthiv S. Desai
 Partner
 Membership No.: 042624

VIKRAM V. NAGAR
 Chief Financial Officer

RUPA KHANNA
 Company Secretary
 Membership No : A33322

Date: Apr. 24, 2025
 Place: Mumbai

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 Place: Mumbai

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

1. GENERAL INFORMATION

Forbes Precision Tools And Machine Parts Limited was incorporated on August 30, 2022 in India having registered office at Forbes Building, Charanjit Rai Marg, Fort, Mumbai-400001. Its parent company is Shapoorji Pallonji & Company Private Limited. The Company is mainly engaged in the business of manufacturing, trading & servicing of engineering and related products and Machine & Machine parts.

2A. MATERIAL ACCOUNTING POLICIES

i) Statement of Compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read together with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

ii) Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for the following;

- Certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- defined benefit plans - plan asset measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal

time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for engineering business for the purpose of classification of its assets and liabilities as current and non current.

These financial statements are presented in Indian Rupees which is the Company's functional currency. All amounts are rounded off to the nearest lakhs (including two decimals), unless otherwise stated. The accounting policies adopted in the preparation of the financial statements are consistent with those of the previous year.

iii) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (excluding refundable taxes), borrowing costs if capitalization criteria are met and includes directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Freehold land is not depreciated.

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation on property, plant and equipment has been provided on straight line method as per the useful lives estimated by management. The life of the assets has been assessed based on technical evaluation which are higher than those specified by Schedule II to the Act, taking into account the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, etc.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Gains and losses on disposals are determined by comparing proceeds on sale with carrying amount. These are included in Statement of Profit and Loss within other gains / losses.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

The estimated useful lives of the property, plant and equipment are as under:

Sr. No.	Class of assets	Estimated useful life
a	Building - Factory & Office Buildings	10 - 60 years
b	Plant and Equipment	03 - 20 years
c	Furniture and Fixtures	03 -10 years
d	Vehicles	04 years
e	Office equipment	
	- Owned	02-05 years
	- Leased	Lower of lease term and useful life as stated above
f	Data processing equipments:-	
	- Owned	03-06 years
	- Leased	Lower of lease term and useful life as stated above
g	Computer/Machine Software	03-05 years
h	Buildings on leasehold land	Lower of the useful life in the range of 10 - 60 years and the lease term except in certain building useful life is based on technical certification.
i	Temporary structures (included in building)	03 years
j	Solar Power Plant	25 years
k	Dies & Moulds (for Amortization purpose)	Dies and moulds are amortized over their estimated economic life determined on the basis of their usage.

Fixed assets individually costing INR 5,000 and less are depreciated fully in the year of purchase.

iv) Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their use are carried at cost, comprising direct cost, related incidental expenses and attributable interest, if any.

v) Intangible Assets

Intangible assets, being computer software, are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost comprises acquisition and implementation cost of software for internal use (including software coding, installation, testing and certain data conversion).

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the disposal proceeds and the carrying amount of the asset and are recognised as income or expense in the Statement of Profit and Loss.

Research costs are charged to the Statement of Profit and Loss as they are incurred.

vi) Impairment of Assets

The Company assesses at end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company

estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount (cash generating unit). The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised. Non financial asset other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating unit).

vii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value except trade receivable which is measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition,. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss. “

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification:

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and amounts that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the Statement of Profit and Loss and is included in the “Other income” line item.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the

economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables, financial guarantees not designated as FVTPL and fair value through other comprehensive income and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from revenue transactions, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss (“ECL”) allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109 Financial Instruments. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Derecognition of financial assets

A financial asset is derecognised only when

- The contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

- The company has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the company with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition.
- The company is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.
- The company has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents (as defined in Ind AS 7 Statement of Cash Flows) during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments**Classification as debt or equity**

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

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or

at FVTPL. Borrowings are initially recognised at fair value, net of transaction costs incurred.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid including any non-cash assets transferred or liabilities assumed, and payable is recognised in the Statement of Profit and Loss.

Offsetting financial instruments

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

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the original or modified terms of a debt instrument, financial guarantee contracts are recognised initially as a financial liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amount amortisation where appropriate.

The Fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

viii) Inventories

Inventories are valued at the lower of the acquisition / production cost and net realisable value. Costs of inventories are determined on weighted average basis. Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials, consumables spares and traded goods comprises cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

ix) Earnings per share

Basic Earnings per share are calculated by dividing the net profit / (loss) after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

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

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

x) Employee Benefits

a) Short-term employee benefits

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

b) Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after

the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

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

c) Post-employment obligations

The Company operates the following post-employment schemes:

- Defined Contribution plans such as employee state insurance scheme.
- Defined Benefit plans such as gratuity.

Defined Contribution Plans

The Company's contribution to pension and employee state insurance scheme are considered as defined contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

The Company's liability towards gratuity, which is a defined benefit plan, is determined on the basis of valuations, as at Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement of Profit and Loss as past service cost.

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both the employees and the Company make monthly contributions at a specified percentage as applicable of the employees' eligible salary. The contributions are made to the Employees provident fund department.

- d) A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

xi) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous Contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Contingent liability is disclosed for (i) Possible

obligations that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made, unless the possibility of outflows of resources embodying economic benefits are remote.

xii) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:-

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

1 Sale of goods:

Further recognition is done when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

At contract inception, since for most of the contracts it is expected that the period between the transfer of the promised goods or services to a customer and payment for these goods or services by the customer will be one year or less, practical expedient in IND AS 115 have been applied and accordingly:

- a) The Company does not adjust the promised amount of consideration for the effects of a significant financing component

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

b) The Company recognises the incremental costs of obtaining a contract as an expense when incurred

c) No information on remaining performance obligations as of the year end that have an expected original term of one year or less was reported.

A contract liability is the Company's obligation to transfer goods or services to a customer, for which the Company has already received consideration from customers.

2 Sale of Services:

Income from other services is recognised as and when the services are performed as per the terms of agreement with the respective parties.

3 Interest and Dividend Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

4 Export Incentives:

Income from export incentives is recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

xiii) Foreign currency transactions and balances

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise.

Non-monetary items that are measured in terms of historical costs in a foreign currency are not retranslated.

xiv) Lease accounting

As a lessee:

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non lease components. The Company allocates the consideration in the contracts to the lease and non-lease components based on their relative standalone prices. However, the Company has elected not to separate lease and non-lease components and instead account for these as a single lease components.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in substances fixed payments), less any lease incentive receivable
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee;
- the exercise price of the purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option

Lease payments to be made under reasonably certain extension option are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rate, being the rate that lessee would have to pay to borrow the fund necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar term, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third party financing received by the lessee as a starting point, adjusted to reflects changes in financing condition since third party financing received
- use a build-up approach that starts with the risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing, and

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

- make adjustments specific to the leases, e.g. term, security, currency etc.

The Company is exposed to potential future increases in variable lease payments based on index or rate, which are not included in the lease liability until they take effect. When adjustment to lease payments based on index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. Finance cost is charged to Statement of Profit and Loss over the lease period so as to produce a constant periodical rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis. If the Company is reasonably certain to exercise purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis in the Statement of Profit and Loss. Short term leases are leases with a lease term of 12 months or less.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term. Initial direct costs incurred in obtaining an operating leases are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as a lessor as a result of adopting the new leasing standard.

xv) Taxes on Income

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in the Statment of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. The Company recognises Minimum Alternate Tax credit under the Income Tax Act, 1961 as an asset only when and to the extent there is convincing evidence that the Company will be liable to pay normal income tax during the specified period.

xvi) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale, are added to the cost of those assets; until such time as the assets are substantially ready for their intended use or sale.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

xvii) Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker in order to effectively allocate the Company's resources and assess performance.

xviii) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

xix) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

xx) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

xxi) Exceptional Items

Exceptional items reflect items which individually or, if of a similar type, in aggregate, are disclosed separately due to their size or incidence in order to obtain clear and consistent presentation of the Company's performance.

2B. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the material accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

i) Contingent Liabilities and Provisions :

Contingent Liabilities and Provisions are liabilities of uncertain timing or amount and therefore in making a reliable estimate of the quantum and timing of liabilities judgement is applied and re-evaluated at each reporting date.

ii) Useful life and residual value of Property, Plant and Equipment :

As described in Note 2A(iii), the Company reviews the estimated useful life and residual values of property, plant and equipment at each reporting date.

iii) Impairment

Determining whether an asset is impaired requires as estimation of fair value/value in use. Such valuation requires the Company to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

less than expected, a material impairment loss may arise.

iv) Impairment of Trade Receivables

The impairment provisions for trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) Impairment/ Obsolescence of Inventory

The impairment/obsolescence provisions of inventory are based on assumptions of its consumption/usage in near future whether short term or long term. The Company uses its judgement in making these assumptions and selecting the inputs based on the past historical data, present and future market condition estimated at the end of each reporting period.

vi) Defined Benefit Obligations

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

vii) Deferred Tax Asset

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The Company recognises Minimum Alternate Tax credit under the Income Tax Act, 1961 as an asset only when and to the extent there is convincing evidence that the Company will be liable to pay normal income tax during the specified period.

2C. ADOPTION OF NEW AND AMENDED INDIAN ACCOUNTING STANDARDS**i) New amendments issued but not effective**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, applicable w.e.f. April 1, 2024. The company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

3 Property, plant and equipment (Own, unless otherwise stated): Current Year

₹ in Lakhs

Particulars	Building and structures *	Vehicles	Data processing equipments (Computer Hardware)	Office equipments	Furniture and fixtures	Plant and machinery *	Data processing equipments Lease	Total
Cost or Deemed cost								
Balance at April 01, 2024	4,468.31	96.13	228.17	69.31	129.25	17,573.85	5.48	22,570.51
Additions	3.00	-	13.88	11.71	2.68	2,580.93	-	2,612.20
Disposal	-	7.95	3.80	0.50	-	652.59	-	664.84
Reclassified as held for sale	-	-	-	-	-	1.11	-	1.11
Balance at March 31, 2025	4,471.31	88.19	238.25	80.52	131.93	19,501.08	5.48	24,516.76
Accumulated depreciation and impairment								
Balance at April 01, 2024	1,039.44	42.37	122.47	59.18	87.56	12,686.28	5.48	14,042.79
Eliminated on disposals of assets	-	7.95	0.27	0.02	0.48	641.89	-	650.61
Eliminated on reclassification as held for sale	-	-	-	-	-	1.11	-	1.11
Depreciation expense	154.25	13.54	34.60	5.16	6.82	965.09	-	1,179.47
Balance at March 31, 2025	1,193.69	47.97	156.80	64.33	93.90	13,008.37	5.48	14,570.54
Carrying Amount								
Balance at April 01, 2024	3,428.87	53.77	105.70	10.13	41.68	4,887.57	-	8,527.72
Reclassified as held for sale	-	-	-	-	-	-	-	-
Balance at March 31, 2025	3,277.62	40.22	81.45	16.19	38.03	6,492.70	-	9,946.22

* Refer Note 13 & 37 for Assets pledged.

Property, plant and equipment (Own, unless otherwise stated): Previous Year

Particulars	Building and structures	Vehicles	Data processing equipments (Computer Hardware)	Office equipments	Furniture and fixtures	Plant and machinery	Data processing equipments Leased	Total
Cost or Deemed cost								
Balance at April 01, 2023	-	-	-	-	-	-	-	-
Transferred through Scheme of arrangement	4,439.14	41.96	220.84	64.39	108.68	16,497.40	5.48	21,377.89
Additions	29.17	54.17	8.32	8.89	20.57	1,095.32	-	1,216.45
Disposal	-	-	0.99	3.97	-	18.87	-	23.83
Balance at March 31, 2024	4,468.31	96.13	228.17	69.31	129.25	17,573.85	5.48	22,570.51
Accumulated depreciation and impairment								
Balance at April 01, 2023	-	-	-	-	-	-	-	-
Transferred through Scheme of arrangement	885.68	38.91	85.89	60.40	81.64	11,823.23	5.48	12,981.24
Eliminated on disposals of assets	-	-	0.80	3.97	-	18.87	-	23.64
Depreciation expense	153.76	3.45	37.38	2.75	5.92	881.92	-	1,085.19
Balance at March 31, 2024	1,039.44	42.37	122.47	59.18	87.56	12,686.28	5.48	14,042.79
Carrying Amount								
Balance at April 01, 2023	-	-	-	-	-	-	-	-
Balance at March 31, 2024	3,428.87	53.77	105.70	10.13	41.68	4,887.57	-	8,527.72

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**3A Capital work-in-progress**

₹ in Lakhs

Particulars	As at April 01, 2024	Additions	Amounts Capitalised	As at March 31, 2025
Capital work in progress	468.67	3,712.38	3,361.26	819.79

Note: The transfer process of property at B-13, Waluj Industrial Area, Waluj, Aurangabad in the name of Forbes Precison Tools & Machine Parts Limited is completed. Stamp duty & premium charges ₹ 749.79 Lakhs have been paid and capitalised during the current year.

Previous year

Particulars	As at April 01, 2023	Additions	Amounts Capitalised	As at March 31, 2024
Capital work in progress	-	1,305.34	836.68	468.67

Capital work-in-progress- Ageing**Current Year**

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	807.32	12.47	-	-	819.79
Projects temporarily suspended	-	-	-	-	-

Previous year

Particulars	Less than one year	1-2 Years	2-3 Years	More than 3 years	Total
Projects in progress	468.67	-	-	-	468.67
Projects temporarily suspended	-	-	-	-	-

There are no material Capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan significantly.

3B Other intangible assets (Own, unless otherwise stated)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
	Software/ Licences acquired	Software/ Licences acquired
Cost or Deemed cost		
Balance at April 01, 2024 / April 01, 2023	286.57	-
Transferred through Scheme of arrangement	-	307.39
Disposal	47.33	20.82
Balance at March 31, 2025 / March 31, 2024	239.24	286.57
Accumulated depreciation and impairment		
Balance at April 01, 2024 / April 01, 2023	225.28	-
Transferred through Scheme of arrangement	-	209.90
Disposals of assets	47.33	20.82
Depreciation expense	21.49	36.19
Balance at March 31, 2025 / March 31, 2024	199.43	225.28
Carrying Amount		
Balance at April 01, 2024 / April 01, 2023	61.30	-
Balance at March 31, 2025 / March 31, 2024	39.81	61.30

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

4. Investments

4A. Non Current Investments

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted Investments	-	-
Unquoted Investments		
100 Shares in The Zoroastrian Co-op. Bank	0.03	-
Total	0.03	-

4B. Current Investments

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Quoted Investments	-	-
Unquoted Investments		
HDFC Mutual Fund	911.38	-
ICICI Prudential Mutual Fund	1,079.78	-
SBI Mutual Fund	2,404.70	-
Total	4,395.86	-
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	4,395.88	-
Aggregate amount of impairment in value of investments	-	-

5. Trade receivables

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
a) Trade receivables from contract with customers	3,502.33	2,821.48
b) Trade receivables from contract with customers – Related parties (Ref Note 30)	1.56	330.38
c) Less: Loss allowance	199.91	207.47
Total	3,303.98	2,944.40
Break-up of security details		
a) Secured, considered good	139.82	72.03
b) Unsecured, considered good	3,164.16	2,872.37
c) Doubtful	199.91	207.47
	3,503.89	3,151.86
Less: Allowance for doubtful debts (expected credit loss allowance)	199.91	207.47
Total	3,303.98	2,944.40

For Trade receivable from Related parties (Refer Note 30)

The average credit period on sales is approximately 49 days.

There was a customer namely TTI Partners SPC acting for whose outstanding is ₹ 336.23 Lakhs (other than Intercompany balances) who represents more than 5% of the total balance of trade receivables.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**Ageing of Trade receivables for the year ended 31st March, 2025**

₹ in Lakhs

Particular	Not due	Outstanding for the following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	3,003.60	296.71	3.67	-	-	-	3,303.98
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	27.44	0.22	31.80	59.46
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	140.45	140.45
Total	3,003.60	296.71	3.67	27.44	0.22	172.25	3,503.89
Less: Allowance for losses	-	-	-	-	-	-	199.91
Total	3,003.60	296.71	3.67	27.44	0.22	172.25	3,303.98

Ageing of Trade receivables for the year ended 31st March, 2024

₹ in Lakhs

Particular	Not due	Outstanding for the following periods from the due date					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	2,531.46	412.94	-	-	-	-	2,944.40
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	12.14	8.80	5.78	9.49	30.81	67.02
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	140.45	140.45
Total	2,531.46	425.08	8.80	5.78	9.49	171.26	3,151.86
Less: Allowance for losses	-	-	-	-	-	-	207.47
Total	2,531.46	425.08	8.80	5.78	9.49	171.26	2,944.40

Movement in the allowance for doubtful debts

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	207.47	-
Impairment losses recognised on receivables	15.79	21.60
Impairment losses included as part of scheme of arrangement	-	258.80
Amounts written off during the year as uncollectible	(4.22)	(39.58)
Amounts recovered during the year	(19.12)	(33.35)
Balance at end of the year	199.91	207.47

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Trade receivables of ₹ 199.91 Lakhs were impaired. The individually impaired receivables were mainly due to unexpected difficult economic situations.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

6. Loans -Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Loans and advances to employees		
- Unsecured, considered good	0.03	3.26
Total	0.03	3.26

7. Other financial assets

7A. Non current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Security deposits		
- Unsecured, considered good	115.20	94.53
Total	115.20	94.53

7B. Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Contractually reimbursable expenses from related parties		
- Receivable due to Scheme of Arrangement (Ref Note 39)	-	881.93
- Receivable from Related Parties	-	255.90
Total	-	1,137.83

8. Inventories

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories (lower of cost and net realisable value)		
Raw materials including packing materials.: Includes Goods in Transit ₹145.28 Lakhs (Previous Year: ₹ 3.33 Lakhs)	738.71	920.50
Work-in-progress	693.91	1,130.71
Finished goods	1,541.74	1,608.90
Stores and spares: Includes Goods in Transit ₹ 9.88 Lakhs (Previous Year: ₹ Nil)	218.71	186.76
Total	3,193.07	3,846.87

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**9. Cash and cash equivalents**

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks		
a) In Current Accounts	574.88	1,595.63
b) In EEFC Account	173.35	-
Total	748.23	1,595.63

10. Other assets**10A. Non Current**

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Capital Advances	31.11	278.56
b) Prepaid expenses	18.52	18.13
c) Balances with Government authorities		
- Doubtful	-	39.29
Less : Allowance for doubtful balances	-	39.29
Total	49.63	296.69

10B. Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Advances for supply of goods and services		
- Unsecured, considered good	21.77	24.59
- Doubtful	3.53	0.33
Less : Allowance for doubtful advances	3.53	0.33
	21.77	24.59
b) Advance to HDFC Life - Leave Encashment	156.65	-
c) Provision for Gratuity/Provision for Gratuity Fund with LIC	45.00	-
d) Prepaid expenses	96.65	40.05
e) Balances with government authorities	10.76	(0.00)
f) Export incentives receivables	17.84	23.60
Total	348.67	88.25

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

11. Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share capital :		
7,80,00,000 fully paid equity shares of ₹ 10 each (7,80,00,000 fully paid equity shares of ₹ 10 each)	7,800.00	7,800.00
	7,800.00	7,800.00
Issued, subscribed and paid-up share capital:		
5,15,94,464 fully paid equity shares of ₹ 10 each (5,15,94,464 fully paid equity shares of ₹ 10 each) (Ref. Note 39)	5,159.45	5,159.45
	5,159.45	5,159.45

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as 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 in proportion to the number of equity shares held by the shareholders.

The Board of Directors has declared an interim dividend of ₹ 5/- per equity share of the face value of ₹ 10/- each (50%) for the financial year 2025-26. In accordance with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has fixed Friday, May 2, 2025, as the 'Record Date' to determine the shareholders eligible to receive the interim dividend.

1 Details of shares held by the holding company, its subsidiaries and associates

Particulars	Fully paid Equity shares	
	As at March 31, 2025	As at March 31, 2024
Shapoorji Pallonji and Company Private Limited, the holding company	37,437,172	37,437,172
Forbes Campbell Finance Limited	665,592	-
Total	38,102,764	37,437,172

2 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024	% Change in Holding
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	
Fully paid equity shares					
Shapoorji Pallonji and Company Private Limited	37,437,172	72.56	37,437,172	72.56	-
Antara India Evergreen Fund Ltd	4,650,000	9.01	-	-	100
India Discovery Fund Limited	-	-	4,593,020	8.90	100
Total	42,087,172	81.57	42,030,192	81.46	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**3 Details of shareholding of promoters**

Name of the promoter	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024	As at March 31, 2024	% Change in Holding
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	
Shapoorji Pallonji and Company Private Limited	37,437,172	72.56	37,437,172	72.56	-
Forbes Campbell Finance Limited	665,592	1.29	665,592	1.29	-
Total	38,102,764	73.85	38,102,764	73.85	

4 The Company has not allotted any equity shares for consideration other than cash, bonus shares, nor have any shares been bought back during the period of five years immediately preceding the Balance Sheet date.

12. Other equity

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Reserves and surplus		
Retained earnings		
Balance at beginning of the year	12,479.84	(1.18)
Impact due to Scheme of arrangement (Ref. Note 39)	-	9,744.35
Deferred Tax liability	-	(234.44)
Profit for the year	2,874.57	2,971.11
Balance at end of the year	15,354.41	12,479.84
b) Capital Reserve		
Balance at beginning of the year	(3,864.58)	-
Impact due to Scheme of arrangement (Ref. Note 39)	-	(3,864.58)
Balance at end of the year	(3,864.58)	(3,864.58)
c) Other Comprehensive Income		
Balance at beginning of year	0.62	-
Impact due to Scheme of arrangement (Ref. Note 39)	-	(5.67)
Add: Current year OCI	(25.65)	6.29
Balance at end of the year	(25.03)	0.62
Total	11,464.80	8,615.88

Description of Reserves

Retained earnings - Retained earnings represent the amount of accumulated earnings of the Company

Other Comprehensive income: Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind AS.

Capital Reserve: The difference between Paid up share capital of Forbes & Company Limited and Paid up share capital issued by the company in terms of scheme of arrangement is considered as negative capital reserve.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

13. Non-current Borrowings

₹ in Lakhs

Particulars	Non-current		Current maturities	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
(a) Term loans				
From banks				
i) DCB Bank Limited Term Loan - under the Central Government launched Emergency Credit Line Guarantee Scheme 2.0 (ECLGS 2.0) - Secured by second charge on leasehold land and factory building together with Plant & Machinery and other support facilities situated at Waluj, MIDC, Aurangabad. (Ref. Note 37) [Repayable in 48 equated monthly installments, after moratorium of 12 months. First installment was due on 4 th April, 2022 and last installment is due on 4 th March, 2026. Rate of interest is MCLR + 0.81% spread with a cap of 9.25% p.a. during entire tenure of the loan.]	-	294.15	294.26	248.25
ii) Zoroastrian Bank Term Loan - Secured by an exclusive charge by way of hypothecation of certain Plant & Machinery of the Company. (Ref. Note 37) [Repayable in 48 monthly installments after a moratorium period of 12 months. First installment is due in January 2026 and last installment is due in December, 2029. Rate of interest is 9.50% p.a.]	1,397.87	-	77.13	-
iii) Zoroastrian Bank Term Loan - Secured by an exclusive charge by way of hypothecation of Rooftop/grout mounted Solar unit of the Company. (Ref. Note 37) [Repayable in 24 monthly installments. First installment was due on January 2025 and last installment is due in December, 2026. Rate of interest is 9.25% p.a.]	89.27	-	109.77	-
Less: Amount disclosed under "Current Borrowings"	-	-	(481.15)	(248.25)
Total	1,487.14	294.15	-	-

14. Other financial liabilities

14A. Non Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	126.19	95.15
Total	126.19	95.15

14B. Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Interest accrued but not due on borrowings	9.85	3.56
b) Others :-		
- Payables on purchase of fixed assets	1,060.32	452.79
- Security deposits	3.51	28.49
- Other Payables to Related parties	4.92	53.38
Total	1,078.60	538.22

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**15. Provisions****15A. Non current**

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Employee benefits		
Compensated absences	-	122.52
Gratuity (Ref Note 31)	-	435.04
Total	-	557.56

15B. Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Employee benefits		
Compensated absences	-	56.28
Gratuity (Ref Note 31)	-	72.95
Total	-	129.23

16. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liabilities	471.45	236.77
Net	471.45	236.77

Current Year

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
a) Property, plant and equipment	(368.75)	(28.92)	-	(397.67)
b) Right of Use Assets	(86.35)	(169.20)	-	(255.55)
c) Lease Liability	85.89	(15.40)	-	70.49
d) Allowances for doubtful debts and advances	62.19	(11.87)	-	50.32
e) Provisions and liabilities to be allowed on payment basis	51.59	(10.62)	8.63	49.60
f) Stamp duty/ROC fees	15.16	(3.79)	-	11.37
g) Disallowance u/s 40(a)(ia)	3.50	(3.51)	-	(0.01)
Total	(236.77)	(243.31)	8.63	(471.45)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Previous Year

Particulars	Opening balance	Transferred pursuant to Scheme of Arrangement (Ref Note 39)	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
a) Property, plant and equipment	-	(378.89)	10.15	-	(368.75)
b) Right of Use Assets	-	(9.33)	(77.02)	-	(86.35)
c) Lease Liability	-	7.75	78.13	-	85.89
d) Allowances for doubtful debts and advances	-	75.25	(13.06)	-	62.19
e) Provisions and liabilities to be allowed on payment basis	-	70.78	(17.07)	(2.12)	51.59
f) Stamp duty/ROC fees	-	-	15.16	-	15.16
g) Disallowance u/s 40(a)(ia)	-	-	3.50	-	3.50
Total	-	(234.44)	(0.21)	(2.12)	(236.77)

17. Other liabilities

Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
a) Advances from customers	43.91	30.42
b) Statutory remittances	231.37	133.56
c) Others		
- Payable to Employees	885.28	696.35
- Others	4.10	2.29
Total	1,164.66	862.61

18. Borrowings

Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Current maturities of long term borrowings (Ref. Note 13)	481.15	248.25
Total	481.15	248.25

19. Trade payables

Current

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Micro and small enterprises	741.30	782.35
Others	1,600.29	1,387.07
Total	2,341.59	2,169.43

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**Trade Payable as on 31st March 2025**

₹ in Lakhs

Particulars	Not due	Outstanding for the following periods from the due date				
		Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	741.30	-	-	-	-	741.30
Others	1,484.24	105.95	10.10	-	-	1,600.29
Disputed trade payables						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	2,225.54	105.95	10.10	-	-	2,341.59

Trade Payable as on 31st March 2024

Particulars	Not due	Outstanding for the following periods from the due date				
		Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
Micro enterprises and small enterprises	782.35	-	-	-	-	782.35
Others	1,329.13	57.94	-	-	-	1,387.07
Disputed trade payables						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	2,111.49	57.94	-	-	-	2,169.43

The information as required under Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by Auditors, is as follows:-

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year	741.30	782.35
Interest paid in terms of section 16 of MSMED Act, along with the amount of the payment made beyond the appointed day during the year	(89.05)	(87.69)
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	0.00	25.31
Interest accrued and remaining unpaid at the end of year	17.60	106.65
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

20. Income tax assets and liabilities

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Tax assets		
Taxes paid (including tax deducted at source / self assessment tax)	1,026.64	851.41
	1,026.64	851.41
Tax liabilities		
Income tax payable (net)	947.46	1,011.71
	947.46	1,011.71
Net Asset	79.18	(160.30)
Movement during the year		
Balance at the beginning of the year	(160.30)	-
Add: Taxes paid (including tax deducted at source / self assessment tax)	1,186.94	851.41
Less: Current tax payable for the year	(947.46)	(1,011.71)
Balance at the year end	79.18	(160.30)

21. Revenue from operations

The following is an analysis of the Company's revenue for the year from continuing operations.

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Sales		
Sale of products		
i) Finished Goods	22,818.04	22,351.66
ii) Traded Good	155.60	231.15
	22,973.64	22,582.81
Sale of services		
i) Service income	64.40	78.66
	64.40	78.66
b) Other operating revenues		
i) Export incentives	106.53	105.75
ii) Others (mainly includes scrap sales)	121.61	82.45
	228.14	188.20
Total (a+b)	23,266.17	22,849.66

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**22. Other Income**

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
i) Bank deposits	3.07	7.81
ii) Customers and others	13.67	9.16
Total (a)	16.74	16.97
b) Other Non-Operating Income		
i) Rent income	76.01	-
ii) Credit balances / excess provision written back	174.68	15.36
iii) Gain on termination of lease (Ref Note 32)	-	3.78
iv) Miscellaneous income	34.05	66.28
Total (b)	284.74	85.41
c) Other gains and losses		
i) Gain on disposal of property, plant and equipment	-	3.56
ii) Gain on disposal of current investments	22.45	-
iii) Unrealised gain/loss	113.41	-
Total (c)	135.86	3.56
Total (a + b + c)	437.34	105.94

23. A. Cost of materials consumed (raw and packing materials)

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening stock of raw materials including packing materials	920.50	470.57
Purchases	7,264.63	8,499.98
	8,185.13	8,970.55
Less: Closing stock of raw materials including packing materials	738.71	920.50
	7,446.42	8,050.05

Consumption is arrived at on the basis of opening stock plus purchases less closing stock and includes the adjustments of excess and shortage as ascertained on physical count.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

B. Changes in inventories of finished goods, work-in-progress and stock-in-trade.

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Inventories at the end of the year:		
i) Finished goods	1,541.74	1,608.90
ii) Work-in-progress	693.91	1,130.71
	2,235.65	2,739.61
b) Inventories at the beginning of the year:		
i) Finished goods	1,608.90	1,137.19
ii) Work-in-progress	1,130.71	1,028.67
iii) Stock-in-trade	-	353.70
	2,739.61	2,519.57
Net increase (b)-(a)	503.96	(220.04)

24. Employee benefits expense

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Salaries and Wages	3,850.81	3,594.49
ii) Contribution to provident and other funds (Refer Note 31)	276.35	241.38
iii) Staff Welfare Expenses	276.06	270.64
Total	4,403.22	4,106.51

25. Finance costs

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a) Interest costs :-		
i) Interest on bank overdrafts and loans	74.43	76.93
ii) Interest on loans from related parties	-	1.08
iii) Interest expenses on lease liabilities	30.40	10.63
iv) Delayed payment of taxes	7.95	0.59
v) Other interest expense	0.00	25.31
	112.79	114.55
(b) Other borrowing costs	-	1.32
Total	112.79	115.86

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**26. Depreciation and amortisation expense**

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Depreciation on property, plant and equipment (Refer Note 3)	1,179.47	1,085.19
ii) Depreciation Right-of-use assets (Ref Note 32)	149.08	23.21
iii) Amortisation of intangible assets (Refer Note 3)	21.49	36.19
Total	1,350.03	1,144.59

27. Other expenses

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	791.35	810.36
Processing charges	1,365.46	1,418.33
Power and fuel	566.83	555.94
Service charges	565.39	567.58
Rent and hire charges	8.89	2.66
Repairs and maintenance to :		
i) Buildings	131.53	45.35
ii) Plant and machinery	429.75	371.82
iii) Others	238.42	226.76
	799.70	643.93
Insurance	45.52	44.27
Rates and taxes	27.44	46.68
Selling expenses, commission and brokerage	25.46	35.02
Freight and outward charges	330.70	352.70
Advertisement and sales promotion	237.16	195.49
Printing and Stationery	43.48	39.59
Communication	25.46	32.77
Legal and professional charges	272.20	327.05
Travelling and conveyance	264.60	240.50
Trade receivables written off	4.61	39.35
Less: Provision held	(4.61)	(39.35)
	-	-
Advances written off	0.67	(0.00)
Provision for doubtful loans and advances	3.19	(0.57)
Loss on sale of property, plant and equipment (net)	6.18	-
Corporate social responsibility expenditure (Refer Note 1 below)	39.78	-
Net loss on Foreign currency transactions and translations	20.71	6.79
Security Expenses	62.02	59.41
Miscellaneous expenses	230.25	249.36

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

27. Other expenses (Contd.)

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Auditors remuneration		
To Statutory Auditors		
i) For audit	16.00	10.00
ii) For other services & Certifications	9.00	5.00
iii) For reimbursement of expenses	2.95	-
	27.95	15.00
To Cost auditors	2.62	4.01
	30.56	19.01
Total	5,767.60	5,646.88

Note 1: Details of Corporate social responsibility expenditure:

As per Section 135 of the Act, a Company meeting the applicability threshold, needs to spend atleast 2% of its average net profit for the immediately preceding three financial years on CSR activities. The major areas for CSR activities are promoting education facilities. A CSR committee has been formed by the Company as per the Act.

Amount required to be spent as per section 135 of the Act.	39.78	-
Amount spent during the year:		
i) Constructions/ Acquisition of an asset	-	-
ii) For the purposes other than (i) above	-	-
Total	-	-
Agreements entered for construction / acquisition of assets	-	-
Contribution for activities promoting educational facilities	-	-
Accrual towards unspent obligations in relation to ongoing projects	39.78	-

Year	Balance as at 1 st April, 2024			Amount Spent during the year		Balance as at 31 st March, 2025	
	With the Company	In Separate CSR unspent account	Amount required to be spent during the year	From the Company's Bank Account	From Separate CSR unspent account	With the Company	In Separate CSR unspent account
2025		-	39.78	-	-	-	39.78
2024		-	-	-	-	-	-

₹ 39.78 Lakhs has been transferred to a separate CSR unspent account on 31st March, 2025.

Company has made CSR Expenses provision towards unspent obligations in relation to ongoing projects ₹ 39.78 Lakhs, which is planned to spend in next financial year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**28. Income taxes****Income tax recognised in profit or loss**

₹ in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
For Continuing operations		
Current tax		
In respect of the current year	947.46	1,011.71
(Excess) / short provision for tax of earlier years	22.25	-
	969.71	1,011.71
Deferred tax		
In respect of the current year	243.31	0.21
Deferred Tax Expenses in Other Comprehensive Income	(8.63)	2.12
Deferred Tax	234.68	2.33
Total income tax expense recognised in the current year relating to continuing Operations	1,204.39	1,014.04

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax from total operations	4,087.59	3,983.03
Remeasurement of the defined benefit plans	(34.28)	8.41
Income tax expense calculated at 25.168% (2023-24: 25.168%)	1,028.77	1,002.45
Effect of expense that is non deductible in determining taxable profit	(10.69)	6.37
Effect of tax incentives and concession	-	2.09
Effects of Ind AS adjustments due to notional gains/ loss recognised during the year	192.78	-
Effect of income that is exempt from taxation	(22.92)	-
Changes in the estimate related to prior years	22.25	-
Others	2.83	1.01
Income tax expense recognised in the Statement of Profit and Loss	1,213.02	1,011.92
Income tax recognised in other comprehensive income		
Others		
Deferred tax		
Re-measurement of defined benefit obligation	(8.63)	2.12
Total income tax expense recognised in other comprehensive income	(8.63)	2.12

29. The calculation of profit attributable to equity shareholders and weighted average number of equity shares

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (loss) for the period attributable to the owners of company ₹ in Lakhs	2,874.57	2,971.11
Face value per equity share	10.00	10.00
Weighted average number of equity shares for the purpose of basic earning per share (Nos)	51,594,464	2,685,739
Basic and diluted earnings per equity share	5.57	*110.63

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Basic Earning Per share

The earnings and weighted average number of equity shares used in the calculation of basic earning per share are as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit / (loss) for the period attributable to the owners of company ₹ in Lakhs	2,874.57	2,971.11
Weighted average number of equity shares for the purpose of basic earning per share (Nos) (For Previous year Ref. Note 1)	51,594,464	2,685,739

* **Note 1:** As per the Scheme of Arrangement, FPTL issued and allotted four fully paid-up equity shares of ₹ 10/- each for every one fully paid-up equity share of ₹ 10/- each held by the equity shareholders of the Demerged Company (FCL) as on the Record Date. The issuance and allotment of equity shares took place on 13th March 2024. The total number of issued and allotted equity shares is 5,15,94,464, which has been diluted for a weighted average equity share of 26,85,739. As per IND AS 33, the weighted average of equity shares has been calculated from the acquisition date. Based on the above consideration, the EPS (earnings per share) is calculated to be ₹ 110.63 per share. However, if the appointed date, which is April 01, 2023, is considered as the acquisition date, then the EPS calculated is ₹ 5.76 per share.

30. Related Party Disclosures

(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity (Where there are transactions)	
A Holding Company	Shapoorji Pallonji & Company Private Limited	
B Fellow Subsidiaries (Where there are transactions)	Forbes & Company Limited Forbes Campbell Finance Ltd. Campbell Properties & Hospitality Services Ltd. Forvol International Services Ltd. Sterling And Wilson Renewable Energy Ltd. Forbes Macsa Pvt Ltd	
B Key Managerial Person	Mahesh Tahilyani Vikram Nagar Rupa Khanna Marzin Roomi Shroff Jai Mavani Rani Jadhav Nikhil Bhatia D. Sivanandhan	Managing Director Chief Financial Officer Company Secretary Non- Executive Non-Independent Director Non- Executive Non-Independent Director Non- Executive Independent Director Non- Executive Independent Director Non- Executive Independent Director

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

₹ in Lakhs

30. Related party disclosures (contd.) Current Year

	A		Parties in A above	B	B	Forbes & Campbell Finance Ltd.	Campbell Properties & Hospitality Services Ltd.	B	Forvol International Services Ltd.	Sterling And Wilson Renewable Energy Ltd.	B	Parties in B above	C		Parties in C above	Total
	Shapoorji Pallonji and Company Private Ltd.	Managing Director, Mr. Mahesh Tahilyani														
Balances																
1	Trade Payables and Capital Creditors	25.46	25.46	95.78	-	-	1.32	2.46	5.33	-	104.89	-	-	-	-	130.35
2	Trade Receivable	-	-	-	-	-	-	-	-	-	1.56	1.56	-	-	-	1.56
Purchases / Services																
3	Fixed Assets/ Goods & Materials	-	-	9.42	-	-	-	-	-	-	1.65	11.07	-	-	-	11.07
4	Fixed Assets/ Goods & Materials	-	-	3.56	-	-	-	-	-	-	3.80	7.35	-	-	-	7.35
Expenses																
5	Rent	-	-	142.03	9.45	-	-	-	-	-	-	151.48	-	-	-	151.48
6	Travelling and conveyance expenses	-	-	7.03	-	5.64	-	275.31	-	-	-	287.98	-	-	-	287.98
7	Legal and professional charges	91.40	91.40	50.00	-	-	-	-	-	-	-	50.00	-	-	-	141.40
8	Repairs and Maintenance	134.66	134.66	-	-	-	-	-	4.59	-	-	4.59	-	-	-	139.25
9	Remuneration	-	-	-	-	-	-	-	-	-	-	-	265.52	-	-	265.52
Income																
10	Rent and amenities	-	-	68.13	-	-	-	-	-	-	17.41	85.54	-	-	-	85.54
11	Interest Income	-	-	18.59	-	-	-	-	-	-	-	18.59	-	-	-	18.59
Other Receipts / Payments																
12	Other Reimbursements (Receipt)	-	-	2,161.08	-	-	-	-	-	-	-	2,161.08	-	-	-	2,161.08
13	Other Reimbursements (Payment)	-	-	667.07	-	-	-	-	-	-	-	667.07	-	-	-	667.07

Terms and conditions:-

- a) All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- b) All related party transactions entered during the year were in ordinary course of business and on arms length basis.
- c) The Company has not recorded any impairment of receivables related to amounts owed by related parties except as stated above.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

30. Related party disclosures (contd.) Previous year	₹ in Lakhs						Total
	A	Parties in A above	B	B	B	B	
	Shapoorji Pallonji and Company Private Ltd.		Forbes & Company Limited	Forbes Campbell Finance Ltd.	Campbell Properties & Hospitality Services Ltd.	Forvol International Services Ltd.	Parties in B above
Balances							
1 Trade Payables and Capital Creditors	-	-	477.48	0.62	0.06	0.64	478.80
2 Trade Receivable	-	-	330.38	-	-	-	330.38
3 Receivable pursuant to the Scheme of arrangement	-	-	881.93	-	-	-	881.93
Purchases / Services							
4 Fixed Assets/ Goods & Materials	-	-	437.59	-	-	-	437.59
Expenses							
5 Rent	-	-	9.99	0.69	-	-	10.68
6 Travelling and conveyance expenses	-	-	-	-	0.05	1.37	1.42
7 Interest Paid	-	-	1.08	-	-	-	1.08
Other Receipts / Payments							
8 Other Reimbursements (Receipt)	-	-	1,719.00	-	-	-	1,719.00
9 Other Reimbursements (Payment)	-	-	63.17	-	-	-	63.17
Finance							
10 ICD taken	-	-	75.00	-	-	-	75.00
11 ICD Repayment	-	-	75.00	-	-	-	75.00

Terms and conditions:-

- All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- All related party transactions entered during the year were in ordinary course of business and on arms length basis.
- The Company has not recorded any impairment of receivables related to amounts owed by related parties except as stated above.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**Parties in C :****Key Managerial Personnel Remuneration**

Particulars	For the year ended Mar. 31, 2025	For the year ended Mar. 31, 2024
Short-term employee benefits	329.03	-
Post-employment benefits *	14.06	-
Long-term employee benefits	18.25	-
	361.34	-

* The above amounts do not include expenses for gratuity and leave encashment since actuarial valuation is carried out at an overall level. Bonus is disclosed on payment basis.

Directors Sitting Fees:

Name	For the year ended Mar. 31, 2025	For the year ended Mar. 31, 2024
Marzin Roomi Shroff	3.00	-
D. Sivanandhan	5.00	-
Rani Jadhav	3.00	-
Nikhil Bhatia	5.00	-
Jai Mavani	2.50	-
Total	18.50	-

31. Employee Benefits :**Brief description of the Plans:**

The Company has various schemes for long term employees benefits such as Provident Fund, Gratuity, Employees State Insurance Fund (ESIC) and Employees' Pension Scheme and Compensated absences. The Company's defined contribution plans are Employees State Insurance Fund, Provident Fund, and Employees' Pension Scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952). The Company has no further obligation beyond making the contributions to such plans. The Company's defined benefit plans include Gratuity.

Gratuity

The Company provides for gratuity payable to employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

The gratuity plan is a funded plan. The company having a plan to retain gratuity fund separately in future. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the Projected Unit Credit method.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations, with the objective that assets of the gratuity / provident fund obligations match the benefit payments as they fall due.

Provident Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both the employees and the Company make monthly contributions at a specified percentage as applicable of the employees' eligible salary. The contributions are made to the Employees provident fund department.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

I. Charge to the Statement of Profit and Loss based on contributions:

₹ in Lakhs

Particulars	Year Ended	
	As at March 31, 2025	As at March 31, 2024
Employer's contribution to Regional Provident Fund Office	67.74	65.90
Employer's contribution to Superannuation Fund	28.95	31.15
Employer's contribution to Employees' State Insurance Corporation and other funds	41.51	38.99

Included in Contribution to Provident and Other Funds (Refer Note 24)

II. Disclosures for defined benefit plans based on actuarial valuation reports :-

A. Change in Defined Benefit Obligation

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Present Value of Defined Benefit Obligation as at beginning of the year	517.98	-	-	-
Interest Cost	37.19	-	-	-
Current Service Cost	31.43	4.63	-	-
Liability Transferred In for employees joined	52.16	513.34	-	-
Benefits Paid	(110.06)	-	-	-
Remeasurement of defined benefit obligation	62.62	-	-	-
Present Value of Defined Benefit Obligation as at the end of the year	591.32	517.98	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**B. Changes in the Fair Value of Assets**

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Fair Value of Plan Assets as at beginning of the year	10.00	-	-	-
Interest Income	0.72	-	-	-
Contributions from employer	40.00	10.00	-	-
Assets Transferred In/Acquisitions	557.25			-
Return on Plan Assets, excluding Interest Income	28.34	-	-	-
Fair Value of Plan Assets as at the end of the year	636.31	10.00	-	-

C. Amount recognised in the Balance Sheet

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Present Value of Defined Benefit Obligation as at the end of the year	591.32	517.98	-	-
Fair Value of Plan Assets as at end of the year	636.31	10.00	-	-
Net Liability/(Asset) recognised in the Balance Sheet	(44.99)	507.98	-	-
Recognised under:				
Non - current provision	-	435.04	-	-
Current provision	-	72.94	-	-

D. Expenses recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Current Service Cost	31.43	4.63	-	-
Net interest	36.47	-	-	-
Total Expenses recognised in the Statement of Profit and Loss	67.90	4.63	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

E. Expenses Recognized in the Other Comprehensive Income (OCI) for the Year

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Actuarial (Gains)/Losses on Obligation for the Year - Due to changes in financial assumptions	62.62	-	-	-
Return on Plan Assets, excluding Interest Income	(28.34)	-	-	-
Net (Income)/Expense For the year Recognized in OCI	34.28	-	-	-

F. Principal actuarial assumptions used:

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Discount Rate (per annum)	6.55%	7.18%	-	-
Salary escalation rate	4.50%	4.50%	-	-
Rate of employee turnover	17.24%	17.24%	-	-

G. Movements in the present value of net defined benefit obligation are as follows:

₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Opening Net Liability	507.98	-	-	-
Expenses Recognized in Statement of Profit or Loss	67.90	4.63	-	-
Expenses Recognized in OCI	34.28	-	-	-
Net Liability/(Asset) Transfer In	(505.09)	513.34	-	-
Benefit Paid Directly by the Employer	(110.06)	-	-	-
Employer's Contribution	(40.00)	(10.00)	-	-
Net Liability Recognized in the Balance Sheet	(44.99)	507.98	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**H. Category of Assets**

₹ in Lakhs

Particulars	Gratuity	
	As at March 31, 2025	As at March 31, 2024
Insurance fund	636.31	10.00
Total	636.31	10.00

The Plan Asset for the funded gratuity plan are administered by Life Insurance Corporation of India ('LIC') as per the Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory Development Authority

I. Other Details

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Number of Active Members	481.00	489.00	-	-
Per Month Salary for Active Members (₹ in Lakhs)	82.46	72.94	-	-
Weighted Average Duration of the Projected Benefit Obligation	4.00	4.00	-	-
Average Expected Future Service (Years)	4.00	4.00	-	-
Projected Benefit Obligation (PBO) (₹ in Lakhs)	591.32	517.98	-	-
Prescribed Contribution For Next Year (12 Months) (₹ in Lakhs)	-	72.94	-	-

J. Cash Flow Projection: From the Fund

₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the As at March 31, 2025	Estimated for the As at March 31, 2024	Estimated for the As at March 31, 2025	Estimated for the As at March 31, 2024
	Gratuity		Other Post Employment Benefits	
1 st Following Year	135.49	166.07	-	-
2 nd Following Year	171.28	70.49	-	-
3 rd Following Year	87.23	93.82	-	-
4 th Following Year	63.46	66.03	-	-
5 th Following Year	61.67	48.88	-	-
Sum of Years 6 To 10	132.08	136.71	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

K. Sensitivity Analysis

₹ in Lakhs

	As at March 31, 2025	As at March 31, 2024
	Gratuity	
Impact of +1% Change in Rate of Discounting	(14.59)	(12.83)
Impact of -1% Change in Rate of Discounting	15.69	13.80
Impact of +1% Change in Rate of Salary Increase	15.85	14.02
Impact of -1% Change in Rate of Salary Increase	(15.00)	(13.27)
Impact of +1% Change in Rate of Employee Turnover	0.17	0.62
Impact of -1% Change in Rate of Employee Turnover	(0.26)	(0.73)

The above sensitivity analysis are based on change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

L. The liability for Compensated is net of fund balance at year end is ₹ Nil (*Previous year ₹ 178.80 Lakhs*) (Refer Note 15).

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an actuarial valuation carried out at the end of the year using the Projected Unit Credit method. Leave obligations not expected to be settled in the next 12 months is ₹ Nil (*Previous year ₹ 123.83 Lakhs*).

32 Leases

Lessee accounting

(i) Amounts recognized in Balance Sheet

The balance sheet shows the following amounts relating to leases:

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-use assets		
Office premises	258.05	333.14
Land	757.33	9.95
Total	1,015.38	343.09
Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities		
Non-current	138.92	216.00
Current	141.13	125.25
Total	280.05	341.25

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**(ii) Right-of-use assets for the year ended 31st March, 2024.**

₹ in Lakhs

Particulars	Office Premises		Land	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Cost or Deemed cost				
Balance at April 01, 2024 / April 01, 2023	344.88	49.98	16.50	-
Additions	71.58	344.88	749.79	16.50
Disposals	-	49.98	-	-
Balance at March 31, 2025 / March 31, 2024	416.46	344.88	766.29	16.50
Accumulated depreciation				
Balance at April 01, 2024 / April 01, 2023	11.74	23.03	6.54	6.37
Depreciation expense for the year	146.67	23.04	2.41	0.17
Disposals		34.33	-	-
Balance at March 31, 2025 / March 31, 2024	158.41	11.74	8.95	6.54
Carrying Amount				
Balance at March 31, 2025 / March 31, 2024	258.05	333.14	757.33	9.95

(iii) Amounts recognized in Statement of Profit and Loss.

The Statement of Profit and Loss shows the following amounts relating to leases:

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation charge of right-of-use assets		
Office Premises	146.67	23.04
Land	2.41	0.17
Total	149.08	23.21
Interest expense on lease liability (included in finance cost)	30.40	10.63
Total	179.48	33.84

During the year, Pursuant to scheme of arrangement the old lease agreements terminated and new agreements are entered into consequently. the difference between the carrying amounts of the right-of-use asset and the lease liability recorded in the statement of profit or loss as a gain or loss and such gain shown under other income.

(iv) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that creates an economic incentive to exercise an extension option, or not to exercise a termination option. Extension option (or period after termination option) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

For the leases of offices premises, the following factors are normally the most relevant:

1. If there is significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
2. If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

3. Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise it. The assessment of reasonably certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within control of lessee.

33. Financial Instruments

33.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The capital components of the Company are as given below:

₹ in Lakhs		
Particular	As at March 31, 2025	As at March 31, 2024
Total Equity	16,624.25	13,775.33
Long Term Borrowings	1,487.14	294.15
Current Maturities of Long Term Borrowings	481.15	248.25
Lease Liabilities	280.05	341.25
Total Debt	2,248.34	883.65
Cash and Cash equivalents	748.23	1,595.63
Net Debt	1,500.11	(711.98)
Debt Equity ratio	0.14	0.06
Debt Equity Ratio = Total Debt / Total Equity		

33.2 Financial risk management objectives

The Management monitors and manages the financial risks to the operations of the Company. These risks include market risk, credit risk and liquidity risk.

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Change	Reason for Variance*
Current Ratio	Current assets	Current liabilities	1.95	1.89	3%	No Material Change.
Debt-Equity Ratio	Total debt	Total equity	14%	6%	111%	Change due to Additional Borrowings in current year from Zoroastrian Bank.
Debt Service Coverage Ratio	Earning for debt	Debt service	7.67	6.06	27%	Change due to Increase in lease payments in current year, Repayment of Loan was made in previous year.
Return on Equity Ratio	Net profit after tax	Average shareholders equity.	19%	43%	-56%	# Refer note below.
Inventory turnover ratio (times)	COGS	Average inventory	2.27	4.14	-45%	# Refer note below.
Trade Receivables turnover ratio (times)	Credit sales	Average trade receivable	7.45	15.52	-52%	# Refer note below.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**33.2 Financial risk management objectives (Contd.)**

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Change	Reason for Variance*
Trade payables turnover ratio (times)	Net Credit Purchases	Average Trade Payables	3.57	8.58	-58%	# Refer note below.
Net capital turnover ratio (times)	Credit sales	working capital	3.99	5.04	-21%	No Material Change.
Net profit ratio	Net profit after tax	Revenue from operations	12%	13%	-5%	No Material Change.
Return on Capital employed	Earnings before interest and tax	capital employed	22%	28%	-21%	No Material Change.
Return on investment	Earnings before interest and tax	Closing total assets	17%	20%	-17%	No Material Change.

* Reasons for Variances are only provided for the change in the ratios by more than 25% as compared to the ratios of Previous year.

The figures indicated in the column are not comparable and do not offer a correct representation of the variances as the figures for 31-03-2023 were with no operation and hence either zero or minimal.

33.3 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

33.4 Price risks

The Company is mainly exposed to the price risk due to its investment in mutual funds. In order to manage its price risk arising from investment in mutual funds, the Company diversifies its portfolio based on past performance. The impact of price risk with respect to investment in mutual fund is insignificant.

33.5 Credit risk management**Trade receivables**

Trade receivables are generally unsecured and are derived from revenue earned from customers. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Other Financial assets

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are mutual funds and banks with high credit-ratings assigned by credit-rating agencies.

33.6 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company manages liquidity risk by banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the earliest date on which the Company can be required to pay. The tables include both principal and interest cash flows.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

₹ in Lakhs

Maturities of Financial Liabilities as at the Balance Sheet date	As at March 31, 2025			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings (includes interest)	650.68	1,426.81	334.17	-
Trade Payables	2,331.49	10.10	-	-
Other Financial Liabilities	3,218.80	126.19	-	-
Lease liability	141.13	138.92	-	-
	6,342.10	1,702.02	334.17	-

Maturities of Financial Liabilities as at the Balance Sheet date	As at March 31, 2024			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings (includes interest)	288.05	286.08	-	-
Trade Payables	2,169.43	-	-	-
Other Financial Liabilities	3,304.36	95.15	-	-
Lease liability	125.25	216.00	-	-
	5,887.09	597.23	-	-

33.7 Categories of Financial Instruments:

₹ in Lakhs

Particulars	As at March 31, 2025		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
Loans	-	-	0.03
Cash and Bank Balances	-	-	748.23
Trade Receivables	-	-	3,303.98
Other Financial Assets	-	-	115.20
	-	-	4,167.44
Financial liabilities			
Borrowings	-	-	1,968.29
Trade Payables	-	-	2,341.59
Other Financial Liabilities	-	-	1,204.79
Lease liability	-	-	280.05
	-	-	5,794.72

Particulars	As at March 31, 2024		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
Loans	-	-	3.26
Cash and Bank Balances	-	-	1,595.63
Trade Receivables	-	-	2,944.40
Other Financial Assets	-	-	1,232.36
	-	-	5,775.65
Financial liabilities			
Borrowings	-	-	542.40
Trade Payables	-	-	2,169.42
Other Financial Liabilities	-	-	633.37
Lease liability	-	-	341.25
	-	-	3,686.44

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**33.8 Derivatives Instruments and unhedged Foreign Currency (FC) exposure**

The Company is exposed to Currency Risk arising from its trade exposures and capital/Loan receipt/payments denominated, in other than the Functional Currency. The Company has a Foreign Exchange Risk Management policy within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function. The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports, for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

a) Particulars of unhedged foreign currency exposures as at the reporting date

Currencies	As at March 31, 2025						As at March 31, 2024					
	Advances from customers		Loans and advances to related party		Trade receivables		Advances from customers		Loans and advances to related party		Trade receivables	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	0.28	23.52	-	-	8.46	722.96	0.07	6.08	-	-	14.63	1,219.16
GBP	-	-	-	-	0.65	71.47	-	-	-	-	0.73	77.01
CHF	-	-	-	-	-	-	-	-	-	-	-	-
AUD	-	-	-	-	-	-	-	-	-	-	-	-
EUR	0.01	0.84	-	-	-	-	0.01	0.82	-	-	-	-

Currencies	As at March 31, 2025				As at March 31, 2024			
	Advances to vendors		Trade payables		Advances to vendors		Trade payables	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	0.08	7.19	0.32	27.53	0.07	5.56	4.61	384.31
EUR	0.04	3.62	0.12	10.67	0.04	3.52	3.86	346.81
CHF	0.01	1.06	-	-	-	-	-	-
GBP	-	-	-	-	-	-	-	-
AUD	-	-	24.28	1,298.62	-	-	-	-

Currencies	As at March 31, 2025		As at March 31, 2024	
	Current Account Balances		Current Account Balances	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	2.03	173.35	-	-

The following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

(b) Sensitivity

As at March 31, 2025

₹ in Lakhs

Currencies	Increase/Decrease	Total Assets in FC	Total Liabilities in FC	Impact on exchange rate	Impact on Profit or Loss for the year
USD	Increase by 5%	10.57	0.60	4.27	42.57
USD	Decrease by 5%	10.57	0.60	(4.27)	(42.57)
GBP	Increase by 5%	0.65	-	5.53	3.59
GBP	Decrease by 5%	0.65	-	(5.53)	(3.59)
AUD	Increase by 5%	-	24.28	2.67	(64.83)
AUD	Decrease by 5%	-	24.28	(2.67)	64.83

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

₹ in Lakhs

Currencies	Increase/Decrease	Total Assets in FC	Total Liabilities in FC	Impact on exchange rate	Impact on Profit or Loss for the year
EUR	Increase by 5%	0.04	0.13	4.62	(0.42)
EUR	Decrease by 5%	0.04	0.13	(4.62)	0.42
CHF	Increase by 5%	0.01	-	4.85	0.05
CHF	Decrease by 5%	0.01	-	(4.85)	(0.05)

As at Mar. 31, 2024

₹ in Lakhs

Currencies	Increase/Decrease	Total Assets in FC	Total Liabilities in FC	Impact on exchange rate	Impact on Profit or Loss for the year
USD	Increase by 5%	14.70	4.68	4.17	41.78
USD	Decrease by 5%	14.70	4.68	(4.17)	(41.78)
EUR	Increase by 5%	0.04	3.86	4.50	(17.19)
EUR	Decrease by 5%	0.04	3.86	(4.50)	17.19

33.9 Interest rate risk

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments.

(a) Interest rate risk exposure

The exposure of Company's borrowing to interest rate changes at the end of the year are as follows:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Weighted average interest rates	% of total loans	Total Borrowings	Weighted average interest rates	% of total loans	Total Borrowings
DCB Bank Limited Term Loan	9.25%	15%	294.26	9.25%	100%	542.40
Zoroastrian Bank Term Loan-Machine	9.50%	75%	1,475.00	-	-	-
Zoroastrian Bank Term Loan-Solar	9.25%	10%	199.03	-	-	-
Total			1,968.29			542.40

(b) Sensitivity

The sensitivity of profit / (loss) to changes in interest rates/exchange rates:

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Rates increase by 100 basis points*	19.68	5.42
Rates decrease by 100 basis points*	(19.68)	(5.42)

* Holding all other variables constant.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)**34. Contingencies and other commitments****(a) Contingencies**

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts		
Labour matters in dispute	16.81	16.81

Note: The Company has evaluated the impact of the recent Supreme Court Judgment in case of “Vivekananda Vidyamandir and Others v/s The Regional Provident Fund Commissioner (II) West Bengal” and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated 20th March, 2019 issued by the Employees’ Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of “basic wages” of the relevant employees for the purposes of determining contribution to provident fund under the Employees’ Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

(b) Commitments

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance paid aggregating ₹31.06 Lakhs; <i>(Previous year 314.36 lakhs)</i>)	220.23	1,382.39

35. Net debt reconciliation

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Long Term Borrowings	(1,487.14)	(294.15)
Current Maturities of Long Term Borrowings	(481.15)	(248.25)
Lease Liability	(280.05)	(341.25)
Total debt	(2,248.34)	(883.65)
Cash and Cash equivalents	748.23	1,595.63
Net debt	(1,500.11)	711.98

Current year:

₹ in Lakhs

Particulars	Other assets	Liabilities from financing activities			Total
	Cash and cash equivalents	Long term borrowing including current maturity	Short term borrowing	Lease Liability	
Net debt as at 31st March, 2024	1,595.63	(542.40)	-	(341.25)	711.98
Cash flows	(847.40)	(1,425.89)	-	61.20	(2,212.09)
Interest expense	-	(74.43)	-	(30.40)	(104.83)
Interest paid	-	74.43	-	-	*74.43
Non cash movements for acquisitions and disposals	-	-	-	30.40	30.40
Net debt as at 31st March, 2025	748.23	(1,968.29)	-	(280.05)	(1,500.11)

* The interest paid during the year includes ₹ 4.53 Lakhs (*Previous year ₹ Nil*) in respect of interest costs capitalised for the property, plant and equipment in accordance with Ind AS 23.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

Previous year:

₹ in Lakhs

Particular	Other assets	Liabilities from financing activities			Total
	Cash and cash equivalents	Long term borrowing including current maturity	Short term borrowing	Lease Liability	
Net debt as at 1 st April, 2023	5.00	-	-	-	5.00
Cash flows	1,590.63	(542.40)	-	(341.25)	706.98
Interest expense	-	(76.93)	(1.08)	(10.63)	(88.64)
Interest paid *	-	76.93	1.08	-	78.01
Non cash movements for acquisitions and disposals	-	-	-	10.63	10.63
Net debt as at 31 st March, 2024	1,595.63	(542.40)	-	(341.25)	711.98

36. Offsetting financial assets and financial liabilities

₹ in Lakhs

Particulars	Gross amounts	Gross amounts set off in the Balance Sheet	Net amounts presented in Balance Sheet
	(Financial Assets - Trade Receivables)	(Financial Liabilities - Rebates/ Discounts)	(Net Financial Assets - Trade Receivables)
As at Mar. 31, 2025	3,836.32	332.43	3,503.89
Total	3,836.32	332.43	3,503.89
As at Mar. 31, 2024	3,569.27	417.40	3,151.86
Total	3,569.27	417.40	3,151.86

The Company gives rebates/ discounts for Engineering segment. Under the terms of contract, the amounts payable by the Company are offset against receivables from customers and only the net amount is settled (i.e. after adjustment towards rebates/ discounts). The relevant amounts have therefore been presented net in the Balance Sheet.

37. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

₹ in Lakhs

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Non-current			
Specific charge			
- Leasehold land	3	757.33	9.95
- Freehold buildings	3	3,277.62	3,428.87
- Plant & Machinery	3	6,604.20	5,034.70
- Furniture & fixtures	3	37.06	39.89
- Office equipments	3	16.38	9.58
- Capital work-in-progress	3A	819.79	468.67
Total non-currents assets pledged as security		11,512.39	8,991.67
Total assets pledged as security		11,512.39	8,991.67

Note: The Assets are transferred under the scheme of arrangement on March 01, 2024. During the year, the title of the property has been transferred in the name of the company. The creation of charge for DCB Bank ECLGS 2.0 Term Loan is in process.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

38. Segment reporting: The Ind AS 108, 'Operating segments,' notified pursuant to Companies (Accounting Standards) Rules, 2015, requires management to determine the reportable segments for disclosure in financial statements based on internal reporting reviewed by the Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The company manufactures precision cutting tools and related components. Based on management analysis, the company has only one operating segment, so no separate segment report is provided. The principal geographical area in which the company operates is India.

39. Scheme of Arrangement

The Board of Directors of Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") and Forbes & Company Limited (FCL or the "Demerged Company") in their respective meetings held on 26th September 2022, approved the Scheme of Arrangement ("Scheme") between FCL and FPTL, as well as their respective shareholders, in accordance with Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions and rules. This Scheme entails the demerger of the "Precision Tools business" from FCL into FPTL, with an appointed date of 1st April 2023.

The Honorable National Company Law Tribunal ("NCLT") of the Mumbai bench approved the scheme via Order No. C.P.(CAA)/303/MB-V/2023 dated 9th February 2024. The certified true copy of the order was received on 22nd February 2024 and filed with the Registrar of the Company on 1st March 2024. The Scheme became effective / operative from the effective date of March 1, 2024, with this, the Precision Tools business of FCL being transferred to and vested in FPTL with effect from the appointed date i.e., April 1, 2023.

Upon the coming into effect of the Scheme, the existing share capital of FPTL, amounting to ₹5.00 lakhs divided into 50,000 shares of ₹10 each, fully paid up, held by the shareholders of the Demerged Company, prior to the Scheme becoming effective, shall stand cancelled without any further application, act, instrument, or deed, as an integral part of this Scheme, with adjustments done through Capital reserve of the Company. As per the Scheme of Arrangement, the Resulting company has issued four fully paid-up equity shares of ₹ 10/- each for every one fully paid-up equity share of ₹ 10/- each held by the equity shareholders of the Demerged Company (FCL) as of the Record Date, which was 7th March 2024. The shareholders of FCL are entitled to receive 4 shares of FPTL against each share held by them. Accordingly, the paid-up capital of FPTL is determined as 5,15,94,464 shares of ₹ 10 each, having a total value of ₹ 5,159.45 Lakhs. The record date for allotment was fixed as 7th March 2024, and the issuance and allotment of equity shares took place on 13th March 2024.

As per Para 12 of Appendix C of IND AS 103, the difference between Paid up share capital of FCL ₹ 1289.96 Lakhs and Paid up share capital issued by FPTL amounting to ₹5159.45 Lakhs in terms of scheme of arrangement is considered as negative capital reserve amounting ₹ 3869.59 Lakhs. The pre-merger equity share capital of ₹ 5 lakhs of FPTL is cancelled and adjusted against the capital reserve.

From the appointed date, the precision tools business of FCL, including all its assets and liabilities is transferred and vested to FPTL in accordance with this Scheme. Consequently, the deferred tax liability related to those assets and liabilities will be remeasured and will result in a direct charge of ₹ 234.44 Lakhs to the opening balance of retained earnings of FPTL. Moreover, for the period from April 1, 2023, to March 31, 2024, the incremental deferred tax liability amounting to ₹ 2.33 Lakhs debited to the Profit and Loss account.

The financial statement of the Company reflects the financial position on the basis of consistent accounting policies.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

The book value of assets acquired, and liabilities were taken over under the scheme of arrangement as on appointed date are listed below:

₹ in Lakhs

Particulars	The demerged undertaking of the Parent Company
I. ASSETS	
1. Non-Current Assets	
(a) Property, plant and equipment	8,414.02
(b) Right-of-use assets	37.07
(c) Capital work-in-progress	182.80
(d) Other intangible assets	97.49
(e) Other financial asset	81.64
(f) Current tax assets (net)	4.31
(g) Other non-current assets	230.26
Total	9,047.59
2. Current Assets	
(a) Inventories	3,115.25
(b) Financial assets	
(i) Trade receivables	2,236.80
(ii) Cash and cash equivalents	366.83
(iii) Loans	0.28
(c) Other current assets	282.79
Total	6,001.95
TOTAL ASSETS	15,049.53
II. LIABILITIES	
1. Non-current Liabilities	
(a) Financial liabilities	
(i) Borrowings	1,012.95
(ii) Lease liability	18.87
(b) Deferred tax liabilities (net)	234.44
Total	1,266.26
2. Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	243.25
(ii) Lease liability	11.94
(iii) Trade payables	1,833.20
(iv) Other financial liabilities	131.16
(b) Other current liabilities	742.03
(c) Provisions	27.58
Total	2,989.17
TOTAL LIABILITIES	4,255.43
NETWORTH	10,794.10

40. The Scheme of Arrangement for the demerger of the “Precision Tools business” from Forbes & Company Limited (FCL) to the Company has received approval from The Hon’ble National Company Law Tribunal (“NCLT”) of Mumbai benches through Order No. C.P.(CAA)/303/MB-V/2023 dated February 9, 2024, Mumbai Bench. The certified true copy of the order was filed with the Registrar of the Company on March 1, 2024, and the Scheme became operative as of March 1, 2024.

Consequently, the Precision Tools business of FCL has been transferred to and vested in the Company with effect from the appointed date, i.e., April 1, 2023. All transactions previously recorded in Forbes & Company Limited pertaining to the Precision Tools business have been transferred to the Company as of the effective date, March 1, 2024.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

41. The Indian Parliament has approved the Code on Social Security, 2020 (“the code”) which, inter alia, deals with employees benefits during employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.

42. Additional Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013**i Details of Benami property held**

There are not any proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at 31st March, 2025.

ii Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial Institution or other lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved or in an earlier period and the default has continued for the whole or part of the current year.

iii Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

iv The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017.**v (a) The company has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) during the year to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:**

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or,
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) during the year with the understanding (whether recorded in writing or otherwise) that the company shall:

- (i) 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
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi Undisclosed income

The company does not have any transaction that are not 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), during the year.

vii Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

viii Valuation of PP&E, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

43. Other regulatory information**i Registration of charges or satisfaction with Registrar of Companies**

During the year, The title of Waluj property has been transferred in the name of the company. However, the creation of charge for DCB Bank ECLGS 2.0 Term Loan is in process. “

ii Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

iii The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

The Group has seven unregistered CICs which are part of the Group

1. SP Finance Private Limited,
2. SC Finance and Investments Private Limited,
3. Hermes Commerce Private Limited,
4. Renaissance Commerce Private Limited,
5. Shapoorji Pallonji Energy Private Limited (formerly known as Shapoorji Pallonji Oil and Gas Private Limited) (applied for the same to RBI),
6. SMCM Holdings Private Limited and
7. Shayrus Ventures Private Limited

44. Previous period figures have been re-classified/ re-arranged/ regrouped, wherever necessary, to correspond with the current period's classification/ disclosure.
45. The Company has used accounting software (viz. SAP) for maintaining its books of account 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 software. Further, there are no instances of audit trail feature being disabled at any time during the year.
46. The financial statements were approved by the Board of Directors of the Company at their respective meetings held on 24th April, 2025.

In terms of our report of even date

For Sharp & Tannan Associates

Chartered Accountants
Firm's Registration No.: 109983W

Parthiv S. Desai
Partner
Membership No.: 042624

Date: Apr. 24, 2025
Place: Mumbai

For and on behalf of the Board of Directors

M.C. TAHILYANI
Managing Director
DIN : 01423084

VIKRAM V. NAGAR
Chief Financial Officer

Date: Apr. 24, 2025
Place: Mumbai

JAI L. MAVANI
Director
DIN : 05260191

RUPA KHANNA
Company Secretary
Membership No : A33322



High Performance Cutting Tools



SPRING LOCK WASHERS



"BBBBB"



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