June 11, 2024

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

Dear Sir,

Security Code : 544186
Security ID : TOTEM

Subject : Audited Financial Statements for the year ended March 31, 2024

Dear Sir/Madam,

We wish to inform you that effective from Tuesday, June 11, 2024, the equity shares of the Company are listed on Exchange.

We wish to further inform that the Board of Directors of the Company at their meeting held on May 6, 2024 has approved the Audited Standalone Financial Results for the financial year ended March 31, 2024.

In this regard, we enclose the Audited Standalone Financial Results for the financial year ended March 31, 2024 along with the Auditors' Report dated May 6, 2024 of M/s. Sharp & Tannan Associates, Chartered Accountants, statutory auditors of the Company in respect of the said Financial Results.

We declare that the Report of the Auditors is unmodified in respect of the said financial results.

We trust that the said submission would be sufficient compliance in the present instance. Further, we shall ensure submission of financial results in compliance with the requirements of Regulation 30 & 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 starting from the quarter ended June 30, 2024 onwards.

The said Financial Statements are made available on the Company's website, www.forbesprecision.co.in

Kindly take the above information on your record.

Yours faithfully,
For Forbes Precision Tools and Machine Parts Limited

RUPA PAWAN KHANNA

Rupa Khanna
Company Secretary and Compliance Officer

Encl: As above

87 Nariman Bhavan
227 Nariman Point
Mumbai 400 021
India
+91 22 6153 7500; 2202 2224 / 8857
www.sharpandtannan.com

SHARP & TANNAN ASSOCIATES
chartered accountants

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 as "the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended March 31, 2024 and Notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter collectively referred 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 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 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, 2024, 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 the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred 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.

Emphasis of Matter

We draw attention to Note 38 of the Standalone Financial Statements, which describes the Composite Scheme of Arrangement ("the scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, which inter alia, provides for amalgamation and vesting of Assets & liabilities of demerged undertaking of Forbes & Company Limited (FCL) with and into company on a going concern basis was approved by NCLT. The requisite certified order of the National Company Law Tribunal (NCLT) has been filed with the Registrar of Companies on March 1, 2024. Consequently, the demerged undertaking of FCL is merged into the company with effect from the appointed date of April 1, 2023.

Our opinion is not modified in respect of this matter.

Sharp & Tannan Associates ICAI Regn. No. 109983W Chartered Accountants

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.

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. We have nothing to report in this regard.

Management's & Board of Directors' 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 concerned 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.

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

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.

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

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.

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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; 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, according to the explanation given to us, the remuneration has not been paid by the Company to its directors during the year, accordingly the provisions of section 197 of the Act are not applicable to the company.
   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 at March 31, 2024, on its financial position in its Standalone Financial Statements - Refer notes 33 (a) to the Standalone Financial Statements.

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

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.

Sharp & Tannan Associates ★ Chartered Accountants ★ Regn. No. 109983W

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

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

Sharp & Tannan Associates ICAI Regn. No. 109983W Chartered Accountants

Parthiv S Desai
Partner
Membership No.: (F) 042624
UDIN- 24042624BKFRSG1911

Mumbai, May 06, 2024

Annexure A to the independent auditor's report on the standalone financial statements of Forbes Precision Tools and Machine Parts Company Limited for the year ended 31st March 2024

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

(i) (a) According to the information and explanation given to us and records examined by us;

(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.

(B) The Company is maintaining proper records showing full particulars of the Intangible assets of the Company.

(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 PPE has been physically verified for the demerged undertaking which is subsequently merged into the company. 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.

(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, except for the following:

Description of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether the title deed holder is a promoter, director or their relative or employee	Period held - indicate the range, where appropriate (years)	Reason for not being held in the name of the Company
Plot B-13, Waluj Industrial Area Waluj, Aurangabad-431 133	9.96	Forbes & Company Limited	No	Less than 1 Year	The Property is transferred under the composite scheme of arrangement. The company is in the process to transfer of title deeds.
Factory Building 1, Factory Building 2, Office Building and Canteen	3,428.87				

(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.



(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.

(ii) In our opinion and according to the information and explanations given to us;

(a) the physical verification of inventory has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage 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.

(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.

(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.

(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.

(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.

(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.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(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. Also, refer to note 33 (a) to the standalone financial statements regarding management's assessment of certain matters relating to the provident fund.

Sharp & Tannan Associates Chartered Accountants ICAI Regn. No. 109983W

(b) There are no statutory dues referred to in sub-clause (a) as at March 31, 2024, which have not been deposited on account of a dispute, except as mentioned below:

Name of the Statute	Nature of dues	The 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;

(a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) 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.

(c) 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.

(d) 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.

(e) 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

(f) 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,

(a) The Company being the non-listed public limited 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.

Sharp & Tannan Associates ICAI Regn. No. 109983W Chartered Accountants

(b) 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,

(a) 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.

(b) 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 under paragraph 3 clause (xi)(b) of the Order is not applicable to the company.

(c) no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the company.

(xii) The Company is not a Nidhi Company and hence reporting under 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, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.

(xiv) The company is not required to appoint an internal auditor. Accordingly, reporting under paragraph 3 Clause (xiv)(a) and (b) of the order is not applicable to the company.

(xv) During the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence reporting on compliance with the provisions of section 192 of the Companies Act, 2013 under paragraph 3clause (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,

(a) 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.

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

(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 five unregistered Core Investment Companies (CICs) as part of the Group as detailed in note 42 (iii) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

(xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the current year, however, the company has incurred cash losses of Rs. 1.18 Lakhs in 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) Section 135 of the Companies Act does not apply to the company, accordingly, reporting on Paragraph 3 Clause (xx) (a) & (b) of the order are not applicable to the company.

(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 under paragraph 3 Clause (xxi) of the Order is not applicable.

SHARP & TANNAN ASSOCIATES
Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

CA Parthiv S Desai
Partner
Membership No.: (F) 042624
UDIN –24042624BKFRSG1911

Mumbai, May 06, 2024

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 31st March, 2024

(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 Over Financial Reporting under Clause (i) Section 143 (3) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Forbes Precision Tools and Machine Parts Limited** (hereinafter referred to as "the Company") as of March 31, 2024, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's & Board of Directors' Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. 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 over financial reporting 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Sharp & Tannan Associates ★ Chartered Accountants ★ ICAI Regn. No. 109983W

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit the 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 the 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as

Sharp & Tannan Associates ICAI Regn. No. 109983W Chartered Accountants

at March 31, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

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



Parthiv S Desai
Partner
Membership No.: (F) 042624
UDIN- 24042624BKFRSG1911

Mumbai, May 06, 2024

TOTEM®
High Performance Cutting Tools

Shapoorji Pallonji

Statement of Standalone Financial Results for the year ended 31st March, 2024

₹ in lakhs

	Particulars	Quarter ended			Year ended	
		31.03.2024 (Refer Note 14)	31.12.2023 (Unaudited)	31.03.2023 (Refer Note 14)	31.03.2024 (Audited)	31.03.2023 (Audited)
1	Income					
	Revenue from operations	6,614	6,027	-	22,850	-
	Other income	23	18	-	106	-
	Total Income	6,637	6,045	-	22,956	-
2	Expenses					
	Cost of materials consumed	2,226	2,152	-	8,050	-
	Purchases of stock-in-trade	30	45	-	129	-
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(46)	70	-	(220)	-
	Employee benefits expense	977	1,094	-	4,106	-
	Finance costs	27	21	-	116	-
	Depreciation and amortisation expense	283	283	-	1,145	-
	Other expenses	1,565	1,441	1	5,647	1
	Total expenses	5,062	5,106	1	18,973	1
3	Profit / (Loss) before exceptional items and tax	1,575	939	(1)	3,983	(1)
4	Profit / (Loss) before tax	1,575	939	(1)	3,983	(1)
5	Tax expense					
	Current tax	495	517	-	1,012	-
	Deferred tax	-	-	-	-	-
		495	517	-	1,012	-
6	Profit / (Loss) after tax	1,080	422	(1)	2,971	(1)
7	Other Comprehensive Income					
	(i) Items that will not be reclassified to Statement of Profit or Loss					
	Remeasurement of the defined benefit plans	7	5	-	8	-
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit or Loss					
	Deferred Tax Expenses	(2)	-	-	(2)	-
	Unrealised gain/loss (OCI)	-	-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit or Loss					
	Deferred tax	-	-	-	-	-
	Other Comprehensive Income (net of tax)	5	5	-	6	-
8	Total Comprehensive Income / (Loss) for the period / year	1,085	427	(1)	2,977	(1)
9	Paid-up equity share capital (Face Value of Rs. 10 each)	5,159	5	5	5,159	5
10	Other equity (excluding Revaluation Reserve)				8,616	(1)
11	Basic and diluted earnings per equity share (after exceptional items)	Rs.10.03	844.00	Rs.(1.55)	Rs.110.63	Rs.(2.35)
12	Basic and diluted earnings per equity share (before exceptional items)	Rs.10.03	844.00	Rs.(1.55)	Rs.110.63	Rs.(2.35)
13	Basic and diluted earnings per equity share (for continuing and discontinued operation) (Quarter and year to date figures not annualised)	Rs.2.09	Rs.844.00	Rs.(1.55)	Rs.5.76	Rs.(2.34)

Contd ...

Certified True Copy
Forbes Precision Tools and Machine Parts limited

Mahesh Tahilyani
Managing Director

Forbes Precision Tools and Machine Parts Limited

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 Sambhajinagar
Maharashtra (India) 431 133
(T) +91-0240-2553421/22

www.forbesprecision.co.in | investor.relations@forbesprecision.co.in | CIN: U29256MH2022PLC389649

FORBES KENDO "BBBB"

Notes to the statement of Financial Results for the quarter and year ended 31st March, 2024.

1. Statement of Assets and Liabilities as at 31st March, 2024

(₹. in Lakhs)

Particulars		As at March 31, 2024 (Audited)	As at March 31, 2023 (Audited)
Assets			
1 Non-current assets			
Property, Plant and Equipment		8,528	-
Right-of-use assets		343	-
Capital work-in-progress		469	-
Other Intangible assets		61	-
Financial Assets:			
i) Other financial assets	95		-
		95	-
Tax assets			
ii) Income tax assets (net)	851		-
		851	-
Other non-current assets		297	-
Total Non-current assets		10,644	-
2 Current assets			
Inventories		3,847	-
Financial Assets:			
i) Trade receivables	2,944		-
ii) Cash and cash equivalents	1,596		5
iii) Loans	3		-
iv) Other financial assets	1,138		-
		5,681	5
Other current assets		88	-
		5,769	5
Total Current assets		9,616	5
Total Assets		20,260	5
Equity and Liabilities			
Equity			
Equity share capital	5,159		5
Other equity	8,616		(1)
Total Equity		13,775	4
Liabilities			
1 Non-current liabilities			
Financial liabilities:			
i) Borrowings	294		-
ii) Lease Liabilities	216		-
iii) Other financial liabilities	95		-
	605		-
Provisions	558		-
c) Deferred tax liabilities (net)	237		-
Total Non-current liabilities		1,400	-
2 Current liabilities			
Financial liabilities:			
i) Borrowings	248		-
ii) Lease Liabilities	125		-
iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	783		-
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,387		-
iv) Other financial liabilities	538		-
	3,081		-
Other current liabilities	863		-
Provisions	129		1
Current tax liabilities (net)	1,012		-
Total Current Liabilities		5,085	1
Total Liabilities		6,485	1
Total Equity and Liabilities		20,260	5

Contd ...

Forbes Precision Tools & Machine Parts Limited

2. Statement of Cash flows for the the year ended 31st March, 2024

(₹ in Lakhs)

	Year ended March 31, 2024 (Audited)		Year ended March 31, 2023 (Audited)	
Cash flows from operating activities				
Profit before tax		3,983		*(1)*
Adjustments for -				
Depreciation and amortisation expense	1,145		-	
Interest income earned on financial assets that are not designated as at fair value through profit or loss :				
(i) Bank deposits	(8)		-	
Finance costs	116		-	
(Gain)/loss on disposal of property, plant and equipment	(4)		-	
Provision for doubtful loans and advances	(1)		-	
Trade receivables written off	(39)		-	
Credit balances / excess provision written back	(15)		-	
Net unrealised exchange loss	(31)		-	
		1,163		-
Operating profit before working capital changes		5,146		*(1)*
Changes in working capital:				
Increase in trade and other receivables				
(` (2,236.80) Lakhs taken over due to scheme of arrangement (Ref. Note 38)	(4,094)		-	
(Increase)/Decrease in inventories				
(` (3,115.25) Lakhs taken over due to scheme of arrangement (Ref. Note 38)	(3,847)		-	
(Increase)/ decrease in other assets	(385)		-	
Increase/(Decrease) in trade and other payables				
(` (1,833.20) Lakhs taken over due to scheme of arrangement (Ref. Note 38)	2,180		-	
(Decrease) in provisions	686		-	
Increase in other liabilities	863		*1*	
		(4,597)		*1*
Cash inflow / (outflow) from operations		549		-
Income taxes (paid)/ refunds received (net)		397		-
(a) Net cash flow inflow / (outflow) from operating activities		946		-
Cash flows from investing activities:				
Payments for property, plant and equipment (including investment properties, intangible assets and advances)				
(` (8,731.38) Lakhs taken over due to scheme of arrangement (Ref. Note 38)	(9,726)		-	
Proceeds from disposal of property, plant and equipment	4		-	
Other Loans & Advances	(3)		-	
Interest received	7		-	
(b) Net cash (outflow) / inflow from investing activities		(9,718)		-
Cash flows from financing activities:				
Proceeds from long-term borrowings	1,256		-	
Repayment of long-term borrowings	(714)		-	
Finance costs paid	68		-	
Proceeds from Equity issue of scheme of demerger	9,789		*5*	
(` 10,794.10 Lakhs taken over due to scheme of arrangement (Ref. Note 38)				
Payment of Lease Liabilities	(36)		-	
(c) Net cash inflow / (outflow) from financing activities		10,363		*5*
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)		1,591		*5*
(e) Cash and cash equivalents as at the commencement of the year		5		-
(f) Cash and cash equivalents as at the end of the year (d + e)		1,596		*5*

Reconciliation of cash and cash equivalents as per the cash flow statements

Cash and cash equivalents as per above comprise of the following	**March 31, 2024 ₹ in Lakhs**	*March 31, 2023 ₹` in Lakhs*
Balances with bank		
- In current accounts	1,596	*5*
Balances as per statement of cash flows	1,596	*5*

Notes:

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

Forbes Precision Tools & Machine Parts Limited