Date: 04th September, 2025

To,
Department of Corporate Services,
BSE Limited,
P J Towers, Dalal Street,
Mumbai- 400 001.
BSE: Scrip Code: 531112

To,
Listing Department,
National Stock Exchange of India Limited,
"Exchange Plaza", C-1, Block-G,
Bandra Kurla Complex, Bandra (E),
Mumbai- 400 051.
NSE Trading Symbol: BALUFORGE

Respected Sir / Madam,

Subject: Submission of Annual Report of the Financial Year 2024-25 pursuant under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of Annual Report of the Company for the financial year 2024-25 together with notice for the 36th AGM to be held on **Monday, September 29, 2025, at 02:30 p.m. (IST)** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

The Annual report for the financial year 2024-25 is made available on the website of the Company, i.e. https://www.baluindustries.com/.

Kindly take the same on your record.

Thanking You,
Yours Truly,

For Balu Forge Industries Limited

JASPALSINGH PREHLADSINGH CHANDOCK
Digitally signed by JASPALSINGH PREHLADSINGH CHANDOCK
Date: 2025.09.04 17:50:34 +05'30'

Jaspalsingh Chandock
Managing Director
DIN 00813218

Encl: As above

IATF 16949
ISO 9001:2015
ISO 14001:2015
ISO 45001:2018

BALU FORGE

Precision Power Performance

Backed by Expertise. Defined by Excellence.

Annual Report **2024-25**

Scan QR code

To know more about us visit our website https://www.baluindustries.com/

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04 Notice

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For Balu Forge,

Precision, Power and Performance

are the very foundation of everything we build. As a leading Indian manufacturer and global supplier of precision-engineered components, we combine advanced technology with deep-rooted expertise to deliver solutions that meet the most demanding industrial standards.

Our journey is driven by the aim to engineer excellence at every stage. With fully integrated manufacturing facilities, cutting-edge forging hammers, presses and in-house machining, we offer unmatched end-to-end capabilities. This robust infrastructure empowers us to respond with agility, deliver with consistency and exceed client expectations across industries and borders.

Our commitment to innovation is what truly sets up apart. Our dedicated R&D centre propels our future-forward strategy, pioneering product development, optimising performance as well as advancing material and manufacturing processes to deliver cutting-edge solutions.

Backed by expertise and defined by excellence, Balu Forge has become synonymous with precision craftsmanship, technological prowess and reliability.

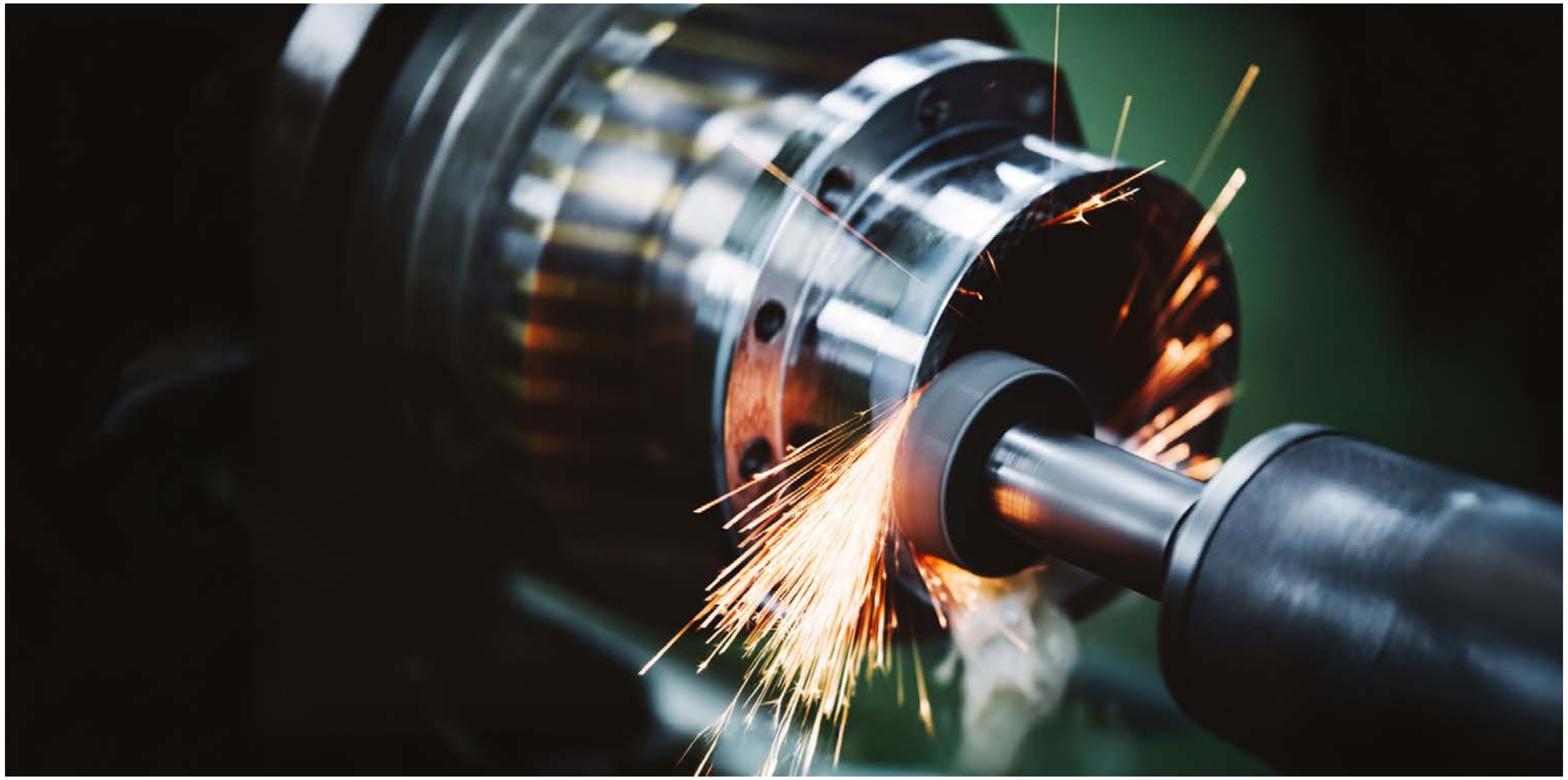
About Balu Forge

Forging the future

Balu Forge is a leading Indian manufacturer and supplier of precision-engineered products and forged components, serving a diverse portfolio of industries across both domestic and international markets. With fully integrated manufacturing facilities and a comprehensive range of capabilities, we deliver end-to-end solutions tailored to meet the complex and evolving requirements of our clients.

Our advanced infrastructure features state-of-the-art forging hammers, presses and in-house forging and machining facilities, ensuring seamless production and consistent quality. Our extensive product portfolio allows us to cater to diverse and industry-specific applications.

Our dedicated Research and Development centre, managed by a team of experienced professionals, drives continuous innovation and improvement. By focusing on new product development, advanced materials and application-specific solutions, our R&D efforts consistently enhance our technological edge and reinforce our commitment to quality, reliability and continuous improvement.



Our mission and vision

We aim to always under promise & over deliver in all our ventures.

We continuously strive to be a preferred supplier to our patrons & partners all around the world. We aim to enhance and grow our reputation as one of the world's most respected manufacturing companies by exceeding customer expectations, providing an engaging and supportive work environment, and delivering financial success. We aim to ensure that we establish a robust management system to enhance customer's experience in dealing with us, satisfaction of all stakeholders and due consideration to the environment.

Our culture

Respect

We value each other, our customers, our business partners, and our environment.

Creativity

We listen, encourage and support different approaches as we continually strive to improve

Honesty

We are genuine and open in our communication.

Growth

We invest in personal and professional development.

Commitment to Quality

We deliver products that exceed our customer's expectations.

Teamwork

We work together towards a shared goal.

Quick facts

35+
Years of extensive industry experience

500+
Workforce

80+
Countries served

25
OEM customers served globally

>70%
Revenue generated through exports

4
Manufacturing facilities

> 46 acres
Area of new and advanced greenfield manufacturing campus

Our Enduring Journey

A legacy in motion

1989

The foundation of 'Balu' was laid by Mr. Prehlad Singh Chandock

1991

First component manufactured in our factory

1995

First component exported to an overseas market

2006

Acquisition & Installation of the Ursus Manufacturing Plant from Ursus, Poland

2010

Acquisition & Installation of the Thyssenkrupp Plant from L'horme, France

2011

The company successfully achieved the milestone of building a presence in over 80 countries worldwide

2012

Got accredited with ISO/TS16949:2009 accreditation from world renowned company TUV NORD

2014

Achieved manufacturing of 1000 crankshafts in a single day

2017

Became a supplier of Choice to over 25 OES spread over 5 Continents

2020

- Got Accredited with the 14001:2015 & ISO 45001:2018
- Certifications. Became an Approved Vendor to the Ordnance Factory Board & established a specialized manufacturing unit for the Defence Industry.
- Balu completed the transition & listing on the Stock Exchange. The constitution of the company was changed to public limited company

2021 and 2022

- Acquired the Precision Machining Unit of the Mercedes Benz Truck factory from Mannheim, Germany
- Balu successfully completed the ESG audit by a reputed audit firm & joined the United Nations Global Compact Program in its efforts to be ESG compliant

2023

Laid the foundation for the greenfield forging & machining facility Belgaum, India.

2024

Acquisition of 3 fully automated forging lines with GERB Technology namely: 16T, 10T Forging Hydraulic Hammer & 8000T Forging Press. These machines contribute to a combined forging capacity of 72,000 tons annually

2024 and 2025

Invested in 7-axis and 11-axis machining capability, 25T hydraulic hammer line & a fully automated empty shell & mortar production line with an annual capacity of 360,000 shells

Our Strengths

Fuelling our momentum

High Precision Offering

We deliver high-precision machining solutions to meet the stringent demands of critical sectors.

45,000 MTPA

Production capacity of high precision machining

Strong Distribution Network

With a presence in over 80 countries across six continents, our extensive distribution network ensures seamless delivery and strong customer support worldwide.

State-of-the-Art Facility

Our facilities are equipped with advanced technologies, ensuring quality and efficiency.

Experienced Professional Team

Our success is driven by a team of highly skilled and experienced professionals committed to excellence in manufacturing and service delivery.

30 years

Average experience of the team

Diverse Product Offerings

Our comprehensive product portfolio caters to a wide range of applications across multiple industries, making us a versatile and reliable partner.

12+

Sectors catered

Strategic Acquisition Capabilities

We specialise in identifying and acquiring potential assets at optimal costs, enabling us to expand capabilities, enhance operational efficiency and create long-term value.

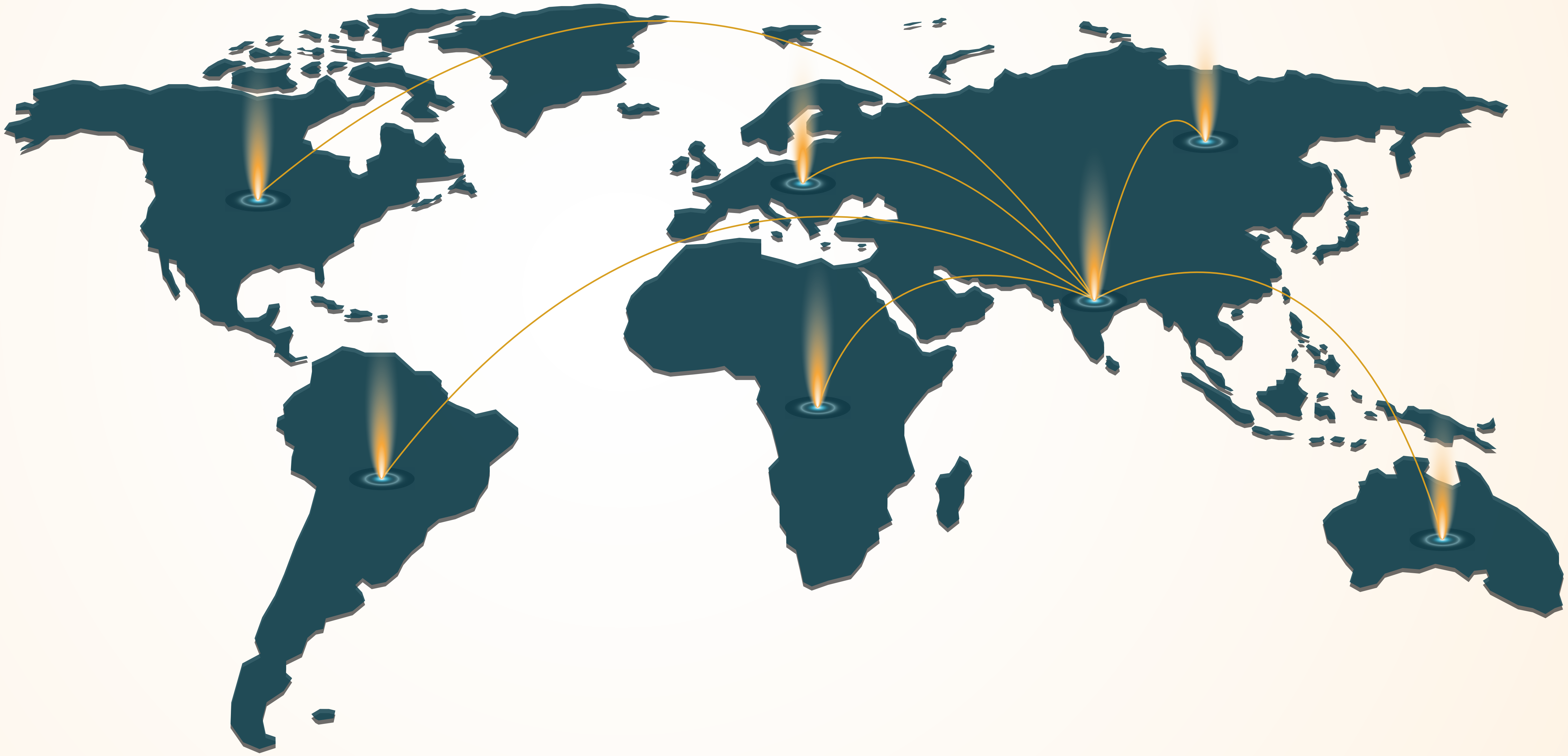
₹ 1,25,219.02 Lakh

Total assets as on 31st March 2025

World-Wide Presence

Across the globe, closer to you

Balu Forge has established a strong and well-established presence in international markets, supplying precision-engineered products and forged components to a diverse global clientele. Our exports span multiple industries across both worldwide, supported by long-standing partnerships and a commitment to meeting the highest international quality standards. This global footprint enables us to consistently deliver value, enhance customer satisfaction and reinforce our reputation as a reliable and trusted partner in the international forging industry.



Presence across

6	80+
Continents	Countries

Message from Chairman and MD

A vision from leadership

Our total revenue for the year stood at ₹94,076.04 Lakh, a significant increase of 65% over the previous fiscal year. This growth was driven by a combination of higher volumes, strategic market expansion, and the successful launch of new product lines.

Dear Esteemed Shareholders,

It is with a great sense of optimism that I present to you the Annual Report for Balu Forge Industries Limited for the fiscal year 2024-2025. This year, our annual report is themed “Forging a Resilient Future: Precision, Performance, and Progress,” a concept that encapsulates our journey through a dynamic global landscape and our commitment to pioneering the future of precision engineering. This theme resonates with every milestone we have achieved and every challenge we have overcome, reflecting our core philosophy of building enduring value through robust performance and sustainable growth. The past year has been a testament to our collective resilience, strategic foresight, and the relentless dedication of our entire team.

Navigating the Global and Indian Economic Landscape

The fiscal year 2024.-2025 presented a complex and evolving global economic environment. We witnessed moderate growth in several key economies, alongside persistent geopolitical focus on sustainable industrial practices. The shift towards green energy and electric mobility continued to reshape the automotive and industrial sectors worldwide, creating both opportunities and challenges for the forging industry.

In this global context, the Indian economy remained a beacon of resilience and growth. Propelled by strong domestic demand, progressive policy reforms, and a renewed impetus on manufacturing, India continued its journey towards becoming a global industrial hub. For Balu Forge, this vibrant domestic market provided a solid foundation for growth, while the global demand for high-quality, precision-engineered components allowed us to expand our international footprint. We strategically leveraged the ‘Make in India’ initiative, contributing to the nation’s self-reliance in critical manufacturing sectors and capitalizing on the opportunities that emerged.

A Year of Strong Financial Performance

I am pleased to report that Balu Forge Industries Limited has delivered a strong financial performance in FY 2024-2025, underscoring the success of our strategic initiatives and our focus on operational excellence.

Our total revenue for the year stood at ₹94,076.04 Lakh, a significant increase of 65% over the previous fiscal year. This growth was driven by a combination of higher volumes, strategic market expansion, and the successful launch of new product lines. Our Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) grew with an EBITDA margin of 110.8%. Our Profit After Tax (PAT) for the year was ₹20,385.54 Lakh, a testament to our disciplined cost management and efficiency improvements across all our operations. These robust financial results have further strengthened our balance sheet and enhanced our capacity for future investments in innovation and expansion. This remarkable performance was the result of our strategic capital expenditure in advanced manufacturing technologies and our focus on enhancing production efficiency.

Driving Growth Across Key Segments

Our diversified business model has been a cornerstone of our success, enabling us to navigate market dynamics effectively and cater to a wide spectrum of industries. The Automotive Components segment continued to be a major contributor to our revenue, driven by strong demand from both the commercial and passenger vehicle markets. We have solidified our position as a preferred supplier to leading Original Equipment Manufacturers (OEMs) by consistently delivering products of the highest quality and precision.

Our Industrial and Agricultural Components segment witnessed robust growth, fueled by the infrastructure development and mechanization trends in the Indian and global markets. Our components are integral to a wide range of applications, from heavy machinery to agricultural equipment, and our performance in this segment reflects our deep understanding of our customers’ needs.

In line with the global transition towards sustainable energy, our New Energy and E-Mobility segment has shown exceptional promise. We have proactively invested in developing and manufacturing critical components for electric vehicles and renewable energy systems. This forward-looking approach has started to yield significant returns and positions us at the forefront of this high-growth sector.

We are also making significant inroads in the Aerospace and Defence sectors, securing new contracts and expanding our product offerings. This is a testament to our advanced technological capabilities and our adherence to the most stringent quality standards.

A detailed analysis of our segment-wise performance is provided in the Management Discussion and Analysis section of this report.

Strategic Initiatives and Future Outlook

Throughout the year, we have remained focused on our long-term strategic priorities. We have made significant investments in Research and Development to foster innovation and develop next-generation products that meet the evolving demands of the market. Our commitment to sustainability remains unswerving, and we have undertaken several initiatives to reduce our carbon footprint and enhance our use of renewable energy.

Looking ahead, we are optimistic about the future. We will continue to invest in cutting-edge technology, expand our manufacturing capacities, and explore new markets. Our focus will be on strengthening our relationships with our customers, empowering our employees, and creating sustainable value for all our stakeholders. We have a clear roadmap for growth, and we are confident in our ability to execute our plans and achieve our ambitious goals.

In Gratitude

On behalf of the Board of Directors, I would like to extend my sincere gratitude to our esteemed shareholders for your continued trust and support. I also wish to thank our dedicated employees, whose hard work and commitment are the driving force behind our success. To our customers, suppliers, and partners, thank you for your invaluable collaboration.

Together, we will continue to forge a future of growth, innovation, and prosperity for Balu Forge Industries Limited.

Warm regards,

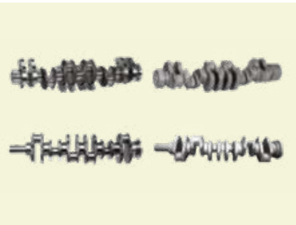
Mr. Jaspal Singh Chandock,
Chairman & Managing Director

Product Portfolio

Designed to deliver

We offer a diverse and comprehensive product portfolio that caters to the requirements of multiple industries across global markets. Our expertise in design, forging and precision machining enables us to deliver a wide range of high-quality, precision-engineered components.

This versatility reflects both the depth of our manufacturing capabilities and the flexibility of our operations. Through continuous innovation and a focus on process excellence, we ensure our products remain relevant, reliable and aligned with the evolving needs of our customers. This not only enhances our global presence but also reinforces our position as a trusted partner across varied industrial applications.



Crankshaft

Under Carriage Components

Lifting Hooks
Sorting, Snap, Shank, Ramshorn Hooks

Towing Accessories
Swan Necks, Flange Balls, Tow Bars

Brake Components
Hub, Brake Flange, Disc, Caliper

Railway Wheels
Axles and Wheel sets

Hydraulic Motors

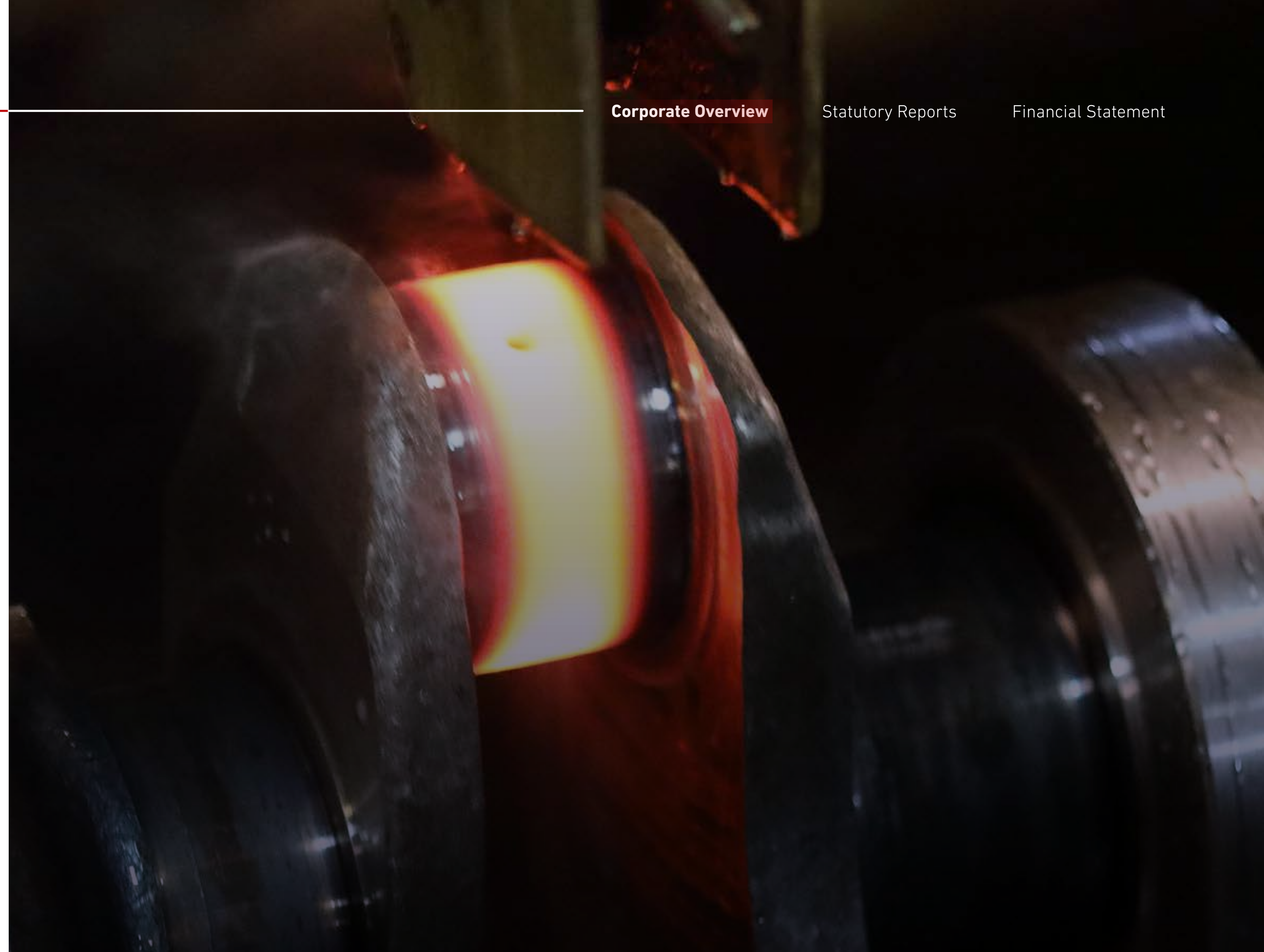
Oil, Gas and Flow Control Components

Turbine Blades

Empty Shells

Transmission and Clutches
Drive Shafts, Input and Output Shafts, Main Shafts, Yokes

Chassis Components
Front Axle Beams, Steering Knuckles, Control Arms, Forks, Steering



Industries we serve

40%
Agriculture

9%
Defence

5%
Oil & Gas

10%
Power Generation

18%
Heavy Engineering & Industrial Machinery

18%
Commercial Vehicles

Financial Scorecard

Our growth by the digits

Our financial performance reflects a disciplined and strategic approach to growth and profitability. By prioritising operational efficiency, cost management and value creation, we have consistently delivered healthy margins and consistent returns.

Total Income
(₹ in Lakh)

65% YoY

FY 24-25	94,076.04
FY 23-24	57,027.05
FY 22-23	33,928.48

EBITDA
(₹ in Lakh)

110.8% YoY

FY 24-25	25,110.73
FY 23-24	11,912.08
FY 22-23	6,242.37

EBITDA Margin
(in %)

591 bps YoY

FY 24-25	27.20
FY 23-24	21.30
FY 22-23	19.11

PAT
(₹ in Lakh)

118.0% YoY

FY 24-25	20,385.54
FY 23-24	9,349.32
FY 22-23	3,891.29

PAT Margin
(in %)

706 bps YoY

FY 24-25	21.70
FY 23-24	16.73
FY 22-23	11.91

Cash Profit
(₹ in Lakh)

116.9% YoY

FY 24-25	20,720.61
FY 23-24	9,554.77
FY 22-23	4,023.97

EPS
(₹)

96.7% YoY

FY 24-25	19.28
FY 23-24	9.80
FY 22-23	4.67

Net worth
(₹ in Lakh)

90.47% YoY

FY 24-25	1,05,321.57
FY 23-24	55,296.33
FY 22-23	19,763.00

RoCE
(in %)

16.9% YoY

FY 24-25	23.97
FY 23-24	20.50
FY 22-23	23.11

Debt-equity ratio
(Times)

FY 24-25	0.03
FY 23-24	0.09
FY 22-23	0.26

Debt service coverage ratio
(Times)

FY 24-25	14.96
FY 23-24	7.26
FY 22-23	7.45

Inventory Turnover Ratio
(in days)

FY 24-25	37
FY 23-24	40
FY 22-23	43

Operational Excellence

Mastering the art of efficiency

Our financial performance reflects a disciplined and strategic approach to growth and profitability. By prioritising operational efficiency, cost management and value creation, we have consistently delivered healthy margins and consistent returns.

Our value chain

Building blocks	Manufacturing process	Outcomes
Sourcing of raw materials from semi-forged components and steel plants.	**Forging Plant** In-House Tool Room & Metallurgical Lab: Smelting for Billet Production → Billet Cutting → Hammer & Press Forging → Trimming Process → Heat Treatment → Quality Control & Dispatch to Machining Plan	Expanded its on-ground presence across more countries to enhance serviceability and strengthen its position in key markets
Strong research and development capabilities drive our product development.	**Machining Plant** In-House Tool Room & Metallurgical Lab: Inward Inspection → Rough Machining → Heat Treatment → Transfer to Finishing Unit → Finishing Machining → Quality Control & Dispatch	Continued investment in advanced technologies to maintain the production of high-quality, precision engineered components across various industries
Manufacturing expertise with 4 state-of-the-art production facilities.		Increased the forging capacity and further expansion in progress, supporting growth in key sectors such as Defence, Aerospace and Railways

Our manufacturing capabilities

Our manufacturing capabilities are built on a foundation of advanced infrastructure, seamlessly integrated processes and rigorous quality control systems. With end-to-end expertise in forging and precision machining, we are well-positioned to deliver precision-engineered solutions across diverse industries. Our emphasis on advanced technology, automation and continuous improvement enables us to achieve operational efficiency while ensuring uncompromising standards of quality, consistency and reliability.

Our manufacturing facilities

PLANT ADDRESS UNIT 1

43B, Kakti Industrial Area,
Kakti, Belgaum - 591113,
Karnataka, India.

PLANT ADDRESS UNIT 3

428/1, Next to Aequs
SEZ, Hattargi Village,
Taluk Hukkeri - 591243,
Karnataka, India.

PLANT ADDRESS UNIT 2

44-A, Kakti Industrial Area,
Kakti, Belgaum 591113,
Karnataka, India.

PLANT ADDRESS UNIT 4

S21-03 Shed No.21 - Al
Hulaila FZ Al Hulaila
Industrial Zone-FZ RAK,
United Arab Emirates.

Our new greenfield manufacturing campus

Our Certifications

TÜVINDIA
TUV INDIA PVT. LTD.
ISO 9001:2015
www.tuv-nord.com/in

TÜVNORD
TÜV NORD CERT GmbH
IATF 16949
tuev-nord.de

International Organization for Standardization
ISO
14001:2015

International Organization for Standardization
ISO
45001:2018

Expanding capacities and capabilities

During the year, we continued to strengthen our manufacturing capabilities through strategic capacity enhancements and technological upgrades.

Current production capacity and expansion plans

Forging Capacity

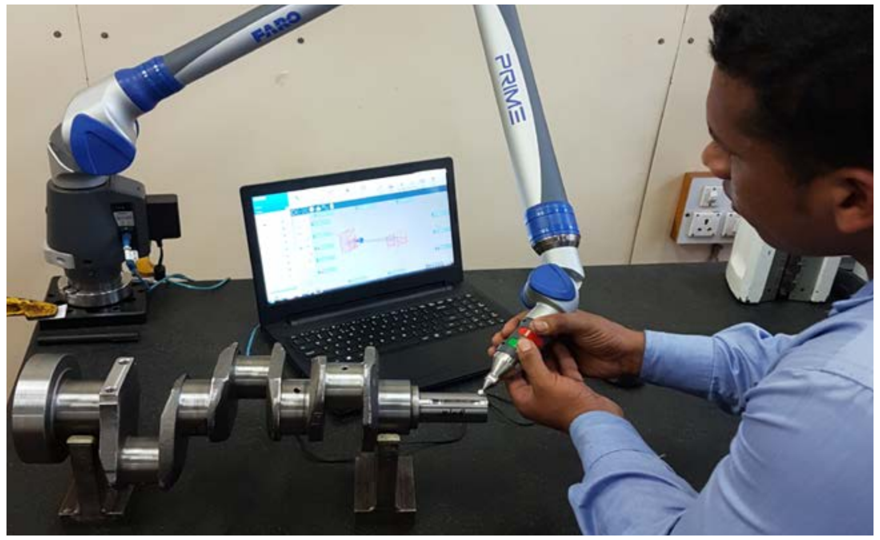
1,50,000+ MTPA
Capacity post expansion

1,00,000+ MTPA
Current capacity

Machining Capacity

80,000+ MTPA
Capacity post expansion

45,000+ MTPA
Current capacity



Other key developments –

- We are commissioning a 25T closed-die forging hydraulic hammer line, which will enhance our capability to produce large and complex components.
- A 8,000-ton mechanical forging press is being commissioned to further strengthen our production scale.
- We have achieved the capability to produce closed-die forgings of up to 1 ton, with plans to increase this capacity to 1.5 tons.
- We operate a fully automated setup, equipped with advanced anti-vibration systems and robotic handling technologies, ensuring precision and efficiency.
- We adhere to Industry 4.0 standards, integrating smart manufacturing practices that promote efficiency, data-driven decision-making and sustainability.
- Our R&D capabilities have been significantly enhanced, with advancements in alloy mixing and metal combinations.
- We have developed a dedicated forging and machining line for empty shell production, which is in the commercialisation phase. This initiative expands our product portfolio and strengthening our capabilities in serving the defence sector.

Our research and development capabilities

We continuously investment in research and development to strengthen our technological edge and drive innovation across our operations. Our R&D efforts are focused on the development of advanced materials, optimisation of manufacturing processes and the creation of solutions for evolving industry requirements. Backed by a dedicated team of skilled professionals and state-of-the-art infrastructure, we transform innovative ideas into commercially viable products. These advancements improve product performance and expand our presence into specialised segments of the market.

75
Skilled professional in our R&D team

R&D process

State-of-the-Art Machining

Our machining operations are supported by advanced infrastructure, including a fully equipped in-house tool room, metallurgical laboratories as well as dedicated design and process development capabilities. These are complemented by comprehensive inspection and testing facilities.

Material Development

We actively pursue advancements in material chemistries, analysing compositions and applications of innovative metals to unlock new opportunities and improve performance.

Product Engineering and Innovation

Our commitment to engineering excellence drives the development of innovative products to serve the evolving requirements of multiple industries.

Advanced and Additive Manufacturing

We incorporate additive manufacturing technologies to enhance flexibility, accelerate rapid prototyping and shorten product development cycles.

Our Sustainability Approach

Our path to responsible growth

Our approach to sustainability is built on efforts across environmental management, social responsibility and corporate governance. We are reducing our carbon footprint through improved energy efficiency, emissions control and the integration of cleaner technologies in our manufacturing processes.

On the social front, we focus on workforce development, ensuring safe working conditions and promoting diversity across our teams. Our community initiatives are focus on education, health and skill development in areas where we operate. Our governance efforts are aligned with our goal of building a sustainable and accountable organisation that delivers measurable impact.

Our ESG commitments

Net Zero Emissions

Carbon Neutral Operation by 2040

Waste Management

Reduce total waste generation by 2030

Water Management

Achieve
100%
water recycling by 2027

Achieve
Zero
Liquid Discharge by 2030

Renewable Energy

Transition to
100%
renewable energy by 2035

Diversity and Inclusion

Increase women's representation in leadership by
20%
2030

Environment

As a global enterprise, we recognise our responsibility to conserve natural resources and promote sustainable practices. We also work closely with our supply chain partners to implement environmental standards and reduce overall impact.

Kindly provide information related to the following

- Energy Management
- Water Management
- Waste Management
- Bio-diversity Conservation

Our focus areas

- Climate action
- Climate risk management
- Emissions reduction and energy efficiency
- Environmental stewardship

Social

We actively invest in building a strong, transparent relationships with our employees, supply chain partners and local communities. Our initiatives goes beyond business operations, contributing to social development and uplifting the regions where we operate.

Our focus areas

- Talent attraction and development
- Diversity, equity and inclusion
- Responsible supply chain
- Health and wellness
- Human rights
- Philanthropy and volunteerism

Kindly provide information related to HR initiatives and CSR projects conducted during FY 2025.

Governance

We maintain strong governance policies and regularly update them to reflect changes in regulatory requirements, industry standards and stakeholder expectations. Our governance framework is subject to periodic review to ensure transparency, accountability and compliance across all business functions.

Our focus areas

- Corporate governance structure
- Effective board composition and refreshment
- Director independence
- Balanced and aligned executive compensation
- Shareholder rights
- Business ethics
- Oversight of lobbying and public policy
- Cybersecurity and data privacy

Governance framework

We believe that a strong governance framework is essential for delivering long-term value to shareholders. It enhances accountability across the Board and management, while also cultivating trust and credibility with stakeholders.

7

Size of the Board

4

Number of Independent Directors

54 years

Average age of Directors

14%

Gender and diversity

Board Committees

- Audit Committee
- Stakeholders' Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee

Business ethics and integrity

We conduct business with the highest ethical standards and in full compliance with all applicable laws and regulations. Our Chairman and Managing Director leads compliance oversight and promotes a culture of integrity, transparency and responsible decision-making. Our Ethics Framework extends beyond internal operations to include vendors and contractors. Oversight is maintained by the Board to ensure adherence and accountability. We also have a robust whistle-blower policy that ensures confidentiality, protects against victimisation and upholds the interests of all stakeholders.

BFIL 2024-2025

Corporate Social Responsibility

Snehalaya

Details for CSR done in 2024-25

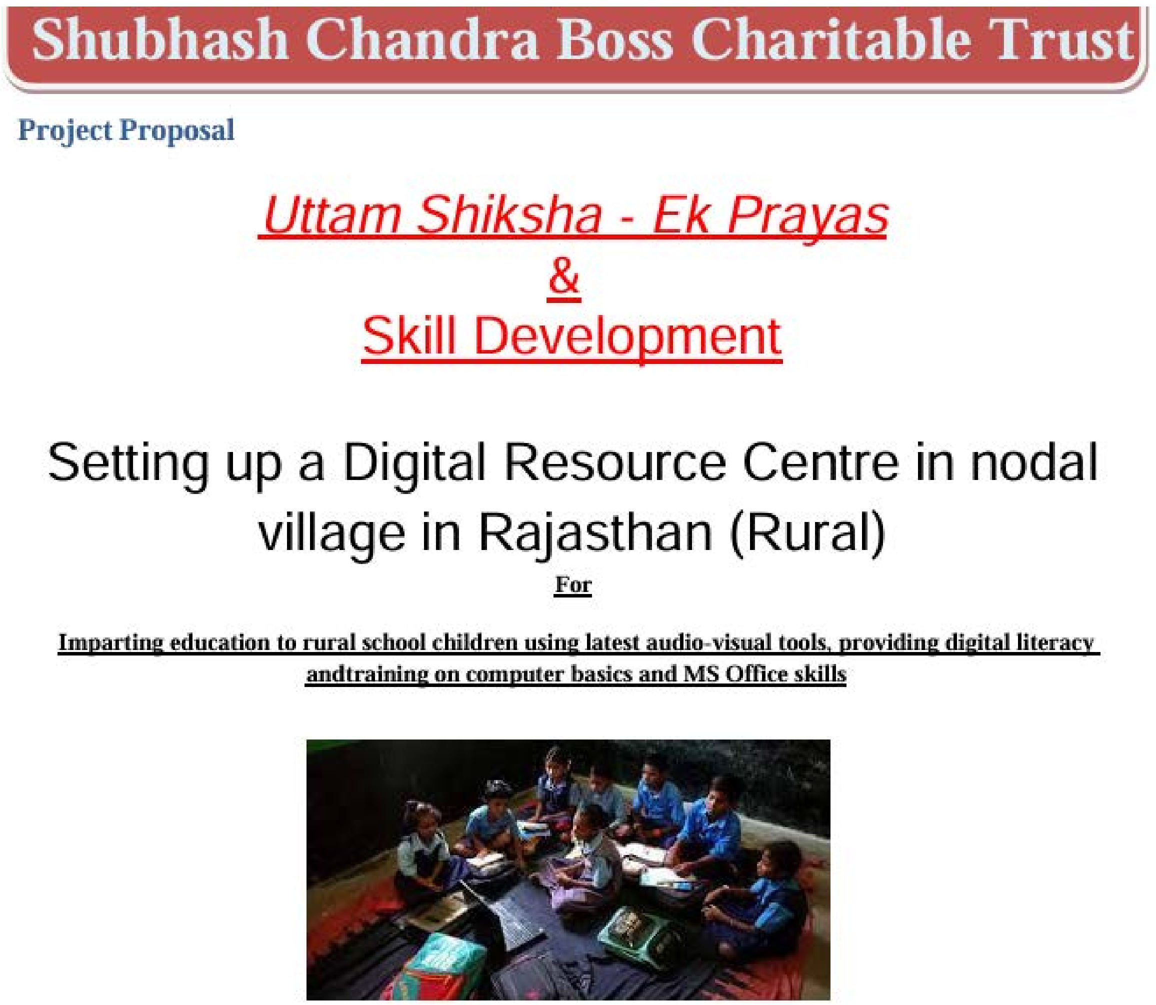
Name of the Project - Snehalata
State and District -
Area of utilization
At and post karamba
Dist - Solapur
State - Maharashtra

Purpose of project – Orphan and slum area Girls provide education, food, cloths and rahabilitation center

70 Girls

No. of Benificiary of the Project (Male no and female no)

Shubhas Chandra Boss charitable trust


Shubhash Chandra Boss Charitable Trust

Project Proposal

Uttam Shiksha - Ek Prayas
&
Skill Development

Setting up a Digital Resource Centre in nodal village in Rajasthan (Rural)

For

Imparting education to rural school children using latest audio-visual tools, providing digital literacy andtraining on computer basics and MS Office skills

Board of Directors

People forging the future

Mr. Jaspal Singh Chandock

Chairman and Managing Director

Based in Mumbai, Mr. Jaspal Singh Chandock is a second-generation entrepreneur with nearly four decades of experience in the field of precision machining. The foundation for BALU was laid by Mr. Chandock under the guidance of late Mr. Prehlad Singh Chandock. Since its inception, the Company has achieved remarkable year-on-year growth, reaching new heights in the industry. Driven by a vision to manufacture critical and high-precision components, Mr. Chandock has built the Company into a globally recognised brand, now present in over 80 countries. His leadership has shaped a Company defined by strong values, integrity and technical excellence.

Mr. Trimaan Singh Chandock

Executive Director

Mr. Trimaan Singh Chandock holds both a BSc and MSc in Management Studies from H.R College, Mumbai. He joined the Company in 2009. Under his leadership, the Company has embraced incremental innovation at the core of its operations and achieved the prestigious TS16946 certification. He has been the driving force behind the strategic decision to transform Balu into a publicly listed enterprise.

Mr. Jaikaran Singh Chandock

Executive Director

The youngest member of the leadership team, he joined the business in 2014 after earning a BSc in Business Management from Cass Business School, London and an MSc in Strategic Marketing from Imperial College, London. Prior to joining the Company, he gained valuable experience working with MNCs such as Reeves & Njoy. With entrepreneurship in the family legacy, his entry marked a new phase of technological advancement and strategic diversification. He has introduced cutting-edge technologies and expanded the Company's portfolio into high-precision components. Under his vision, the R&D facility has significantly expanded, establishing a strong foundation and a clear direction for BFIL's future growth and innovation.

Statutory Report

Management Discussion and Analysis

Economy

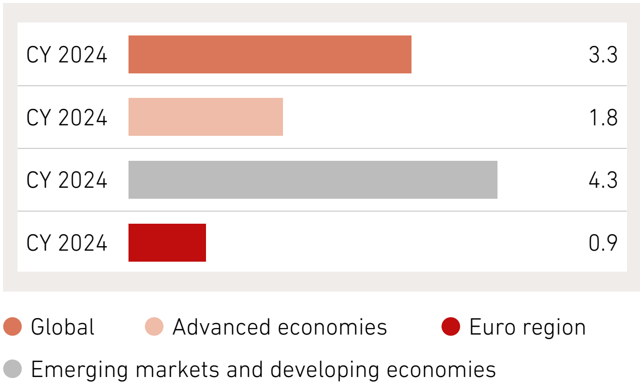
Global Economic Review

In CY 2024, the global economy recorded steady growth despite challenges from geopolitical tensions and elevated inflation. Global GDP rose by 3.3% over the year. Emerging Markets and Developing Economies (EMDEs) expanded by 4.3%, whereas advanced economies saw slower growth of 1.8%. Inflation eased globally, falling from 6.6% in CY 2023 to 5.7% in CY 2024. While growth remained subdued in the euro area, the United States experienced stronger expansion, with the economy growing by 2.8%, supported by robust consumption.

Looking ahead, global GDP is projected to grow from 2.8% in CY 2025 to 3.0% in CY 2026. Further to this global inflation level is anticipated to decline to 4.3% in CY 2025 and further to 3.6% in CY 2026. This fall in inflation is expected to support the revival of economic activity in the coming years.[1]

Growth in the Global GDP

GDP growth (%)



Source: World Economic Outlook, April 2025, IMFs

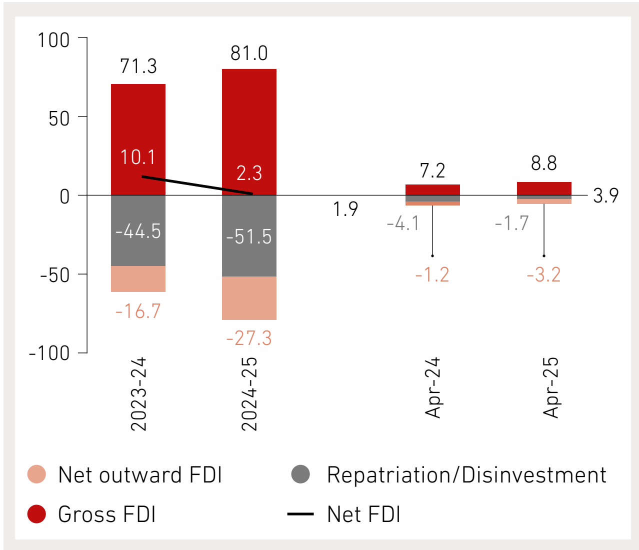
Indian Economic Review

The Indian economy retained its position as the fastest-growing economy in the world, recording a growth rate of 6.5% in FY 2024-25. This performance was largely supported by timely policy measures implemented by the Government of India along with monetary interventions by the Reserve Bank of India. The Production Linked Incentive (PLI) scheme contributed to strengthening several sectors, while the China+1 strategy and the Make in India initiative helped drive manufacturing momentum in the latter half of the year. Together, these initiatives played an important role in shaping the growth of the manufacturing sector. Foreign Direct Investment in FY 2024-25 stood at USD 81 billion, compared with USD 71.3 billion in FY 2023-24. This inflow injected capital into the economy, thereby strengthening its domestic activity. India's economy is expected to continue growing, with GDP projected at 6.5% in FY 2024-25. The Union Budget 2025–26 introduced tax relief measures for salaried individuals, which are likely to support consumption in the coming years. The country is on track to become the world's third-largest economy by 2028. At the same time, India is monitoring global tariff developments and formulating measured responses to protect future growth.

FDI inflow in FY 2024-25

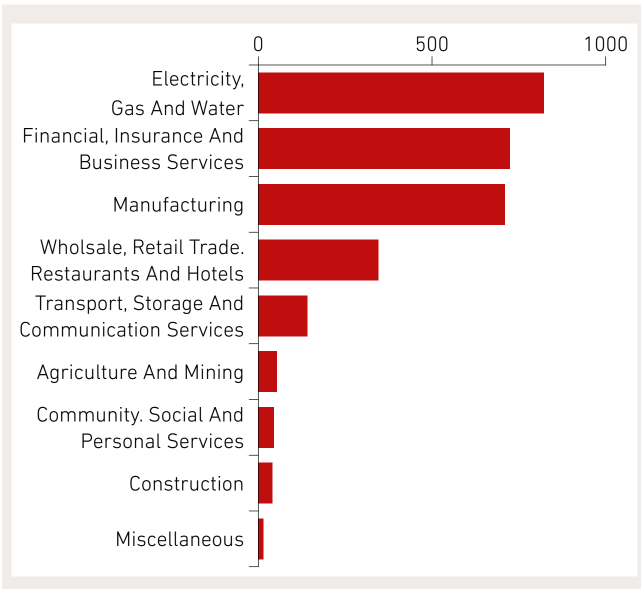
a. Gross and Net FDI

(US$ billion)



b. Sector-wise Outward FDI (April 2025)

(US$ miliion)



Source: Reserve Bank of India (RBI) Bulletin - June 2025

1 https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025

Industry Overview

Global Automotive Industry

The global automotive industry is a dynamic and competitive sector covering the design, development, production and sale of motor vehicles. Established manufacturers invested in battery technology and electric vehicle infrastructure as the industry shifts towards sustainable mobility. Rapid changes in the industry are being driven by the rise of electric vehicles, autonomous driving technologies and connected car solutions. Consumers are at the centre of this transformation, with evolving expectations of mobility and increasing demand for improved safety features and innovative technologies.

The automotive industry market is projected to grow from USD 2,132.16 billion in 2024 to USD 2,999.03 billion by 2035, reflecting a compound annual growth rate (CAGR) of 3.15 % during the forecast period.[2] This expected growth will be supported by rising consumer demand for sustainable mobility and advances in autonomous driving technology. Investments in research and development, along with the adoption of electric and connected vehicle solutions, will continue to shape the industry landscape and drive innovation in vehicle design, production and safety features.

In addition to this, the global medium and heavy duty commercial vehicles market size is anticipated to attain a market size of USD 422.60 billion by 2030, highlighting a CAGR growth of 3.40% from 2024 - 2030.[3]

Global motor vehicle

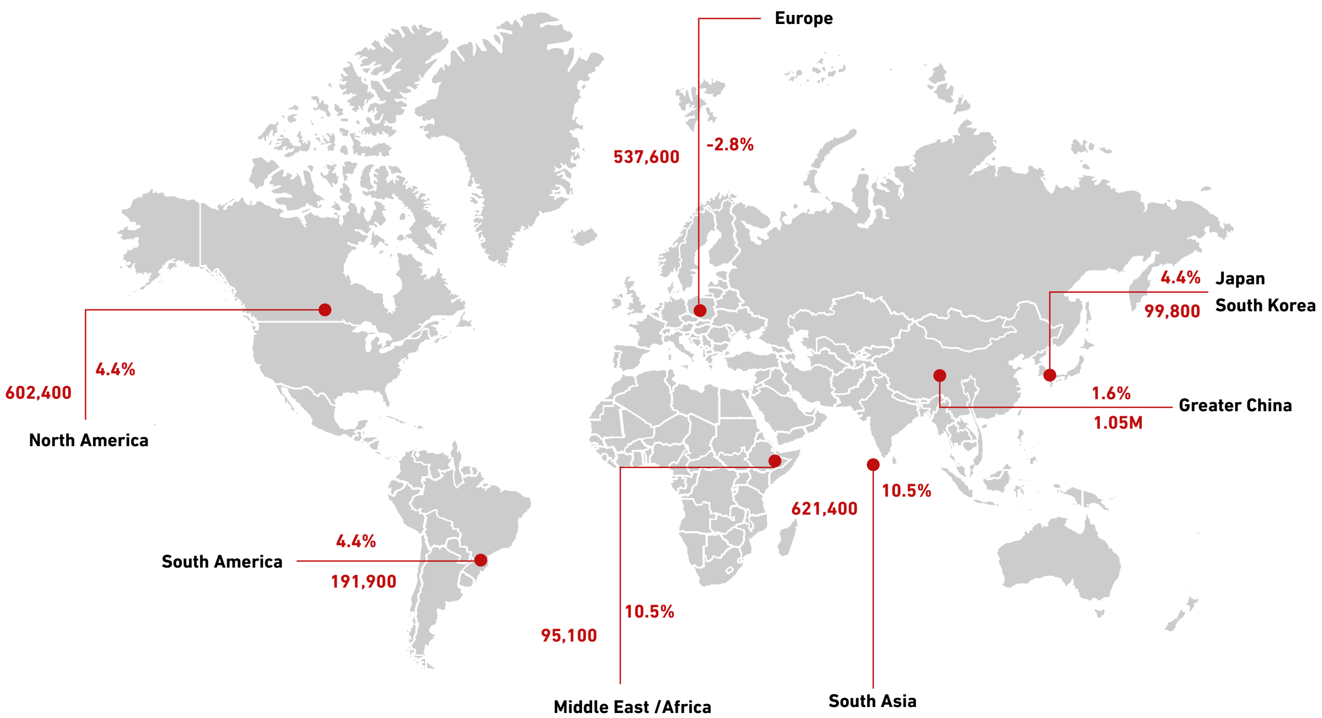
The global motor vehicles market has demonstrated steady growth in recent years, reaching USD 2614.5 billion in 2024 and is expected to increase to USD 2785.95 billion in 2025. This growth has been supported by improving economic conditions, technological advancements, changing consumer preferences and the impact of globalisation and trade. Looking ahead, rising demand for electric vehicles is expected to drive further expansion of the market.

Global automobile sales

In 2024, global car sales reached 74.6 Million units, representing a 2.5 % increase from the previous year. While supply chain challenges continued to ease, growth varied across regions. Europe's car market expanded by 3.9 %, with total sales reaching 16.1 Million units. In North America, car sales remained steady, rising by 3.8 percent, with the United States recording a 3.1% increase to 12.7 Million units. Passenger car sales in South America exceeded 3 Million units, marking a 6.5% growth.

Global car production in 2024 totalled 75.5 Million units. Production in Asia continued to rise, reaching nearly 46 Million cars, driven mainly by China, which grew by 5.2%, maintaining its position as the largest car producer. India also contributed positively, with a 4.7% increase in car production.[4]

Sales of heavy commercial vehicles by region in 2025 (preliminary forecast)



As of January. 15.2025

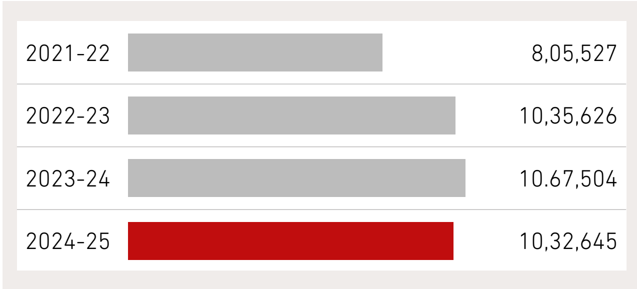
Source: https://www.spglobal.com/automotive-insights/en/blogs/commercial-vehicle-industry-analysis-mixed-recovery-ahead

Indian Automotive Industry

India's automotive industry is one of the largest and fastest growing in the world. It contributes 7.1% to the country's Gross Domestic Product and around half of the manufacturing GDP.[5] As the fourth largest automobile producer globally, India has the scale and capability to strengthen its role in the global automotive value chain. The market was valued at USD 121.5 billion in 2024 and is expected to grow to USD 247.4 billion by 2033 at a CAGR of 7.13%. Growth is supported by a rising population, increasing disposable incomes, easier access to credit and finance, and favourable government policies.[6] The sector is also transforming with the adoption of technologies such as Artificial Intelligence, Machine Learning, Internet of Things, and robotics. These enhancements improve production efficiency, reduce costs, and enable greater flexibility. Additionally, digital advancements are reshaping manufacturing practices and encouraging new models based on smart factories and connected vehicles.

Growth in the Indian automotive sector is expected to be supported by increasing foreign direct investment. Rising production and sales of electric vehicles are likely to strengthen this trend. Expanding logistics and passenger transportation industries are also anticipated to drive demand for commercial vehicles. In addition, emerging trends such as vehicle electrification, particularly in three wheelers and small passenger cars, are expected to shape future growth of Indian automotive industry in the coming years.

Commercial Vehicles Produced



Source: SIAM[7]

[2] https://www.marketresearchfuture.com/reports/automotive-industry-7683

[3] https://www.mordorintelligence.com/industry-reports/medium-and-heavy-duty-commercial-vehicles-market

[4] https://www.acea.auto/files/Economic_and_Market_Report-Full_year-2024.pdf

[5] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2121826

[6] https://www.custommarketinsights.com/report/india-automotive-market/

[7] https://www.siam.in/statistics.aspx?mpgid=8&pgidtrail=13

Indian Railways Industry

The Indian Railways is the backbone of the logistics sector in India, supporting balanced and inclusive socio economic growth across the country. In FY 2024-25, the railways placed emphasis on station modernisation, introduction of advanced trains and adoption of new safety systems, bringing a major transformation in rail travel. The sector also continued to create wide employment opportunities for the youth.

In FY 2024-25, the industry reached an important milestone with the manufacturing of 41,929 wagons, reflecting growth over the previous year. India also emerged as a leader in global railway locomotive manufacturing with the production of 1,681 locomotives, surpassing levels in the US, Europe, South America, Africa and Australia. This reflects the growing strength of India in the global railway sector.

Alongside these developments, the government introduced measures to enhance efficiency and passenger services. These include improved safety systems and better amenities. The launch of the PM Rail Yatri Bima Yojana extended insurance cover to all passengers, offering financial support in case of unfortunate events during travel.

India's railway sector is set for significant growth with new projects aimed at improving connectivity, sustainability, and efficiency. The sector is expected to maintain a positive trajectory supported by the Government of India. For 2025-26, internal revenue of the railways is estimated at ₹ 3,02,100 Crore, which represents an increase of 8.3% over the revised estimate for 2024-25. Indian Railways is aligning its resources with the long-term vision of Viksit Bharat by 2047.

Indian Defence and Aerospace Industry

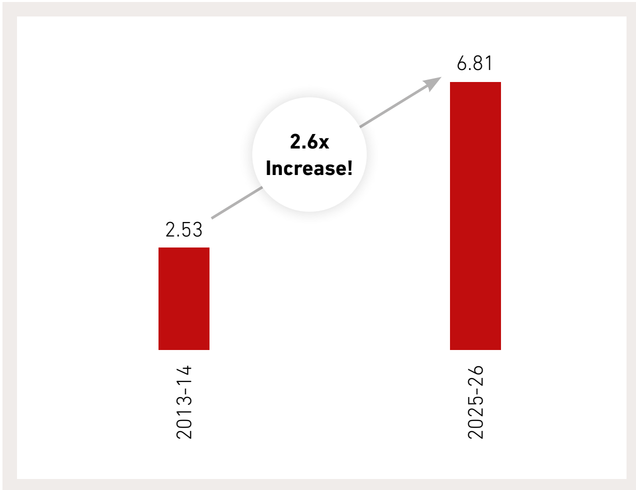
India's defence manufacturing sector is expanding rapidly, supported by government investment, growing exports and policies that encourage self-reliance and technological progress. Over the years, the Indian defence sector has undergone a major transformation shaped by political intent and implementation of a favourable long-term strategy. Policy measures have created momentum across production, procurement, exports, and innovation. The government's emphasis on domestic procurement has further driven output, with both public enterprises and private players contributing to this phase of growth. In recent years, a series of government initiatives have been introduced to strengthen defence production and move towards self-reliance. These steps remained focused on attracting investment, expanding local manufacturing and simplifying procurement processes. Exports have grown sharply from ₹ 686 Crore in 2013-14, they have increased to ₹ 23,622 Crore in 2024-25.[7]

The defence budget has continued to rise from ₹ 2.53 Lakh Crore in 2013-14 to ₹ 6.81 Lakh Crore in 2025–26, reflecting India's focus on building stronger military foundations. In the Union Budget 2025–26, the Ministry of Defence was allocated over ₹ 6.81 Lakh Crore, marking a 9.53 per cent rise from the current financial year.[8]

In the present geopolitical environment where modern warfare is evolving, the Indian Armed Forces must be equipped with advanced weapons and transformed into a technologically capable and combat-ready force. To achieve self-reliance in defence technology and encourage innovation, it is essential to involve private players and strengthen the start-up ecosystem in the country for technological development and innovation in the defence sector.

India's Defence Budget Growth

(Lakh Crore)



Growth Drivers

- The Indian Government extends consistent support through initiatives such as the Make in India strategy to encourage indigenous design, development and manufacturing of defence equipment
- The private sector is increasingly participating in the industry, driving innovation and enhancing overall capabilities
- The Government continues to strengthen research and development in the defence sector to support innovation
- Foreign Direct Investment in the defence sector is permitted up to 74 per cent and higher inflows are expected to bring advanced technology and improved operations
- India's strong diplomatic position enables collaboration with other nations to enhance defence technology and equipment

[7] https://www.pib.gov.in/PressNoteDetails.aspx?id=154617&NoteId=154617&ModuleId=3)

[8] https://www.pib.gov.in/PressReleasePage.aspx?PRID=2098485

The Company began operations in 1989 as a manufacturer and supplier of precision-engineered products, crankshafts and forging components, serving a wide range of end-user industries. Over the years, it has evolved to address the changing needs of its customers. In recent years, focus has been directed towards building a stronger presence in key sectors such as defence, railways and new energy vehicles. The Company's machining facilities are equipped with advanced infrastructure, comprising an in-house tool room, metallurgical laboratories, design and process capabilities, as well as inspection and testing units.

The offerings of BFIL includes a broad range of precision engineering and metal forming products catering to multiple industries such as automobiles (traditional ICE and new energy), industrial vehicles, earthmoving machinery, wind energy, aerospace, defence, oil and gas, locomotives and railway applications, marine, agriculture and others. Several initiatives have been undertaken to enhance cost competitiveness and strengthen profitability. Over time, the Company has built a strong reputation as a reliable and quality-driven manufacturer of precision-engineered products across a wide spectrum of industries.

Geographically, its presence extends across the Americas, Africa, Europe, Asia and the Middle East. This global reach enables the Company to serve high-value clients worldwide while creating diversified and resilient revenue streams. Competitive pricing, along with a strong focus on quality, has positioned it as a preferred choice for customers seeking both performance and value. The Company also places importance on sustainability, ensuring that its products deliver effectively while being mindful of environmental responsibility.

Measures to Strengthen Efficiency and Productivity

- The Company has deployed IoT-enabled CNC machines, robotic handling and anti-vibration systems to achieve high-precision forging and machining.
- Machine learning models are adopted to track real-time performance, minimise downtime and extend the life of assets.
- Production cycles and resource allocation have been improved, allowing multi-line flexibility and supporting a wider product portfolio
- Advanced quality systems and checks are applied to ensure consistency, especially for critical defence and aerospace applications

Competitive advantage

- The Company operates four state-of-the-art manufacturing facilities
- Its forging operations are integrated for captive consumption
- Completely integrated plant serves global clients across the value chain
- Advanced forging and machining capabilities enable a broad product range

Growth Drivers

- In-house capability enabling the manufacturing of a wide range of products
- Extensive product portfolio serves a diverse set of industries
- Strong export and distribution network reaching over 80 countries
- Skilled R&D team drives continuous innovation
- State-of-the-art manufacturing facility, including strong backwards integration capabilities

Human Resource

Human resources of the Company is responsible for managing its employees. The workforce plays a key role in shaping the foundation of BFIL. A healthy and motivated team drives higher productivity, encourages innovation and improves efficiency, contributing to sustained business growth. The Company's HR practices, which focus on attracting, retaining, and developing the right talent, have supported its expansion. The Company provides a positive working environment where all employees are included and encouraged, regardless of their background. Moreover, the Company aims to increase women's representation in leadership roles by 20% by 2030.

Health and Safety Measures

Balu Forge prioritises employee health and safety and maintains a secure and efficient workplace. The safe and healthy working environment is promoted by implementing clear safety policies and providing regular training programmes for its workforce.

Operational Capabilities

Balu Forge operates a fully integrated forging unit that delivers a wide range of products to meet diverse customer requirements. The facility is equipped with closed die forging hammers and presses, including a 16 Ton Hydraulic Forging Hammer, providing the capability to serve multiple industries and applications such as automotive, off-road and on-road vehicles, high-performance sectors, industrial and heavy-duty machinery, oil and gas, marine, defence, and railways. Efficiency and quality are enhanced through a fully automated system that incorporates advanced technologies, including anti-vibration systems and robotic handling.

Research and Development (R&D)

The R&D facilities of the Company play a vital role in driving innovation while maintaining high quality standards. Their primary focus is to enhance product performance, improve manufacturing efficiency, and ensure that the solutions consistently meet the demanding requirements of critical industries.

Benefits of a Strong R&D Approach

- Research and Development can improve forging processes, reducing production time and costs.
- A clear R&D strategy ensures that both new and existing products comply with standards, avoiding legal and operational issues.
- Forward-looking R&D drives the development of technologies that differentiate the company from competitors.
- R&D in forging solutions strengthens the Company's reputation as a leading supplier of defence components.
- Prioritising R&D enables the development of innovative products and technologies, opening opportunities in new markets and sectors.
- A structured R&D approach encourages internal knowledge sharing, leveraging expertise and promoting innovation.
- Exploring advanced manufacturing technologies and automation allows R&D to enhance efficiency and scalability.
- Ongoing research helps maintain and improve product quality, ensuring forged components meet or exceed industry benchmarks.
- Investigating new materials and methods can create more sustainable and cost-effective solutions, benefiting the railway sector
- An R&D policy aligns research efforts with strategic objectives, directing resources to projects that support long-term growth.
- Collaborations with academic institutions, research organisations, and industry partners provide valuable insights and support advancements.
- Investment in R&D enhances product reliability, reducing the risk of failures and ensuring components perform consistently in real-world applications.

Quality

Balu Forge maintains high-quality standards to ensure its products consistently meet the required specifications. The Six Sigma and other quality check mechanisms help identify and eliminate defects while improving processes continuously. Quality measurement is carried out using criteria and methods tailored to the needs of each sector. By implementing effective quality management systems and adhering to standards such as ISO 9001 and IATF 16949, BFIL ensures consistent quality and reliability.

Financial Performance

Consolidated Financial Performance

Profit and Loss Analysis

(₹ in Lakh)

Particulars	FY 2024-25	FY 2023-24	% change
Revenue from Operation	92,361.74	55,985.58	64.97
Other Income	1,714.30	1,023.45	67.50
Total Income	**94,076.04**	**57,009.03**	**65.02**
Total Expenses excl. D&A & Finance Cost	67,251.01	44,073.50	52.59
EBIDTA (Excluding Other Income)	**25,110.73**	**11,912.08**	**110.80**
Depreciation & Amortization	335.07	205.45	63.09
EBIT	**24,775.66**	**11,706.63**	**111.64**
Finance cost	1,095.70	1,363.80	(19.66)
Profit before Tax (PBT)	**25,394.26**	**11,366.28**	**123.43**
Profit after Tax (PAT)	**20,385.54**	**9,349.32**	**118.07**
Net PAT(After Other comprehensive (profit)/ loss)	**20,567.99**	**9,370.06**	**119.51**

Summary of Balance Sheet

(₹ in Lakh)

Particulars	FY 2024-25	FY 2023-24
Equity and liabilities		
Equity share capital	11,076.69	10,259.19
Other equity	94,244.88	45,037.14
Non-current liabilities	1,724.85	2,577.18
Current liabilities	18,172.60	13,372.55
Assets		
Property, plant and equipment*	60,009.92	18,702.57
Non-current assets	68,450.95	21,946.52
Current assets	56,768.07	49,299.54

*includes Right-of-use assets, Capital work-in-progress, Goodwill and Other Intangible assets

I. Total Revenue

During FY 2024-25, the total revenue of the Company is increased by 65% from INR 57,009.03 Lakh in FY 2023-24 to INR 94,076.04 Lakh in FY 2024-25. The growth was primarily driven by higher sales volumes, expansion into new markets, and an improved product mix catering to the automotive, industrial, and high-performance engineering sectors.

II. Employee benefits expenses

The Employee benefits expenses increased by 74.5% from INR 1,348.33 Lakh in FY 2023-24 to INR 2,352.37 Lakh in the reported year. This increase reflects a larger workforce to support expanded operations, higher compensation costs, and investments in training and skill development.

III. Finance Cost

The finance cost decreased by 19.7% from INR 1,363.80 Lakh in FY 2023-24 to INR 1,095.70 Lakh in the reported year. The reduction is attributable to efficient debt management, repayment of borrowings, and optimization of working capital.

IV. Other Expenses

During FY 2024-25, the other expenses of the Company were INR 4,634.26 Lakh in FY 2024-25 whereas INR 5,093.65 Lakh in FY 2023-24. The reduction was largely due to improved cost efficiencies, better procurement practices, and tighter control over discretionary spending

V. Net Profit

PAT rose by 118%, from ₹ 9,349.32 Lakh in FY 2023-24 to ₹ 20,385.54 Lakh in FY 2024-25. The sharp increase is the result of strong revenue growth, improved operating leverage, and effective cost management.

VI. Non-Current Liabilities

The non-current liabilities of the Company were INR 1,724.85 Lakh in FY 2024-25, whereas in FY 2023-24 it was INR 2,577.18 Lakh, reflecting repayment of long-term borrowings and strengthening of the balance sheet position.

VII. Current Liabilities

In FY 2024-25, the current liabilities of the Company was ₹ 18,172.60 Lakh in comparison to ₹ 13,372.55 in FY 2023-24. This growth was primarily driven by higher trade payables and accruals linked with the scale-up of operations.

VIII. Non-Current Assets

The non-current asset increased from INR 21,946.52 Lakh in FY 2023-24 to INR 68,450.95 Lakh in FY 2024-25. This significant increase was mainly on account of capital expenditure for capacity expansion, new equipment installation, and long-term investments in infrastructure.

IX. Current Assets

The current asset increased from INR 49,299.54 Lakh in FY 2023-24 to INR 56,768.07 Lakh in FY 2024-25 supported by higher receivables and inventories in line with the revenue growth.

Details of key financial ratios

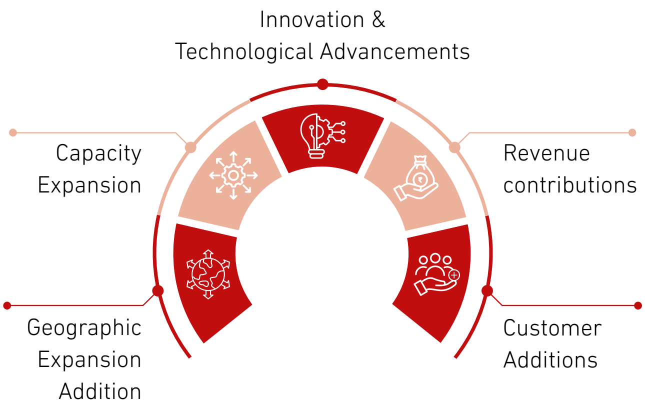
In compliance with the listing regulations, the key financial ratios have been reviewed in comparison with the immediately preceding financial year. The details are provided below, along with explanations for any changes observed.

Key Financial Ratios	FY 2024-25	FY 2023-24	Reason for Significant Change, if any
Inventory Turnover Ratio (days)	37	40	Mainly attributable to higher sales growth and more efficient inventory management practices.
Debt Service Coverage Ratio (times)	14.96	7.26	Strong growth in operating profits with reduced finance costs improved coverage significantly.
Current Ratio (times)	3.12	3.69	Slight decline due to higher current liabilities from trade payables and tax provisions.
Debt-Equity Ratio (times)	0.03	0.09	Reduction in borrowings with stronger equity base improved leverage profile.
Net Profit Margin	22.07%	16.73%	Improved operational efficiency, cost management, and higher revenue contribution.
Return on Net Worth (RoNW)	19.36%	16.94%	Significant growth in profitability enhanced returns to shareholders.

Outlook

Balu Forge plans to scale capacities, strengthen its presence across sectors, and enhance technological capabilities over the next three to five years while following a capital efficient approach. The capital expenditure roadmap and funding strategy follow a prudent low leverage model. Funds are directed towards machining and forging lines, Industry 4.0 automation and advanced defence and aerospace production. Exposure remains limited and well distributed globally with no dependence on any single region or country as well as no impact expected from tariffs.

Strategic priorities in the coming years



Risk Management

The Company integrates effective risk management strategies by anticipating potential challenges and safeguarding operations to ensure business continuity. The risk assessment and management are carried out at multiple levels, combining both top-down and bottom-up approaches to address risks comprehensively.

Key risks identified

Risk description	Mitigation strategy
Economic risk Changes in economic parameters such as inflation level, interest rates, as well as fluctuations in international crude oil, can affect the financial stability and operations by influencing costs, demand and overall operations	The Company continuously monitors economic indicators and adopts flexible pricing mechanisms to balance input cost fluctuations. Strategic sourcing and long-term supplier contracts help stabilize procurement costs, while geographic and sectoral diversification reduces dependency on any single market or economic cycle.
Financial risk Financial risk arising from cost fluctuations, credit availability, cash flow, foreign exchange and borrowings can impact overall operations as well as the stability of the organisation	BFIL maintains a conservative capital structure with minimal net debt and strong cash flows. Currency risks are managed through hedging policies and natural offsets. Cash flow forecasting and efficient working capital management ensure liquidity, while diversified funding sources mitigate credit risk.
Competition risk The Company operates in a competitive environment. The presence of established domestic and international players can affect our growth and put pressure on its profitability	BFIL focuses on differentiation through advanced technology, precision engineering, and value-added solutions. Continuous investment in customer service, and product innovation strengthens its positioning. Long-standing OEM relationships and entry into high-value sectors such as defence and aerospace provide a competitive edge.
Operational risk Operational risks, including pilferage, labour unrest and unplanned facility shutdowns, can disrupt production, reduce efficiency and negatively impact the overall performance of BFIL	Robust internal controls, security protocols, and preventive maintenance systems are in place. Employee engagement initiatives and proactive industrial relations practices minimize labour issues. Business continuity and disaster recovery plans ensure operational resilience.
Cybersecurity risk Security and fraud risks, including cybersecurity threats, data leaks and physical security issues, can affect information integrity and disrupt operations of the Company	The Company has deployed strong IT security infrastructure, including firewalls, intrusion detection, and data encryption. Regular employee awareness training, and compliance with international cybersecurity standards help safeguard critical information.

Risk description	Mitigation strategy
Reputation risk Negative publicity, product quality concerns and stakeholder dissatisfaction can reduce the Company's brand value and trust, ultimately affect its reputation and undermine its market position	BFIL enforces strict quality assurance processes and adheres to global standards. Transparent stakeholder communication, prompt grievance redressal, and CSR initiatives reinforce trust. Regular monitoring of media and stakeholder feedback helps mitigate reputational concerns proactively.
Environment risk Environmental risks associated with operational activities can impact the operational efficiency, financial performance and long-term sustainability of the Company	The Company has set ambitious ESG goals, including carbon neutrality by 2040, 100% renewable energy by 2035, and Zero Liquid Discharge by 2030. Investments in clean technologies, waste recycling, and water conservation support sustainable operations and regulatory compliance.
Compliance risk Compliance risks arising from tax disputes, litigation and shifts in government policies may influence the Company's long-term sustainability and affect its position in the industry	A strong compliance framework supported by internal and external experts ensures adherence to all applicable laws and regulations. Regular legal reviews, proactive engagement with regulators, and transparent disclosures reduce compliance-related uncertainties.

Internal Control Systems and Adequacy

The Company has in place a sound internal control system designed to meet its specific requirements. The effectiveness of this framework is overseen by the Board of Directors to ensure accurate financial reporting, regulatory compliance, and the safeguarding of assets. These controls are aligned with applicable regulations and are subject to regular review by the Internal Audit function. This independent function reports directly to the Audit Committee, identifies potential risks, and ensures that operations are conducted in line with established policies and procedures.

Cautionary Statement

The MDA section includes forward looking statements about the Company and its future prospects. These statements involve certain known and unknown risks and uncertainties that may affect actual outcomes. The Company is also subject to unforeseen and changing risks within its operating environment. The assumptions in this report are based on both internal and external information and form the basis for the facts and figures presented. It should be recognised that such assumptions may change over time which could lead to revisions in the related estimates. The forward looking statements reflect the Company's present intentions beliefs or expectations and are valid only as of the date made. The Company has no obligation to update or revise these statements in light of new information future events or changing circumstances.

Directors' Report

Directors' Report

Dear Shareholders,

The Board of Directors is pleased to present the 36th Annual Report of Balu Forge Industries Limited ("the Company") together with the Audited Financial Statements of the Company for the Financial Year ended 31st March 2025.

FINANCIAL RESULTS

The Company's financial performance during the year ended 31st March 2025 compared to the previous financial year is summarised below:

(₹ in Lakhs)

Description	Standalone		Consolidated	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from operations	59,847.65	38,808.26	92361.74	55985.58
Other Income	1,743.43	1,062.72	1,714.30	1,023.45
Total Revenue	**61,591.08**	**39,870.98**	**94,076.04**	**57,009.03**
Total Expenses	43,159.39	31,139.02	68,681.78	45,642.75
(Loss) / Profit before tax and exceptional items	18,431.69	8,731.96	25,394.26	11,366.28
Profit before tax	18,431.69	8,731.96	25,394.26	11,366.28
Tax expense	5,008.72	2,017.46	5,008.72	2,016.96
Net Profit after tax	13,422.97	6,714.50	20,385.54	9,349.32
Other Comprehensive expense/ (Income), net of Income tax	(4.74)	1.23	182.45	20.74
Balance Transfer to Reserve	13,418.23	6,715.73	20,567.99	9,370.06

The Financial Statements for the year ended 31st March 2025 have been prepaid as per the Indian Accounting Standards (Ind AS).

REVIEW OF OPERATIONS

During the financial year ended 31st March 2025, the Company has recorded, on standalone basis, total revenue of ₹ 61,591.08 Lakhs and the Company have earned Net Profit of ₹ 13,422.97 Lakhs as compared to ₹ 38,970.98 Lakhs and ₹ 6.714.50 Lakhs of the previous year, respectively.

On consolidated basis, the Company achieved total revenue of ₹ 94,076.04 Lakhs and the Company has earned Net Profit of ₹ 20,385.54 Lakhs as compared to previous year total revenue of ₹ 57,009.03 Lakhs and Net Profit of ₹ 9,349.32 Lakhs.

There was no change in nature of business of the Company, during the year under review.

OPERATIONAL HIGHLIGHTS

During FY25, Balu Forge Industries Limited undertook significant capacity expansion and infrastructure development. Forging capacity was scaled up to 100,000 TPA with further expansion in progress, while precision machining capacity increased to 45,000 TPA. The Company commissioned advanced equipment, including 16-ton closed-die forging hydraulic hammers, with an 8,000-ton mechanical forging press and 25 ton closed die forging hydraulic press under commissioning. The 46+ acre greenfield facility was advanced, featuring robotic handling, anti-vibration systems, and Industry 4.0-enabled processes, with a dedicated forging and machining line for defence scheduled to commence in H1 FY26.

On the product and R&D front, BFIL enhanced its portfolio across crankshafts, undercarriage parts, turbine blades, aerospace and defence components. Its in-house R&D team of over 75 professionals focused on new alloys, rapid prototyping, and high-precision machining. With product development cycles averaging 3–5 months and product lifecycles spanning beyond 10 years, the Company has further strengthened its innovation capabilities through advanced metallurgical labs, tool rooms, and inspection systems.

The Company also diversified sectoral contributions, with growing presence in defence, aerospace, and railways. Defence remains a strategic priority, with approval to supply over 180 products. While legacy sectors like commercial vehicles continued to expand, their contribution reduced as high-value sectors gained share. Alongside, BFIL expanded its footprint to over 80 countries, servicing 25+ global OEMs, and benefitted from global supply chain shifts under the China+1 and Europe+1 trends.

Operational efficiency remained a key focus, with increased emphasis on value-added fully machined components, integration of 7-axis & 11-axis CNC machining and, automation in forging. These initiatives improved scalability, cost efficiency, and resilience across operations. On the ESG front, the Company has committed to becoming carbon neutral by 2040, transitioning fully to renewable energy by 2035, achieving 100% water recycling by 2027 and Zero Liquid Discharge by 2030, and reducing total waste generation by 2030. In FY25, BFIL recovered 3,661 MT of waste and spent ₹7.5 million on CSR initiatives, directly benefitting 517 individuals.

FUTURE OUTLOOK

- Balu Forge Industries Limited delivered a robust performance in FY25 with consolidated revenue from operations of Rs. 92,361.74 lakhs, registering a growth of 65.0% over Rs. 55,985.58 lakhs in FY24. EBITDA increased sharply to Rs. 25,110.73 lakhs, up 110.8% from Rs. 11,912.08 lakhs in the previous year, supported by higher volumes, operating efficiencies, and an enhanced product mix. EBITDA margin expanded to 27.2% as against 21.3% in FY24, underscoring the Company's focus on high-value precision machining.
- Profit after tax stood at Rs. 20,385.54 lakhs, an increase of 118.0% compared to Rs. 9,349.32 lakhs in FY24, with PAT margin improving to 21.7% from 16.4%. Earnings per share rose to Rs. 19.24 in FY25 compared to Rs. 9.80 in FY24, reflecting a strong year-on-year growth of nearly 97%. Return ratios remained healthy, with ROCE at 30.1% and ROE at 25.4%, driven by robust profitability and efficient capital utilization.
- On the balance sheet side, borrowings declined to Rs. 3,591.25 lakhs from Rs. 4,877.53 lakhs in FY24, resulting in an improvement in the net debt-to-equity ratio by 66.7%, positioning the Company nearly debt-free. The cash conversion cycle improved by 25 days to 104 days, while CFO/EBITDA stood at 59%, highlighting strong cash flow management and disciplined working capital practices.

CREDIT RATING

CRISIL Ratings Limited has revised its Credit rating during the year, for its bank facilities as follows:

Sr. No.	Instruments	Rating
1	Packing Credit	BBB+/STABLE
2	Post Shipment Credit	A2

The above rating reflects the overall improvement in the credit risk profile of the company backed by strong growth in scale of operations and healthy profitability.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire profit generated during the year under review, in the profit and loss reserve account. Accordingly, it is not proposed to transfer any amount to the 'Reserves' from the profit for the year ended 31st March 2025.

DIVIDEND

The Board of Directors at their meeting held on May 14, 2025, has recommended payment of ₹ 0.15/- at the rate of 1.5% per fully paid-up equity share of the face value of ₹10/- each as final dividend for the financial year ended 31st March 2025. The payment of the final dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting (AGM) of the Company. The dividend shall be paid to those shareholders whose name appear in the Register of Members as on the Record Date, on approval by the members at the Annual General Meeting.

In view of the provisions of the Income Tax Act, 1961, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source. The proposed dividend been recommended in accordance with the Dividend Distribution Policy of the Company.

DIVIDEND DISTRIBUTION POLICY

The Company has in place a Dividend Distribution Policy in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the Company's website at https://www.baluindustries.com/corporate-governance.php

UTILISATION OF PREFERENTIAL ALLOTMENT PROCEEDS

The proceeds of funds raised under preferential Allotments of the Company have been fully utilised as per Objects of the Issue. The disclosure in compliance with the Regulation 32(7A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and detailed utilization are provided in the Corporate Governance Report which forms part of this Report.

CHANGES IN SHARE CAPITAL:

Increase in Authorised Share Capital of the Company

The Authorised Share Capital of the Company has increased from ₹ 1,10,00,00,000/- (Rupees One Hundred and Ten Crore Only) divided into 11,00,00,000/- (Eleven Crore) Equity Shares of ₹ 10/- (Rupees Ten only) each to ₹ 1,25,00,00,000/- (Rupees One Hundred and Twenty-Five Crore Only) divided into 12,50,00,000/- (Twelve Crore and Fifty Lakh) Equity Shares of ₹ 10/- (Rupees Ten only).

Issue and Allotment of Equity Shares & Warrants on Preferential Basis

During the FY 2024-25, the Company has issued and allotted:

i. 36,75,000 Equity Shares having face value of ₹10/- each at an issue price of ₹ 183.60/- fully paid up upon exercising the option available with the Share Warrant Holder (person belonging to the Promoter group).

ii. 45,00,000 Equity Shares to the Non-Promoters (Public Category) on preferential basis of ₹10/- each for cash at premium of ₹ 350/- aggregating to ₹ 1,62,00,00,000/-.

iii. 93,00,000 Convertible Warrants to persons forming part of promoter group on preferential basis of ₹ 10/-

each for cash at premium of ₹ 350/- aggregating to ₹ 3,34,80,00,000/-, with an option to convert the same into equal number of equity shares of ₹10/- (Rupees Ten) each at an issue price of ₹ 360/- per share within a period of 18 months from the date of allotment of warrants, as per terms and conditions approved in Extra-Ordinary General Meeting held on 09th August, 2024.

Share capital as on 31st March 2025

The paid-up Equity Share Capital as on 31st March 2025 was stood at ₹ 1,10,76,69,000/- divided into 11,07,66,900 Equity Shares of ₹ 10/- each.

The Company has neither issued any shares with differential rights as to dividend, voting or otherwise nor issued any sweat equity shares and issue shares under Employees Stock Option Scheme as per provisions of Section 62 (1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules 2014, during the year under review.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the applicable provisions of the Companies Act, 2013, including the relevant Indian Accounting Standards (Ind AS) as issued by the Institute of Chartered Accountants of India and notified under Section 133 of the Companies Act, 2013 and as required under Regulation 34 of the Listing Regulations, 2015, this Annual Report includes Consolidated Financial Statements for the FY 2024-25.

REPORT ON PERFORMANCE OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has in total Three (3) Subsidiaries of which Two (2) are Indian and One (1) Overseas and One (1) Associate Company: -

1. Naya Energy Works Private Limited (WOS)
2. Balu Advanced Technologies & Systems Private Limited (WOS)
3. Safa Otomotiv FZ – LLC in Dubai (as a WOS)
4. *Swan Balu Heavy Industries Limited ("SBHIPL") – Associate Company

   ** SBHIPL was incorporated in 20th April, 2025 as SPV Company with Swan Energy Limited. The Company holds 40% equity in SBHIPL, pursuant to the said Investment, SBHIPL has become the Associate of Balu Forge Industries Limited w.e.f. 23rd June, 2025.*

The Company does not have any Joint Venture within the meaning of Section 2(6) of the Companies Act, 2013. No material change has taken place in the nature of business of the subsidiaries.

Pursuant to the first proviso to Section 129(3) of the Companies Act, 2013 read with Rule 5 and 8 of the Companies (Accounts) Rules, 2014, the salient features of the financial statements and performance of each subsidiary in **Form AOC-1** is disclosed under **Annexure-A** and forms part of this Report.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the standalone and consolidated financial statements of the Company, and separate audited financial statements in respect of subsidiaries are available on the website of the Company under web link https://www.baluindustries.com/financial-information.php

The Company has formulated a Policy for determining material subsidiaries. The said policy is available on the website of the Company at https://www.baluindustries.com/corporate-governance.php

UNCLAIMED AND UNPAID DIVIDENDS AND TRANSFER OF SHARES TO IEPF

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), all dividends remaining unpaid or unclaimed for a period of 7 years and also the shares in respect of which the dividend has not been claimed by the shareholders for 7 consecutive years or more are required to be transferred to Investor Education Protection Fund (IEPF) in accordance with the procedure prescribed in the Rules.

During the year under review, there was no transfer of unclaimed and unpaid dividend and equity shares to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Particulars of loans given, investments made, guarantees given and securities provided during the year under review and as covered under the provisions of Section 186 of the Companies Act, 2013, have been disclosed in the notes to the standalone financial statements forming part of the Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, in relation to audited financial statements of the Company for the year ended 31st March 2025; the Board of Directors hereby confirms that:

a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2025 and of the profit of the Company for the year under review;

c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the Directors had prepared the accounts for the financial year ended 31st March 2025 on a going concern basis;

e. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEPOSITS

The Company has not accepted any deposits within the meaning of sub-section (31) of Section 2 and Section 73 of the Companies Act, 2013 ("the Act") and the Rules framed thereunder. As on 31st March 2025, there were no deposits lying unpaid or unclaimed.

DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

i. Composition of the Board of Directors

The Board of Directors is duly constituted. The details of the directors are given in the Corporate Governance Report forming part of the Annual Report.

ii. Changes in Composition of Board and Key Managerial Personnel

Mr. Sumer Singh (DIN: 10768646), was appointed by the Board of Directors as an Additional Director (Non-Executive Independent Category) of the Company w.e.f. 06th September, 2024. Thereafter he has resigned from the Board w.e.f. 25th September, 2024 due to no-receipt of No-Objection Certificate (NOC) from Union Bank of India, where he served as Deputy General Manager (DGM and he confirmed that there are no any material reasons other than those provided above.

The Board of Directors at their meeting held on 07th February, 2025 approved appointment of Mr. Roop Lal Meena (DIN: 10938270) as an Independent Director of the Company for a term of five years with effect from 07th February, 2025.

Subsequently, the shareholders approved his appointment through Postal Ballot process on 23rd April, 2025.

Retirement of Directors by Rotation

Mr. Jaikaran Jaspalsingh Chandock, (DIN: 06965738), Wholetime Director, being longest in the office is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, he has offered himself for appointment.

Pursuant to Regulation 36 of the Listing Regulations read with Secretarial Standard-2 on General Meetings, necessary details of Mr. Jaikaran Chandock, have been provided as an Annexure to the Notice of the Annual General Meeting.

Key Managerial Personnel

During the year under review, there was no change in Key Managerial Personnel of the Company as prescribed under Section 203 of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

In accordance with Section 149(7) of the Companies Act, 2013, and Regulation 25(8) of the Listing Regulations, as amended, each Independent Director of the Company has provided a written declaration confirming that he/she meets the criteria of independence as stipulated under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Listing Regulations and are independent from Management.

All the Independent Directors of the Company have enrolled their names in the online database of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarization program aims to provide Independent Directors with the industry scenario, the socioeconomic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner.

The familiarization program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes, also directors are regularly briefed on the regulatory changes and legal updates applicable to the Company. This facilitates Board interaction and engagement with the Senior Management team.

The details of the training and familiarisation programmes arranged by the Company during FY 2024-25 are disclosed on the Company's website under the web-link https://www.baluindustries.com/corporate-governance.php

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

Board Meetings

The Board of Directors met Eight (8) times during the financial year under review. The details of the Board meetings and attendance of each Director thereat are provided in the Corporate Governance Report forming part of the Annual Report.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI Listing Regulations, 2015 / The Companies Act, 2013.

Audit Committee

The Audit Committee of the Company is constituted/re- constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

The Composition of the Audit Committee is as under:

Sr. No.	Member's name	Category	Designation
1.	Mr. Raghvendra Raj Mehta	Independent Director	Chairman
2.	Mr. Radheshyam Soni	Independent Director	Member
3.	Mrs. Shalu Laxmanraj Bhandari	Independent Director	Member
4.	Mr. Trimaan Chandock	Whole Time Director	Member
5.	Mr. Roop Lal Meena	Independent Director	Member

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Audit Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

The terms of reference of the Audit Committee and the particulars of meetings held, and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report. The Statutory Auditors, Internal Auditor and Whole Time Directors/ Chief Financial Officer are being invited to the meeting as and when required.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee recommends the appointment of Directors and remuneration of such Directors. The level and structure of appointment and remuneration of all Key Managerial personnel and Senior Management Personnel of the Company, as per the Remuneration Policy, is also overseen by this Committee.

The Composition of the Nomination & Remuneration Committee is as under:

Sr. No.	Member's name	Category	Designation
1.	Mr. Radheshyam Soni	Independent Director	Chairman
2.	Mr. Raghvendra Raj Mehta	Independent Director	Member
3.	Mrs. Shalu Laxmanraj Bhandari	Independent Director	Member
4.	*Mr. Roop Lal Meena	Independent Director	Member

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Audit Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

The Nomination & Remuneration Committee is duly constituted, during the year under review. The terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held, and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel

The Board of Directors has adopted a Nomination and Remuneration Policy in terms of the provisions of sub- section (3) of Section 178 of the Act and SEBI Listing Regulations dealing with appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel and other employees of the Company.

The policy covers criteria for determining qualifications, positive attributes, independence and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel as required under sub-section (3) of Section 178 of the Companies Act, 2013 and the Listing Regulations.

The Nomination and Remuneration Policy of the Company is hosted on the Company's website under the web link https://www.baluindustries.com/corporate-governance.php

Stakeholders' Relationship Committee

The Stakeholders Relationship Committee was constituted by the Board of Directors in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The scope of the Shareholders/ Investors Grievance Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

The Composition of the Stakeholders' Relationship Committee is as under:

Sr. No.	Member's name	Category	Designation
1.	Mr. Raghvendra Raj Mehta	Independent Director	Chairman
2.	Mr. Radheshyam Soni	Independent Director	Member
3.	Mrs. Shalu Laxmanraj Bhandari	Independent Director	Member
4.	*Mr. Roop Lal Meena	Independent Director	Member

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Audit Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

The brief terms of reference of the Stakeholders' Relationship Committee and particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Risk Management Committee

Pursuant to Regulation 21 of the Listing Regulations, the Board constituted Risk Management Committee to frame, implement and monitor risk management plan of the Company. The Board has adopted the Risk Management Policy and framework to mitigate foreseeable risks, avoid events, situations or circumstances, which may lead to negative consequences on the Company's businesses. The major risks identified are systematically approached through mitigating actions on continual basis. Risk evaluation is an ongoing and continuous process within the Company, and it is regularly updated to the Board of the Company.

The Risk Management Committee is duly constituted, during the year under review. The Committee has been entrusted with the responsibility to assist the Board in overseeing and approving the Company's enterprise-wide risk management framework. A detailed analysis of the business risks and opportunities is given under Management Discussion and Analysis Report.

The Composition of the Risk Management Committee is as under:

Sr. No.	Member's name	Category	Designation
1.	Mr. Trimaan Chandock	Whole Time Director	Chairman
2.	Mr. Jaikaran Chandock	Whole Time Director	Member
3.	Mr. Radheshyam Soni	Independent Director	Member

The brief terms of reference, particulars of meetings held, and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, the Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee.

One of the key focus areas of the Committee is to make CSR to play a vital role and provide a reasonable contribution to the society by entering into sustainable programs of high impact and integrity. The CSR Committee reviews and monitors the CSR projects and expenditure undertaken by the Company on a regular basis and apprises the Board of the same.

The brief outline of the Company's CSR initiatives undertaken during the year under review is furnished in "**Annexure-B**" in the format as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Company's CSR Policy is placed on the website of the Company https://www.baluindustries.com/corporate-governance.php

The Composition of the Corporate Social Responsibility Committee is as under:

Sr. No.	Member's name	Category	Designation
1.	Mr. Raghvendra Raj Mehta	Independent Director	Chairman
2.	Mr. Trimaan Chandock	Whole Time Director	Member
3.	Mr. Jaikaran Chandock	Whole Time Director	Member

The brief terms of reference, particulars of meetings held, and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report.

ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, THEIR APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee of Directors have approved a Policy for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the policy also lays down the positive attributes/criteria while recommending the candidature for the appointment as Director.

ANNUAL EVALUATION OF DIRECTORS, COMMITTEES AND BOARD

Pursuant to the provisions of the Companies Act, 2013 and as per the Listing Regulations, the Board of Directors carried out annual performance evaluation of its own performance, individual directors as well as the working of its committees.

The performance of the Board as a whole and of its Committees was evaluated by the Board through structured questionnaire which covered various aspects such as adequacy of composition of Board and its Committees, execution and performance of specific duties and obligations, preparedness and participation in discussions, quality of inputs, effectiveness of the functions allocated, relationship with management, appropriateness and timeliness of information etc.

Taking into consideration the responses received from the Individual Directors to the questionnaire, the performance of the Board and its Committees was evaluated. The Directors have expressed their satisfaction with the constitution of the Board and its Committees and performance of each of the directors.

In terms of requirements of Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company was held on Friday, 07th February, 2025 to review:

- The performance of non-independent directors and the Board as a whole and its committees thereof;
- The performance of the Chairman of the Company, taking into account the views of executive directors and non-executive directors;
- To assess the quality, quantity and timeliness of the flow of information between the Management and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

PARTICULARS OF EMPLOYEES

In terms of the requirements of sub-section (12) of Section 197 of the Act read with sub-rule (1) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the disclosures pertaining to the remuneration and other details, are annexed to this Report as "**Annexure – C**".

In terms of Section 136(1) of the Act, details of employee remuneration as required under provision of Section 197 of the Companies Act, 2013 and rule 5 (2) and rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection and any member interested in obtaining a copy of the same may write to Company at compliance@baluindustries.com

RELATED PARTY TRANSACTIONS

The Audit Committee reviews all the related party transactions and subsequent modifications and Omnibus approval is obtained before the commencement of the new financial year, for the transactions which are repetitive in nature and also for the transactions which are not foreseen. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis specifying the nature, value and terms & conditions of the transactions.

During the year under review, all the transactions entered into by the Company with the Related Parties were at arm's length and in the ordinary course of business. These transactions were preapproved by the Independent Directors of the Audit Committee. The transactions entered by the Company with the related parties during the year were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Regulations. The details of actual transactions were reviewed by the Audit Committee on a quarterly basis.

During the FY 2024-25, your Company did not enter into any material related party transactions. Accordingly, disclosure with respect to the same in the Form AOC- 2 in terms of Section 134 of the Companies Act, 2013 is not furnished.

During the year under review, Policy on Related Party Transactions in compliance with the requirements of Companies Act, 2013 and amendment to SEBI Listing Regulations, is available on the website of the Company https://www.baluindustries.com/corporate-governance.php.

IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Company has formulated a policy and process for risk management. The Company has set up a core group of leadership team, which identifies, assesses the risks and the trends, exposure and potential impact analysis at different level and lays down the procedure for minimization of risks. Risk Management forms an integral part of Management policy and is an ongoing process integrated with the operations.

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and in accordance with Regulation 22 of the Listing Regulations, the Company had adopted 'Vigil Mechanism Policy' for Directors, Employees and other Stakeholders of the Company to report concerns about unethical behaviour.

The policy provides a mechanism, which ensures adequate safeguards to Employees, Directors and other stakeholders from any victimisation on raising concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, and so on. The employees of the Company have the right/option to report their concern/ grievance to Chairperson of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism Policy is hosted on the Company's website https://www.baluindustries.com/corporategovernance.php

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal control system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

The details of the internal financial control systems and their adequacy are included in the Management Discussions and Analysis Report, which forms part of the Annual Report.

AUDITORS AND REPORTS

The matters relating to the Auditors and their Reports are as under:

Statutory Auditors

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. M. B. Agrawal & Co. (Firm Registration Number 100137W) will complete their term as Statutory Auditors of the Company at the conclusion of the forthcoming AGM.

Considering their expertise and experience, the Audit Committee and the Board of Directors of the Company, have approved and recommended the re-appointment of M/s. M. B. Agrawal & Co. (Firm Registration Number 100137W), Chartered Accountants as the Statutory Auditors of the Company for the second term of 5 (five) consecutive years from conclusion of this 36th Annual General Meeting of the Company until the conclusion of the 41st Annual General Meeting subject to approval of the shareholders.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written confirmation from M/s. M. B. Agrawal & Co. and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. M. B. Agrawal & Co., has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The Report given by M/s. M. B. Agrawal & Co., Statutory Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Internal Auditors

The Company has in place a robust Internal Control System and ably supported by reputed independent firm i.e. M/s. Mehta Singhvi & Associates, Chartered Accountants, Mumbai as the Internal Auditors. The audit conducted by the Internal Auditors is based on an internal audit plan, which is reviewed each year in consultation with the Audit Committee. These audits are based on risk based methodology and inter-alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Auditors share their findings on an ongoing basis during the year for corrective action.

During the year the Board of Directors has re- appointed M/s Mehta Singhvi & Associates, Chartered Accountants (Registration No. 122217W) as Internal Auditors of the Company. The audit conducted by the Internal Auditors is based on an internal audit plan, which is reviewed each year in consultation with the Audit Committee. These audits are based on risk- based methodology and inter-alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances.

Report of the Internal Auditors for the FY 2024-25 does not contain any qualification, reservation, disclaimer or adverse remarks.

Cost Auditors

The provisions of Section 148(1) of the Companies Act, 2013 are applicable to the Company and accordingly the Company has maintained cost accounts and records in respect of the applicable products for the year ended 31st March 2025.

The Board, on the recommendation of the Audit Committee, at its meeting held on 14th May, 2025, has approved the appointment of M/s. S K Agarwal & Associates, Cost and Management Consultants, as the Cost Auditors for the Company for the financial year ending 31st March 2026, at a remuneration of ₹ 3 Lakhs plus taxes and out of pocket expenses. They have confirmed that they are free from any disqualifications under Section 141 of the Companies Act, 2013.

A proposal for ratification of remuneration of the Cost Auditor for the FY 2025-26 is placed before the Shareholders for approval in the ensuing AGM.

Secretarial Auditors

Pursuant to the amended provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors have approved and recommended the appointment of M/s. Prachi Bansal and Associates, Practicing Company Secretaries (Firm Registration

Number: I2020HR2093500) as the Secretarial Auditors of the Company for a term of 5 (Five) consecutive years from the FY 2025-26 till FY 2029-30, subject to the approval of the Members at ensuing AGM.

Brief profile and other details of M/s. Prachi Bansal and Associates, Practicing Company Secretaries, are disclosed in the AGM Notice approved by the Board. They have given their consent to act as Secretarial Auditors of the Company and have confirmed their eligibility for the appointment.

The Secretarial Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Company Secretaries of India (ICSI) and hold valid certificate issued by the Peer Review Board of the ICSI.

The Secretarial Audit Report pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, issued by M/s. Singhvi & Associates, Company Secretaries, in form MR-3 for FY 2024-25 is attached as **Annexure 'D'** forming part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or disclaimer or adverse remark.

Reporting of fraud by auditors

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act to the Audit Committee.

OTHER DISCLOSURES

Annual Return

In terms of Section 92(3) of the Companies Act, 2013 read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on 31st March 2025 is available on the Company's website at https://www.baluindustries.com.

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

The Company has strong commitment towards conservation of energy, natural resources and adoption of latest technology in its areas of operation. The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under clause (m) of sub-section (3) of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed to this Report as "**Annexure-E**".

Report on Corporate Governance

In terms of Regulation 34 of SEBI (LODR) Regulations, a separate section on Corporate Governance with a detailed report on Corporate Governance is provided as a separate section in the Annual Report and a certificate from Mohammed Aabid, Partner of M/s. Aabid & Co., Practicing Company Secretaries, is certifying compliance of conditions of Corporate Governance as stipulated under the Listing Regulations, forms part of this Annual Report. The Report on Corporate Governance also contains disclosures as required under the Companies Act, 2013.

Business Responsibility and Sustainability Report (BRSR)

In accordance with the provisions of Regulation 34 of the Listing Regulations, the Business Responsibility and Sustainability Report (BRSR) forms a part of this Annual Report describing the initiatives undertaken by the Company from an environmental, social and governance perspective during the year under review.

Management Discussion Analysis Report

The Management Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of schedule V of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 is provided as a separate section in the Annual Report.

Secretarial Standards Compliance

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118 of the Companies Act, 2013.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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 in line 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. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during FY 2024-25 are as follows:

No. of complaints of sexual harassment received during the year;	0
No. of complaints disposed off during the year;	0
No. of complaints pending as on 31st March 2025	0

Adherence to provisions of the Maternity Benefit Act, 1961:

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, including those relating to maternity leave, benefits, and safeguards for female employees.

GENERAL

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

1. Material Changes and/or commitment that could affect the Company's financial position, which have occurred between the end of the financial year of the Company and the date of this report;
2. Significant or material orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and Company's operations in future;
3. Non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with rules 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
4. Receipt of any remuneration or commission from any of its subsidiary companies by the Managing Director or the Whole-Time Directors of the Company;
5. Revision of the financial statements pertaining to previous financial periods during the financial year under review;
6. Frauds reported as per Section 143(12) of the Companies Act, 2013;
7. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year;
8. The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

ACKNOWLEDGEMENTS

Your Board takes this opportunity to thank Company's employees at all levels for their hard work and commitment. Your Board also places on record its sincere appreciation for the continued support received from the customers, members, suppliers, bankers, financial institutions and all other business partners/associates.

By Order of the Board
For **Balu Forge Industries Limited**

Sd/-
Jaspalsingh Chandock
Date: 4th September 2025 Place: Mumbai
DIN No.: 00813218 Chairman and Managing Director

Registered Office:
506, 5th Floor, Imperial palace,
45 Telly Park Road, Andheri (East),
Mumbai, 400069, Maharashtra, India

Annexure 'A' to Directors' Report –AOC-1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES /ASSOCIATES COMPANIES/JOINT VENTURES [PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014]

1	2	3	4	5
Sl. No.	**Name of the subsidiary**	**Naya Energy Works Private Limited**	**Balu Advanced Technologies & Systems Private Limited**	**Safa Otomotiv FZ-LLC**
1	Date since when subsidiary was acquired/ incorporated	07-07-2021	15-07-2021	17-01-2021
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as Holding Company	Same as Holding Company	01.01.2024 to 31.12.2024 (Calendar Year)
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA	NA	Reporting Currency:- AED Exchange Rate:- 23.2837
4	Share capital	1,00,000	1,00,000	30,33,240.00
5	Reserves & surplus	(2,88,125)	(2,81,035)	1,04,38,65,797
6	Total assets	47,2244	50,515	1,62,69,38,332
7	Total Liabilities	47,224	50,515	1,62,69,38,332
8	Investments	0	0	0
9	Turnover	0	0	3,50,48,97,387
10	Profit before taxation	(97,631)	(96,648)	69,64,53,168
11	Provision for taxation	0	0	0
12	Profit after taxation	(97,631)	(96,648)	69,64,53,168
13	Proposed Dividend	0	0	0
14	Percentage of shareholding (%)	100	100	100

1. **Names of subsidiaries which are yet to commence operations:**
    - Naya Energy Works Private Limited
    - Balu Advanced Technologies & Systems Private Limited
2. **Names of subsidiaries which have been liquidated or sold during the year** – Nil

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

1. *Swan Balu Heavy Industries Limited ("SBHIPL") – Associate Company

** SBHIPL was incorporated in 20th April, 2025 as SPV Company with Swan Energy Limited. The Company holds 40% equity in SBHIPL, pursuant to the said Investment, SBHIPL has become the Associate of Balu Forge Industries Limited w.e.f. 23rd June, 2025.*

Note: The Company does not have any Associate / Joint Venture Company as on 31st March 2025

The Names of associate or joint ventures which are yet to commence operations – NIL

The Names of the associate or joint ventures which have been liquidated or sold during the year – NIL

For Balu Forge Industries Limited

Mr. Jaspalsingh Chandock
Sd/-
Chairman &
Managing Director
DIN: 00813218
Date : 04th September 2025
Place: Mumbai

Mr. Trimaan Chandock
Sd/-
Whole Time Director
DIN: 02853445

Mr. Jaikaran Chandock
Sd/-
Whole Time Director
DIN: 06965738

Mr. Amit Todkari
Sd/-
Chief Financial Officer

Ms. Tabassum Begum
Sd/-
Company Secretary
& Compliance Officer

Annexure 'B' to Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The objective of the CSR activities of the Company is to foster a better quality of life for local communities and promote a socially inclusive society where equal opportunities are made available to all. The Company would like to make a meaningful impact to the lives of beneficiaries through structured interventions that contribute to their economic and social progress.

The Board of Directors of the Company has formed a Corporate Social Responsibility Committee to make CSR as one of the key focus areas where the Company can play a vital role and provide a reasonable contribution to the society by entering into sustainable programs of high impact and integrity.

2. COMPOSITION OF CSR COMMITTEE:

Name of Director	Nature of Directorship	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. Raghvendra Raj Mehta	Non-Executive & Independent Director	Chairperson	2	2
Mr. Trimaan Chandock	Executive & Whole Time Director	Member	2	2
Mr. Jaikaran Chandock	Executive & Whole Time Director	Member	2	2

3. PROVIDE 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.

Sr. No.	Particulars	Weblink
1.	CSR Committee	https://www.baluindustries.com/corporate-governance.php
2.	CSR Policy	https://www.baluindustries.com/assets/pdf/corporate-governance/policies/csr-policy.pdf
3.	CSR Projects	https://www.baluindustries.com/corporate-governance.php

4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE (ATTACH THE REPORT).

Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, **is not applicable to the company**.

5. a. Average net profit of the company as per sub-section (5) of section 135 – ₹ **4319.28 Lacs**

   b. Two present of average net profit of the company as per sub-section (5) of section 135 – ₹ **86.38 Lacs**

   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: ₹ **12.99 Lacs**

   e. Total CSR obligation for the financial year [(b)+(c)-(d)]- ₹ **73.39 Lacs**

6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- ₹ **86.40 Lacs**. Hence, there was no unspent amount for the year.

   i. Ongoing projects – Nil (Refer Annexure – "B1")

   ii. Other than Ongoing Projects (Refer Annexure – "B1")

   b. Amount spent in Administrative Overheads :- **Nil**

   c. Amount spent on Impact Assessment, if applicable :- **Nil**

   d. Total amount spent for the Financial Year [(a)+(b)+(c)] :- ₹ **86.40 Lakhs**

   e. CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	**Amount Unspent (in ₹)**				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of transfer**	**Name of the Fund**	**Amount**	**Date of transfer**
86,40,000	NIL	NIL	NIL	NIL	NIL

   f. Excess amount for set off, if any:

Sr. No.	**Particulars**	**Amount (₹ in Lakhs)**
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	86.38
(ii)	Total amount spent for the Financial Year	86.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.02
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	*13.01

includes excess amount of ₹ 12.99 lacs spent towards CSR activities in previous three financial years available for set off in next financial year

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: - **None**

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

   Furnish the details relating to such asset(s) created or acquired through CSR 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. – **Not Applicable**

Sd/-
Mr. Jaspalsingh Chandock
Chairman and Managing Director
DIN: 00813218

Sd/-
Mr. Raghvendra Raj Mehta
(Chairman, CSR Committee)
DIN: 01947378

Date : 4th September 2025
Place: Mumbai

Annexure – "B1" to Directors' Report

I. DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING PROJECTS FOR THE FINANCIAL YEAR:

There were no on-going projects for the financial year, hence this is not applicable.

II. DETAILS OF CSR AMOUNT SPENT AGAINST OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR:

(1)	(2)	(3)	(4)		(5)	(6)	(7)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)		Amount spent for the project (₹ in Lakhs	Mode of implementation – Direct (Yes/ No)	Mode of implementation - Through implementing agency	
			State	District			Name	CSR registration number
1.	Uttam Shiksha - Ek Prayas & Skill Development	(ii)	Rajasthan	Kota	81.40	Yes	Shubhash Chandra Boss Charitable Trust	CSR00016949
2.	Snehalata	(iii)	Maharashtra	Solapur	5.00	Yes	Snehalaya	CSR00014440

Annexure 'C' to Directors' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197 (12) OF THE COMPANIES ACT 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES 2014.

1. The ratio of the remuneration (paid / payable) of each Director to the median remuneration of the employees of the Company for the FY 2024-25 and % increase in remuneration of each Director / KMP of the Company for FY 2024-25 are as under:

(in lakhs)

Sr. No.	Name of Director	Designation	%Increase in remuneration over previous year	Ratio of Remuneration to Median Remuneration of all Employees
		Executive Directors		
1.	Jaspalsingh Chandock	Chairman and Managing Director	61%	27.39
2.	Trimaan Chandock	Whole-Time Directors	153%	10.74
3.	Jaikaran Chandock	Whole-Time Directors	153%	10.74
		KMP		
4.	Tabassum Begum	Company Secretary	53%	2.47
5.	Amit Todkari	Chief Financial officer	16%	3.87

2. The Median remuneration of the Company for all its employees is ₹ 4,23,518.56 for the F.Y. 2024-25.
3. Percentage increase in the median remuneration of employees in the FY 2024-25 is 68%.
4. The number of permanent employees on the rolls of the Company as on 31st March 2025 was 150 (One Hundred Fifty).
5. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2024-25 was 68% whereas the percentile increase in the managerial remuneration for the same financial year was 92%.
6. The key parameters for the variable component of remuneration availed by directors: There is no variable component in the remuneration paid to the directors.
7. It is hereby affirmed that the remuneration paid/payable during the year is as per the Remuneration Policy of the Company.
8. Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection and any Member interested in obtaining a copy of the same may write to Company at compliance@baluindustries.com from their registered e-mail address.

By the Order of the Board
For Balu Forge Industries Limited

Sd/-
Mr. Jaspalsingh Chandock
Chairman & Managing Director
DIN: 00813218

Place: Mumbai
Date: 4th September 2025

Annexure 'D' to Directors' Report

SECRETARIAL AUDIT REPORT

FORM No. MR-3

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] and Pursuant to Regulation 24A of SEBI (LODR) Regulation, 2015

To,

The Members,

Balu Forge Industries Limited

506, 5th Floor, Imperial Palace,

45 Telly Park Road, Andheri (East),

Mumbai – 400 069, Maharashtra

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balu Forge Industries Limited** having CIN: L29100MH1989PLC255933 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

(i) The Companies Act, 2013, (the 'Act') and the rules made thereunder;

(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 thereunder;

(iv) Foreign Exchange Management Act, 1999 ('FEMA') and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment, wherever applicable;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**) to the extent applicable to the Company:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations 2018;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the audit period under review;

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021; Not applicable during the audit period under review;

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable during the audit period under review;

h) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable during the audit period under review;

i) The Securities and Exchange Board of India (Buyback of Securities) Regulation 2021; Not applicable during the audit period under review;

j) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2021; Not applicable during the audit period under review;

(vi) Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, other than fiscal, labour and environmental laws, there are no laws which are specifically applicable to the Company.

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

a) Secretarial Standards issued by 'The Institute of Company Secretaries of India'; and

b) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Secretarial Standards, etc. mentioned above:

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors including Woman Director. The changes in the composition of the Board of Directors which took place during the financial year under review were carried out in compliance with the provisions of the Act.

Adequate/Shorter notices are given to all Directors to schedule the Board and its Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members had any dissenting views, in the matters/ agenda proposed from time to time for consideration of the Board and Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

All the Board/Committee decisions are taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. The Board of Directors at its meeting held on 14th May, 2024, had appointed Mr. Sadik Aman Patel as Chief Operating Officer (COO) with immediate effect from 14th May, 2024.

2. The Board of Directors by way of Circular Resolution dated 05th July, 2024, approved the allotment of 23,50,000 Equity Shares of Rs. 10/- each upon conversion of Convertible Warrants into Equity Shares to persons belonging to Promoters Group.

3. The Company has obtained the Shareholders' approval by passing the following resolutions at the 01/2024-25 Extra Ordinary General Meeting (EOGM) held on 09th August, 2024:

   I. Increase of Authorized Share Capital of the Company from Rs. 1,10,00,00,000/- (Rupees One Hundred and Ten Crores only) to Rs. 1,25,00,00,000/- (Rupees One Hundred and Twenty Five Crores only) and accordingly alteration of capital clause of Memorandum of Association of the Company.

   II. Issue and allotment of 45,00,000 Equity Shares of Rs. 10/- each at a price of Rs. 360/- (Rupees Three Hundred Sixty only) to Non-Promoter Public Category on Preferential basis.

   III. Issue and allotment of 93,00,000 Convertible Warrants of Rs. 10/- each at a price of Rs. 360/- to persons belonging to the Promoter and Non-Promotors Public Category on Preferential basis.

   IV. Amend / Modify Item No 6 of the Notice of the 34th Annual General Meeting of the members of the Company dated 4th September 2023, the object of the Preferential Issue.

4. The Board of Directors at its meeting held on 07th February, 2025, Approved the appointment of Mr. Roop Lal Meena (DIN: 10938270), as an Additional Director (Independent Category) on the Board of the Company.

5. The Board of Directors by way of Circular Resolution dated 19th March, 2025, approved the allotment of 13,25,000 Equity Shares of Rs. 10/- each upon conversion of Convertible Warrants into Equity Shares to persons belonging to Promoters Group.

By **Singhvi & Associates**
Company Secretaries

Sd/-
Saurabh Singhvi
Proprietor
Membership No.: A64515
C.P. No.: 24601
PR No.: 5611/2024

Date: August 23, 2025
Place: Mumbai
UDIN: A064515G001069596

Note: This Report is to be read with our letter of even date, which is annexed as annexure and forms an integral part of this report.

ANNEXURE

To,
The Members,
Balu Forge Industries Limited
506, 5th Floor, Imperial Palace,
45 Telly Park Road, Andheri (East),
Mumbai – 400 069, Maharashtra

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 as opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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.

By **Singhvi & Associates**
Company Secretaries

Sd/-
Saurabh Singhvi
Proprietor
Membership No.: A64515
C.P. No.: 24601
PR No.: 5611/2024

Date: August 23, 2025
Place: Mumbai
UDIN: A064515G001069596

Annexure 'E' to Directors' Report

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo (In terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

The Company continued to focus on initiatives that enable improved efficiency in energy use and has deployed several technological interventions to conserve energy. The Energy departments across facilities renewed efforts by carrying out energy benchmarking with the best practices.:

1. **Prevention / minimisation –** The Company prioritized the avoidance of energy wastage by optimizing process parameters and adopting energy-efficient technologies. Continuous monitoring of power factor and maximum demand levels ensured effective control over electricity consumption. Additionally, LED lighting and automated light-sensing systems were deployed across facilities to minimize unnecessary energy use, thereby reducing both fuel and power intensity.

2. **Improving Recovery –** The Company enhanced energy recovery upgrading equipment such as compressors and motors, enabling higher efficiency, reduced fuel use, and lower carbon emissions.

3. **Higher Re-use / Re-cycling –** The Company continued to identify opportunities to enhance re-use and recycling of energy and materials within its operations. Internal process scrap, such as metal residues, is recycled through authorized channels and reintegrated into production wherever feasible, thereby reducing raw material wastage. Packaging materials like iron pallets and bins are reused multiple times to minimize dependency on fresh resources. A cost–benefit analysis of recovered energy streams was undertaken to evaluate and implement practices for maximizing the use of recycled inputs, aligned with OEM specifications and industry standards.

During the financial year under review, following specific actions were taken by the Company at its various locations, which resulted in saving of energy consumption:

i. Replacement of old motors/parts with energy efficient motors.

ii. Installing hydraulic power head resulting in significant energy saving.

iii. Enhancing advanced CNC machining capability which consumes less power compared to traditional machine.

iv. Continuous monitoring and control of power factor and maximum demand, leading to optimized use of electricity and further conservation.

B. TECHNOLOGY ABSORPTION

Research & Development ("R&D")

I. Specific areas in which R&D is carried out by the Company Low-cost automation across various factories including redesigning of various production process.

The Company has focused on low-cost automation and redesigning of production processes across its factories. In addition, R&D efforts extended to advanced machining lines (7-axis and 11-axis), hydraulic hammer forging technology, and process innovation to enhance efficiency and scalability.

II. Benefits derived as a result of the above R&D.

The R&D efforts have resulted in power cost saving for the Company. These initiatives resulted in significant power cost savings, improved operational efficiency, and higher precision in complex machining. They also supported capacity expansion, enabling the Company to scale forging, thereby strengthening its global competitiveness.

III. Information regarding imported technology (imported during the last 3 years reckoned from the beginning of the financial year) is furnished.

Sl. No.	Particulars	Year of Import	Has the technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action
1.	7-Axis and 11-Axis CNC Machines	2024 & 2025	No	The Greenfield Manufacturing Campus in Belgaum, Karnataka is under construction & the commissioning of the production lines will be completed in a phased manner. Therefore, as the lines will be operational the machinery will be fully absorbed.
2.	Hydraulic Power Head systems for large capacity Forging Hammers (25T, 16T, 10T)	2024 & 2025	No	We have partially absorbed the hydraulic power head systems as all Hammer lines are not commissioned. As the other lines will be commissioned the complete hydraulic power head systems will be absorbed
3.	Hydraulic Press Technologies (1600T)	2024	No	The Greenfield Manufacturing Campus in Belgaum, Karnataka is under construction & the commissioning of the production lines will be completed in a phased manner. As the lines get commissioned, the technology will be absorbed.
4.	Anti-Vibration Systems (GERB)	2024	No	
5.	Multiple Mechanical (8000T) & Trimming Forging Presses (1250T, 2000T, 1600T)	2024	No	

IV. Expenditure on R&D

- Capital: Nil
- Recurring: 139.90 Lakhs
- Total: 139.90 Lakhs
- Total R&D expenditure as a percentage of total turnover is – 0.4 percent.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Following are the details of total foreign exchange earned and used during the last financial year:

(₹ in Lakhs)

Particulars	FY 2024-25	FY 2023-24
Foreign exchange earned	41,881.26	23,629.45
Foreign exchange used	17,082.26	11,588.87

Corporate Governance Report

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is essentially the management of an organisation's activities in accordance with policies that are value-accretive for all stakeholders. At Balu Forge Industries Limited, Corporate Governance has been a continuous journey to adapt the best practice in line with the changes in the regulations and the business goals of the Company are aimed at the overall well- being and welfare of all the constituents of the system. The Company's philosophy on corporate governance oversees business strategies and ensures ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Management strongly believes in fostering a governance philosophy that is committed towards timely disclosures, transparent accounting policies and a strong and independent Board which drives a long way in protecting the shareholders' interest while maximizing long term corporate values. The Management believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

A well-informed Board is an important facet of responsible behaviour. On a regular basis, the Board members of the Company are apprised of all the vital issues that it comes across and the remedial actions taken in this regard. Through this robust Corporate Governance mechanism that interlinks values, ethics and positive culture, the Company aims to achieve long-term sustainability.

2. BOARD OF DIRECTORS

The Board of Directors is the apex body constituted by the Shareholders for overseeing the Company's overall functioning. The Board provides and evaluates the Company's strategic directions, management policies and their effectiveness and ensures that Shareholders' long-term interests are being served. The Managing Director and Whole Time Directors are assisted by senior managerial personnel in overseeing the functional matters of the Company.

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the SEBI Listing Regulations) and the same is in accordance with the requirements of the Companies Act, 2013. As on 31st March, 2025, the Board of the Company consisted of 7 (Seven) Directors of which 1 (One) is Managing Director, 2 (Two) Whole Time Directors and 4 (Four) Non-Executive Independent Directors (including a Woman Director). The Company also has 2 (Two) KMP's viz. Chief Financial Officer and Company Secretary. All members of the Board are eminent persons with considerable professional expertise and experience.

During the year under review, the following changes took place in the composition of the Board of Directors:

Mr. Sumer Singh (DIN: 10768646), was appointed by the Board of Directors as an Additional Director (Non-Executive Independent Category) of the Company w.e.f. 06th September, 2024. Thereafter he has resigned from the Board w.e.f. 25th September, 2024 due to no-receipt of No-Objection Certificate (NOC) from Union Bank of India, where he served as Deputy General Manager (DGM and he confirmed that there are no any material reasons other than those provided above.

Mr. Roop Lal Meena (DIN: 10938270), was appointed as an Additional Director (Non-Executive Independent Category) of the Company w.e.f. 07th February, 2025. The appointment of Mr. Roop Lal Meena was approved by the shareholders by means of a special resolution through postal ballot concluded on 23rd April, 2025.

The Company has in place a succession plan for the Board of Directors and Senior Management of the Company.

The composition of the Board, directorships/committee membership positions in other companies held by Directors of the Company as on 31st March, 2025 is given below:

Name of Director	Category	Relationship between directors inter-se	No of Directorship and Committee Chairmanship(s) / Membership(s) including this listed company			Particular of Directorship in other listed entities	
			*Directorship	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mr. Jaspalsingh Chandock (DIN: 00813218)	Chairman & Managing Director- (Promoter – Executive)	Father of Mr. Trimaan Chandock & Mr. Jaikaran Chandock	2	0	0	0	0

Name of Director	Category	Relationship between directors inter-se	No of Directorship and Committee Chairmanship(s) / Membership(s) including this listed company			Particular of Directorship in other listed entities	
			*Directorship	#Chairmanship	#Membership	Name of the Company	Category of Directorship
Mr. Trimaan Chandock (DIN-02853445)	Whole time Director (Promoter – Executive)	Son of Mr. Jaspalsingh Chandock & brother of Mr. Jaikaran Chandock	2	0	1	0	0
Mr. Jaikaran Chandock (DIN: 06965738)	Whole Time Director (Promoter – Executive)	Son of Mr. Jaspalsingh Chandock and Brother of Mr. Trimaan Chandock	2	0	0	0	0
Mr. Raghvendra Raj Mehta (DIN: 01947378)	Non-Executive – Independent Director	No Relation	2	2	3	Libord Finance Ltd	Non-Executive – Independent Director
Mr. Radhey Shyam Soni (DIN: 07962657)	Non-Executive – Independent Director	No Relation	2	1	4	Libord Finance Ltd	Non-Executive – Independent Director
Mrs. Shalu Laxmanraj Bhandari (DIN: 00012556)	Non-Executive – Independent Director	No Relation	5	1	7	Bajaj Hindusthan Sugar Limited	Non-Executive – Independent Director
Mr. Roop Lal Meena (DIN: 10938270)	Non-Executive – Independent Director	No Relation	1	0	0	0	Non-Executive – Independent Director

Note:

**The list of other directorships includes Public Companies (listed and unlisted) but does not include Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.*

 # It includes Chairmanship or Membership of the Audit Committee and Stakeholders' Relationship Committee of Public Companies (listed and unlisted) only.

During the year, none of the Directors of the Company:

- Has held or holds office as a director, including any alternate directorship, in more than twenty companies at the same time and maximum number of directorships in public companies does not exceed ten as per the provision of Section 165 of Company Act, 2013.
- Has held or holds office of directorships, including any alternate directorships in more than eight listed entities as per the provision of 17A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Has not serve as an independent director in more than seven listed entities and whole-time director has not serve as an independent director in not more than three listed entities.
- Is a Member of more than 10 (ten) Committees and Chairman / Chairperson of more than 5 (five) Committees across all the Indian Public limited companies in which he/ she is a Director - As per Regulation 26 of the Listing Regulations.

The Board of Directors is of the opinion that all Independent Directors of the Company fulfill the conditions of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) and 25(8) of the Listing Regulations and hereby confirm that they are independent of the management.

Shareholdings of Directors as on 31st March, 2025.

Name of Directors	Category	No. of Equity Shares	% Shareholding	No. of Convertible Warrants
Mr. Jaspalsingh Chandock	Chairman & Managing Director	5,74,40,024	51.86	Nil
Mr. Trimaan Chandock	Whole Time Director	25,75,900	2.33	15,00,000
Mr. Jaikaran Chandock	Whole Time Director	11,85,150	1.07	28,25,000
Mr. Raghvendra Raj Mehta	Independent Director	Nil	Nil	Nil
Mr. Radhey Shyam Soni	Independent Director	Nil	Nil	Nil
Mrs. Shalu Laxmanraj Bhandari	Independent Director	Nil	Nil	Nil
*Mr. Roop Lal Meena	Independent Director	Nil	Nil	Nil

** Mr. Roop Lal Meena was appointed as an Independent Director of the Company w.e.f. 07th February, 2025.*

BOARD MEETINGS

The Board meets at regular intervals to discuss the performance of the Company and Financial Results apart from other business whenever required, from time to time. The notice, agenda and supplementary documents are circulated well in advance before each meeting, to all Directors, for facilitating effective discussion and decision making. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

The Board of Directors duly met 8 (Eight) times during the financial year ended 31st March, 2025 and maximum interval between any two meetings was within the maximum gap permitted under the Companies Act, 2013 and the Listing Regulations.

THE DATES OF THE MEETINGS WERE AS FOLLOWS:

14th May, 2024, 16th July, 2024, 30th July, 2024, 05th August, 2024, 06th September, 2024, 21st October, 2024, 14th November, 2024 and 07th February, 2025.

The 35th Annual General Meeting of the Shareholders of the Company was held on Monday, 30th September, 2024.

The attendance of each Director at the Board Meeting and the last Annual General Meeting is given under:

Name of director	Particular of attendance for the Board Meetings		Attendance for last AGM held on 30th September 2024
	Meetings held during the Director's tenure	Board Meetings attended	
Mr. Jaspalsingh Chandock	08	08	Present
Mr. Trimaan Chandock	08	08	Present
Mr. Jaikaran Chandock	08	08	Present
Mr. Raghvendra Raj Mehta	08	07	Present
Mr. Radhey Shyam Soni	08	08	Present
Mrs. Shalu Laxmanraj Bhandari	08	08	Present
*Mr. Roop Lal Meena	00	00	Not Applicable

**Mr. Roop Lal Meena was appointed as an Independent Director of the Company w.e.f. 07th February, 2025*

Separate Independent Directors Meeting

Pursuant to Schedule IV of the Companies Act, 2013 and as per Regulation 25(3) of the Listing Regulations, separate meeting of Independent Directors of the Company was held on Friday, 07th February, 2025 without the presence of other Directors or management representatives. The agenda was to review the performance of Non-Independent Directors, the Chairperson, the entire Board and Committees thereof, quality, quantity, and timeliness of the flow of information between the management and the Board.

Familiarisation Programmes

At the time of appointment, the Independent Directors are made aware of their roles and responsibilities through a formal letter of appointment which stipulates various terms and conditions. At Board and Committee meetings, the Independent Directors are regularly being familiarized on the business model, strategies, operations, functions, policies and procedures of the Company and its subsidiaries. All Directors attend the familiarization programs as these are scheduled to coincide with the Board meeting calendar.

The details of training programs attended by the Independent Directors has been posted on the Company's website at https://www.baluindustries.com/corporate-governance.php.

Matrix of skills / expertise/ competencies of the Board of Directors

The Board of the Company comprises qualified members with the required skills, competence, and expertise for effective contribution to the Board and its Committee. The Board members are committed to ensure that the Company is in compliance with the highest standards of Corporate Governance.

The table below summarizes the list of core skills/ expertise/ competencies identified by the Board of Directors for effectively conducting the business of the Company and are available with the Board. The table also mentions the specific areas of expertise of individual Director against each skill/ expertise/ competence:

Name of Director	Area of skill/expertise/competencies
Mr. Jaspalsingh Chandock	Leadership, Management & administration, Production and Marketing, Strategic Planning, Operational experience.
Mr. Trimaan Chandock	Leadership, Management & administration, Production and Marketing, Accounting & Finance, Global Business, Business Acumen, Industry Experience, Research and Development and Innovation.
Mr. Jaikaran Chandock	Leadership, Management & administration, Production and Marketing Research and Development and Innovation, Global Business, Business Acumen
Mr. Raghvendra Raj Mehta	Accounting & Finance, Corporate Governance Relationship & CSR
Mr. Radhey Shyam Soni	Accounting, Finance and Banking, Forex & Risk Management Sustainability
Mrs. Shalu Laxmanraj Bhandari	Legal, Corporate Governance Relationship
Mr. Roop Lal Meena	Accounting, Finance and Banking, Internal Controls, Organizational Credit Policies

Particulars of Senior Management Personnel of the Company as on 31st March 2025 including the changes therein since the close of the previous financial year:

During the year under review, the Board of Directors of the Company at their meeting held on Tuesday, 14th May, 2024, have approved the appointment of Mr. Sadik Patel as Chief Operating officer (COO) of the Company with effect from 14th May, 2024.

Committees of the Board of Directors

In compliance with the requirements of the Companies Act, 2013 and the Listing Regulations, the Board of Directors has constituted various Committees. These Committees are entrusted with such powers and functions as detailed in their respective terms of reference. Besides, the Committees help focus attention on specific matters of the organization.

There is total 6 (Six) Statutory Committees as on 31st March 2025 considering the need of best practice in Corporate Governance of the Company.

In order to keep up the highest level of standards regarding Corporate Governance and Disclosures, the Management has instituted several committees that oversee various aspects of the organisation's administration. Formed in accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') the Committees inspect and resolve issues that may arise from time to time within the Company.

Committees as mandated under the Companies Act, 2013 and the Listing Regulations.

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination and Remuneration Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

Other Committees

6. Management Committee

3. AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Regulation 18 of the Listing Regulations, read with the provisions of Section 177 of the Companies Act, 2013. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

Mr. Raghvendra Raj Mehta is the Chairman of the Audit Committee. The Statutory Auditors are invited to Audit.

The Committee members invite the Internal Auditors or any other concerned officer of the Company in the meetings, whenever required on case-to-case basis.

The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process. The Company Secretary acts as the Secretary of the Audit Committee.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

Terms of Reference of the Audit Committee are as follows:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible;

   Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company;

b. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

c. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. 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;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by management;

   iv. Significant adjustments made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of any related party transactions; and

   vii. Modified opinion(s) in the draft audit report.

d. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

e. 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 utilised 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 or rights issue, or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;

f. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

g. Approval or any subsequent modification of transactions of the Company with related parties;

h. Scrutiny of inter-corporate loans and investments;

i. Valuation of undertakings or assets of the Company, wherever it is necessary;

j. Evaluation of internal financial controls and risk management systems;

k. Monitoring the end use of funds raised through public offers and related matters;

l. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m. 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;

n. Discussion with internal auditors of any significant findings and follow up thereon;

o. Reviewing the findings of any internal investigations by the internal auditors into matters of 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;

p. 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;

q. 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;

r. To establish and review the functioning of the whistle blower mechanism;

s. Approval of appointment of Chief Financial Officer (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;

t. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority;

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

v. Review of:

i. management discussion and analysis of financial condition and results of operations;

ii. management letters / letters of internal control weaknesses issued by the statutory auditors;

iii. internal audit reports relating to internal control weaknesses;

iv. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

v. statement of deviations including:

a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;

b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations;

vi. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 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 and;

vii. Review the compliance of the provision of at least once in a financial year and verify that the systems for internal controls are adequate and operating sufficiently and forward the said report with the comments / observations to the Board of Directors of the Company.

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

Audit Committee Meetings

During the Financial Year 2024-25, Five (5) Audit Committee meetings were held. The meetings were held on 14th May, 2024, 30th July, 2024, 06th September. 2024, 21st October, 2024 and 07th February, 2025. The gap was not more than one hundred and twenty days between two Audit Committee meetings.

Ms. Tabassum Begum, Company Secretary of the Company acts as the secretary to the Audit Committee.

The details of composition of Audit Committee and attendance of each Committee Member are as follows:

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meetings attended by the Member
Mr. Raghvendra Raj Mehta	Chairman	05	05
Mr. Radheshyam Soni	Member	05	05
Mrs. Shalu Bhandari	Member	05	05
Mr. Trimaan Chandock	Member	05	05
*Mr. Roop Lal Meena	Member	00	00

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Audit Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

4. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Listing Regulations read with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors. Besides, it recommends remuneration policy for Directors, Key Managerial Personnel and the Senior Management of the Company.

Terms of reference of the Nomination and Remuneration Committee are as follows:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel, and other employees;

b) Formulate the 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 agency, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and
- consider the time commitments of the candidates.

c) Formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;

d) Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;

e) Recommend to the Board, appointment, and removal of Director, KMP and Senior Management Personnel;

f) Devise a policy on diversity of Board of Directors;

g) 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; and

h) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

Nomination and Remuneration Committee Meetings

During the financial year under review, 3 (Three) meetings of the Nomination and Remuneration Committee were held. The meetings were held on 14th May, 2024, 06th September, 2024 and 07th February, 2025.

The composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of held meetings during the Member's tenure	No. of meetings attended by the Member
Mr. Raghvendra Raj Mehta	Chairman	03	03
Mr. Radheshyam Soni	Member	03	03
Mrs. Shalu Bhandari	Member	03	03
*Mr. Roop Lal Meena	Member	00	00

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Nomination and Remuneration Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

Performance Evaluation Criteria for Independent Directors

The Board of Directors of the Company carried out an annual evaluation of its own performance, of committees, of the Board and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The performance evaluation is conducted through structured questionnaires which cover various aspects such as the Board composition and structure, effectiveness and contribution to Board processes, adequacy, appropriateness and timeliness of information and the overall functioning of the Board etc. The Individual Director's response to the questionnaire on the performance of the Board, Committee(s), Directors, and Chairman, were analyzed. The Directors were satisfied with the evaluation process and have expressed their satisfaction with the evaluation process.

In compliance with Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Board of Directors has formulated criteria for evaluation of the Company's Independent Directors' performance. The performance evaluation of Independent Directors is carried out on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills, and exercise of independent judgment in major decisions of the Company.

The performance criteria of the above-mentioned Directors are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

5. REMUNERATION OF DIRECTORS

a) Criteria of making payments to Non-Executive Directors

Sitting Fees

The Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board of Directors and Committees thereof. Sitting fees paid to non-executive Directors is within the prescribed limits under the Companies Act, 2013 and as determined by the Board of Directors from time to time.

The details of sitting fees for the financial year 2024-25 are as under:

Name of Non- Executive Director	Sitting fees (in ₹)
Mr. Radheshyam Soni	4,35,000
Mr. Raghvendra Raj Mehta	4,15,000
Mrs. Shalu Bhandari	4,15,000
*Mr. Roop Lal Meena	Nil

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025.*

During the year, there was no pecuniary relationship or transaction between the Company and any of its Non- Executive Directors apart from receipt of sitting fees. The Company has not granted any stock options to any of its Non-Executive Directors.

b) Managing Director & Whole-time Director

The Company has paid remuneration to its Managing Director and Whole-time Directors, by way of salary and perquisites, within the limits stipulated under the Companies Act, 2013 and as per the approval sought from the shareholders of the Company.

Details of the remuneration paid to the Executive Directors of the Company during the financial year 2024-25 are as follows:

(Amount in ₹)

Name	Designation	Basic Salary	Company's contribution to provident fund	Perquisites	Variable	Gross Remuneration
Mr. Jaspalsingh Chandock	Managing Director	1,16,00,000	-	-	-	1,16,00,000
Mr. Trimaan Chandock	Whole-time Director	45,50,000	-	-	-	45,50,000
Mr. Jaikaran Chandock	Whole-time Director	45,50,000	-	-	-	45,50,000

Service Contract

Jaspalsingh Chandock (DIN: 00813218), as the Chairman and Managing Director of the Company for the period of 5 years commencing from 19th November 2023.

Trimaan Jaspalsingh Chandock (DIN: 02853445), as the Whole-Time Director of the Company for the period of 5 years commencing from 19th November 2023.

Jaikaran Jaspalsingh Chandock (DIN: 06965738), as the Whole-Time Director of the Company for the period of 5 years commencing from 19th November 2023.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable: Not Applicable

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of the Board was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

Mr. Raghvendra Raj Mehta, Non-Executive Director is the Chairperson of the Committee and Ms. Tabassum Begum, Company Secretary is the Compliance Officer of the Company pursuant to Regulation 6 of the Listing Regulations.

Terms of reference of the Stakeholders' Relationship Committee are as follows:

a) Investor relations and redressal of grievances of security holders of the Company in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet etc.;

b) Approve requests for security transfers and transmission and those pertaining to re-materialisation of securities / subdivision/ consolidation of shares, issue of renewed and duplicate share/debenture certificates etc.;

c) Resolving the grievances of the shareholders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report and non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;

d) Review of measures taken for effective exercise of voting rights by shareholders;

e) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

f) Review of the various measures and initiatives taken by the listed entity 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

g) Such other matters as may from time to time be required by any statutory, contractual, or other regulatory requirements to be attended to by such Committee.

Stakeholders Relationship Committee Meetings

During the year ended 31st March, 2025, One meeting of Stakeholders Relationship Committee was held i.e. on 14th May, 2024. The Company Secretary of the Company acts as Secretary to the Committee.

Ms. Tabassum Begum, Company Secretary is the Compliance Officer of the Company pursuant to Regulation 6 of the Listing Regulations.

The composition and attendance of each Member is as follows:

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meeting attended by the Member
Mr. Raghvendra Raj Mehta	Chairman	01	01
Mr. Radheshyam Soni	Member	01	01
Mrs. Shalu Bhandari	Member	01	01
*Mr. Roop Lal Meena	Member	00	00

**Mr. Roop Lal Meena, was appointed as Independent Director w.e.f. 07th February, 2025. Further the Stakeholders Relationship Committee was reconstituted on 07th August, 2025, to include Mr. Roop Lal Meena, as a Member of the Committee w.e.f. 07th August, 2025.*

Investor Complaints

The details of investor complaints received / redressed during the financial year 2024-25 is as under:

Complaints as on 01.04.2024	Received during the year	Resolved during the year	Complaints not solved to the satisfaction of shareholders during the year	Pending as on 31.03.2025
0	1	1	0	0

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board was constituted in compliance with the provisions of Section 135 of the Companies Act, 2013.

Terms of reference of the CSR Committee are as follows:

a) To formulate CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act and recommend same to the Board;

b) To recommend the amount of expenditure to be incurred on CSR activities;

c) To recommend annual action plan to Board of Directors of the Company in pursuance to the CSR policy and any modification as may be required;

d) To implement and monitor the CSR activities of the Company, which shall be in compliance with CSR objectives and Policy of the Company;

e) To provide a report on CSR activities to the Board of the Company periodically;

f) To undertake impact assessment, if required through an independent agency as per the requirements of Companies Act, 2013 and CSR rules made thereunder;

g) To monitor and review the CSR Policy of the Company from time to time; and

h) To ensure the compliance of Section 135 read with Schedule VII of Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 and subsequent amendments thereto.

Corporate Social Responsibility Committee Meetings

The Corporate Social Responsibility Committee met twice during the year ended 31st March, 2025 i.e. on 14th May, 2024 and 30th July, 2024.

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of held meetings during the Member's tenure	No. of meetings attended by the Member
Mr. Raghvendra Raj Mehta	Chairman	02	02
Mr. Trimaan Chandock	Member	02	02
Mr. Jaikaran Chandock	Member	02	02

8. RISK MANAGEMENT COMMITTEE

The Risk Management Committee of the Board was constituted in compliance with the provisions of Regulation 21 of the Listing Regulations.

Terms of reference of the Risk Management Committee are as follows:

a) To assist the Board in execution of its responsibility for the governance and to assist the Board in setting risk strategy policies, including annually agreeing risk tolerance and appetite levels, in liaison with the Management;

b) To formulate, review and recommend risk management policy and amendments, if any for Board Approval.

c) To formulate the Risk Management policy which shall include:

- A framework for identification of internal and external risks specifically faced by the entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security, or any other risk as may be determined by the committee.
- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.

d) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

e) To monitor and oversee the implementation of risk management policy, including evaluating the adequacy of risk management systems.

f) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

g) To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.

h) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the RMC.; and

i) The Committee shall coordinate its activities with other committees where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

Risk Management Committee shall meet at least twice in a financial year (not more than 210 days shall elapse between two consecutive meetings) to review the risk management process and review the top risks, mitigation plan and status at the Company level. Additional meetings may be convened at the request of any one of the committee members. However, the meetings are to be scheduled as such that they are held before the meetings of the Board, for effective reporting. Moreover, the Chairman of the Risk Management Committee shall report from time to time to the Board on the deliberations of the Committee.

Risk Management Committee Meetings

During the financial year under review, 2(Two) meetings of the Risk Management Committee were held on 14th May, 2024 and 21st October, 2024. The composition and attendance of each Committee Member is as under:

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meeting attended by the Member
Mr. Trimaan Chandock	Chairman	02	02
Mr. Jaikaran Chandock	Member	02	02
Mr. Radhe Shyam Soni	Member	02	02

9. MANAGEMENT COMMITTEE

Terms of reference of the Management Committee are as follows:

a) To borrow loans for operations of the Company up to the maximum limit of ₹ 10 Crores in a financial year;

b) To authorize such persons including directors to approach Banks/ Financial Institution and others to avail loans/credit facilities from time to time for operation of the Company and to negotiate and finalize the terms and conditions thereof;

c) To authorise any person/employee(s) either severally/jointly to sign and execute documents, application forms and/or agreements related to opening, operating and closing of Bank account, issue of Corporate Credit Cards, availing e-payment gateway services, Cash Management Service or availing Corporate Internet Banking Services or enhancing the online transaction limits for the Accounts opened/to be opened with any Banks, modification of authorized signatories of the existing bank accounts and such other allied banking activities as may be required for facilitating the day to day business of the Company;

d) To invest the idle funds of the Company in various, fixed deposit schemes, debt securities of any corporate, government securities, units of mutual funds and such other instruments upto the maximum of ₹ 25 lacs and/ or to provide corporate guarantee or securities with respect to the loans availed by its subsidiaries upto the maximum of ₹ 1 Crore;

e) To authorize such Officials of the Company to operate the loan accounts and the bank account of the Company as maybe deemed fit from time to time;

f) To authorize such Officials of the Company to attend / appear before courts and other forums, tribunals, judicial, quasi-judicial authority / to declare, sign Vakalatnama, affirm and file written statements, replies, affidavits, applications, to file and exhibit the documents to lead the evidences on behalf of the Company in matters related to the Company;

g) To authorize such Officials of the Company to acquire properties on behalf of the Company on lease or otherwise as required in the ordinary course of business of the Company and / or to give premises on lease as maybe deemed fit by the Board from time to time and to sign, execute, negotiate and deliver all such documents, papers, agreements, applications, affidavits with respect to the same;

h) To grant authority to attend and vote at the general body meetings / postal ballots either in person or through e-voting in the body corporate where the Company had invested in its securities and to appoint any proxy for the same; and

i) To fill and file tenders for supply of materials in which the Company deals in and to issue advance / performance guarantees or pay earnest money deposit for such tenders and to do or to authorize any Officers of the Company including the Directors to do any such acts, deeds, things and matters related to submission of tenders.

Management Committee Meetings

During the Financial Year 2024-25, Four (4) Management Committee meetings were held. The meetings were held on 18th April, 2024, 07th June, 2024, 24th June, 2024, and 30th July, 2024.

Name of the Members	Designation in the committee	Particulars of Attendance	
		No. of meetings held during the Member's tenure	No. of meeting attended by the Member
Mr. Jaspalsingh Chandock	Chairman	04	04
Mr. Trimaan Chandock	Member	04	04
Mr. Jaikaran Chandock	Member	04	04

During the financial year under review, there were no instances where the Board had not accepted any recommendation of any committees of the Board.

10. GENERAL BODY MEETINGS

Annual General Meetings

The details of Annual General Meetings convened during the last three years are as follows:

For Financial Year	Date and Time	Venue	Special Resolution(s)
2023-24	Monday 30th September 2024 at 11:30 A.M	Through Video Conferencing (VIA Zoom Meeting)	• None
2022-23	Wednesday, 27th September, 2023 at 11:30 A.M.	Through Video Conferencing (VIA Zoom Meeting)	• Issue of Convertible Warrants on Preferential Basis to the persons forming part of Promoter Group. • Issue of Equity Shares on Preferential Basis to the persons Other Than Promoters and Promoter Group.
2021-22	Friday, 30th September, 2022 at 11:00 A.M.	Through Video Conferencing (VIA Zoom Meeting)	• None

Extraordinary General Meetings

During the Year 2024-25, 1(One) Extra Ordinary General Meeting (EOGM) was held on 09th August, 2024 the details of which are as follows:

The Following Ordinary and Special Resolutions as set out in the Notice of EOGM dated 16th July, 2024 are passed by the members by way of Extra Ordinary General Meeting through voting by electronic means ("Remote E-voting"):

Sr. No.	Type of Resolutions	Particulars
1.	Ordinary	Increase in Authorised Share Capital of the Company
2.	Special	Issue of Equity Shares on Preferential Basis to the Non-Promoter Public Category Investor for cash
3.	Special	Issue of Warrants convertible into Equity Shares on Preferential Basis to the Promoter & Non-Promoter Public Category Investor for cash
4.	Special	Amend / Modify Item no 6 of the Notice of the 34th Annual General Meeting of the Members of the Company dated 04th September, 2023.

Details of resolutions passed through Postal Ballot

As per Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, no resolutions were passed by members of the Company through Postal Ballot.

Further, the members of the Company passed the following resolution by way of Postal Ballot dated 23rd April, 2025:

Sr. No.	Type of Resolutions	Particulars
1.	Special	Appointment of Mr. Roop Lal Meena (DIN: 10938270) as an Independent Director of the Company for a term of five years.

Details of the postal ballot process followed in this regard are as under:

Date of Postal Ballot Notice: 18th March, 2025

The Voting period commenced on 25th March, 2025 at 9:00 a.m. up to 23rd April, 2025 at 5:00 p.m. IST

Date of declaration of result: 25th April, 2025

In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules framed thereunder and the General Circulars issued in this regard by the Ministry of Corporate Affairs ("MCA"), members were provided remote e-voting facility to vote on the resolution mentioned above. The Company availed electronic voting platform of National Securities Depository Limited (NSDL) for facilitating remote e-voting facility to all its members.

Mr. Jaymin Modi (Membership No.: A44248) Practicing Company Secretaries, Mumbai, were appointed as the Scrutinizer for carrying out the Postal Ballot voting process through electronic means in a fair and transparent manner.

The Postal Ballot Notice was sent to the members in electronic form at their email addresses registered with the depositories/, Company's Registrar and Share Transfer Agent.

The Scrutiniser submitted his report to the Chairman of the Company after the completion of scrutiny. The consolidated results of the voting by postal ballot were announced by the Chairman on 25th April, 2025, as authorised by the Board of Directors of the Company. 99.97% of votes were cast in favour and 0.003% of votes were cast against the said resolution. The results were displayed on the Company's website at https://www.baluindustries.com. and were available on the website of the Stock Exchanges.

Whether any special resolution is proposed to be conducted through Postal Ballot

There is no immediate proposal for passing any special resolution through Postal Ballot

11. MEANS OF COMMUNICATION:

Quarterly Results

The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes or 3 Hours, as applicable, from the conclusion of the Board Meeting in which the same is approved. The results are usually published in English Newspapers (Business Standard - All Editions), having country-wide circulation and in Marathi Newspapers (Navshakti - Mumbai Edition) where the registered office of the Company is situated.

These results were also placed on the Company's website i.e. https://www.baluindustries.com.

Quarter	Date of Board Meeting	Date of Publication
1st Quarter	30.07.2024	01.08.2024
2nd Quarter	21.10.2024	23.10.2024
3rd Quarter	07.02.2025	10.02.2025
4th Quarter	14.05.2025	17.05.2025

Website

All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and Companies Act, 2013 are being posted at Company's website: https://www.baluindustries.com

The official news releases and presentations to the institutional investors or analysts, if made any are disseminated to the Stock Exchange at www.bseindia.com and www.nseindia.com and the same is also uploaded on the website of the Company https://www.baluindustries.com

Designated E-mail address for investor services

To serve the investors better and as required under Listing regulations, the designated e-mail address for investors complaints is compliance@baluindustries.com.

12. GENERAL SHAREHOLDER INFORMATION

AGM date, time and venue	Monday, 29 September, 2025, 02:30 p.m. through Video Conferencing (VC) or other Audio Visual Means (OAVM)
Financial Year	April to March
Dividend Payment Date	The final dividend for the FY 2024-25, if approved by the members, will be paid on or before Monday, 27th October, 2025.
Registered Office along with its CIN	506, 5th Floor, Imperial Palace, 45 Telly Park Road, Andheri (East), Mumbai – 400 069. CIN: L29100MH1989PLC255933
Name and Address of Stock Exchanges where Company's securities are listed	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Scrip Code: 531112 ***National Stock Exchange of India Limited** 'Exchange Plaza', C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 NSE Trading Symbol: BALUFORGE
Listing fees	The Annual Listing fees for the financial year 2025-26 have been paid to BSE Limited and National Stock Exchange of India Limited.
Share Registrar and Transfer Agents	**M/s. Skyline Financial Services Pvt. Ltd.** A/505, Dattani Plaza, A K Road, Safed Pool, Andheri (East), Mumbai – 400 072 Tel: 022 - 62215779 / 2851102 Email: pravin.cm@skylinerta.com; mumbai@skylinerta.com
Address for Correspondence	**a) For Securities held in Demat form:** The investor's Depository Participant and/or M/s Skyline Financial Services Pvt. Ltd. **b) Balu Forge Industries Ltd. Investor Relation Centre** Ms. Tabassum Begum Company Secretary & Compliance officer E-mail: compliance@baluindustries.com Tel No: +91 8655075578
Company Secretary & Compliance officer	Ms. Tabassum Begum

**The Company got listed on National Stock Exchange of India on 29.04.2024.*

Share Transfer System

In terms of Listing Regulations, equity shares of the Company can only be transferred in dematerialised form including transmission or transposition of shares held in physical. Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit.

Shareholding pattern of the Company as on 31st March, 2025

Category of Shareholder	Number of Shares	% of Total Shares
A. Promoters	**6,12,01,074**	**55.25**
B. Public Shareholding	**4,95,65,826**	**44.75**
Mutual Funds	1,12,395	0.10
Alternate Investment Funds	10,74,348	0.97
Foreign Portfolio Investors	78,28,421	7.07
Central Government	46,24,001	4.17
Individuals	2,44,82,922	22.10
Non-Resident Indians (NRIs)	18,36,951	1.66
Body Corporate	80,12,392	7.23
HUF	6,58,149	0.59
Clearing Members	129	0.00
Firms	8,50,360	0.77
Trust	85,758	0.08
Total (A+B)	**11,07,66,900**	**100**

Distribution of Shareholding

Distribution of shareholding of shares of your Company as on 31st March, 2025 is as follows:

No. of Equity Shares Held	No. of Shareholders	% of Total Shareholders	Shares Holding Amount	% of Issued Capital
Up To 5,000	67766	92.47	49724030.00	4.49
5001 To 10,000	2529	3.45	19174750.00	1.73
10001 To 20,000	1410	1.92	20719220.00	1.87
20001 To 30,000	478	0.65	12204180.00	1.10
30001 To 40,000	251	0.34	8966550.00	0.81
40001 To 50,000	193	0.26	8912260.00	0.81
50001 To 1,00,000	314	0.43	22832120.00	2.06
1,00,000 and Above	342	0.47	965135890.00	87.13
Total	**73283**	**100.00**	**1107669000.00**	**100.00**

Disclosures of transactions of the Company with any person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company

The particulars of related party transactions of the company with promoter / promoter group during the year under review has been disclosed in the note no. 47 of Standalone Financial Statements.

Transfer of Unpaid/Unclaimed amounts and shares to Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, there was no Unpaid Dividend Amount of the Company liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Unclaimed Shares

During the financial year under review, the Company does not have any Demat Suspense Account / Unclaimed Suspense Account. The Company has 73,374 unclaimed equity shares of 731 shareholders lying with the Company as per Schedule V of the Listing Regulation. During the year the Company has issued 1,160 Number of shares to the 03 shareholders from whom the Company/RTA received the requests.

Dematerialisation of Shares and Liquidity

The Company has executed agreement with both the depositories of the Country i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for admission of its securities under dematerialised mode. The International Securities Identification Number (ISIN) allotted to the Equity Shares of the Company is ISIN: INE011E01029 - Equity shares.

As on 31st March, 2025, total Equity Shares representing 99.88 percent are held in dematerialised form.

The shares of the Company are regularly traded at the Stock Exchange where they are listed, which ensure the necessary liquidity to shareholders.

Physical & Dematerialised shares as on 31st March, 2025	No. of shares	% of total issued capital
No. of Shares held in dematerialised form in CDSL	2,22,81,733	20.36%
No. of Shares held in dematerialised form in NDSL	8,83,53,043	79.52%
No. of physical shares	1,32,124	0.12%
TOTAL	**11,07,66,900**	**100%**

Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity 110634776

There are no outstanding GDRs/ADRs of the Company during the Financial Year 2024-25.

The Company has allotted 23,50,000 Equity Shares on 5th July, 2024 and 13,25,000 Equity Shares on 19th March, 2025, pursuant to conversion of Convertible Warrants into Equity Shares out of total of 50,00,000 Warrants issued at the 34th AGM of the Company held on 27th September, 2023, and received ₹ 50,60,47,500/- (Rupees Fifty Crores Sixty Lakhs Forty-Seven Thousand Five Hundred Only) which were used for the objects stated in the Notice of 34th Annual General Meeting and the Explanatory Statement of Notice dated 04th September, 2023.

Further, the Company had issued 93,00,000 Convertible Warrants at EOGM dated 09th August, 2024, and received ₹ 83,70,00,000/-, 25% of the total consideration which were used for the objects stated in the Notice of 01/2024-25 Extra-Ordinary General Meeting and the Explanatory Statement of Notice dated 16th July, 2024. There has been no Category wise variation between projected utilization of funds as stated in the explanatory statement to the notice for the EOGM and AGM.

The Company has 1,06,25,000 Warrants outstanding as on 31st March, 2025.

Whether the securities are suspended from trading

The securities of the Company were not suspended during the year under review.

Commodity price risk or foreign exchange risk and hedging activities

A comprehensive financial and commodity risk management program supports the achievement of an organisation's objectives by enabling the identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks and implementing policies and procedures to manage and monitor the risks.

Currency Hedging and Commodity Hedging is as guided by Risk management policy approved by Board and the same is reviewed by Board committee of independent directors.

Plant Location

Unit 1

43-B Kakti Industrial Area, Kakti, Belgaum 591113, Karnataka, India

Unit 2

44-A, Kakti Industrial Area, Kakti, Belgaum-591113, Karnataka, India

Unit 3

428/1, Next to Aequs SEZ, Hattargi Village, Taluk Hukkeri - 591243, Karnataka, India

DISCLOSURES

A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company

All transactions entered into with Related Parties as defined under the Companies Act, 2013, and Regulation 23 of the SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosures as required by the Indian Accounting Standard (Ind AS 24) has been made in note no. 47 of the Standalone Financial Statements.

B. Details of Non-Compliance by the Company:

Penalties, and Strictures imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years

There was delay in submission of Financials Results under regulation 33 of the Listing Regulations for the quarters ended March 2023 and paid the penalty as levied by the Stock Exchange. Apart from the aforesaid matter there were no non-compliance done by the Company and no Penalties, Strictures imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority, on any matter related to Capital Markets during the last three years.

C. Disclosure of Vigil Mechanism/ Whistle Blower Policy and access to the Chairman of the Audit Committee

The Company has formulated Whistle Blower/ Vigil Mechanism Policy, pursuant to which the Director(s) and in line with the provisions of the Listing Regulations, the Act and other SEBI Regulations and principles of good governance, the Company has formulated a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy of the Company. The Policy provides for framework and process to encourage and facilitate employees and Directors to voice their concerns or observations without fear, or raise reports to the Management, of instance of any unethical or unacceptable business practice or event of misconduct/ unethical behaviors, actual or suspected fraud and violation of Company's Code of Conduct etc.

The Policy provides for adequate safeguards against victimization of persons who avail such mechanism. To encourage employees to report any concerns and to maintain anonymity the Policy provides a dedicated email id wherein the grievances or concerns can be reported to the Corporate Governance Committee, constituted for the administration and governance of the Policy. The Policy also facilitates direct access to the Chairman of the Audit Committee in appropriate or exceptional cases through a dedicated email id. The Whistle Blower Policy / Vigil Mechanism Policy adopted by the Company is available on the website of the Company i.e. www.baluindustries.com.

During the financial year 2024-25, the Company had not received any complaints pursuant to Whistle Blower/ Vigil Mechanism Policy.

During the year under review, none of the personnel has been denied access to the Chairman of the Audit Committee.

D. Policy for determining 'material' subsidiaries

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations. This Policy has been posted on the website of the Company at the https://www.baluindustries.com/corporate-governance.php

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

E. Policy on dealing with Related Party Transactions

The Company has formulated a policy on Related Party Transactions in line with the requirements of Section 177 (4) (iv) and 188 of the Companies Act, 2013 read with Rules framed thereunder and the Listing Regulations. This Policy has been posted on the website of the Company at the https://www.baluindustries.com/corporate-governance.php

F. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The details of number of complaints received and disposed of during the year ending 31 st

March, 2025 is given in the Directors' report.

G. List of all credit ratings obtained by the Company along with any revisions thereto during the relevant financial year

The Company has been rated by Crisil Ratings Limited vide its letter dated 29th October, 2024 for its bank facilities as follows;

Sr. No.	Instruments	Rating
1.	Packing Credit	BBB+/Stable
2.	Post Shipment Credit	A2

The above rating reflects the overall improvement in the credit risk profile of the company backed by strong growth in scale of operations and healthy profitability.

H. Details of utilization of funds raised through Preferential Allotment

The proceeds of funds raised under preferential issue of the Company are utilized as per Objects of the Issue. The disclosure in compliance with the Regulation 32 (7A) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is as under:

Out of the total fund raised by the Company for the financial year 2024-25 under preferential issue:

a) Preferential Allotment dated 26th July, 2023:

There is no amount unutilized as on 31st March, 2025.

b) Preferential Allotment dated 06th October, 2023:

Out of the total proceeds of ₹ 13,370 Lakhs, ₹ 13,545 lakhs which includes both 100% of consideration of Equity shares and 25% of the consideration of warrants, has been received and utilised till 31st March, 2025.

(₹ in Lakhs)

Sr. No.	Particulars	Actual utilisation of proceeds upto 31st March, 2024	Actual utilisation of proceeds upto 31st March, 2025
1.	The funds raised from the proposed issue of Equity Shares and Warrants is for utilized a combination of funding of the expenditure of company long term working capital and to meet general corporate purposes.	6885	13,545

c) Preferential Allotment dated 10th September, 2024:

Out of the total proceeds of ₹ 49,680 Lakhs, ₹ 24,570 Lakhs which includes both 100% of consideration of Equity shares and 25% of the consideration of warrants, has been received and utilised till 31st March, 2025.

(₹ in Lakhs)

Sr. No.	Particulars	Actual utilisation of proceeds upto 31st March, 2024	Actual utilisation of proceeds upto 31st March, 2025
1.	The funds raised from the proposed issue of Equity Shares and Warrants is for utilized a combination of funding of the expenditure for Purchase and installation of plant & machinery, expansion, company long term working capital to meet general corporate purpose	Nil	12,622.50
2.	The funds raised from the proposed issue of Equity Shares and Warrants is for utilized a combination of funding of the expenditure of company long term working capital and to meet general corporate purposes.	Nil	11,947.50

I. Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount':

The particulars of Loans and advances in the nature of loans to companies in which directors are interested by the Company and its subsidiaries during the year under review has been disclosed in the note no. 47 of Standalone Financial Statements.

J. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

Sr. No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment of Statutory Auditors
1.	Safa Otomotiv FZ – LLC	17/01/2021	Dubai	NBN Auditing of Accounts	06/02/2023

K. Certificate from a Company Secretary in practice

A certificate from the Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority attached with this Annual Report.

L. MD and CFO Certification

Certificate from Mr. Jaspalsingh Chandock, Chairman & Managing Director, in terms of Regulation 17(8) of the SEBI Listing Regulations, for the financial year 2024-2025 was placed before the Board at its meeting held on 14th May, 2025, and also forms part of this Annual Report.

M. Declaration Affirming Compliance of Code of Conduct

The Company has received confirmations from all the Board of Directors as well as Senior Management Executives regarding compliance of the Code of Conduct during the year under review.

A declaration by the Managing Director affirming compliance of Board Members and Senior Management Personnel to the Code is annexed herewith.

N. Total fees paid by the Company and its subsidiaries, on a consolidated basis to Statutory Auditors and all entities in its network firm/network entity, during the Financial Year 2024-25.

Total fees for all services paid by the Company to statutory auditors of the Company and other firms in the network entity of which the statutory auditors are a part, during the year ended 31st March, 2025 is ₹ 17,26,000/- [Rupees Seventeen Lakh Twenty-Six Thousand Only].

O. During FY 2024-25, there were no instances where the Board had not accepted any recommendation of any committee of the Board.

13. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT

There have been no instances of non-compliance of any requirement of the Corporate Governance Report as prescribed by the Listing Regulations.

14. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS

The Company has voluntarily complied with the following discretionary requirements as provided under Regulation 27(1) read with Part E of the Schedule II of the Listing Regulations:

- Modified opinion(s) in audit report: The Statutory Auditors have issued an unmodified audit opinion on the financial statements of the Company for the year ended 31st March, 2025.
- Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee for functional matters and presents the internal audit report to the Audit Committee every quarter.

15. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Your Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

CODE OF CONDUCT DECLARATION

In terms of Regulation 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the affirmations provided by the Directors and Senior Management Personnel of the Company to whom Code of Conduct is made applicable, it is declared that the Board of Directors and the Senior Management Personnel have complied with the Code of Conduct for the year ended 31st March, 2025.

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
DIN: 00813218

Place: Mumbai
Date: 04th September, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
Balu Forge Industries Limited
506, 5th Floor, Imperial Palace,
45 Telly Park Road, Andheri (East),
Mumbai- 400069, Maharashtra, India

We have examined the relevant registers records forms returns and disclosures received from the Directors of **Balu Forge Industries Limited** having **CIN L29100MH1989PLC255933** and having Registered Office at 506, 5th Floor, Imperial Palace, 45 Telly Park Road, Andheri (East), Mumbai- 400069, Maharashtra, 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 Sub Clause 10(i) of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2025, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	DIN	Original Date of Appointment in the Company	Date of Resignation
1	Jaspalsingh Chandock	00813218	19/11/2020	-
2	Trimaan Chandock	02853445	19/11/2020	-
3	Jaikaran Chandock	06965738	19/11/2020	-
4	Raghvendra Raj Mehta	01947378	30/06/2021	-
5	Radhey Shyam Soni	07962657	30/06/2021	-
6	Shalu Laxmanraj Bhandari	00012556	30/06/2021	-
7	Roop Lal Meena	10938270	07/02/2025	-

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

For, **AABID & CO.**
Company Secretaries

Sd/-
CS Mohammed Aabid
Partner
M No.: F6579
COP No.: 6625
Peer Review No.: P2007MH076700
UDIN: F006579G001085131

Date: 26/08/2025
Place: Mumbai

COMPLIANCE CERTIFICATE FROM PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,
The Members,
Balu Forge Industries Limited
506, 5th Floor, Imperial Palace,
45 Telly Park Road, Andheri (East),
Mumbai- 400069, Maharashtra, India

We have examined the compliance of conditions of Corporate Governance by Balu Forge Industries Limited ('the Company') for the financial year ended March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For, **AABID & CO.**
Company Secretaries

Sd/-
CS Mohammed Aabid
Partner
M No.: F6579
COP No.: 6625
Peer Review No.: P2007MH076700
UDIN: F006579G001077748

Date: 25.08.2025
Place: Mumbai

Managing Director (MD) and Chief Financial Officer (CFO) Certification

We hereby certify that:

a) We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2025 and to the best of our knowledge and belief

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent or illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee:

   - Significant changes in internal control during the year;
   - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is being given to the Board pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thank you.
Yours truly,
For **Balu Forge Industries Limited**

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
DIN: 00813218

Place: Mumbai
Date: 14th May, 2025

Annexure II

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	: L29100MH1989PLC255933
2	Name of the Listed Entity	: Balu Forge Industries Limited
3	Year of incorporation	: 1989
4	Registered office address	: 506, 5th Floor, Imperial Palace, 45 Telly Park Road, Andheri (East) , Mumbai, Maharashtra, India – 400069
5	Corporate address	: 506, 5th Floor, Imperial Palace, 45 Telly Park Road, Andheri (East) , Mumbai, Maharashtra, India – 400069
6	E-mail	: compliance@baluindustries.com
7	Telephone	: 91-8655075578
8	Website	: https://www.baluindustries.com
9	Financial year for which reporting is being done	: 1st April, 2024 to 31st March 2025
10	Name of the Stock Exchange(s) where shares are listed	: National Stock Exchange of India Limited (NSE) & Bombay Stock Exchange Limited (BSE)
11	Paid-up Capital	: ₹ 11,076.69 lakhs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	: Ms. Tabassum Begum Compliance officer Telephone: 91-8655075578 Email: compliance@baluindustries.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	: Since the core operations, comprising the majority of turnover, assets, and sustainability impacts, lie within Balu Forge Industries Limited, this report has been prepared on a standalone basis.
14	Name of assurance provider	: Not Applicable
15	Type of assurance obtained	: Not Applicable

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacture	Metal Products	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contribute
1	Finished Machined Metal Products	3099	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	3	1	4
International	-	-	-

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	3
International (no. of Countries)	50+

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

73.56%

c. A brief on types of customers

The company serves a diverse range of customers spanning various sectors, such as automotive, agriculture, defense, and industrial equipment. Its main clients include original equipment manufacturers (OEMs) and Tier 1 suppliers who demand precision-engineered and durable forged and machined parts. These products find application in components like engines, transmissions, axles, and heavy-duty machinery. With a well-established international footprint, the company delivers to businesses across Europe, Asia, and North America.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. C	% (C / A)
	Employees					
1	Permanent **(D)**	58	55	95%	3	5%
2	Other than Permanent **(E)**	0	0	-	0	-
3	**Total employees (D + E)**	**58**	**55**	**95%**	**3**	**5%**
	WORKERS					
4	Permanent (F)	92	92	100%	0	-
5	Other than Permanent (G)	354	350	99%	4	1%
6	**Total workers (F + G)**	**446**	**442**	**99%**	**4**	**1%**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. C	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent **(D)**	-	-	-	-	-
2	Other than Permanent **(E)**	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**-**	**-**	**-**	**-**	**-**
	DIFFERENTLY ABLED WORKERS					
4	Permanent **(F)**	-	-	-	-	-
5	Other than Permanent **(G)**	-	-	-	-	-
6	**Total differently abled workers (F + G)**	**-**	**-**	**-**	**-**	**-**

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	1	14%
Key Management Personnel	5	1	20.0%

22. Turnover rate for permanent employees and workers

Particulars	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	3%	-	3%	5%	-	5%	6%	-	6%
Permanent Workers	6%	-	6%	10%	-	10%	9%	-	9%

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

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

S. No.	Name of the holding / Subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Safa Otomotiv FZ – LLC	Subsidiary	100%	No
2	Naya Energy Works Private Limited	Subsidiary	100%	No
3	Advanced Technologies & Systems Private Limited	Subsidiary	100%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover ₹ 598,47.65 lakhs

(iii) Net worth ₹ 948,86.60 lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	The relevant policies supporting the principles of the BRSR, including the grievance redressal mechanism, are available at https://www.baluindustries.com/corporate-governance.php	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)		Nil	Nil	-	Nil	Nil	-
Shareholders		1	1	-	2	2	-
Employees and workers		Nil	Nil	-	Nil	Nil	-
Customers		Nil	Nil	-	Nil	Nil	-
Value Chain Partners		Nil	Nil	-	Nil	Nil	-
Other (please specify)		Nil	Nil	-	Nil	Nil	-

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt ormitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Market Demand Fluctuations	Risk	Demand volatility in end-user industries such as commercial vehicles, agriculture, railways, and energy, driven by regulatory changes, technological shifts, and cyclical trends.	Diversify product portfolio across multiple sectors, expand into new geographic markets, and maintain flexible manufacturing capabilities to balance sectoral downturns.	**Negative:** Loss of revenue and margin pressure during sectoral slowdowns. **Positive:** Diversification and sectoral balancing can stabilize revenues and mitigate downturn impact.
2	Innovation	Risk	OEMs and Tier-1 suppliers demand precision manufacturing, automation, and innovation in forging.	Invest in R&D, integrate advanced machinery and IT systems to improve efficiency and innovation.	**Positive:** Productivity gains, cost efficiency, stronger market positioning, and higher margins.
3	Customer Relationships & Retention	Opportunity	Global OEMs prefer partners with sustainable practices and long-term reliability.	Strengthen customer engagement, transparent disclosures, ethical sourcing, and compliance with international standards.	**Positive:** Increased repeat orders, lower acquisition costs, long-term revenue stability.
4	Energy Efficiency and Sustainability	Opportunity	Stringent environmental regulations and stakeholder expectations push adoption of sustainable practices in operations.	Transition to renewable energy, energy-efficient technologies, LED lighting, natural ventilators, and waste minimization.	**Positive:** Lower operating costs, regulatory compliance, improved ESG ratings, enhanced stakeholder trust.
5	Skilled Labor Shortage	Risk	Shortage of skilled operators and engineers for advanced forging and machining technologies.	Upskilling programs, partnerships with technical institutes, in-house training, competitive remuneration packages.	**Negative:** Higher training costs, risk of delays, productivity loss if unaddressed.
6	Cybersecurity Threats	Risk	Greater digitalization exposes the company to cyber risks, including potential data breaches and operational disruptions.	Implement robust cybersecurity infrastructure, conduct regular audits, and provide ongoing employee training.	**Negative:** Financial losses, reputational damage, legal liabilities, and possible operational interruptions.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt ormitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Partnerships and Alliances	Opportunity	Strategic collaborations and mergers enable capability expansion, market reach, and business resilience.	Pursue partnerships and alliances that leverage mutual strengths and open new market opportunities.	**Positive:** Access to new revenue streams, enhanced competitive advantages, and sustained growth potential.
8	Occupational Health & Safety	Risk	Post-pandemic concerns and regulatory vigilance demand strong health & safety culture.	Regular training, ISO 45001:2018 compliance, proactive safety monitoring, and upgraded workplace safety infrastructure.	**Negative:** Penalties, legal liabilities, reduced workforce productivity if non-compliant.
9	Corporate Governance	Opportunity	Ethical conduct and transparency build investor confidence and meet global procurement requirements.	Strengthen governance practices, disclosure standards, and internal controls to ensure accountability.	**Positive:** Lower cost of capital, enhanced investor and stakeholder trust, sustainable growth.

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Question			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c.	Web Link of the Policies, if available	Policies on HR, ISO, CSR, Insider Trading, Related Party etc. are available on https://www.baluindustries.com/corporate-governance.php								
2	Whether the entity has translated the policy into procedures. (Yes / No)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)		Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.		Balu Forge Industries Limited has its policies in line with international standard and practices such as ISO 9001, ISO 45001, ISO 14001, IATF 16949;2016								

Disclosure Question		P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	• **Net Zero Emissions:** ✓ Carbon Neutral Operation by 2040. • **Renewable Energy:** ✓ Transition to 100% renewable energy by 2035 • **Water Management:** ✓ Achieve 100% water recycling by 2027. ✓ Achieve Zero Liquid Discharge by 2030 • **Waste Management:** ✓ Reduce total waste generation by 2030. • **Diversity and Inclusion:** ✓ Increase women's representation in leadership by 20% 2030.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Balu Forge Industries Limited has set a clear ESG roadmap with defined commitments and targets. The designated Committee reviews performance on sustainability objectives, targets, and strategy on a regular basis, offering recommendations to achieve these goals. Implementation is progressing as planned, with no significant delays or shortfalls reported, keeping the company on track to meet its stated commitments.								
Governance, leadership and oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Balu Forge Industries Limited has embedded sustainability within its core philosophy, adopting ESG practices well in advance of industry expectations. The Company is transitioning to cleaner, energy-efficient systems, with targets of carbon-neutral operations by 2040 and a complete shift to renewable energy by 2035. Water management remains a priority, with goals to achieve 100% recycling by 2027 and Zero Liquid Discharge by 2030. On the social front, the Company has committed to increasing women's representation in leadership roles by 20% by 2030. These initiatives are overseen by the CSR and Sustainability Committee, which provides regular updates to the Board. BFIL continues to strengthen its ESG performance with the objective of creating a sustainable and resilient future for all stakeholders.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Trimaan Chandok Whole-time Director (DIN 02853445)								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The company has formed a dedicated Management Committee at the board level that oversees its social, environmental, governance, and economic responsibilities. This committee regularly monitors the progress of ESG initiatives, with formal reviews conducted annually to ensure alignment with our sustainability goals.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	The performance of various policies is being reviewed on quarterly/annual basis by Committee and Executive Committee of Senior Management.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the statutory requirements that are applicable from time to time. The same is reviewed by Committee on an annual basis.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Principles	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					Not Applicable				
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: Principle-Wise Performance Disclosure

PRINCIPLE 1

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

Essential Indicators:

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	1	The company delivered a comprehensive orientation program for Independent Directors, addressing Insider Trading regulations, ESG and sustainability principles, recent SEBI updates, along with an overview of the company's divisions and product offerings.	85%
Key Managerial Personnel (KMP)#	3	Training encompassed topics such as Related Party Transactions, GDPR compliance, Digital Data Protection, Ethics, Human Rights, Sexual Harassment Prevention (POSH), Health & Safety, Environmental and Energy management, Business Strategy, and updates on SEBI and LODR regulations.	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	12	Sessions covered Corporate Governance, Ethics, Anti-bribery measures, POSH, Environment, Health & Safety (EHS), Cybersecurity, and ESG/BRSR reporting. Training was delivered through a mix of classroom and e-learning formats, focusing on technical skills such as Impact Testing and Machine Safety, alongside soft skills including Team Building and Communication.	100%
Workers	26	Training targeted Ethics, POSH, ESG awareness, Diversity, Health & Safety, and Skill Enhancement. Specialized topics included Geometrical Dimensioning and Product Safety protocols.	77%

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

During the FY 2024-25, Balu Forge Industries Limited, including its Directors and Key Managerial Personnel (KMPs), did not incur any monetary or non-monetary fines, penalties, punishments, awards, compounding fees, or settlement payments in any proceedings involving regulatory authorities, law enforcement, or judicial bodies, as per the materiality thresholds outlined in Regulation 30 of SEBI.

Monetary					
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty / Fine					
Settlement	Nil	Not Applicable	Nil	Not Applicable	Not Applicable
Compounding fee					

Non-Monetary				
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Not Applicable	Not Applicable	Not Applicable
Punishment				

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

Case Details	Name of the regulatory / enforcement agencies / judicial institutions
Nil	

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

The company maintains a strong Anti-Bribery and Anti-Corruption Policy, reflecting its zero-tolerance approach to unethical practices. This policy mandates that all business conduct strictly complies with relevant laws and the highest ethical principles. Employees are clearly prohibited from accepting any offers or payments that could improperly influence business decisions, as detailed in the Company's Code of Conduct. Moreover, the policy extends to suppliers, who are expected to fully adhere to these standards. Any engagement in bribery or corrupt activities by suppliers may lead to blacklisting and legal consequences, underscoring the company's steadfast commitment to integrity and transparency throughout its operations.

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

	FY 2024-25	FY 2023-24
Directors KMPs Employees Workers	Nil	Nil

6 Details of complaints with regard to conflict of interest:

Particulars	FY 2024-25		FY 2023-24	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict to interest of the Directors Number of Complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

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

Not Applicable

8 Number of days of accounts payables ({Accounts payable *365} / Cost of goods/services procured):

	FY 2024-25	FY 2023-24
No of days of accounts payable	96	84

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

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	7%	0
	b. Sales (Sales to related parties / Total Sales)	0	0
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	54%	97%
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

Leadership Indicators

1 **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners} under the awareness programmes
7	The training programs primarily focused on anti-corruption measures and safeguarding human rights for our Manpower Service Providers. Additionally, we have begun conducting supplier assessments across multiple Environmental, Social, and Governance (ESG) criteria to monitor and improve their ESG performance.	78%

2. **Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

Yes, the company has established a comprehensive policy to effectively manage conflicts of interest among Board members and senior management. Individuals are required to recuse themselves from any decision-making processes where a conflict exists and must seek Board approval prior to accepting positions with competing organizations. This policy ensures that personal and business interests remain fully aligned with the company's objectives and governance standards.

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

Essential Indicators:

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

	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D*	0.27%	0.30%	The company actively invests in research and development to improve the environmental and social performance of its products, ensuring they meet evolving customer expectations. These efforts have led to measurable reductions in specific power and fuel consumption, contributing to lower carbon emissions.
Capex	0.91%	-	The company's capital expenditure program focuses on acquiring assets that enhance manufacturing quality, increase capacity, and expand the product range. This approach not only reduces environmental and social operational impacts but also facilitates the delivery of products and services with a smaller environmental footprint. Significant investments in equipment such as heaters, cooling units, compressors, motors, and emission control systems are key to achieving these outcomes.

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

Yes, the company has integrated sustainability principles within its supply chain by requiring suppliers to comply with strict environmental, legal, and ethical standards. Manufacturing operations are reviewed and optimized annually to reduce energy use and resource consumption. The company favors locally sourced, high-quality materials and promotes sustainable packaging solutions. A detailed supplier sustainability code outlines vendor selection criteria, focusing on safety, health, environmental stewardship, and ISO certifications.

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

Vendors are chosen under the sustainable procurement framework, with most materials procured from suppliers who have successfully passed ESG compliance evaluations.

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

   Balu Forge Industries Limited (BFIL) produces products that retain resale value and can be recycled or refurbished. Since these products are supplied directly to OEMs and Tier-1 automotive manufacturers, BFIL's role in reclaiming them at the end of their life cycle is limited. However, the company maintains strong systems for the responsible recycling of e-waste, hazardous waste, and other materials through certified recycler partnerships. Moreover, BFIL actively supports waste minimization by reusing iron pallets and bins within its packaging operations.

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

   Not Applicable for the Company during the Financial Year 2024-25.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format**

   The Company has not conducted any life cycle assessment for the products till date. However, the Company is planning to carry out the LCA for products in the coming years.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.**

   Not Applicable

3. **Recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Balu Forge Industries Limited largely relies on certified primary alloy steels as per OEM specifications, and hence does not have significant recycled input material at present. Internal process scrap is recycled through authorized channels and reused wherever feasible, ensuring minimal raw material wastage. The Company continues to explore opportunities for increased use of recycled inputs in line with customer and industry standards.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

Particulars	FY 2024-25			FY 2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	5.27	1.87	-	2.90	-	-
E-waste	-	-	-	-	-	-
Hazardous waste (used cutting oils, coolant sludge, contaminated rags/filters)	-	-	17.26	-	-	9.51
Other waste (paper, cartons, office waste)	-	2.10	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

Since the product is supplied directly to OEMs, the Company has limited opportunities to reclaim it at the end of its life cycle.

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

Essential Indicators:

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

Category	Total (A)	% of Employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities@	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees											
Male	55	28	51%	28	51%	0	-	0	-	0	-
Female	3	3	100%	0	-	3	100%	0	-	0	-
Total	**58**	**31**	**53%**	**28**	**48%**	**3**	**5%**	**0**	**-**	**0**	**-**
Other than Permanent employees											
Male	0	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	**0**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**

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

Category	Total (A)	% of Employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities@	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent Workers											
Male	92	92	100%	92	100%	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	**92**	92	**100%**	**92**	**100%**	**0**	**-**	**0**	**-**	**0**	**-**
Other than Permanent Workers											
Male	350	188	54%	188	54%	0	-	0	-	0	-
Female	4	0	-	4	100%	0	-	0	-	0	-
Total	**354**	**188**	**53%**	**192**	**54%**	**0**	**-**	**0**	**-**	**0**	**-**

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

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the company	0.31%	0.10%

2 Details of retirement benefits, for Current FY and Previous FY.

Benefits	FY 2024-25*			FY 2023-24*		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF #	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI #	100%	100%	Y	100%	100%	Y

100% of eligible employees & workers under PF & ESC Regulation are covered.

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

The company ensures its workplaces are accessible to differently-abled employees, with permanent offices and manufacturing facilities designed to meet the accessibility requirements outlined in the Rights of Persons with Disabilities Act, 2016. These include accessible entrances to buildings and sites, user-friendly door mechanisms in corporate and factory spaces, push/lever-operated wash basin fixtures, well-lit and spacious corridors, and clear, visible signage throughout the premises.

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

Yes, the company follows an equal opportunity policy that complies with the requirements of the Rights of Persons with Disabilities Act, 2016. This policy is aimed at fostering a fair and inclusive work environment for all employees, including those with disabilities.

5. Return to work and Retention rates of permanent employees that took parental leave:

No permanent employees or workers availed parental leave during the reporting period; hence return to work and retention rates are not applicable.

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

Indicate product category	Yes / No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the company has established a comprehensive Grievance Redressal system to ensure employees' concerns are addressed efficiently and fairly, while maintaining strict confidentiality. Grievance registers and complaint boxes are strategically placed at multiple locations to facilitate easy reporting. Contract workers can raise issues through their contractor representatives or company supervisors, who take responsibility for resolving the matter or escalating it to HR and relevant department heads as necessary.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	Additionally, the company enforces a strict policy to prevent, prohibit, and address sexual harassment in the workplace. A Whistle Blower Policy with an associated vigil mechanism enables employees to report unethical or financial misconduct safely. To promote awareness and compliance, regular workshops, group discussions, online training, and awareness campaigns are conducted focusing on sexual harassment prevention and overall workplace ethics.

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

Category	FY 2024-25			FY 2023-24		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	55	0	-	41	0	-
Female	3	0	-	3	0	-
Total Permanent Workers						
Male	92	0	-	76	0	-
Female	0	0	-	0	0	-

8 Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On skill upgradation		Total (D)	On Health and Safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees (Other than workers) (incl. permanent + Other than permanent)										
Male	55	29	53%	38	69%	41	32	78%	31	76%
Female	3	3	100%	2	67%	3	2	67%	2	67%
Total	**58**	**29**	**55%**	**40%**	**60%**	**44**	**34**	**77%**	**33**	**75%**
Workers (Only permanent)										
Male	92	80	87%	65	71%	76	69	91%	43	57%
Female	0	0	-	0	-	0	0	-	0	-
Total	**92**	**80**	**87%**	**65**	**71%**	**76**	**69**	**91%**	**43**	**57%**

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees (Other than workers) (incl. permanent + Other than permanent)						
Male	55	48	87%	41	35	85%
Female	3	2	67%	3	2	67%
Total	**58**	**50**	**86%**	**44**	**37**	**84%**
Workers (Only permanent)						
Male	92	68	74%	76	45	59%
Female	0	0	0%	0	0	-
Total	**92**	**68**	**74%**	**76**	**45**	**59%**

10. Health and safety management system:

a. 3Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes. Balu Forge Industries Limited has implemented an Occupational Health & Safety Management System in line with ISO 45001:2018 standards across all its manufacturing operations. The system covers all employees, contract workers, and onsite activities, ensuring safe and healthy workplaces. Its focus is on preventing occupational injuries and illnesses, identifying and mitigating risks, and driving continuous improvement in safety performance. All critical facilities of the Company are under the scope of this certified system..

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

Balu Forge Industries Limited (BFIL) has established a robust Occupational Health & Safety framework covering all manufacturing facilities, project sites, and offices. The system is designed to proactively identify hazards, assess risks, and implement effective controls to safeguard employees, contract workers, and stakeholders. Key elements include:

- **Method Statements:** Detailed work method statements are developed for all activities, outlining safe work procedures and identifying potential hazards.
- **Systematic Risk Assessment:** A structured process is in place to assess risks associated with each activity, enabling evaluation of potential consequences and likelihood of incidents.
- R**eal-Time Risk Evaluation:** Last-minute risk assessments are conducted at the job site prior to commencement of work to address evolving or immediate risks.
- R**isk Communication:** All identified risks and control measures are effectively communicated to employees and contractors, ensuring awareness and accountability.
- **Fatality Prevention Plan:** A company-wide Fatality Prevention Plan has been rolled out, with enhanced monitoring and strict controls in high-risk areas, aimed at achieving zero workplace accidents.

- **ISO 45001:2018 Certification:** All critical facilities of BFIL are covered under the ISO 45001:2018 Occupational Health & Safety Management System, ensuring compliance with international standards and continuous improvement in safety performance.

This comprehensive approach reflects BFIL's commitment to maintaining a safe and healthy workplace while striving for continuous improvement in occupational safety across all operations.

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

Yes, BFIL maintains a strong Incident Management and Investigation framework that promotes transparent reporting of hazards, unsafe acts, near misses, and serious incidents. Root Cause Failure Analyses are performed and corrective actions tracked until completion. The company encourages safety engagement via suggestion boxes and a whistleblower portal on every site. BFIL commits to proactive EHS objectives, mandatory PPE usage, and ergonomic practices throughout its facilities. It also collaborates with government bodies, industry forums, and academic institutions to support EHS regulations and initiatives.

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

Yes. In addition to occupational health services, BFIL provides employees and workers access to non-occupational medical and healthcare services. These include medical insurance coverage, wellness programs, and access to external healthcare providers. The Company also conducts awareness sessions on lifestyle diseases, mental health, and general well-being to support a healthier workforce.

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

Safety Incident/ Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Worker#	Nil	Nil
Total recordable work-related injuries	Employees	Nil	Nil
	Worker#	Nil	Nil
No. of fatalities	Employees	Nil	Nil
	Worker	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Worker	Nil	Nil

*Including in the contract workforce

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

Balu Forge Industries Limited (BFIL) is dedicated to providing a safe and healthy work environment through its comprehensive Health and Safety Management System. The company's Environmental, Health, and Safety (EHS) framework is designed to achieve zero harm across all operations. This is supported by daily safety briefings, task-specific training programs, and strict observance of the Work Permit System. Regular safety audits and mock drills help maintain high safety standards and proactively identify hazards.

Furthermore, BFIL implements measures based on Hazard Identification and Risk Assessment (HIRA) and Aspect Impact evaluations. Near misses and unsafe conditions are actively monitored and promptly addressed. Employee health is safeguarded with routine medical checkups and strict enforcement of Personal Protective Equipment (PPE). The company's Safety Policy also includes stringent fire prevention and control protocols, underscoring its commitment to continuous improvement and a robust safety culture.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	N.A.	Nil	Nil	N.A.
Health & Safety	Nil	Nil	N.A.	Nil	Nil	N.A.

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100%
Working Conditions	100%

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

Balu Forge Industries Limited (BFIL) continuously updates its safety protocols and Standard Operating Procedures by reviewing past incidents and case analyses to improve predictive capabilities and incident evaluations. This proactive strategy helps identify unsafe behaviors and critical risks, preventing potential accidents before they occur. Key initiatives include a Near Miss Awareness Program that encourages employees to report near misses, boosting safety vigilance, and fostering a no-blame culture to promote open communication around incidents. Contractor representatives are actively involved in safety committees to ensure all stakeholders maintain aligned safety standards.

In addition, BFIL regularly conducts safety training sessions. Corrective and Preventive Actions (CAPA) are systematically applied following any Lost Time Injury (LTI) to uncover root causes and prevent recurrence. These efforts demonstrate BFIL's unwavering commitment to workplace health and safety, which has led to a notable decline in safety incidents across all locations.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N)

(B) Workers (Y/N).

A) Employees – No

b) Workers - No

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

BFIL holds contractors responsible for paying statutory dues such as minimum wages, gratuity, GST, PF, ESIC, and bonuses directly to workers. The company verifies payments via contractor bank statements. For PF and ESIC contributions, BFIL directly debits contractors' accounts to ensure timely remittance to the government. GST payments to contractors are released only after confirming required returns have been filed. Monthly compliance documentation from value chain partners is reviewed by a third-party agency and BFIL's internal compliance team to guarantee full adherence to legal requirements.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, BFIL consistently offers tailored skill development programs to employees throughout their tenure. These training initiatives address the specific needs of various roles, helping employees enhance their capabilities for opportunities beyond retirement or in cases of employment termination.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	Vendors accounting for 71% of the total value have undergone assessment through either physical audits or documentation reviews.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

BFIL prioritizes the health, safety, and working conditions of its value chain partners by conducting regular assessments of their practices. Based on these reviews, corrective actions are implemented to ensure compliance with BFIL's safety standards. Suppliers must adhere to BFIL's Supplier Code of Conduct at onboarding, with health and safety as core focus areas. BFIL also supports supplier development of policies concerning business ethics, human rights, environmental responsibility, energy management, and responsible sourcing, ensuring alignment with the company's high standards.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators:

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

Balu Forge Industries Limited (BFIL) understands that active engagement with stakeholders is fundamental to its business success. The company identifies key stakeholder groups by evaluating their significant influence on BFIL's operations and considering how the company's decisions may affect them. BFIL is committed to maintaining consistent and meaningful communication with these groups to align with their expectations, promote transparency, and nurture long-term relationships. This continuous dialogue informs business strategies that create shared value for both BFIL and its stakeholders. Key stakeholders include employees, suppliers, government agencies, customers, investors, media, local communities, NGOs, and CSR partners. Through this collaborative engagement, BFIL stays responsive to stakeholder concerns while fostering sustainable development.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders / Investors / Analysts	No	Annual General Meeting, shareholder meetings, investor/analyst calls, emails, press releases, stock exchange intimations, company & exchange websites	Quarterly / Annually / As needed	Review performance (financial health, dividends, profitability), discuss growth opportunities, risks (including climate change & cyber threats), and address investor concerns.
Employees	No	Leadership updates, grievance redressal cells, one-on-one meetings, exit interviews, HR communications, emails, workshops, training sessions	Ongoing / Regularly	Discuss career growth and performance, ensure job satisfaction, training & development, well-being and safety, clarify expectations, share vision & goals, and encourage employee engagement.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Website, helpdesk, distributor/ retailer meetings, conferences, trade fairs, joint business plans, publications, social & digital media	Ongoing / Regularly	Build long-term relationships, anticipate needs, ensure quality service, strengthen trust, and respond proactively to feedback.
Vendors / Subcontractors	No	Vendor meetings, emails, policy communications, sustainability assessments	Ongoing / Periodically	Share expectations on quality, cost, and timely delivery, exchange best practices, and align on growth plans.
Government & Regulatory Authorities	No	Meetings, emails, regular liaison, industry association forums, regulatory representations	Periodically	Ensure compliance with regulations, maintain governance standards, tax reporting, and engage in policy advocacy.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   At Balu Forge Industries Limited (BFIL), stakeholder engagement is a continuous, leadership-driven process that adapts to market needs and global developments. Regular communication with communities and stakeholders is integrated into our operations, with feedback shaping project planning and decision-making.

   The Board oversees these consultations, focusing on sustainability, workplace safety, environmental impact, and long-term stakeholder relationships. An ESG team engages with stakeholders on key issues and provides regular updates to the Board, ensuring alignment with BFIL's commitments and stakeholder expectations.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, at BFIL, stakeholder engagement and materiality assessments are integral to pinpointing the most material sustainability issues for our business. The insights gained from these consultations inform strategy development, policy formulation, and implementation of monitoring frameworks, ensuring our sustainability efforts are focused, relevant, and impactful.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   Balu Forge Industries Limited (BFIL) is committed to identifying and supporting disadvantaged, vulnerable, and marginalized groups. For every new project or expansion, the Company proactively engages with these groups through structured CSR initiatives. Our CSR programs focus on Women – promoting empowerment, financial independence, and leadership skills, Students – improving access to quality education and digital resources, Unemployed youth – providing vocational training and employment-linked skill development. Through these targeted initiatives, BFIL seeks to enable economic upliftment, social inclusion, and long-term community development.

Category	Vulnerable Group	Concerns	Action Taken	Impact
Promoting education, including special education and vocational skills	Rural communities in Kota, Rajasthan (students, youth, women)	• Limited access to digital learning tools • Lack of infrastructure in rural villages • Skill gap for employability	• Set up Digital Resource Centre with e-learning facilities, vocational training, and community awareness programs	• Improved access to digital education • Enhanced skill development and employability • Increased literacy and awareness in the nodal village
Promoting education, livelihood enhancement and allied activities	Students from Tamil Nadu, Punjab, Kerala, Haryana, Uttar Pradesh, etc.	• Inadequate school facilities in semi-urban/rural areas • Need for affordable quality education	• Supported Snehalaya Education Foundation Sanchalit Seth R.J. Shingavi Vidyalaya (Karamba) through funding and program support	• Improved school infrastructure and quality of education • Wider access to education across multiple states • Better academic outc

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators:

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

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	58	36	62%	44	29	66%
Other than permanent	0	0	0%	0	0	-
Total Employees	**58**	**36**	**62%**	**44**	**29**	**66%**
Workers						
Permanent	92	42	46%	76	39	51%
Other than permanent	354	153	43%	325	138	42%
Total Workers	**446**	**195**	**44%**	**401**	**177**	**44%**

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

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to minimum wages		More than minimum wages		Total (D)	Equal to minimum wages		More than minimum wages	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	55	0	-	55	100%	41	0	-	41	100%

<table>
<tr><th rowspan="3">Category</th><th colspan="5">FY 2024-25</th><th colspan="5">FY 2023-24</th></tr>
<tr><th rowspan="2">Total (A)</th><th colspan="2">Equal to minimum wages</th><th colspan="2">More than minimum wages</th><th rowspan="2">Total (D)</th><th colspan="2">Equal to minimum wages</th><th colspan="2">More than minimum wages</th></tr>
<tr><th>No. (B)</th><th>% (B / A)</th><th>No. (C)</th><th>% (C / A)</th><th>No. (E)</th><th>% (E/D)</th><th>No. (F)</th><th>% (F/D)</th></tr>
<tr><td>Female</td><td>3</td><td>0</td><td>-</td><td>3</td><td>100%</td><td>3</td><td>0</td><td>-</td><td>3</td><td>100%</td></tr>
<tr><td colspan="11">Other than Permanent</td></tr>
<tr><td>Male</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td></tr>
<tr><td>Female</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td></tr>
<tr><td colspan="11">Workers</td></tr>
<tr><td>Permanent</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>Male</td><td>92</td><td>0</td><td>-</td><td>92</td><td>100%</td><td>76</td><td>0</td><td>-</td><td>76</td><td>100%</td></tr>
<tr><td>Female</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td></tr>
<tr><td colspan="11">Other than Permanent</td></tr>
<tr><td>Male</td><td>350</td><td>89</td><td>25%</td><td>261</td><td>75%</td><td>325</td><td>77</td><td>24%</td><td>248</td><td>76%</td></tr>
<tr><td>Female</td><td>4</td><td>4</td><td>100%</td><td>0</td><td>-</td><td>0</td><td>0</td><td>-</td><td>0</td><td>-</td></tr>
</table>

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

a. Median remuneration/wages:

	Male		Female	
	Number	**Median remuneration / salary / wages of respective category (` in Lakhs)**	**Number**	**Median remuneration/ salary / wages of respective category (` in lakhs)**
Board of Directors (BoD)	3	69.00	-	-
Key Managerial Personnel	1	16.39	1	10.47
Employees other than BoD and KMP	54	6.83	2	7.56
Workers	350	1.69	4	1.51

b. Gross wages paid to females as % of total wages paid by the entity:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	3.32%	2.89%

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

Yes. At Balu Forge Industries Limited (BFIL), the Head of Human Resources is the designated focal point for overseeing human rights impacts and concerns in line with the Company's Human Rights Policy. Employees may escalate issues directly to the Audit Committee, while the Prevention of Sexual Harassment (POSH) Committee addresses matters related to workplace discrimination and harassment. All stakeholders are expected to comply with the principles of the Human Rights Policy and relevant laws across BFIL's operating regions.

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

Balu Forge Industries Limited (BFIL), human rights–related grievances can be reported through multiple channels, including the Whistleblower Policy, the grievance management system accessible via the Company website, or by directly approaching the Grievance Redressal Team/HR. The POSH Committee specifically addresses workplace harassment and discrimination issues.

HR regularly monitors compliance with the Company's Human Rights Policy to ensure grievances are addressed in a timely and fair manner. Stakeholders are also assured unhindered access to statutory and judicial processes, reinforcing transparency and accountability in grievance redressal.

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

	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at Workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

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

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0

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

Balu Forge Industries Limited (BFIL) maintains a strict zero-tolerance stance against discrimination, bullying, harassment, and any form of misconduct. The company ensures the protection of complainants by guaranteeing confidentiality and safeguarding against any form of retaliation. The Corporate Responsibility Committee oversees incident monitoring to ensure adherence to sustainability and human rights principles, while the Risk Management Committee supervises human rights risk management. BFIL raises awareness by providing accessible human rights guidelines on its website and conducting targeted employee training sessions. The POSH Policy complies with legal requirements, protecting complainants throughout investigation processes. The company's uncompromising approach leads to disciplinary action, including termination of business relations, for any violations of human rights.

9. Do human rights requirements form part of your business agreements and contracts?

BFIL requires all suppliers and vendors to comply with its Supplier Code of Conduct and Human Rights policies, which align with internationally accepted standards. The company enforces a zero-tolerance policy for human rights abuses and rigorously monitors supplier adherence.

BFIL actively fosters human rights best practices throughout its supply chain, ensuring business partners uphold these standards. Human rights expectations, including safe working environments, prohibition of child and forced labor, and compliance with environmental and social criteria, are clearly communicated during supplier onboarding and continuously throughout their engagement. These requirements are embedded as contractual provisions to safeguard human rights obligations.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	The company conducted an internal assessment across 100% of its locations.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	N.A.

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

Nil.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights rievances/complaints.**

The Company have not received any Human Rights grievances during the Financial Year 2024-25

2. **Details of the scope and coverage of any Human rights due-diligence conducted.**

Balu Forge Industries Limited (BFIL) routinely carries out internal audits to verify adherence to human rights standards. Although no dedicated human rights due diligence was performed during the reporting period, the company remains committed to strengthening its human rights framework by incorporating best practices and lessons learned into its policies. Currently, human rights considerations are included as a component in broader compliance audits.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The majority of the company's permanent facilities and office buildings are designed to be accessible to differently-abled visitors, ensuring compliance with the Rights of Persons with Disabilities Act, 2016.

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Vendors representing 70% of key value chain partners, have been assessed for workplace discrimination through physical audits and documentation reviews. The remaining suppliers have signed a Code of Conduct addressing issues such as child labor and forced labor, and are expected to comply with its requirements.
Discrimination at Workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

The assessment of key vendors was completed in FY 2024-25, with all observations and non-conformances duly recorded. No significant risk cases were identified.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators:

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

Parameter	FY 2024-25	FY 2023-24
From Renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**-**	**-**
From non-renewable sources		
Total electricity consumption (D)	92,231	64,298
Total fuel consumption (E)	5,435	5,852
Energy consumption through other sources (F)	-	-
Total energy consumed from non- renewable sources (D+E+F)	**97,666**	**70,150**
Total energy consumed (A+B+C+D+E+F)	**97,666**	**70,150**

Parameter	FY 2024-25	FY 2023-24
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations (Rs. Lakhs))	1.63	1.81
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	33.72	35.72
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

For FY 2023-24, PPP Conversion rate is 22.40, referred from IMF available for March 2024. Similarly, for FY2024-25 PPP Conversion rate, referred from IMF is 20.66.

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

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

No, the company currently does not have any sites or facilities designated as consumers under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India.

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

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	39,821	33,050
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**39,821**	**33,050**
Total volume of water consumption (in kilolitres)	**19,768**	**12,189**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations (₹ Lakhs))	0.33	0.31
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations (₹ Lakhs) adjusted for PPP)	6.82	7.04
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, name of the external agency: No.

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	18,632	20,861
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-

Parameter	FY 2024-25	FY 2023-24
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**18,632**	**20,861**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, name of the external agency.

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

Yes, we ensure full compliance with all applicable statutory obligations set by the Central and State Pollution Control Boards. In locations where zero liquid discharge is mandated, we have implemented and maintained the necessary systems to meet these requirements. At other sites, we have established mechanisms to treat sewage and effluent in accordance with statutory guidelines, with treated water being reused internally whenever possible to minimize waste. Currently, the company operates a Effluent Treatment Plant (ETP) at our manufacturing facility. Our goal is to achieve Zero Liquid Discharge across all plants by 2030.

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

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	mg/Nm^3	30	25
SOx	mg/Nm^3	18	16
Particulate matter (PM)	mg/Nm^3	45	44
Persistent organic pollutants (POP)	mg/Nm^3	-	-
Volatile organic compounds (VOC)	mg/Nm^3	-	-
Hazardous air pollutants (HAP)	mg/Nm^3	-	-
Others – please specify	mg/Nm^3	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, name of the external agency.

Yes, environmental monitoring is conducted at various plants and project sites by agencies authorized by the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCB). These agencies are authorized either by the respective State Pollution Control Boards or by the relevant clients.

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

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	1,027	1,091
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	17,234	12,015
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tons CO,/ = ₹ lakhs	0.31	0.34

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tons CO_2/ = ₹ lakhs	# 6.40	# 7.62
Total Scope 1 and Scope 2 emission intensity in terms of physical output	NA	-	-
Total Scope 1 and Scope 2 emission intensity	Metric tons of CO_2/ manpower	36.23	29.46

For FY 2023-24, PPP Conversion rate is 22.40, referred from IMF available for March 2024. Similarly, for FY2024-25 PPP Conversion rate, referred from IMF is 20.66.

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

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

Balu Forge Industries Limited (BFIL) is committed to reducing the environmental footprint of its operations, with a particular focus on lowering greenhouse gas emissions. The company has established an ambitious target to cut GHG emissions by 20% across all manufacturing facilities by 2028, aiming for net-zero emissions by 2040. To achieve these goals, BFIL has adopted several initiatives, including the deployment of solar power systems. Furthermore, the company is investing in energy-efficient LED lighting, enhanced natural ventilation, and electric vehicles as part of its broader sustainability strategy.

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

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	5.27	2.90
E-waste (B)	-	0.01
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)		
Other Hazardous waste, please specify (G) (Used Oil, Residues, Used Graese, Cotton Waste, Sludge	29.12	17.07
Other non-hazardous waste generated (H) Please specify, if any (MS Scrap/ Scale/Bur)	4,101.31	3,661.16
Total (A+ B+C+D+E+F+G+H)	**4,135.70**	**3,678.24**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR in Lakhs)	0.09	0.09
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/ INR in Lakhs)*PPP	1.43	2.12
Waste intensity in terms of physical output (MT/MT		
Waste intensity (optional) — the relevant metric may be selected by the - - entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations	4,135.70	3,678.24

Parameter	FY 2024-25	FY 2023-24
Total	**4,135.70**	**3,678.24**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations	34.39	19.98
Total	**34.39**	**19.98**

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The assurance has not been carried out by any external agency.

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

Balu Forge Industries Limited (BFIL) is committed to minimizing its environmental footprint through robust waste management practices based on the 5R principles: Reduce, Reuse, Reprocess, Recycle, and Recover. The company focuses on reducing both hazardous and non-hazardous waste generation throughout its operations. Hazardous waste is managed in strict compliance with statutory requirements, maintaining a detailed waste registry and ensuring disposal through authorized agencies. BFIL continually works to reduce the use of hazardous materials by enhancing manufacturing processes.

For non-hazardous wastes, BFIL prioritizes source reduction, reuse, and recycling initiatives. Biodegradable waste is converted into manure, while non-biodegradable waste is sent to authorized recyclers. Additionally, sewage treatment plant (STP) sludge is repurposed as a soil conditioner. The company upgrades its facilities and embraces lean manufacturing principles to enhance efficiency and waste reduction. Ongoing employee training on responsible waste disposal further strengthens BFIL's commitment to environmental stewardship, supported by a comprehensive waste management plan implemented across all sites.

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

S. No.	Location of operations / offices	Types of operation	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of the project	EIA Notification No. and Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not applicable				

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

The company fully complies with all relevant environmental laws, regulations, and guidelines in India, including the Water (Prevention and Control of Pollution) Act, the Air (Prevention and Control of Pollution) Act, the Environment Protection Act, and the associated rules during the FY 2024-25.

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Company is in the process to start data management for scope 3 emissions and hence it is not reported.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Corporate Social Responsibility (CSR) team at Balu Forge Industries Private Limited oversees continuous monitoring of CSR initiatives while maintaining active engagement with communities across its operational areas. The team ensures that any grievances raised are promptly reviewed and resolved, fostering trust, collaboration, and sustained support for community development.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2	Effluent Treatment Plant	Established a Zero Liquid Discharge (ZLD) effluent treatment facility at Jaipur plant to recycle treated water for quenching and other process requirements.	Conserved freshwater resources by reusing treated water, reduced environmental footprint, and achieved sustainable water management practices.
3	Energy-Efficient Manufacturing Equipment	Upgraded to modern, energy-efficient machinery and production equipment across key operations.	Reduced overall energy consumption, lowered operational costs, and contributed to a decreased carbon footprint.
4	Zero-Waste Manufacturing Program	Launched a program to minimize waste generation through recycling, reusing, and process optimization.	Diverted waste from landfills, improved recycling efficiency, reduced waste disposal costs, and moved closer to circular manufacturing practices.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, Balu Forge Industries Limited (BFIL) has an Onsite Emergency Plan & Disaster Control strategy in place to ensure business continuity during disruptive incidents. This plan is developed by benchmarking against best practices from organizations with advanced Business Continuity Management systems, ensuring robust preparedness and response measures.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse environmental impacts have been reported by any of our value chain partners. All partners have committed to a specific Code of Conduct, which mandates compliance with Environmental, Health, and Safety (EHS) regulations, fair labor practices, minimum wage laws, and prohibits child and forced labor. Each vendor is bound by these commitments, and regular audits are conducted to ensure strict adherence to these standards.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

No adverse environmental impacts have been identified to date. However, all participants in the supply chain are contractually required to comply with applicable laws and regulations, including environmental standards. The company intends to carry out formal assessments of the environmental impact of its supply chain partners in the coming years.

8. **How many Green Credits have been generated or procured:**

   a. By the listed entity: Nil

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: Nil

PRINCIPLE 7

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

Essential Indicators:

1. a. **Number of affiliations with trade and industry chambers/associations: Total 6**

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

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National International)
1	Automative Component Manufacturers Association of India	National
2	Indo Arab Chamber of Commerce & Industries	International
3	EEPC (Formally Engineering Export Promotion Council)	National
4	Bombay Chamber of Commerce & Industry	National
5	Federation of Indian Chambers of Commerce & Industries	National
6	Association of India Forging Industry	National

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

Name of authority	Brief of the case	Corrective action taken
	Nil	

There were no cases during the year.

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

   Balu Forge Industries Limited (BFIL) actively collaborates with trade associations and regulatory authorities to promote enhancements in public policy, focusing on key areas such as taxation, corporate governance, economic reforms, and energy security. The company plays a constructive role in policy formulation by participating in various committees and task forces, providing insights and recommendations to help refine and strengthen regulatory frameworks within the industry.

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators:

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

   Not Applicable

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

   Not applicable

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

   Balu Forge Industries Limited (BFIL) has established a dedicated CSR team that actively oversees its projects and maintains continuous engagement with local communities around its operations. This team ensures that any community grievances are promptly received, addressed, and resolved effectively, providing timely responses to local concerns.

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

Parameter	FY 2024-25	FY 2023-24
Directly sourced from MSMEs / small producers	24%	26%
Sourced directly from within the district and neighbouring districts	8%	10%

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

Location	FY 2024-25	FY 2023-24
Rural	-	-
Semi-urban	-	-
Urban	68%	71%
Metropolitan	32%	29%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ` million)
Nil			

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)**

   No

   (b) From which marginalised/vulnerable groups do you procure?

   None in the financial year

   (c) What percentage of total procurement (by value) does it constitute?

   Not applicable.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned / Acquired Yes / No	Basis of calculating benefit share
Nil			

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not Applicable

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	Uttam Shiksha - EK Prayas & Skill development	750+	100%
2	Snehalata	70+	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators:

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

   Balu Forge Industries Limited (BFIL) prioritizes customer satisfaction and engages with its customers through multiple channels to collect feedback and address concerns. A formal grievance redressal mechanism, including dedicated email communication, is in place to ensure timely resolution of complaints. Complaint trends and feedback are periodically reviewed by senior management. BFIL follows an Integrated Management System (IMS) procedure for handling complaints, reflecting its commitment to customer-centric practices.

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

   The products offered by BFIL are fully recyclable, as they are primarily composed of metal components. However, the company does not currently calculate environmental and social parameters related to these products as a proportion of total turnover.

3. **Number of consumer complaints in respect of the following:**

	FY 2024-25			FY 2023-24		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data Privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of Essential Services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

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

   No such instances were reported during the FY 2024-25 reporting period.

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

   Yes, the Company has a Data Privacy Policy

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

   Not Applicable

7. Provide the following information relating to data breaches:

a) Number of instances of data breaches along with impact

Zero data breaches incidents in the FY 2024-25.

b) Percentage of data breaches involving personally identifiable information of customers

Not Applicable

c) Impact, if any, of the data breaches

Not Applicable

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details about Balu Forge Industries Limited's (BFIL) business can be found on its website at https://www.baluindustries.com/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

As BFIL supplies products primarily to Original Equipment Manufacturers (OEMs) and Tier-1 suppliers, the direct communication to end-users is limited. OEMs incorporate BFIL's components into their final products and carry out consumer education on safe and responsible usage.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of disruptions, BFIL informs affected customers through official communication channels, including email, telephone, and website updates.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief.

Yes. BFIL displays product-related information (manufacturer details, heat codes, process numbers, dispatch details, and part numbers) as per OEM requirements and applicable laws.

5. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Customer satisfaction is closely monitored through regular interactions and feedback collection. Feedback is analysed by senior management, and corrective actions are taken to ensure continuous improvement.

Standalone
Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF
Balu Forge Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Balu Forge Industries Limited**(the "Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended and notes to the standalone Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended, ("IndAS")and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 ("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 made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Capital Work-in-Progress (CWIP) and related Capital Expenditure funded through Preferential Capital** (as described in Note 5.3 of the standalone Ind AS financial statements) The Company has made substantial investments in Plant & Machinery with a significant portion lying under Capital Work-in-Progress (CWIP) as on the reporting date. The balance of CWIP is material to the financial statements. During the current and previous financial year, the Company has raised funds through preferential capital issues, of which, certain portions were earmarked for meeting its capital expenditure requirements.	**How our audit addressed the Key Audit Matter** Our audit procedures included: • Evaluating whether the expenditure tested met the recognition criteria under Ind AS 16 and was appropriately classified as CWIP. • Comparing actual project expenditure against budgets and plans to assess progress and identify any delays or cost overruns. • Reviewing management's impairment assessment for CWIP and considering whether any impairment indicators existed.

Sr. No.	Key Audit Matter	Auditor's Response
	Assessing whether the proceeds of preferential capital have been appropriately utilized for capital expenditure, ensuring that costs have been accurately capitalized in line with Ind AS 16 Property, Plant and Equipment, and the capitalization of costs, allocation of overheads, determination of useful lives, and assessment of impairment indicators involve significant management judgment. Given the magnitude of investment and management's estimation involved, this area carries a risk of material misstatement There is also a risk that expenditure may be misclassified between CWIP and expenses or Property, Plant and Equipment (PPE), or that the utilization of preferential capital proceeds is not in line with intended purposes. Accordingly, this has been considered a key audit matter.	• Performing analytical procedures on movements in CWIP during the year, including reconciliation with preferential capital proceeds. • Assessing the adequacy of related disclosures in the standalone/consolidated financial statements in respect of CWIP and preferential capital. Based on the above procedures, we found that the Company's accounting for CWIP and utilization of preferential capital proceeds were reasonable and disclosures were appropriate.
2	**Trade Receivables and Recoverability** (as described in Note 15 of the standalone Ind AS financial statements) The Company has significant trade receivables outstanding at the year-end. The assessment of recoverability, determination of expected credit losses (ECL), and adequacy of provisions involve significant judgment by management, particularly in relation to customers facing financial stress or where collection has been long outstanding. Considering the materiality and judgment involved, this area was considered a key audit matter.	**How the Matter was Addressed in Audit** Our audit procedures included, among others: • Evaluating the Company's policy for impairment of receivables and its compliance with Ind AS 109. • Assessing the ageing profile of debtors and testing subsequent collections on a sample basis. • Discussing with management the status of key overdue accounts and evaluating correspondence with customers. • Reviewing historical recovery trends and considering current economic conditions in assessing provision adequacy. • Testing management's ECL model, including key assumptions such as probability of default and loss given default. • Assessing the adequacy of related disclosures in the financial statements.
3	**Revenue recognition** (as described in Note 5(e) of the standalone Ind AS financial statements) Revenue from sales is recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed. During the year ended 31st March 2024, the Company has recognised revenue amounting to Rs 42,761.46 lakhs from export sale of goods and Rs 15,366.22 lakhs from domestic sale of goods & services (incl. merchant export).	In the view of the significance of the matter we addressed the key audit matter by applying the following audit procedures. **Principal Audit Procedures** • 1Considered Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. • Assessed the design and tested the operating effectiveness of internal controls related to revenue recognition. • Tested samples of individual sales transaction and traced to sales invoices, sales orders, (received from customers) and other related documents. Further, in respect of the samples tested, checked recognition of revenue in accordance with the terms / when the conditions for revenue recognitions are satisfied.

Sr. No.	Key Audit Matter	Auditor's Response
	Terms of sales arrangements, including the timing of transfer of control, delivery specifications including in co-terms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period. Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	**How our audit addressed the key audit matter** Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents. 1) Performed procedures to identify any unusual trends of revenue recognition. 2) Assessed the relevant disclosures made within the standalone Ind AS financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Report, Chairman's report on Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's standalone financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

- Obtain an understanding of internal standalone financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i)of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the 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 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) to evaluate 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, 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 standalone Balance Sheet, the standalone Statement of Profit and Loss including Other Comprehensive Income, the standalone Statement of Changes in Equity and the standalone Cash Flow 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 IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 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.

   (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 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 read with Schedule V of the Act.

   (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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2025.

iv. The Management has represented that to the best of its knowledge and belief as disclosed in the notes to the accounts 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(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding whether recorded in writing or otherwise that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries.

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

vi. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provide under (a) &(b) above contain any material mis-statement.

vii. The Company has not declared dividend or paid dividend during the year and has not proposed final dividend for the year.

viii. Based on our examination which included test checks, the Company has used an 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 audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per statutory requirements for record retention.

For **M. B. Agrawal & Co.**
Chartered Accountants
(Firm's Registration No.100137W)

Leena Agrawal
Partner
(Membership No.061362)

Place: Mumbai
Date: 14th May, 2025
UDIN: 25061362BMLWWU9172

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2025, we report the following:

i. a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Capital work- in-progress.

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

b. According to the information and explanations given to us, the records examined by us, the Company has a program of verification to cover all the items of Property, Plant and Equipment and Capital work- in-progress in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us, the records examined by us, we report that, the title deeds, comprising all the immovable properties of land and buildings (other than the properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in Property, Plant and Equipment and capital work-in-progress are held in the name of the Company as at balance sheet date except for the following:

Particulars	Description of property	Gross carrying value (Rs. In Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of the Company
PPE	Freehold Land	0.83	Mr Jaspal Singh Chandok	Promoter cum Director	Since 3rd August, 2020	The title has been transferred to the Company, pursuant to the succession agreement (reverse merger). The registration of the transfer deed in the name of he company is pending on account of certain procedural formalities.

Immovable properties of land & buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmation received from the management

d. According to the information and explanations given to us the Company has not revalued any of its Property Plant and Equipment (including Right of Use assets) or intangible assets during the year.

e. To the best of our knowledge and according to the information and explanations given to us no proceedings have been initiated during the year or are pending against the Company as at March 31 2025 for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (as amended in 2016) and rules made thereunder.

ii. (a) The inventories (except for goods-in-transit and stock lying with third parties) were physically verified by the management at reasonable intervals during the year. In our opinion and based on the information and explanation given to us the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable when compared with books of accounts.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital facility from banks or financial institutions in excess of five crore rupees on the basis of security of current assets. In our opinion, the quarterly returns or stock statements filed by the Company with such banks or financial institutions are in agreement with the books of accounts of the Company except as follows:

Quarter	Name of bank	Particulars	Amount as per Books of Accounts	Amount as reported in the quarterly return/ statement	Amount of Difference
Jun-24	Union Bank of India	Inventory	7,151.18	7,152.47	1.29
Jun-24	Union Bank of India	Trade Receivables up to 90 days	10,727.90	9,787.57	-940.34
Sep-24	Union Bank of India	Inventory	8,929.82	8,929.95	0.12
Sep-24	Union Bank of India	Trade Receivables up to 90 days	9,797.18	8,817.46	-979.72
Dec-24	Union Bank of India	Inventory	8,285.58	8,285.58	0.00
Dec-24	Union Bank of India	Trade Receivables up to 90 days	13,385.26	13,363.85	-21.40
Mar-25	Union Bank of India	Inventory	7,322.31	7,322.31	-0.00
Mar-25	Union Bank of India	Trade Receivables up to 90 days	8,503.65	8,581.24	77.60

Note: Trade Receivable as per books of accounts Include the impact of forex restate during quarterly financial closure.

iii. 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 Partnership or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

v. According to the information provided to us, the Company has not accepted deposits from public as defined according to the provisions of Section 73 to 76 of the Companies Act, 2013 and Rules framed thereunder or amounts which are deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the Company in pursuance to the rules made by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act, for certain products of the Company and are of the opinion that prima facie prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the 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. The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into Goods and Services Tax ("GST")

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been generally regularly deposited by the Company with the appropriate authorities with delays on some instances

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other material Statutory dues were in arrears as at 31st March 2025 for a period more than 6 months from the date they became payable except for the following:

Name of the Statute	Nature of the Dues	Amount	Due Date	Date of Payment
Profession Tax	Profession Tax (Employees)	38,750	30/06/2022	Not Paid
Profession Tax	Profession Tax (Employees)	47,300	30/06/2023	Not Paid
Profession Tax	Profession Tax (Employees)	43,500	30/06/2024	Not Paid

b. According to the information and explanation given to us and records examined by us, there are no amounts which are not deposited on account of any dispute. Accordingly, clause (vii)(b) is not applicable to the Company.

viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act 1961 during the year.

ix. a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of any loans or borrowings or in the payment of interest thereon to financial institutions, banks, and Government or debenture holders.

b. According to the information and explanations given to us the Company has not been declared wilful defaulter by any bank or financial institution or government or any lender.

c. In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

d. On an overall examination of the standalone financial statements of the Company funds raised on short-term basis have prima facie not been used during the year for long-term purposes by the Company.

e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint venture or associates.

f. According to the information and explanation given to us the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.

x. a. According to the information and explanation given to us the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with the requirements of section 42 & section 62 of the Companies Act, 2013, for preferential allotment of shares and convertible share warrants and the funds raised have been used for the purpose for which the funds were raised.

xi. a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit, nor have we been informed of any such case by the management.

b. According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. According to the information and explanations given to us, there has been no whistle blower complaints received by the Company. Accordingly, clause 3 (xi)(c) of the Order is not applicable to the Company.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3 (xii) 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 Section 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 standalone financial statements as required by the applicable Indian Accounting Standards

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports issued to the Company during the year and covering the period upto 31st March 2025.

xv. In our opinion and according to the information and explanations given to us, 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 Companies Act, 2013 are not applicable to the Company.

xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

c. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) of the Order is not applicable.

xvii. According to the information and explanations provided to us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

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, other information accompanying the standalone 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **M. B. Agrawal & Co.**
Chartered Accountants
(Firm's Registration No.100137W)

Leena Agrawal
Partner
(Membership No.061362)

Place: Mumbai
Date: 14th May, 2025
UDIN: 25061362BMLWWU9172

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balu Forge Industries Limited of even date)

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

We have audited the internal financial controls over financial reporting of Balu Forge Industries Limited ("the Company") as of 31st March 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, 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 internal financial controls system over financial reporting of the Company.

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 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.

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, 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 at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However efforts for further strengthening the internal control is needed.

For **M. B. Agrawal & Co.**
Chartered Accountants
(Firm's Registration No.100137W)

Leena Agrawal
Partner
(Membership No.061362)

Place: Mumbai
Date: 14th May, 2025
UDIN: 25061362BMLWWU9172

Standalone Balance Sheet

as at 31st March 2025

(₹ in Lakhs)

Particulars				Notes	As at 31 March 2025	As at 31 March 2024
ASSETS						
1	**Non-Current Assets**					
	(a)	Property, plant and equipment		6	14,197.85	1,896.14
	(b)	Right-of-use assets		7	362.97	1.29
	(c)	Capital work-in-progress		8	41,710.69	13,027.29
	(d)	Goodwill		9	1.55	2.47
	(e)	Other Intangible assets		9	3,254.45	3,254.45
	(f)	Financial assets				
		i.	Investment in subsidiaries	10	30.33	30.33
		ii.	Other financial assets	11	55.65	62.31
	(g)	Deferred tax assets (net)		12	169.15	377.62
	(h)	Other non-current assets		13	5,168.94	5,499.92
Total Non-Current Assets					**64,951.58**	**24,151.82**
2	**Current Assets**					
	(a)	Inventories		14	7,322.31	8,082.14
	(b)	Financial assets				
		i.	Trade receivables	15	26,725.45	19,058.22
		ii.	Cash and cash equivalents	16	9,263.80	8,746.82
		iii.	Bank balances other than cash and cash equivalents	17	313.56	293.44
		iv.	Loans	18	897.08	910.55
		v.	Other financial assets	19	659.18	630.83
	(c)	Other current assets		20	3,929.44	5,644.73
	Total Current Assets				**49,110.82**	**43,366.73**
Total Assets					**1,14,062.40**	**67,518.55**
EQUITY AND LIABILITIES						
I	**Equity**					
	(a)	Equity share capital		21	11,076.69	10,259.19
	(b)	Other equity		22	83,809.91	41,751.92
	Total Equity				**94,886.60**	**52,011.11**
II	**Liabilities**					
1	**Non-Current Liabilities**					
	(a)	Financial liabilities				
		i.	Borrowings	23	1,605.76	2,483.97
		ii.	Lease liability	7	0.55	0.55
	(b)	Provisions		24	118.54	92.66
	Total Non-Current Liabilities				**1,724.85**	**2,577.18**
2	**Current Liabilities**					
	(a)	Financial liabilities				
		i.	Borrowings	25	1,985.49	2,393.56
		ii.	Lease liability	7	386.62	1.06
		iii.	Trade payables	26		
			- Total outstanding dues of Micro and small enterprises		50.02	52.65
			- Total outstanding dues of other than micro and small enterprises		11,156.21	7,853.28
		iv.	Other financial liabilities	27	554.46	898.24
	(b)	Other current liabilities		28	110.81	53.39
	(c)	Provisions		29	24.13	16.22
	(d)	Current tax liability (net)			3,183.21	1,661.86
	Total Current Liabilities				**17,450.95**	**12,930.26**
Total Equity and Liabilities					**1,14,062.40**	**67,518.55**

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Mumbai, 14 May 2025

Statement of Profit and Loss

for the year ended 31 March 2025

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
I. Income			
i. Revenue from operations	30	59,847.65	38,808.26
ii. Other income	31	1,743.43	1,062.72
Total Income		**61,591.08**	**39,870.98**
II. Expenses			
i. Cost of materials consumed		35,499.51	28,899.94
ii. Changes in inventories of finished goods, stock in trade and work-in-progress	32	1,111.60	(4,392.96)
iii. Employee benefits expense	33	1,383.67	779.34
iv. Depreciation and amortisation expense	34	279.12	148.18
v. Finance costs	35	1,096.84	1,361.09
vi. Other expenses	36	3,788.65	4,343.43
Total Expenses		**43,159.39**	**31,139.02**
III. Profit before tax (I-II)		**18,431.69**	**8,731.96**
IV. Exceptional items		-	-
V. Profit before tax (III-IV)		**18,431.69**	**8,731.96**
VI. Tax expense			
i. Prior period tax		450.09	185.13
ii. Current tax	37	4,348.56	2,000.00
iii. Deferred tax		210.07	(167.67)
VII. Profit after tax (V–VI)		**13,422.97**	**6,714.50**
VIII. Other comprehensive income			
A. Items that will not be reclassified to profit & loss			
i. Remeasurement of defined benefit obligations	38	(6.33)	1.64
ii. Tax relating to items that will not be reclassified to profit or loss		1.59	(0.41)
Total other comprehensive income/(loss) for the year, net of tax		**(4.74)**	**1.23**
IX. Total comprehensive income for the year, net of tax (VII-VIII)		**13,418.23**	**6,715.73**
X. Earnings per equity share of ₹10 each:			
i. Basic (in ₹)	39	12.55	7.02
ii. Diluted (in ₹)		11.99	6.98

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

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Jaspalsingh Chandock
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Sd/-
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Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14 May 2025

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Standalone Statement of Changes in Equity

for the year ended 31 March 2025

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	No. of Shares	Amount
As at 1 April 2023	**8,33,64,886.00**	**8,336.49**
Changes in equity share capital during the year	1,92,27,014.00	1,922.70
As at 31 March 2024	**10,25,91,900.00**	**10,259.19**
Changes in equity share capital during the year	81,75,000.00	817.50
As at 31 March 2025	**11,07,66,900.00**	**11,076.69**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Share Warrants	Reserves and surplus		Total Equity
		Securities premium	Retained Earnings/(losses)	
As at 1 April 2023		**3,940.42**	**6,855.15**	**10,795.57**
Net income / (loss) for the year	-	-	6,714.50	6,714.50
Securities premium credited on Share issue	-	21,978.64	-	21,978.64
Issue of Share warrants	2,295.00	-	-	2,295.00
Share issue expenses	-	(33.02)	-	(33.02)
Other comprehensive income	-	-	1.23	1.23
As at 31 March 2024	**2,295.00**	**25,886.04**	**13,570.88**	**41,751.92**
As at 1 April 2024	**2,295.00**	**25,886.04**	**13,570.88**	**41,751.92**
Net income / (loss) for the year	-	-	13,422.97	13,422.97
Securities premium credited on Share issue	-	22,113.99	-	22,113.99
Issue of Share warrants	6,683.18	-	-	6,683.18
Dividend Paid	-	-	(157.41)	(157.41)
Other comprehensive income	-	-	(4.74)	(4.74)
As at 31 March 2025	**8,978.18**	**48,000.03**	**26,831.70**	**83,809.91**

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

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Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14 May 2025

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Standalone Statement of Cash Flows

for the year ended 31 March 2025

(₹ in Lakhs)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		**18,431.69**		**8,731.96**
Adjustment for:				
Income tax expenses	(5,008.72)		(2,017.46)	
Depreciation & amortisation expense	279.12		148.18	
Interest received	(276.97)		(320.23)	
Finance costs	1,096.84		1,361.09	
Bad debts, loans and advances written off/written back (net)	(562.52)	(4,472.25)	748.29	(80.13)
Operating profit before working capital changes		**13,959.44**		**8,651.83**
Adjustment for:				
(Increase)/decrease in inventories	759.83		(4,710.69)	
(Increase)/decrease in trade receivables	(7,104.36)		(215.60)	
(Increase)/decrease in other receivables	2,246.52		(2,688.55)	
Increase/(decrease) in trade and other payables	8,427.79		1,470.98	
Increase/(decrease) in provisions	33.79	4,363.57	14.05	(6,129.81)
Cash flow from operations		**18,323.01**		**2,522.02**
Income taxes (paid)/ refund net		(3,512.02)		(1,685.00)
Net cash generated from operating activities		**14,810.99**		**837.02**
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Increase)/decrease property, plant and equipment (Net)	(41,624.99)		(17,441.21)	
(Increase)/decrease Investments	(20.12)		-	
Net cash used in investing activities		**(41,645.11)**		**(17,441.21)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital and share warrants	29,614.66		26,163.32	
Proceeds/ (repayment) of long term borrowings (net)	(878.21)		1,314.70	
Proceeds/ (repayment) of short term borrowings (net)	(408.07)		(1,570.53)	
Interest received	276.97		320.23	
Dividend Paid	(157.41)		-	
Finance costs	(1,096.84)		(1,361.09)	
Net cash used in financing activities		**27,351.10**		**24,866.63**
Net increase in cash and cash equivalents (A+B+C)		**516.98**		**8,262.44**
Cash and cash equivalents at the beginning of the year		8,746.82		484.38
Cash and cash equivalents at the end of the year		**9,263.80**		**8,746.82**
Cash on hand		93.15		43.21
Balance in current account and deposits with banks		9,170.65		8,703.61
Cash and cash equivalents at the end of the year		**9,263.80**		**8,746.82**

Standalone Statement of Cash Flows

for the year ended 31 March 2025

Reconciliation of liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As at 31 March 2024	Cash flows	Movement in lease liabilities	Interest paid	As at 31 March 25
Borrowings	4,877.53	(2,170.31)	-	884.03	3,591.25
Lease liabilities	1.61	(100.89)	448.58	37.87	387.17
Total liabilities from financing activities	**4,879.14**	**(2,271.20)**	**448.58**	**921.90**	**3,978.42**

(₹ in Lakhs)

Particulars	As at 31 March 2023	Cash flows	Movement in Lease liabilities	Interest paid	As at 31 March 2024
Borrowings	5,133.36	(895.93)	-	640.10	4,877.53
Lease liabilities	53.83	(54.71)	-	2.49	1.61
Total liabilities from financing activities	**5,187.19**	**(950.64)**	**-**	**642.59**	**4,879.14**

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

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Trimaan Chandock
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(DIN 02853445)

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Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14 May 2025

Sd/-
Amit Todkari
Chief FinancialOfficer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Notes on the Financial Statements

for the year ended 31 March 2025

1. CORPORATE INFORMATION

Balu Forge Industries Limited (the "Company") having Corporate Identity Number L29100MH1989PLC255933. Earlier, the Company was engaged in diversified business activities, primarily in the area of Information Technologies and allied operations, either independently or jointly with others. As an effect of the reverse merger with M/s Balu India, a sole proprietary concern incorporated in India in 1989, the Company is now a preferred supplier of crankshafts to OEMs in India and internationally, with manufacturing facilities at Belagavi in Karnataka. The Equity Shares of the Company are listed on the Bombay Stock Exchange in India.

2. NEW AND AMENDED STANDARDS ADOPTED BY THE COMPANY

The Ministry of Corporate Affairs vide notification dated 9th September 2024 and 28th September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April 2024:

- Insurance contracts – Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

3. Statement of compliance

These standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III) as applicable to financial statement.

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet As at 31 March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements').

The standalone financial statements of the Company for the year ended 31 March 2025 were approved for issue in accordance with the resolution of the Board of Directors on 14 May 2025.

4. Basis of preparation and compliance with Ind AS

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention and on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

5. SUMMARY OF MATERIAL ACCOUNTING POLICIES

5.1. Current and non-current classification

The Company classifies all assets and liabilities as current or non-current based on its normal operating cycle and the criteria specified under Indian Accounting Standards (Ind AS) and Schedule III of the Companies Act, 2013. Considering the nature of its services and the timeframe in which cash and cash equivalents are realized, the Company has determined its operating cycle to be twelve months for the purpose of distinguishing current and non-current assets and liabilities.

Deferred tax assets and liabilities are always classified as non-current.

The applicable Ind AS are mandated under Section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, along with subsequent amendments. The Company has consistently applied its accounting policies except where a new accounting standard has been adopted for the first time or where a revision to an existing standard has required a change in the accounting policy previously followed.

These Financial Statements are presented in Indian Rupees (₹), which is the Company's functional currency. Unless stated otherwise, all financial figures have been rounded off to the nearest two decimal places in Lakhs.

5.2. Use of Estimates and Judgements

In the preparation of the standalone financial statements, the Company makes judgements in the application of accounting policies; and estimates and assumptions which affects the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience, future outlook and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 and future periods affected.

The Company uses the following critical accounting estimates and judgements in preparation of its standalone financial statements.

5.2.1. Impairment

The Company determines the recoverable amount of its cash-generating units (CGUs) by estimating future cash flows, taking into account current economic conditions and trends, projected operating performance and growth rates, as well as anticipated future economic and regulatory environments. These cash flow estimates are prepared using the Company's internal forecasts. The estimated future cash flows are then discounted to their present value using an appropriate discount rate.

5.2.2. The measurement of impairment for financial assets (other than those subsequently measured at fair value)

The measurement of impairment of financial assets requires the application of estimates and judgments, which are further detailed in the note on financial instruments under the section "Impairment of Financial Assets."

5.2.3. Useful lives of property, plant and equipment, right-of-use assets and intangible assets

The Company reviews the estimated useful lives of property, plant and equipment, right-of-use assets, and intangible assets at the end of each reporting period. Any reassessment may lead to changes in depreciation and amortisation expenses in future periods.

5.2.4. Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation, either legal or constructive, arising from past events, and it is probable that an outflow of resources will be required to settle the obligation, provided a reliable estimate can be made. This includes provisions for decommissioning, site restoration, and environmental obligations, which may be adjusted if changes in estimated reserves affect expectations regarding the timing or cost of these activities. All provisions are reviewed at each balance sheet date and updated to reflect the current best estimates.

Significant judgments are applied by the Company in assessing contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the Company's control, or where a present obligation exists but either the outflow of resources is not probable or the amount cannot be reliably estimated.

Contingent assets are neither recognized nor disclosed in the standalone financial statements.

5.2.5. Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recognized in the balance sheet cannot be determined based on quoted prices in active markets, the Company measures fair value using valuation techniques, such as the Discounted Cash Flow (DCF) model. Wherever possible, inputs to these models are derived from observable market data. However, when observable data is not available, the Company applies judgment to establish fair values, considering factors such as liquidity risk, credit risk, and market volatility. Changes in these assumptions could impact the reported fair value of financial instruments.

5.2.6. Leases

The Company assesses whether an arrangement qualifies as a lease in accordance with Ind AS 116, "Leases." Determining whether an arrangement contains a lease involves significant judgment, including evaluation of the terms and conditions such as the lease term, expected renewals, and the applicable discount rate. Lease payments are discounted using the interest rate implicit in the lease, if this rate can be readily identified. If not, the Company applies its incremental borrowing rate.

5.2.7. Retirement Benefit Obligations

The Company's retirement benefit obligations are based on several key assumptions, including discount rates, inflation rates, salary growth, and mortality rates. These assumptions require significant judgment, and any changes to them could materially impact the amounts recognized in the balance sheet and the statement of profit and loss. The Company establishes these assumptions based on historical experience and advice from independent actuaries. These assumptions are reviewed annually and updated to reflect actuarial valuations and experience adjustments.

5.3. Property, Plant and Equipment (PPE)

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the standalone financial statements of M/s. Balu India, proprietary concern, measured as per the previous GAAP and use that as its deemed cost as at the date of succession.

Capital Work-in-Progress

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) incurred during the construction/ pre-operative period and the same is allocated to the respective property, plant and equipment on the completion of their construction. Property, plant and equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in- progress".

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business succession is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. 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 year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows:

Sr. No.	Asset Head	Remaining useful life
1	Software	5

Depreciation & amortization

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The Company has redefined the useful life / residual value of assets acquired on business succession in accordance with the terms and conditions set out in the Business Succession Agreement dated 3 August 2022, on the basis of detailed technical analysis , taking into account the nature of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. which is depicted in below mentioned table.

Sr. No.	Asset Head	Remaining useful life
1	Plant & Machinery	15
2	Office Equipment	5
3	Computers	3
4	Motor Vehicle	8
5	Electrical Installation	10
6	Factory building	30
7	Furniture & Fixtures	10
8	Computers - Server & Networks	6
9	Motor Vehicle	10

Impairment of non-financial assets

At the end of each reporting year, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

5.4. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, associates and joint ventures are carried in these standalone financial statements at historical 'cost' in accordance with the option available in Ind AS 27, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

5.5. Inventories

Inventories are valued at lower of cost on First-In- First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary.

Cost of raw materials comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing and other indirect overheads based on the normal operating capacity but excluding borrowing costs. Cost of purchased inventory is determined after deducting rebates and discounts.

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

5.6. Revenue Recognition

i. Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. The Company recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of export turnover.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

ii. 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 principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

5.7. Leases

As a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identied asset for a period of time in exchange for consideration. The Company applies a single recognition and measurement approach for all leases, except for short-term leases having lease term of 12 months or less and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets..

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. and includes the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the Company under residual value guarantees, if any
- 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.

The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Variable lease payments that depend on any key variable / condition, are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

In case of sale and leaseback transactions, the Company first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Company effectively derecognises the asset, recognises a ROU asset and corresponding lease liability. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the following:

- The amount of the 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 depreciated over the lease term on a straight-line basis.

Short-term leases and leases of low-value assets

Payments associated with short-term leases of plant and equipment, buildings and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term.

5.8. Foreign Currency Transactions

The functional currency of the Company is Indian National Rupee (₹).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

5.9 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses..

Current tax

The Company calculates current tax using the tax rates that have been enacted or substantively enacted by the end of the reporting period in India, where it operates and generates taxable income.

Management regularly reviews positions taken in tax filings, especially in cases where tax regulations are open to interpretation. Provisions are recognized as necessary based on the amounts expected to be paid to the tax authorities..

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are 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 year 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. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 year.

Deferred tax assets and deferred tax liabilities are off set if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating 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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

5.10. Borrowing Cost

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalised as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

5.11.Provisions and contingencies

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.

Provisions are measured at 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).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

5.12.Employee benefits

5.12.1. Defined Contribution Plans:

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund and provident fund are recognised as expense when employees have rendered services entitling them to the contributions. The Company has no further payment obligation once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are incurred.

5.12.2. Defined Benefits Plans:

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) are recognised as an expense within employee costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations as reduced by the fair value of plan assets.

5.12.3. Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each yearend balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation.

5.13.Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. 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 through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Trade receivables that do not contain a significant financing component are measured at transaction price.

i. Financial Assets

Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other balances with banks - which also include balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost when they are held within a business model whose objective is to collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount.

Financial Assets Measured at Fair Value

Financial assets are classified as measured at fair value through other comprehensive income (FVOCI) when they are held within a business model whose objective is both to collect contractual cash flows and to sell the assets, and where contractual cash flows represent solely payments of principal and interest. The Company has made an irrevocable election for certain equity investments (excluding investments in associates and joint ventures) not held for trading to present subsequent fair value changes in other comprehensive income. This election is made on an instrument-by-instrument basis at initial recognition. These investments are held for medium to long-term strategic purposes. Management believes that presenting these changes in OCI better reflects the nature of such investments than recognizing fair value changes directly in the Statement of Profit and Loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI measurement are carried at fair value through profit or loss (FVTPL).

Interest Income

Interest income is recognized on an accrual basis using the effective interest rate method, calculated by applying the effective interest rate to the principal outstanding, and is recorded in the Statement of Profit and Loss.

Dividend Income

Dividend income from investments is recognised in the Statement of Profit and Loss when the Company's right to receive payment is established.

Impairment of Financial Assets

The Company applies the expected credit loss (ECL) model for impairment of financial assets measured at amortised cost and FVOCI. Lifetime expected credit losses are recognized for all trade receivables that do not have a financing component. For financial assets other than these trade receivables, the loss allowance is measured as 12-month expected credit losses where the credit risk has not significantly increased since initial recognition; however, if the credit risk has increased significantly, lifetime expected credit losses are recognized.

Derecognition of Financial Assets

The Company derecognizes a financial asset only when the contractual rights to cash flows expire or when the asset is transferred along with substantially all the risks and rewards of ownership to another party. If the Company neither transfers nor retains substantially all risks and rewards but retains control, it continues to recognize the asset with an associated liability for amounts that may be payable. If the Company retains substantially all risks and rewards, the asset continues to be recognized, together with a borrowing representing the proceeds received.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Financial liabilities and equity instruments issued by the Company are classified based on the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all liabilities. Equity instruments are recorded at the proceeds received, net of direct issuance costs.

Financial Liabilities

Trade payables and other short-term liabilities are initially measured at fair value minus transaction costs and subsequently measured at amortised cost using the effective interest rate method where the time value of money is significant. Interest-bearing bank loans, overdrafts, and issued debts are initially recognized at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between proceeds (net of transaction costs) and the redemption amount is recognized over the term in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

Financial liabilities are derecognized when the Company's obligations are discharged, cancelled, or have expired.

5.14.Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

5.15.Earnings per share Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

5.16.Share Issue Expenses

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

5.17.Rounding off amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

5.18.Exceptional items

Exceptional Items include income/expenses that are considered to be part of ordinary activities, however of such significance and nature that separate disclosure enables the users of standalone financial statements to understand the impact in more meaningful manner. Exceptional Items are identified by virtue of their size, nature and incidence.

6. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant & Machinery	Electrical Installation	Motor Vehicles	Office Equipments	Furniture& Fixture	Computers	Total Assets
Gross Carrying Amount									
As at 1 April 2023	**0.83**	**110.12**	**848.08**	**28.44**	**182.55**	**12.86**	**6.84**	**4.52**	**1,194.25**
Additions	446.55	1.47	7.56	-	457.93	52.30	33.66	11.25	1,010.70
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2024	**447.38**	**111.59**	**855.64**	**28.44**	**640.48**	**65.16**	**40.50**	**15.77**	**2,204.95**
Additions	-	21.54	12,237.52	-	33.59	145.20	13.86	28.23	12,479.94
Disposals									-
As at 31 March 2025	**447.38**	**133.12**	**13,093.16**	**28.44**	**674.07**	**210.36**	**54.36**	**44.00**	**14,684.89**
Accumulated depreciation									
As at 1 April 2023	**-**	**8.66**	**121.35**	**8.10**	**54.62**	**5.49**	**1.93**	**1.99**	**202.14**
Depreciation charge for the year	-	3.18	54.10	2.71	34.61	7.50	2.07	2.50	106.67
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2024	**-**	**11.85**	**175.45**	**10.81**	**89.23**	**13.00**	**4.00**	**4.48**	**308.81**
Depreciation charge for the year	-	3.63	62.97	2.70	79.53	16.92	4.35	8.13	178.23
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2025	**-**	**15.48**	**238.42**	**13.51**	**168.76**	**29.91**	**8.35**	**12.61**	**487.04**
Net book value									-
As at 31 March 2025	**447.38**	**117.65**	**12,854.74**	**14.93**	**505.31**	**180.45**	**46.01**	**31.39**	**14,197.85**
As at 31 March 2024	**447.38**	**99.74**	**680.19**	**17.63**	**551.25**	**52.16**	**36.50**	**11.29**	**1,896.14**

1. Property, plant and equipment having net carrying amount aggregating ₹14,197.85 Lakhs as on 31 March 2025 (₹1,896.14 Lakhs as at 31st March 2024), which are hypothecation / pledged as security for borrowings - Refer Notes 23.1 and 25

2. The title deeds of all the immovable properties are held in the name of the Company, except for the following:

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
PPE	Freehold Land	0.83	Mr. Jaspal Singh Chandock	Promoter cum Director	Since 3rd August 2020	The title has been transferred to the Company, pursuant to the succession agreement (reverse merger). The registration of the transfer deed in the name of the company is pending on account of certain procedural formalities.

3. Disclosure of contractual commitments for acquisition of property, plant and equipment is provided in note 46

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITY - BUILDING

(₹ in Lakhs)

Particulars	Building
Right-of-use assets as on 1 April 2023	**41.87**
Additions	-
Deductions	-
Amortisation expense	(40.58)
At 31 March 2024	**1.29**
Additions	463.46
Deductions	(1.28)
Amortisation expense	(100.50)
At 31 March 2025	**362.97**

(₹ in Lakhs)

Particulars	Amount
Lease liabilities as on 1 April 2023	**53.83**
Additions	-
Deduction	-
Interest accrued	2.49
Lease payments	(54.71)
At 31 March 2024	**1.61**
Additions	449.66
Deduction	(1.08)
Interest accrued	37.87
Lease payments	(100.89)
At 31 March 2025	**387.17**
Short term lease liability	386.62
Long term lease liability	0.55

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The leases that the Company has entered with lessors are generally long-term in nature and no changes in terms of those leases.

8. CAPITAL WORK- IN-PROGRESS: AGEING

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	13,027.29	666.98
Addition during the year	41,063.99	12,360.31
Capitalisation during the year	12,380.59	-
Closing Balance	**41,710.69**	**13,027.29**

(₹ in Lakhs)

Particulars	As at 31st March 2025				
	Amount of Capital Work-in-progress for a period of				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Projects in progress at Belgaum Unit	37,694.76	4,015.93	-	-	41,710.69
Projects temporarily suspended	-	-	-	-	-
Total	**37,694.76**	**4,015.93**	**-**	**-**	**41,710.69**

(₹ in Lakhs)

Particulars	As at 31st March 2024				
	Amount of Capital Work-in-progress for a period of				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Projects in progress at Belgaum Unit	12,360.31	-	666.98	-	13,027.29
Projects temporarily suspended		-		-	-
Total	**12,360.31**	**-**	**666.98**	**-**	**13,027.29**

9. INTANGIBLE ASSETS AND GOODWILL

(₹ in Lakhs)

Particulars	#Goodwill	Computer Software	Amount
Cost			
As at 1 April 2023	**3,254.45**	**6.32**	**3,260.77**
Additions	0	0	0.00
Disposals	0	1.46	1.46
As at 31 March 2024	**3,254.45**	**4.86**	**3,259.31**
Additions	0	0	0.00
Disposals	0	0	0.00
As at 31 March 2025	**3,254.45**	**4.86**	**3,259.31**
Accumulated amortization			
As at 1 April 2023	**0**	**1.46**	**1.46**
Amortisation	0	0.93	0.93
Disposals	0	0	0.00
As at 31 March 2024	**0.00**	**2.39**	**2.39**
Amortisation	0	0.92	0.92
Disposals	0	0	
As at 31 March 2025	**0.00**	**3.31**	**3.31**
Net book value :			
As at 31 March 2025	**3,254.45**	**1.55**	**3,256.00**
As at 31 March 2024	**3,254.45**	**2.47**	**3,256.92**

As a result of the reverse merger with M/s Balu India, a proprietorship concern, in accordance with the Business Succession Agreement dated 3 August 2020, the Company recognized goodwill of ₹ 3,254.05 lakhs. In line with Ind AS 36, goodwill is not amortised but is tested annually for impairment. For impairment testing, the entire business is considered as a single Cash Generating Unit (CGU). The recoverable amount of this CGU is determined on a value-in-use basis using discounted cash flow projections, classified as Level 3 in the fair value hierarchy. The projections use a discount rate of 12%, a forecast period of five years, and a terminal growth rate of 3%. Based on this assessment, no impairment was identified as at 31 March 2025, as the recoverable amount of the CGU exceeded its carrying value. A sensitivity analysis of key assumptions has been performed and did not indicate any impairment under reasonably possible changes in assumptions.

10. INVESTMENT IN SUBSIDIARIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balu Advanced Technologies & Systems Pvt Ltd (10,000 Fully paid Equity Shares of ₹ 10/- each)	1.00	1.00
Naya Energy Works Pvt. Ltd.	1.00	1.00
(10,000 Fully paid Equity Shares of ₹ 10/- each)		
Safa Otomotiv FZ-LLC	30.33	30.33
(150 Fully paid Equity Shares of AED 1000/- each)		
Less: Provision for impairment in subsidiaries. (Refer Note. 9.4)	(2.00)	(2.00)
Total	**30.33**	**30.33**

The Company has recognized impairment provisions for its investments in the share capital of Balu Advanced Technologies & Systems Pvt Ltd & Naya Energy Works Pvt. Ltd. These impairments were recorded due to losses and delays in commencing commercial operations, which have resulted in financial losses for these subsidiaries.

11. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	55.65	62.31
Total	**55.65**	**62.31**

12. Deferred tax asset / (liability) (net)

Significant components of deferred tax assets/(liabilities) recognised in the standalone financial statements are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2024	Recognised / (reversed) through profit and loss	Recognised in / reclassified from other comprehensiveincome	As at 31 March 2024
Property, plant and equipment	(56.51)	(77.89)	-	(134.40)
Provisions for employee benefits	27.40	10.10	(1.59)	35.91
Lease liabilities	0.08	6.01	-	6.09
Impairment of Financial Assets	406.65	(145.10)	-	261.55
Total	**377.62**	**(206.88)**	**(1.59)**	**169.15**

(₹ in Lakhs)

Particulars	As at 31 March 2023	Recognised / (reversed) through profit and loss	Recognised in / reclassified from other comprehensiveincome	As at 31 March 2024
Property, plant and equipment	(38.85)	(17.66)	-	(56.51)
Provisions for employee benefits	23.87	4.44	(0.91)	27.40
Lease liabilities	3.00	(2.92)	-	0.08
Impairment of Financial Assets	223.57	182.58	0.50	406.65
Total	**211.59**	**167.67**	**(0.41)**	**377.62**

13. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital advances	5,168.94	5,499.92
Total	**5,168.94**	**5,499.92**

14. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components (at cost)	985.34	633.57
Work-in-progress (at cost)	541.55	2,360.28
Finished goods (at cost or net realisable value whichever is lower)	5,795.42	5,088.27
Total	**7,322.31**	**8,082.12**

Inventories have been hypothecated as primary security against certain bank borrowings, details relating to which has been described in note no. 25.

15. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables considered good - Unsecured	27,764.58	20,673.82
Less: Allowance for doubtful debts	(1,039.13)	(1,615.60)
Discounted Trade Receivables	6,478.20	5,559.16
Total Trade Receivables	**33,203.65**	**24,617.38**
Less: Bills discounted with banks	(6,478.20)	(5,559.16)
Total	**26,725.45**	**19,058.22**

In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

i. Since the Company calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the disclosure for all such Trade Receivables is made as shown above.

ii. Trade receivables have been given as security against certain bank borrowings, details relating to which has been described in note no. 25.

iii. Trade receivables does not include any receivables from directors and officers of the company.

Reconciliation of Credit Loss allowance:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	1,615.60	891.06
Add: Provision created/(reversed) during the year (Net)	(576.47)	724.54
Balance at the end of the year	**1,039.13**	**1,615.60**

Ageing for Trade Receivables outstanding is as follows:

(₹ in Lakhs)

Particulars	Not Due	Outstanding from following periods from due date of payment as on 31st March 2025					
		Less than 6 Months	6 Months To 1Year	1 Year To 2 Year	2 Year To 3 Year	More than 3 Year	Total
Considered Good – Unsecured	-	-	-	-	-	-	-
Undisputed	-	11,426.08	11,869.31	4,469.19	-	-	27,764.58
Disputed	-	-	-	-	-	-	-
Trade Receivables –	-	-	-	-	-	-	**27,764.58**
Less: - Allowance for expected credit loss	-	-	-	-	-	-	(1,039.13)
Total	-	-	-	-	-	-	**26,725.45**

(₹ in Lakhs)

Particulars	Not Due	Outstanding from following periods from due date of payment as on 31st March 2024					
		Less than 6 Months	6 Months To 1Year	1 Year To 2 Year	2 Year To 3 Year	More than 3 Year	Total
Considered Good – Unsecured	-	-	-	-	-	-	-
Undisputed	-	13,890.03	5,855.72	928.07	-	-	20,673.82
Disputed	-	-	-	-	-	-	-
Trade Receivables –	-	-	-	-	-	-	**20,673.82**
Less: - Allowance for expected credit loss	-	-	-	-	-	-	(1,615.60)
Total	-	-	-	-	-	-	**19,058.22**

16. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current accounts	9,170.65	8,703.61
Cash on hand	93.15	43.21
Total	**9,263.80**	**8,746.82**

17. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with Banks		
In term deposit accounts with maturity more than 3 months	312.49	292.37
Unpaid dividend	1.07	1.07
Total	**313.56**	**293.44**

18. LOANS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Loans & advances – Related parties (refer note 47)	867.15	880.63
Loans & advances – Employees	29.93	29.92
Total	**897.08**	**910.55**

Disclosure required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

(₹ in Lakhs)

Particulars	Loans (interest bearing) outstanding	Maximum amount outstanding during the year
Safa Automotive		
As at 31st March 2025	866.10	955.55
As at 31st March 2024	880.63	1,016.06
Balu Advanced Technologies & Sys Pvt Ltd		
As at 31st March 2025	1.05	1.05
As at 31st March 2024	-	-

I. The above loans have been given for business purpose.

ii. The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.

19. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Export benefits and entitlements	192.72	200.74
Security deposits	405.84	406.88
Others	60.62	23.21
Total	**659.18**	**630.83**

20. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	121.77	41.53
Advances to suppliers & others	3,104.06	4,739.23
GST Receivable	703.61	863.97
Total	**3,929.44**	**5,644.73**

21. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2025		As at 31 March 2024	
	No of shares	₹ in Lakh	No of shares	₹ in Lakh
Authorised:				
Equity Shares:				
Equity shares of ₹10/- each	12,50,00,000.00	12,500.00	11,00,00,000.00	11,000.00
Issued, Subscribed and Paid-up				
Equity Shares:				
Equity shares of ₹10/- each	11,07,66,900.00	11,076.69	10,25,91,900.00	10,259.19
Total	**11,07,66,900.00**	**11,076.69**	**10,25,91,900.00**	**10,259.19**

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	No of shares	₹ in Lakh	No of shares	₹ in Lakh
At the beginning of the year	10,25,91,900.00	10,259.19	8,33,64,886.00	8,336.49
Issued during the year	45,00,000.00	450.00	1,62,27,000.00	1,622.70
Issued during the year (Conversion of Warrants into Equity Shares)	36,75,000.00	367.50	30,00,014.00	300.00
Outstanding at the end of the year	**11,07,66,900.00**	**11,076.69**	**10,25,91,900.00**	**10,259.19**

During the FY 2024-25, the Company has issued and allotted:

i. 36,75,000 Equity Shares having face value of ₹10/- each at an issue price of Rs. 183.60/- fully paid up upon exercising the option available with the Share Warrant Holder (persons belonging to the Promoter group) to convert 36,75,000 Convertible Warrants

ii. 45,00,000 Equity Shares to the Non-Promoters (Public Category) on preferential basis of ₹10/- each for cash at at a premium of ₹ 350 per share aggregating to Rs. 1,62,00,00,000/-.

B. Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

C. Following shareholders hold equity shares more than 5% of the total equity shares of the Company

Name of Shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held having face value of ₹ 10 each	% of holding in class	Number of shares held having face value of ₹ 10 each	% of holding in class
Jaspalsingh Chandock	5,74,40,024.00	52%	5,44,40,010.00	53%

D. The details of promoter's shareholding are as under

Name of the promoter	As at 31 March 2025			As at 31 March 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Equity shares of ₹ 10/- each fully paid						
Mr. Jsapalsingh Chandock	5,74,40,024.00	52%	-1%	5,44,40,010.00	53%	-12%
Mr. Trimaan Chandock	25,75,900.00	2%	1%	15,43,032.00	2%	1%
Mr. Jaikaran Chandock	11,85,150.00	1%	0%	15,43,032.00	2%	1%
Total	**6,12,01,074.00**	**55%**	**-1%**	**5,75,26,074.00**	**56%**	**-9%**

Although, the actual number of promoters holding has increased, there is negative change in the promoters shareholdings due to additional shares being issed by the Company to Non-Promoter group.

E. Information regarding issue of Equity Shares during last five years

i. No bonus share has been issued.

ii. No share has been bought back.

F. No Shares held in Abeyance

22. OTHER EQUITY

(₹ in Lakhs)

Particulars	Share Warrants	Reserves and surplus		Total Equity
		Securities premium	Retained Earnings/ (losses)	
As at 1 April 2023		**3,940.42**	**6,855.15**	**10,795.57**
Net income / (loss) for the year	-	-	6,714.50	6,714.50
Securities premium credited on Share issue	-	21,978.64	-	21,978.64
Issue of Share warrants	2,295.00	-	-	2,295.00
Share issue expenses	-	(33.02)	-	(33.02)
Other comprehensive income	-	-	1.23	1.23
As at 31 March 2024	**2,295.00**	**25,886.04**	**13,570.88**	**41,751.92**
As at 1 April 2024	**2,295.00**	**25,886.04**	**13,570.88**	**41,751.92**
Net income / (loss) for the year	-	-	13,422.97	13,422.97
Securities premium credited on Share issue	-	22,113.99	-	22,113.99
Issue of Share warrants	6,683.18	-	-	6,683.18
Dividend Paid	-	-	(157.41)	(157.41)
Other comprehensive income	-	-	(4.74)	(4.74)
As at 31 March 2025	**8,978.18**	**48,000.03**	**26,831.70**	**83,809.91**

Note :

During the FY 2024-25, the Company has issued and allotted:

i. 36,75,000 Equity Shares having face value of ₹10/- each at an issue price of Rs. 183.60/- fully paid up upon exercising the option available with the Share Warrant Holder (person belonging to the Promoter group) to convert 36,75,000 Convertible Warrants

ii. 45,00,000 Equity Shares to the Non-Promoters (Public Category) on preferential basis of ₹10/- each for cash at premium of Rs. 350/- aggregating to Rs. 1,62,00,00,000/-.

iii. 93,00,000 Convertible Warrants to persons forming part of promoter group on preferential basis of ₹10/- each for cash at premium of Rs. 350/- aggregating to ₹3,34,80,00,000/-, with an option to convert the same into equal number of equity shares of ₹10/- (Rupees Ten) each at an issue price of Rs. 360/- per share within a period of 18 months from the date of allotment of warrants.

23. BORROWINGS (AT AMORTISED COST)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Term loan (secured)		
- Term loans from banks	1,149.74	1,927.61
- Term loans from financial institutions	-	51.64
- Term loans from other parties	456.02	504.72
Total	**1,605.76**	**2,483.97**

23.1 Interest and repayment schedule for secured long term borrowings

(₹ in Lakhs)

Type of loan	Loan outstanding as at 31 March 2025			Sanction amount	Rate of interest	Repayment terms	Security Guarantee
	Non Current	Current	Total				
Term loans from bank							
ICICI Bank Limited -Business Loan	0.06	-	0.06	40.00		Loan fully repaid, disputed charges are shown as outstanding	Post dated cheques
HDFC Bank Limited -Business Loan	0.01	-	0.01	50.00		Loan fully repaid, disputed charges are shown as outstanding	Post dated cheques
Axis Bank Ltd - Car Loan	253.36	86.08	339.44	441.93	8.65 - 9.55%	Equated monthly installments as per specific repayment schedule predetermined in case of each vehicle loan.	Secured against the hypothecation of underly- ing company owned vehicles.
Union Bank of India - Vehicle Loan	59.14	16.50	75.64	129.08	8-10%	Equated monthly installments as per specific repayment schedule predetermined in case of each vehicle loan.	secured against the hypothecation of underly- ing company owned vehicles.
Union Bank of India - Term Loan	837.17	695.15	1,532.32	2,920.00	8%	Equated monthly installment for 60 months and interest to the loan account to be serviced as & when debited to the account.	secured against the hypothecation of underly- ing company owned vehicles.
Total (A)	**1,149.74**	**797.73**	**1,947.47**	**3,581.01**			
Term loans from other parties							

(₹ in Lakhs)

Type of loan	Loan outstanding as at 31 March 2025			Sanction amount	Rate of interest	Repayment terms	Security Guarantee
	Non Current	Current	Total				
Jain Sons Finlease Ltd. - Business Loan	2.34	-	2.34	40.00		Loan fully repaid, disputed charges are shown as outstanding	Unsecured
Shriram City Finance Ltd. - Business Loan	0.86	-	0.86	35.00		Loan fully repaid, disputed charges are shown as outstanding	Unsecured
Tata Capital Financial ServicesLtd. - Car Loan	0.55	-	0.55	50.69		Loan fully repaid, disputed charges are shown as outstanding	Secured against the hypothecation of underly- ing company owned vehicles.
PNB Housing Ltd. -Business Loan	452.26	38.68	490.94	650.00	11%	Equated monthly installments as per specific repayment schedule predetermined	Unsecured
Protium	0.01	29.08	29.09	100.00	14%	Equated monthly installments as per specific repayment schedule predetermined	Unsecured
Total (C)	**456.02**	**67.76**	**523.78**	**875.69**			
Grand TOTAL (A+B+C)	**1,605.76**	**865.49**	**2,471.25**	**4,456.70**			

24. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 45)	118.54	92.66
Total	**118.54**	**92.66**

25. BORROWINGS (CURRENT, AT AMORTISED COST)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Working capital loans from bank (secured)		
Packing Credit limit	1,120.00	1,552.97
Current maturity of long-term debt	865.49	840.59
Total	**1,985.49**	**2,393.56**

Working capital loans from bank (secured)

Short-term working capital loan of ₹1,120 lakhs As at 31st March 2025 and ₹1,552.97 lakhs As at 31st March 2024 secured by hypothecation of stock & book debts. The interest rates were in the ranges from 7.00% to 9.25% p.a.

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions generally are in agreement with the books of accounts with minor difference on account of provisional figures recorded while submission of statements of current assets to the bank.

26. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues of micro and small enterprises;	50.02	52.65
- total outstanding dues of creditors other than micro and small enterprises	11,156.21	7,853.28
Total	**11,206.23**	**7,905.93**

i. Disclosure with respect to related party transactions is given in note 47.

ii. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
The principal amount remaining unpaid to supplier as at the end of accounting year	49.78	51.93
The interest due thereon remaining unpaid to supplier as at the end of accounting year	0.24	0.72
The amount of interest paid in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of 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 this Act.	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.24	0.72
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure.	0.24	0.72

iii. Ageing for Trade Payables outstanding is as follows:

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on 31st March 2025				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Unsecured and considered good					
(i) MSME	50.02	-	-	-	50.02
(ii) Others	11,027.87	-	-	-	11027.87
(iii) Disputed dues - MSME	-	-	-	-	0
(iv) Disputed dues - Others	--	-	-	128.34	128.34
Total	**11,077.89**	**-**	**0.00**	**128.34**	**11,206.23**

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on 31st March 2024				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Unsecured and considered good					
(i) MSME	52.65	-	-	-	52.65
(ii) Others	7,724.94	-	-	-	7724.94
(iii) Disputed dues - MSME	-	-	-	-	0
(iv) Disputed dues - Others	-	-	-	128.34	128.34
Total	**7,777.59**	**-**	**0.00**	**128.34**	**7,905.93**

27. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Liabilities towards expenses	554.46	898.24
Total	**554.46**	**898.24**

28. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance against orders	0.35	-
Unpaid dividend payable	3.19	0.74
Statutory dues payable ((contribution to PF and ESIC, TDS, GST, etc.)	107.27	52.65
Total	**110.81**	**53.39**

29. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 45)	24.13	16.22
Total	**24.13**	**16.22**

30. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale		
Export sale	42,761.46	23,959.10
Domestic sale (incl. merchant export)	15,366.22	14,177.73
Other operating revenues	**58,127.68**	**38,136.83**
Export benefits and entitlements income	1,719.97	671.43
Total	**59,847.65**	**38,808.26**

31. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on foreign currency transactions and translation	1,409.55	569.43
Interest received	276.96	320.23
Other income	56.92	173.06
Total	**1,743.43**	**1,062.72**

32. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Work in Progress - Opening	2,360.28	1,038.70
Work in Progress - Closing	541.55	2,360.28
	1,818.73	**(1,321.58)**

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Finished Goods (Mfg.) - Opening	5,088.29	2,016.91
Finished Goods (Mfg.) - Closing	5,795.42	5,088.29
	(707.13)	**(3,071.38)**
Total Non-Current Assets	**1,111.60**	**(4,392.96)**

33. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	951.81	553.05
Contribution to provident and other funds	55.98	27.21
Director remuneration	219.65	117.20
Gratuity expense (refer note 45)	27.46	22.28
Staff welfare expenses	128.77	59.60
Total	**1,383.67**	**779.34**

34. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (Refer Note -6)	177.31	106.67
Amortisation of intangible assets (Refer Note -9)	0.92	0.93
Depreciation of right to use assets (Refer Note -7)	100.89	40.58
Total	**279.12**	**148.18**

35. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on borrowings	667.81	872.95
Interest expense on leaase liabilities	37.87	2.50
Other borrowing costs	13.33	40.60
Discounting & LC Charges	377.83	445.04
Total	**1,096.84**	**1,361.09**

36. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Repairs and maintenance	239.62	289.51
Rent	164.58	108.67
Rates and taxes	169.90	158.72
Insurance	24.18	14.39
Legal and professional fees	247.17	142.19
Travelling & conveyance expenses	610.49	439.46
Audit fees	11.71	9.88
Security charges	72.37	39.68
Electricity Charges Office	5.64	6.36
Freight forwarding and distribution expenses	631.88	418.83

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Forward Contract Gain/Loss	-	75.33
Advertisement and sales promotion expenses	1,882.26	1,716.03
Miscellaneous expenses	52.16	27.53
CSR expenses	196.39	101.04
Donation	11.09	28.96
Postage and telephone	13.80	13.08
Printing and stationery	17.93	5.48
Provision for doubtful debts	(576.48)	724.54
Bad Debts	13.96	23.75
Total	**3,788.65**	**4,343.43**

Note:

A) Auditor's remuneration (excluding taxes):

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Statutory audit fees including limited review	7.20	6.00
Tax audit fees	1.50	1.00
Other services	3.01	2.88
Total	**11.71**	**9.88**

37. INCOME TAX

Indian companies are subject to Indian income tax. For each financial year, the entity profit and loss is subject to the regular income tax payable.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 22% plus a surcharge of 10% and education cess 4%.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Current Tax	4,348.56	2,000.00
Deferred tax liabilities (Net)	210.07	(167.67)
(Excess) / short provision of tax of earlier years	450.09	185.13
Total tax expense	**5,008.72**	**2,017.46**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognized income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Profit before tax	**18,431.69**	**8,731.96**
Enacted tax rate in India	25%	25%
Expected income tax expense at statutory rate	4,639.26	2,197.83
Tax effect of amounts which are deductible / not deductible in calculating taxable income	(290.70)	(197.83)
Income tax expense for the year	**4,348.56**	**2000.00**

38. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Remeasurement gains (losses) on defined benefit plans and investment, not to reclassified to profit and loss account	(6.33)	1.64
Income tax effect	1.59	(0.41)
Total	**(4.74)**	**1.23**

39. EARNINGS PER SHARE (EPS)

Particulars	2024-25	2023-24
Face Value of Equity Share	10.00	10.00
Profit attributable to equity shareholders (₹ in Lakh) (A)	**13,418.23**	**6,715.73**
Weighted average number of equity shares for basic EPS (B)	**10,68,80,187.67**	**9,56,59,478.00**
Effect of dilution:		
Total weighted average potential equity shares	50,09,253.32	5,12,100.00
Weighted average number of equity shares adjusted for the effect of dilution (C)	**11,18,89,440.99**	**9,61,71,577.00**
Basic EPS (Amount in ₹) (A/B)	**12.55**	**7.02**
Diluted EPS (Amount in ₹) (A/C)	**11.99**	**6.98**

40. RESEARCH AND DEVELOPMENT ACTIVITIES

Details of expenditure incurred in respect of research and development activities undertaken during the year is as follows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue expenditure charged to profit and loss account	139.90	114.76

41. SEGMENT REPORTING

The Company is in the business of manufacturing of steel forging products having similar economic characteristics. The company and its Chief Operating Decision Maker (CODM) reviews steel forging business as the only segment and takes decision based on the demand and supply in forging business. Thus, as per Ind AS 108, the business activities fall within a single primary segment i.e. manufacturing and selling Steel Forging Products.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

a) Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Export	44,481.43	24,630.53
Domestic (incl. merchant export)	15,366.22	14,177.73
Total	**59,847.65**	**38,808.26**

b) Non-current assets

All Non-Current assets of the company are located in India.

c) Information about major customers

During the year ended 31st March 2025, revenue arising from one customer in India is contributing to more than 10% of the Company's revenue. (2024 : Nil).

During the year ended 31st March 2025 and 31st March 2024, revenue arising from one customer outside India is contributing to more than 10% of the Group's revenue.

NOTE 42 - LEASES

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(i) The Balance sheet shows the following amounts relating to leases:		
Right of use assets (Refer Note 7)	-	-
Buildings	362.97	1.29
Total		
Lease liabilities		
Current (Refer Note 7)	386.62	1.06
Non-current (Refer Note 7)	0.55	0.55
Total	**387.17**	**1.61**
(ii) Amounts recognised in statement of profit and loss		
Depreciation charge on Right of use assets (Refer Note 6)	-	-
Buildings	100.50	40.58
(iii) Interest expense included in finance cost	37.87	2.50
(iv) Expense relating to short-term leases (included in other expenses)	164.58	108.67
(v) Expense relating to leases of low-value assets that are not shown above as short-term leases	-	-
(vi) Expense relating to variable lease payments not included in lease liability	-	-

43 : EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross amount required to be spent by the company during the year	86.38	62.04
Amount required to be set off for the financial year, if any	12.99	0.03
Net amount required to be spent by the company during the year	73.39	62.01
Amount of expenditure incurred	86.40	75.00
Shortfall / (Excess) at the end of the year	13.01	12.99
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Promoting Education, Empowering women	Promoting Education and women welfare, Promoting Health care
Details of related party transactions in relation to CSR expenditure as per relevant	NA	NA

The Company has spent the entire CSR obligation for the year, with actual expenditure exceeding the prescribed amount. Accordingly, there is no unspent CSR amount and the provisions of Section 135(6) of the Companies Act, 2013 are not applicable.

44. DISCLOSURE AS PER IND AS 107

a) Fair Value Measurementa) Fair Value Measurement

i. Categories and hierarchy of financial instruments

The carrying values of the financial instruments by categories were as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets Measured at amortised cost						
Loans	-	-	897.08	-	-	910.55
Trade receivables	-	-	26,725.45	-	-	19,058.22
Cash and cash equivalents	-	-	9,263.80	-	-	8,746.82

(₹ in Lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Bank balances other than cash and cash equivalents	-	-	313.56	-	-	293.44
Other financial assets	-	-	714.83	-	-	693.14
Financial liabilities Measured at amortised cost						
Borrowings	-	-		-	-	
Long term Borrowings	-	-	1,605.76	-	-	2,483.97
Short term Borrowings	-	-	1,985.49	-	-	2,393.56
Trade payables	-	-	11,206.23	-	-	7,905.93
Other financial liabilities	-	-	554.46	-	-	898.24

FVPL - Fair Value Through Prot or Loss

FVOCI - Fair Value Through Other Comprehensive Income

Assets and liabilities which are measured at amortised cost for which fair values are disclosed (It is categorised under Level 3 of fair value hierarchy)

(₹ in Lakhs)

Particulars	For the year ended 31March 2025		For the year ended 31March 2024	
	Carrying cost	Amortised Cost	Carrying cost	Amortised Cost
Non-current financial assets				
Investments in equity shares	30.33	30.33	30.33	30.33
Other Financial Assets	55.65	55.65	62.31	62.31
Non current financial liabilities				
Borrowings	1,605.76	1,605.76	2,483.97	2,483.97
Lease liabilities	0.55	0.55	0.55	0.55

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of current trade receivables, current financial assets, cash and bank balances, loans, trade payables, current borrowings, current financial liabilities and current lease liabilities are considered to be approximately equal to their fair value.

The fair value of non current borrowings is considered to be equal to the carrying amount as the same is at variable rate of interest

b) Financial risk management

Market risk is the potential loss of earnings, fair values, or cash flows due to changes in interest rates, foreign exchange rates, equity prices, or other market variables affecting financial instruments. The Company's principal financial liabilities comprise borrowings, lease obligations, and trade payables, while its financial assets mainly include receivables, cash, and deposits. Key risks arising from these instruments are foreign currency risk, interest rate risk, credit risk, and liquidity risk. The Board of Directors reviews and approves policies for managing these risks. The Corporate Treasury function facilitates access to financial markets and oversees risk management in line with approved policies. The Company does not enter into derivatives for speculative purposes.

1) Market risk

The Company is primarily exposed to risks arising from fluctuations in foreign currency exchange rates, interest rates, and commodity prices. These risks are managed through prudent financial management, operational efficiencies, and continuous monitoring rather than through the use of derivative or forward contracts

To address such exposures, the Company has established Risk Management Policies approved by the Board of Directors, providing a structured framework for identifying, assessing, and mitigating risks. The Treasury Department tracks foreign exchange exposures and commodity price movements, prepares periodic reports, and submits them to the

Risk Management Committee. These reports are subsequently placed before the Audit Committee to ensure oversight, compliance, and effective implementation of the approved framework.

The Company does not trade in financial instruments for speculative purposes.

a) Foreign currency risk management

The Company's functional currency is Indian Rupees (₹). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets. The Company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in decrease in the Company's overall receivables in Rupee terms and favourable movements in the exchange rates will conversely result in increase in the Company's receivables in Rupee terms.

Going by the past trends and future prospects in respect of movement in exchange rate between the Rupee and any relevant foreign currency, the Board expects that there will be favourable movements in the exchange rate and accordingly the management has decided not to hedge the foreign currency through any forward exchange contract. Therefore, receivables aggregating to ₹ 25902.43 lakhs outstanding As at 31 March 2025 represents as unhedged position.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Foreign Currency exposure as at 31 March 2025

(₹ in Lakhs)

Particulars	USD*	EURO*	AED*	Total
Financial assets				
Trade receivables	20,838.21	682.81	4,381.41	25,902.43
Other financial assets	4,840.92	-	866.10	5,707.02
Total financial assets (A)	**25,679.13**	**682.81**	**5,247.51**	**31,609.45**
Financial liabilities				
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
Total financial liabilities (B)	**-**	**-**	**-**	**-**
Net Exposure (A-B)	**25,679.13**	**682.81**	**5,247.51**	**31,609.45**

Note: The Company does not have any financial liabilities denominated in foreign currency as at 31 March 2025.

Foreign Currency exposure as at 31 March 2024

(₹ in Lakhs)

Particulars	USD*	EURO*	AED*	Total
Financial assets				
Trade receivables	18,119.61	938.61	-	19,058.22
Other financial assets	4,645.15	-	880.63	5,525.78
Total financial assets (A)	**22,764.76**	**938.61**	**880.63**	**24,584.00**
Financial liabilities				
Trade payables	-	-	-	-
Other financial liabilities	-	-	-	-
Total financial liabilities (B)	**-**	**-**	**-**	**-**
Net Exposure (A-B)	**22,764.76**	**938.61**	**880.63**	**24,584.00**

Note: The Company does not have any financial liabilities denominated in foreign currency as at 31 March 2024.

*unhedged currency position

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

(₹ in Lakhs)

Particulars	Increase (strengthening of ₹)		Decrease (weakening of ₹)	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Receivable				
USD/INR	(256.79)	(227.65)	256.79	227.65
EUR/INR	(6.83)	(9.39)	6.83	9.39
AED/INR	(52.48)	(8.81)	52.48	8.81
Payable				
USD/INR	-	-	-	-

b) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's fixed and floating rate borrowings

(₹ in Lakhs)

	As at 31 March 2025	As at 31 March 2024
Fixed rate borrowings	1,416.85	2,034.61
Floating rate borrowings	2,174.40	2,842.93
Total borrowings	**3,591.25**	**4,877.53**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease / increase by ₹ 21.74 Lakhs (for the year ended 31 March 2024: decrease / increase by ₹ 28.43 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

c) Commodity Price Risk

The Company is primarily exposed to fluctuations in the prices of steel and alloy steels, which are the key raw materials for manufacturing crankshafts. Most contracts with Indian customers are based on mutually agreed price mechanisms, which partially offset the impact of raw material price volatility. However, in the case of firm price orders, any sharp movement in commodity prices may impact profitability.

The Company manages this risk through long-term supplier relationships, bulk procurement strategies, and continuous monitoring of price trends. Risk management policies approved by the Board of Directors provide a structured framework for addressing commodity price exposures. The Company does not enter into commodity derivative contracts and relies on operational measures to mitigate such risks.

2) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Cash and cash equivalents

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. The Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit- ratings assigned by credit-rating agencies.

In addition, the Company is not exposed to credit risk in relation to financial guarantees given to banks and other counterparties.

3. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long- term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non- derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure As at 31 March 2025

(₹ in Lakhs)

Particulars	<1year	1-5years	>5 years	Total
Financial assets				
Non-current investments	-	30.33	-	30.33
Trade receivables	26,725.45	-	-	26,725.45
Cash and cash equivalents	9,263.80	-	-	9,263.80
Bank balances other than cash and cash equivalents	313.56	-	-	313.56
Loans	897.08	-	-	897.08
Other financial assets	659.18	55.65	-	714.83
Total financial assets	**37,859.07**	**85.98**	**-**	**37,945.05**
Financial liabilities				
Long term borrowings	865.49	1,605.76	-	2,471.25
Short term borrowings	1,120.00	-	-	1,120.00
Trade payables	11,206.23	-	-	11,206.23
Lease Liabilities	418.29	40.76	-	459.05
Other financial liabilities	554.46	-	-	554.46
Total financial liabilities	**14,164.47**	**1,646.52**	**-**	**15,810.99**

Liquidity exposure as at 31 March 2024

(₹ in Lakhs)

Particulars	<1year	1-5years	>5 years	Total
Financial assets				
Non-current investments	-	30.33	-	30.33
Trade receivables	19,058.22	-	-	19,058.22
Cash and cash equivalents	8,746.82	-	-	8,746.82
Bank balances other than cash and cash equivalents	293.44	-	-	293.44
Loans	910.55	-	-	910.55
Other financial assets	630.83	62.31	-	693.14
Total financial assets	**29,639.86**	**92.64**	**-**	**29,732.50**
Financial liabilities				
Long term borrowings	840.59	2,483.97	-	3,324.56
Short term borrowings	1,552.97	-	-	1,552.97
Trade payables	7,905.93	-	-	7,905.93
Other financial liabilities	899.30	0.55	-	899.85
Total financial liabilities	**11,198.79**	**2,484.52**	**-**	**13,683.31**

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered (Refer note 23 and 25).

4) Capital Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion and repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the equity capital by way of preferential allotment. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Long term borrowings	1,605.76	2,483.97
Current maturities of long term debt and finance lease obligations	865.49	840.59
Short term borrowings	1,120.00	1,552.97
Less: Cash and cash equivalent	(9,263.80)	(8,746.82)
Less: Bank balances other than cash and cash equivalents	(313.56)	(293.44)
Less: Current investments	-	-
Net debt	-	-
Total equity	94,886.60	52,011.11
Gearing ratio	-	-

i. Equity includes all capital and reserves of the Company that are managed as capital.

ii. Debt is defined as long and short term borrowings, as described in notes 23 and 25.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

45. EMPLOYEE BENEFIT OBLIGATIONS

a. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Company's contribution to provident fund recognised in statement of profit and loss of ₹22.61 Lakhs (31 March 2024:₹21.80) (included in note 33).

b. Defined benefit plans

The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, all employees are entitled to Gratuity Benefits on exit from service due to retirement, resignation or death at the rate of 15 days' salary for each year of service with payment ceiling of ₹20 lakhs. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at 31 March 2025 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

i. Reconciliation of Opening and Closing balances of Defined Benefit Obligation

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	2024
Defined Benefit obligation at beginning of year	**108.88**	**94.83**
Current Service Cost	19.03	11.87
Interest Cost	8.43	7.04
Actuarial (Gains)/Losses on Obligations		
- Due to Change in Demographic Assumptions	0.00	0.00
- Due to Change in Financial Assumptions	3.81	3.38
- Due to Experience	2.53	(8.24)
Benefits paid	0.00	0.00
Defined Benefit obligation at year end	**142.68**	**108.88**

ii. Expenses recognised in statement of profit and loss account

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	2024
Current Service Cost	19.03	11.87
Net Interest Cost	8.43	7.04
Component of defined benefit cost recognised in statement of profit and loss	**27.46**	**18.91**
Remeasurement of net defined benefit liability		
Actuarial (gain)/loss on defined benefit obligation	6.33	(4.86)
Component of defined benefit cost recognised in other comprehensive income	**6.33**	**(4.86)**

iii. Actuarial assumptions

(₹ in Lakhs)

Description	Gratuity as on 31 March 2025	2024
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate (p.a.)	6.85%	7.10%
Attrition Rate	5% to 1%	5% to 1%
Retirement age	58.00	58.00
Rate of escalation in salary (p.a.)	6.00%	6.00%

iv. The amount included in the standalone financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows

(₹ in Lakhs)

Description	Gratuity as on 31 March 2025	2024
Present value of obligation	142.68	108.88
Net liability / (asset) arising from defined benefit obligation	**142.68**	**108.88**

v. Sensitivity Analysis – Gratuity

(₹ in Lakhs)

Particulars	2024-25	2023-24
Projected Benefit Obligation on Current Assumptions	142.68	108.88
Discount Rate - 1 percent increase	131.93	100.29
Discount Rate - 1 percent decrease	155.24	118.92
Salary Escalation Rate - 1 percent increase	155.21	118.93
Salary Escalation Rate - 1 percent decrease	131.77	100.13
Withdrawal Rate - 1 percent increase	143.33	109.66
Withdrawal Rate - 1 percent decrease	141.95	108.00

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

vi. Maturity analysis of projected benefit obligation

(₹ in Lakhs)

Particulars	Less than a year	Between 1 to 5 years	Between 6 to 10 years	Total
As at 31 March 2025				
Projected benefit payable	24.13	41.38	60.90	**126.41**
As at 31 March 2024				
Projected benefit payable	16.22	28.37	54.87	**99.46**

46. CONTINGENT LIABILITIES AND LEGAL CASES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank guarantee	-	-

Capital Commitments

Estimated amount of contract remaining to be executed on capital account, net of advances is ₹ 2,569.23 lakhs (Previous year ₹5,499.92 lakhs).

47. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 “RELATED PARTY DISCLOSURES” ARE GIVEN BELOW:

a) List of Related Parties

Subsidiaries

Safa Otomotiv FZ – LLC

Naya Energy Works Private Limited

Balu Advanced Technologies & Systems Private Limited

Key Management Personnel (KMP)

JaspalSingh Chandock – Chairman and Managing Director

Trimaan Chandock – Whole Time Director

Jaikaran Chandock – Whole Time Director

Raghavendra Raj Mehta – Independent Director

Radheshyam Soni - Independent Director

Shalu Bhandari - Independent Director

Amit Todkari - Chief Financial Officer

Tabassum Begum – Company Secretary

Relative of Key Management Personnel (KMP)

Nivjeet Chandock – Wife of JaspalSingh Chandock

Mukta Chandock – Wife of Jaikaran Chandock

Entities where control / significant influence by KMPs and their relatives exists and with whom transaction have taken place.

Hotel Imperial Palace (I)

New Global Forge Private Limited

b) Details of transactions with related parties

(₹ in Lakhs)

Name of related party/Nature of Transaction	2024-25	2023-24
Director’s Remuneration		
Jaspalsingh Chandock	116.00	72.00
Trimaan Chandock	45.50	18.00
Jaikaran Chandock	45.50	18.00

(₹ in Lakhs)

Name of related party/Nature of Transaction	2024-25	2023-24
Salary paid		
Amit Todkari	16.39	14.12
Tabassum Begum	10.47	6.84
Director Sitting fees		
Raghavendra Raj Mehta	4.35	3.20
Shalu Bhandari	4.15	3.00
Radheshyam Soni	4.15	3.00
Loan Given		
Safa Otomotiv FZ – LLC	-	763.42
Loan Repaid by parties		
Safa Otomotiv FZ – LLC	-	202.35
Interest Received		
Safa Otomotiv FZ – LLC	55.87	39.74
Loan Taken		
Jaspalsingh Chandock	1,910.00	3,980.99
Loan Repaid to parties		
Jaspalsingh Chandock	1,924.13	5,270.74
Interest paid to parties		
Jaspalsingh Chandock	15.70	88.09
Rent paid to parties		
Hotel Imperial Palace (I)	96.80	51.84
Reimbursement of expenses		
Safa Otomotiv FZ – LLC (Expenses on behalf of Party)	10.80	124.94
Safa Otomotiv FZ – LLC (Expenses on behalf of Balu Forge Ind. Ltd)	99.25	11.39
Jaspal Singh Chandock (Expenses on behalf of Party)	-	206.37
Jaspal Singh Chandock (Expenses on behalf of Balu Forge Ind. Ltd)	17.74	4.00
Hotel Imperial Palace (I) (Expenses on behalf of Party)	2.38	5.02
Jaikaran Chandock (Expenses on behalf of Party)	2.53	2.42
Jaikaran Chandock (Expenses on behalf of Balu Forge Ind. Ltd)	-	0.17
Trimaan Chandock (Expenses on behalf of Party)	4.15	0.60
Naya Energy Private Limited (Expenses on behalf of Party)	1.05	-
Balu Advance Technology and System Private Limited (Expenses on behalf of Party)	1.05	-
Outstanding balance at the end of the year		
Safa Otomotiv FZ – LLC (Reimbursement of Expenses Dr.)	127.18	215.63
Safa Otomotiv FZ – LLC (Loan -Dr.)	738.92	665.00
Safa Otomotiv FZ – LLC (Trade Receivable-Dr.)	1,301.27	1,301.27
Safa Otomotiv FZ – LLC (Investment in Equity Shares Dr.)	30.33	30.33
Safa Otomotiv FZ – LLC (Advance given for Machinery -Dr.)	2,695.39	2,695.39
Naya Energy Private Limited Dr.	1.05	-
Balu Advance Technology and System Private Limited Dr	1.05	-
Amit Todkari	1.28	1.28
Tabassum Begum	0.83	0.83

48. ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a) The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except for the following:

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
PPE	Freehold Land	0.83	Mr. Jaspal Singh Chandock	Promoter cum Director	Since 3rd August 2020	The title has been transferred to the Company, pursuant to the succession agreement (reverse merger). The registration of the transfer deed in the name of the company is pending on account of certain procedural formalities.

b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

d) The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the standalone financial statements are approved.

e) The Company does not have any transactions with struck-off companies.

f) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period except in case of one lender where outstanding balance as on 31.st March 2025 is ₹29.08 lakhs, charge is pending on account of certain procedural formalities..

g) The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

h) The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding 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.

i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

   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.

j) The Company does not have any transactions which is not recorded in the books of accounts but 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).

k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

l) Ratios

Particulars	Numerator	Denominator	Year Ended 31 March 2025	Year Ended 31 March 2024	% Variance	Reason for Variance
Current Ratio	Current assets	Current liabilities	2.81	3.35	-16%	
Debt-Equity Ratio	Total debt	Shareholder's Equity	0.04	0.09	-56%	The debt-to-equity ratio improved due to the fresh equity capital raised by the company.
Debt Service Coverage Ratio	Profit before Tax, Exceptional Items, Depreciation, Interest cost	Interest Cost + Long Term Borrowings scheduled 'principal repayments (excluding prepayments / refinancing) 'during the year)	5.68	5.68	0%	
Return on Equity Ratio	[Net Profits after taxes]	Average Shareholder's Equity	0.18	0.19	-5%	
Inventory Turnover Ratio (In Days)	Revenue From Operations	Average Inventory	46.00	53.00	-13%	
Trade Receivables Turnover Ratio (In Days)	Revenue From Operations	Average Accounts Receivable	138.00	179.00	-23%	
Trade payables turnover ratio (In Days)	Net Credit Purchases	Average Trade Payables	96.00	84.00	14%	
Net Capital Turnover Ratio	Revenue From Operations	Working Capital	1.89	1.28	48%	Net Capital Turnover Ratio improved on account of better working capital management
Net Profit Ratio %	Net Profit	Revenue From Operations	0.22	0.17	32%	The net profit percentage improved due to a favorable product mix and the implementation of various cost-cutting measures by the company.
Return on Capital Employed %	Earnings before interest and taxes (EBIT)	Capital Employed	0.19	0.17	15%	
*Return on Investment	Earnings before interest and taxes (EBIT)	Average Total Assets	0.21	0.19	11%	

* The Company is not holding any Treasury investments.

49. Previous period figures have been regrouped / recasted / reclassified wherever necessary.

50. The Company has approved its standalone financial statements in its board meeting dated May 14, 2025.

The accompanying notes form an integral part of the Standalone financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14 May 2025

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Consolidated

Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF
Balu Forge Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Balu Forge Industries Limited** (herein referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Consolidated Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015,as amended, ("IndAS")and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed and based on the audit report of other auditors, 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 Responsibilities for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the company as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i)of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the group to express an opinion on the consolidated financial statements

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements

   (d) In our opinion, the aforesaid consolidated financial statements comply with the IndAS specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2025 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management form directors of its subsidiaries which are incorporated in India, as on 31st March 2025, none of the directors of the Group companies incorporated in India is disqualified as on 31st March 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors reports of the company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies

   (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, 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 of the Act.

   (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 as amended, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group.

      ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiaries incorporated in India during the year ended 31st March 2025.

      iv. The respective Board of Directors of the Companies and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that to the best of their knowledge and belief as disclosed in the notes to the accounts 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 or any of such subsidiaries to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      v. The respective Board of Directors of the Companies and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that to the best of their knowledge and belief as disclosed in the notes to accounts no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person(s) or entity(ies)including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries.

vi. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provide under (a) &(b) above contain any material mis-statement.

vii. The company has not declared dividend or paid dividend during the year and has not proposed final dividend for the year.

viii. Based on our examination which included test checks, the company has used an 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 audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per statutory requirements for record retention.

2. With respect to the matters specified in the paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("The Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditors report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, and Auditors report issued by the respective auditors of the subsidiaries, incorporated in India, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **M. B. Agrawal & Co.**
Chartered Accountants
(Firm's Registration No.100137W)

Leena Agrawal
Partner
(Membership No.061362)

Place: Mumbai
Date: 14th May 2025
UDIN: 25061362BMLWWT4120

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Balu Forge Industries Limited of even date)

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

In conjuction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2025, we have audited the internal financial controls over financial reporting of Balu Forge Industries Limited("the Company") and its subsidiary companies, which are companies incorporated in India, as of that date

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India.

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

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, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. However efforts for further strengthening the internal control is needed.

For **M. B. Agrawal & Co.**
Chartered Accountants
(Firm's Registration No.100137W)

Leena Agrawal
Partner
(Membership No.061362)

Place: Mumbai
Date: 14th May 2025
UDIN: 25061362BMLWWT4120

Consolidated Balance Sheet

as ot 31st March 2025

(₹ in Lakhs)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
1 Non-Current Assets			
(a) Property, plant and equipment	6	14,680.26	2,417.07
(b) Right-of-use assets	7	362.97	1.29
(c) Capital work-in-progress	8	41,710.69	13,027.29
(d) Goodwill	9	3,254.45	3,254.45
(e) Other Intangible assets	9	1.55	2.47
(f) Financial assets			
i. Other financial assets	10	55.65	62.31
(g) Deferred tax assets (net)	11	169.15	377.62
(h) Other non-current assets	12	8,216.23	2,804.02
Total Non-Current Assets		**68,450.95**	**21,946.52**
2 Current Assets			
(a) Inventories	13	9,808.97	8,946.66
(b) Financial assets			
i. Trade receivables	14	32,726.73	21,849.74
ii. Cash and cash equivalents	15	9,307.85	8,793.99
iii. Bank balances other than cash and cash equivalents	16	313.56	293.44
iv. Loans	17	15.36	29.92
v. Other financial assets	18	666.16	639.77
(c) Other current assets	19	3,929.44	8,746.02
(d) Current tax assets (net)		-	-
Total Current Assets		**56,768.07**	**49,299.54**
Total Assets		**1,25,219.02**	**71,246.06**
EQUITY AND LIABILITIES			
I Equity			
(a) Equity share capital	20	11,076.69	10,259.19
(b) Other equity	21	94,244.88	45,037.14
Total Equity		**1,05,321.57**	**55,296.33**
II Liabilities			
1 Non-Current Liabilities			
(a) Financial liabilities			
i. Borrowings	22	1,605.76	2,483.97
ii. Lease liability	7	0.55	0.55
(b) Provisions	23	118.54	92.66
(c) Deferred tax liabilities (net)		-	
Total Non-Current Liabilities		**1,724.85**	**2,577.18**
2 Current Liabilities			
(a) Financial liabilities			
i. Borrowings	24	1,985.49	2,393.56
ii. Lease liability	7	386.62	1.06
iii. Trade payables	25		
- Total outstanding dues of Micro and small enterprises		50.02	52.65
- Total outstanding dues of other than micro and small enterprises		11,751.00	8,005.28
iv. Other financial liabilities	26	680.00	1,189.59
(b) Other current liabilities	27	112.13	52.33
(c) Provisions	28	24.13	16.22
(d) Current tax liability (net)		3,183.21	1,661.86
Total Current Liabilities		**18,172.60**	**13,372.55**
Total Equity and Liabilities		**1,25,219.02**	**71,246.06**

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Mumbai, 14th May 2025

Statement of Profit and Loss

for the year ended 31st March 2025

(₹ in Lakhs)

Particulars	Notes	Year ended 31 March 2025	Year ended 31 March 2024
I. Income			
i. Revenue from operations	29	92,361.74	55,985.58
ii. Other income	30	1,714.30	1,023.45
Total Income		**94,076.04**	**57,009.03**
II. Expenses			
i. Cost of materials consumed		60,774.92	42,780.75
ii. Changes in inventories of finished goods, stock in trade and work-in-progress	31	(510.54)	(5,149.23)
iii. Employee benefits expense	32	2,352.37	1,348.33
iv. Depreciation and amortisation expense	33	335.07	205.45
v. Finance costs	34	1,095.70	1,363.80
vi. Other expenses	35	4,634.26	5,093.65
Total Expenses		**68,681.78**	**45,642.75**
III. Profit before tax (I-II)		**25,394.26**	**11,366.28**
IV. Exceptional items		-	-
V. Profit before tax (III-IV)		**25,394.26**	**11,366.28**
VI. Tax expense			
i. Prior period tax		450.09	185.13
ii. Current tax	36	4,348.56	2,000.00
iii. Deferred tax		210.07	(168.17)
VII. Profit after tax (V–VI)		**20,385.54**	**9,349.32**
VIII. Other comprehensive income	37		
A. Items that will not be reclassified to profit & loss			
i. Remeasurement of defined benefit obligations		(6.34)	3.64
ii. Tax relating to items that will not be reclassified to profit or loss		1.59	(0.92)
B. Items that will be reclassified to profit or loss			
i. Exchange differences on translation of financial statements of foreign operations		187.20	18.02
ii. Tax relating to items that will not be reclassified to profit or loss		-	-
IX. Total other comprehensive (expense)/ income, net of income tax		**182.45**	**20.74**
X. Total comprehensive income for the year, net of tax (VII-VIII)		**20,567.99**	**9,370.06**
XI. Earnings per equity share of ₹10 each:	38		
i. Basic (in ₹)		19.24	9.80
ii. Diluted (in ₹)		18.38	9.74

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14th May 2025

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Consolidated Statement of Changes in Equity

for the year ended 31st March 2025

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	No. of Shares	Amount
As at 1st April 2023	**8,33,64,886.00**	**8,336.49**
Changes in equity share capital during the year	1,92,27,014.00	1,922.70
As at 31st March 2024	**10,25,91,900.00**	**10,259.19**
Changes in equity share capital during the year	81,75,000.00	817.50
As at 31st March 2025	**11,07,66,900.00**	**11,076.69**

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Share Warrants	Reserves and surplus			Total Equity
		Securities premium	Retained Earnings/(losses)	Remeasurements of defined benefit obligations	
As at 1st April 2023	**-**	**3,940.42**	**7,477.65**	**8.39**	**11,426.46**
Net income / (loss) for the year	-	-	9,349.32	-	9,349.32
Securities premium credited on Share issue	-	21,978.64	-	-	21,978.64
Issue of Share warrants	2,295.00	-	-	-	2,295.00
Share issue expenses	-	(33.02)	-	-	(33.02)
Other comprehensive income	-	-	2.72	18.02	20.74
As at 31st March 2024	**2,295.00**	**25,886.04**	**16,829.69**	**26.41**	**45,037.14**
As at 1st March 2024	**2,295.00**	**25,886.04**	**16,829.69**	**26.41**	**45,037.14**
Net income / (loss) for the year	-	-	20,385.54	-	20,385.54
Securities premium credited on Share issue	-	22,113.98	-	-	22,113.98
Issue of Share warrants	6,683.18	-	-	-	6,683.18
Dividend Paid	-	-	(157.41)	-	(157.41)
Other comprehensive income	-	-	(4.75)	187.20	182.45
As at 31st March 2025	**8,978.18**	**48,000.02**	**37,053.07**	**213.61**	**94,244.88**

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Mumbai, 14th May 2025

Consolidated Statement of Cash Flows

for the year ended 31st March 2025

(₹ in Lakhs)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax		**25,394.26**		**11,384.30**
Adjustment for:				
Income tax expenses	(5,008.72)		(2,016.96)	
Depreciation & amortisation expense	335.07		205.45	
Interest received	(276.97)		(320.23)	
Finance costs	1,095.70		1,363.80	
Bad debts, loans and advances written off/written back (net)	13.96	(3,840.96)	23.75	(744.19)
Operating profit before working capital changes		**21,553.30**		**10,640.11**
Adjustment for:				
(Increase)/decrease in inventories	(862.31)		(5,464.50)	
(Increase)/decrease in trade receivables	(10,888.22)		(821.45)	
(Increase)/decrease in other receivables	(395.06)		(6,422.85)	
Increase/(decrease) in trade and other payables	8,894.68		566.48	
Increase/(decrease) in provisions	33.79	(3,217.12)	14.05	(12,128.27)
Cash flow from operations		**18,336.18**		**(1,488.16)**
Income taxes (paid)/ refund net		(3,512.02)		(1,685.00)
Net cash generated from operating activities		**14,824.16**		**(3,173.16)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
(Increase)/decrease property, plant and equipment (Net)	(41,642.42)		(13,411.31)	
(Increase)/decrease Investments	(20.12)		-	
Net cash used in investing activities		**(41,662.54)**		**(13,411.31)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital and share warrants	29,614.66		26,163.32	
Proceeds/ (repayment) of long term borrowings (net)	(878.21)		1,314.70	
Proceeds/ (repayment) of short term borrowings (net)	(408.07)		(1,570.53)	
Interest received	276.97		320.23	
Dividend Paid	(157.41)		-	
Finance costs (net)	(1,095.70)		(1,363.80)	
Net cash used in financing activities		**27,352.24**		**24,863.92**
Net increase in cash and cash equivalents (A+B+C)		**513.86**		**8,279.45**
Cash and cash equivalents at the beginning of the year		8,793.99		514.54
Cash and cash equivalents at the end of the year		**9,307.85**		**8,793.99**
Cash on hand		123.96		77.79
Balance in current account and deposits with banks		9,183.89		8,716.20
Cash and cash equivalents at the end of the year		**9,307.85**		**8,793.99**

Consolidated Statement of Cash Flows

for the year ended 31st March 2025

Reconciliation of liabilities arising from financing activities:

(₹ in Lakhs)

Particulars	As at 31 March 2024	Cash flows	Interest accrued/ adjustments	As at 31 March 25
Borrowings	4,877.53	(2,170.31)	884.03	3,591.25
Lease liabilities	1.61	348.77	36.79	387.17
Total liabilities from financing activities	**4,879.14**	**(1,821.54)**	**920.82**	**3,978.42**

(₹ in Lakhs)

Particulars	As at 31 March 2023	Cash flows	Interest accrued/ adjustments	As at 31 March 2024
Borrowings	5,133.36	(895.93)	640.10	4,877.53
Lease liabilities	53.83	(54.71)	2.49	1.61
Total liabilities from financing activities	**5,187.19**	**(950.64)**	**642.59**	**4,879.14**

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
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Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Mumbai, 14th May 2025

Notes on the Financial Statements

for the year ended 31st March 2025

1. CORPORATE INFORMATION

The Consolidated Financial Statements comprise financial statements of Balu Forge Industries Limited (the company) having Corporate Identity Number L29100MH1989PLC255933 and its subsidiaries together referred to as "the Group") and including its three wholly owned subsidiaries is herein after together referred to as the 'Group'. The Group is a preferred supplier of crankshafts to OEMs in India and around the world with manufacturing facilities at Belagavi (Karnataka) and Dubai.

2. NEW AND AMENDED STANDARDS ADOPTED BY THE GROUP

The Ministry of Corporate Affairs vide notification dated 9th September 2024 and 28th September 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/notied certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April 2024:

- Insurance contracts – Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods

3. Statement of compliance

These financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and presentation requirement of Division II of Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III) as applicable to financial statement.

Accordingly, the Group has prepared these Financial Statements which comprise the Balance Sheet As at 31st March 2025, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Financial Statements').

The financial statements of the Group for the year ended 31st March 2025 were approved for issue in accordance with the resolution of the Board of Directors on 14th May 2025.

4. Basis of preparation and compliance with Ind AS

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention and on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for certain financial assets and financial liabilities measured at fair value (refer accounting policies for financial instruments).

5. SUMMARY OF MATERIAL ACCOUNTING POLICIES IS AS UNDER:

5.1. Current and non-current classification

The Group classifies all assets and liabilities as current or non-current based on its normal operating cycle and the criteria specified under Indian Accounting Standards (Ind AS) and Schedule III of the Companies Act, 2013. Considering the nature of its services and the timeframe in which cash and cash equivalents are realized, the Group has determined its operating cycle to be twelve months for the purpose of distinguishing current and non-current assets and liabilities.

Deferred tax assets and liabilities are always classified as non-current.

The applicable Ind AS are mandated under Section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, along with subsequent amendments. The Group has consistently applied its accounting policies except where a new accounting standard has been adopted for the first time or where a revision to an existing standard has required a change in the accounting policy previously followed.

These Financial Statements are presented in Indian Rupees (₹), which is the Group's functional currency. Unless stated otherwise, all financial figures have been rounded off to the nearest two decimal places in Lakhs.

5.2. Basis of Consolidation

The Consolidated Financial Statements incorporate the financial statements of the Group. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns

The Group reassesses control whenever facts or circumstances indicate changes in any of the above elements.

- the relative size and dispersion of its voting rights compared with other holders;
- potential voting rights of the Company, other investors, or third parties;

- rights arising under contractual arrangements; and
- additional facts and circumstances, including past voting patterns at shareholders' meetings.

Consolidation of a subsidiary commences on the date control is obtained and ceases when control is lost. Income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the acquisition date to the date control ceases.

Profit or loss and each component of other comprehensive income are allocated to the Company's owners and non-controlling interests. This allocation is made even if it results in a deficit balance for non-controlling interests.

The financial statements of the Company and its subsidiaries are consolidated on a line-by-line basis by combining like items of assets, liabilities, income, and expenses. The subsidiary financial statements used for consolidation are prepared as of the same reporting date as the Company.

Where required, adjustments are made to align the accounting policies of subsidiaries with those of the Group. All intragroup balances, transactions, income, expenses, equity, and cash flows are eliminated in full. Unrealised gains on intragroup transactions are eliminated, while unrealised losses are eliminated unless they provide evidence of impairment of the transferred asset.

Changes in the Group's ownership interest in a subsidiary that do not result in loss of control are accounted for as equity transactions. The carrying amounts of controlling and non-controlling interests are adjusted to reflect changes in relative ownership. Any difference between these adjustments and the fair value of consideration paid or received is recognised directly in equity and attributed to the Group's owners.

The following subsidiaries have been considered in preparation of the consolidated financial statements:

Name of Company	Country of incorporation	% of ownership interest either directly or through subsidiaries	
		As at 31 March 2025	As at 31 March 2024
Safa Atomotive FZ – LLC	Dubai	100%	100%
Naya Energy Works Private Limited	India	100%	100%
Balu Advanced Technologies & Systems Private Limited	India	100%	100%

5.3. Use of Estimates and Judgements

In the preparation of the financial statements, the Group makes judgements in the application of accounting policies; and estimates and assumptions which affects the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience, future outlook and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 and future periods affected.

The Group uses the following critical accounting estimates and judgements in preparation of its financial statements.

5.3.1. Impairment

The Group determines the recoverable amount of its cash-generating units (CGUs) by estimating future cash flows, taking into account current economic conditions and trends, projected operating performance and growth rates, as well as anticipated future economic and regulatory environments. These cash flow estimates are prepared using the Group's internal forecasts. The estimated future cash flows are then discounted to their present value using an appropriate discount rate.

5.3.2. The measurement of impairment for financial assets (other than those subsequently measured at fair value)

The measurement of impairment of financial assets requires the application of estimates and judgments, which are further detailed in the note on financial instruments under the section "Impairment of Financial Assets."

5.3.3. Useful lives of property, plant and equipment, right-of-use assets and intangible assets

The Group reviews the estimated useful lives of property, plant and equipment, right-of-use assets, and intangible assets at the end of each reporting period. Any reassessment may lead to changes in depreciation and amortisation expenses in future periods.

5.3.4. Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation, either legal or constructive, arising from past events, and it is probable that an outflow of resources will be required to settle the obligation, provided a reliable estimate can be made. This includes provisions for decommissioning, site restoration, and environmental obligations, which may be adjusted if changes in estimated reserves affect expectations regarding the timing or cost of these activities. All provisions are reviewed at each balance sheet date and updated to reflect the current best estimates.

Significant judgments are applied by the Group in assessing contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the Group's control, or where a present obligation exists but either the outflow of resources is not probable or the amount cannot be reliably estimated.

Contingent assets are neither recognized nor disclosed in the financial statements.

5.3.5. Fair value measurements of financial instruments

When the fair value of financial assets and financial liabilities recognized in the balance sheet cannot be determined based on quoted prices in active markets, the Group measures fair value using valuation techniques, such as the Discounted Cash Flow (DCF) model. Wherever possible, inputs to these models are derived from observable market data. However, when observable data is not available, the Group applies judgment to establish fair values, considering factors such as liquidity risk, credit risk, and market volatility. Changes in these assumptions could impact the reported fair value of financial instruments.

5.3.6. Leases

The Group assesses whether an arrangement qualifies as a lease in accordance with Ind AS 116, "Leases." Determining whether an arrangement contains a lease involves significant judgment, including evaluation of the terms and conditions such as the lease term, expected renewals, and the applicable discount rate. Lease payments are discounted using the interest rate implicit in the lease, if this rate can be readily identified. If not, the Group applies its incremental borrowing rate.

5.3.7. Retirement Benefit Obligations

The Group's retirement benefit obligations are based on several key assumptions, including discount rates, inflation rates, salary growth, and mortality rates. These assumptions require significant judgment, and any changes to them could materially impact the amounts recognized in the balance sheet and the statement of profit and loss. The Group establishes these assumptions based on historical experience and advice from independent actuaries. These assumptions are reviewed annually and updated to reflect actuarial valuations and experience adjustments.

5.4. Property, Plant and Equipment (PPE)

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

The Group has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements of M/s. Balu India, proprietary concern, measured as per the previous GAAP and use that as its deemed cost as at the date of succession.

Capital Work-in-Progress

These are stated at cost to date relating to projects in progress, incurred during construction / pre-operative period (Net of income) incurred during the construction/ pre-operative period and the same is allocated to the respective property, plant and equipment on the completion of their construction. Property, plant and equipment not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in- progress".

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business succession is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. 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 year, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Estimated useful lives of the intangible assets are as follows:

Sr. No.	Asset Head	Remaining useful life
1	Software	5

Depreciation & amortization

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013. The Group has redefined the useful life / residual value of assets acquired on business succession in accordance with the terms and conditions set out in the Business Succession Agreement dated 3rd August 2022, on the basis of detailed technical analysis , taking into account the nature of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. which is depicted in below mentioned table.

Sr. No.	Asset Head	Remaining useful life
1	Plant & Machinery	15
2	Office Equipment	5
3	Computers	3
4	Motor Vehicle	8-10
5	Electrical Installation	10
6	Factory building	30
7	Furniture & Fixtures	10
8	Computers - Server & Networks	6

Impairment of non-financial assets

At the end of each reporting year, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than it's carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

5.5. Investments in subsidiaries, associates and joint ventures

The investments in subsidiaries, associates and joint ventures are carried in these financial statements at historical 'cost' in accordance with the option available in Ind AS 27, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss

5.6. Inventories

Inventories are valued at lower of cost on First-In- First-Out (FIFO) or net realizable value after providing for obsolescence and other losses, where considered necessary.

Cost of raw materials comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing and other indirect overheads based on the normal operating capacity but excluding borrowing costs. Cost of purchased inventory is determined after deducting rebates and discounts.

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

5.7. Revenue Recognition

i. Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties when the products are delivered to customer or when delivered to a carrier for export sale, which is when title and risk and rewards of ownership pass to the customer. Export incentives are recognised as income as per the terms of the scheme in respect of the exports made and included as part of export turnover.

Revenue from sales is recognised when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

ii. Interest and dividend income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

5.8. Leases

As a lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. That is, if the contract conveys the right to control the use of an identied asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases having lease term of 12 months or less and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets..

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. and includes the net present value of the following lease payments:

- Lease payments less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the Company under residual value guarantees, if any
- 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.

The lease payments are discounted using Company's incremental borrowing rate (since the interest rate implicit in the lease cannot be readily determined). Incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Variable lease payments that depend on any key variable / condition, are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

In case of sale and leaseback transactions, the Group first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is at market terms, the Group effectively derecognises the asset, recognises a ROU asset and corresponding lease liability. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the following:

- The amount of the 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 depreciated over the lease term on a straight-line basis.

Short-term leases and leases of low-value assets

Payments associated with short-term leases of plant and equipment, buildings and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with lease term of 12 months or less.

As a lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

5.9. Foreign Currency Transactions

The functional currency of the Group is Indian National Rupee (₹).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

a. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses..

Current tax

The Group calculates current tax using the tax rates that have been enacted or substantively enacted by the end of the reporting period in India, where it operates and generates taxable income.

Management regularly reviews positions taken in tax filings, especially in cases where tax regulations are open to interpretation. Provisions are recognized as necessary based on the amounts expected to be paid to the tax authorities..

Deferred tax

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 recognised for all taxable temporary differences. Deferred tax assets are 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 year 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. Unrecognised deferred tax assets are re- assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 year.

Deferred tax assets and deferred tax liabilities are off set if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit and loss, except when they are relating 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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

5.10.Borrowing Cost

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalised as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Group determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Group borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

5.11.Provisions and contingencies

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

Provisions are measured at 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).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

5.12.Employee benefits

5.12.1. Defined Contribution Plans:

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund and provident fund are recognised as expense when employees have rendered services entitling them to the contributions. The Group has no further payment obligation once the contributions have been paid. The contributions are accounted for as benefit contribution plans and the contributions are recognised as employee benefit expenses when they are incurred.

5.12.2. Defined Benefits Plans:

For defined benefit retirement schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year-end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) are recognised as an expense within employee costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations as reduced by the fair value of plan assets.

5.12.3. Compensated absences

Liabilities recognised in respect of other long-term employee benefits such as annual leave and sick leave are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date using the projected unit credit method with actuarial valuation being carried out at each yearend balance sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the period in which they arise.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised based on actuarial valuation.

5.13.Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. 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 through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss. Trade receivables that do not contain a significant financing component are measured at transaction price.

i. Financial Assets

Cash and bank balances

Cash and bank balances consist of:

(i) Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short-term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have original maturities of less than three months. These balances with banks are unrestricted for withdrawal and usage.

(ii) Other balances with banks - which also include balances and deposits with banks that are restricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost when they are held within a business model whose objective is to collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal amount.

Financial Assets Measured at Fair Value

Financial assets are classified as measured at fair value through other comprehensive income (FVOCI) when they are held within a business model whose objective is both to collect contractual cash flows and to sell the assets, and where contractual cash flows represent solely payments of principal and interest. The Group has made an irrevocable election for certain equity investments (excluding investments in associates and joint ventures) not held for trading to present subsequent fair value changes in other comprehensive income. This election is made on an instrument-by-instrument basis at initial recognition. These investments are held for medium to long-term strategic purposes. Management believes that presenting these changes in OCI better reflects the nature of such investments than recognizing fair value changes directly in the Statement of Profit and Loss.

Financial assets that do not meet the criteria for amortised cost or FVOCI measurement are carried at fair value through profit or loss (FVTPL).

Interest Income

Interest income is recognized on an accrual basis using the effective interest rate method, calculated by applying the effective interest rate to the principal outstanding, and is recorded in the Statement of Profit and Loss.

Dividend Income

Dividend income from investments is recognised in the Statement of Profit and Loss when the Group's right to receive payment is established.

Impairment of Financial Assets

The Group applies the expected credit loss (ECL) model for impairment of financial assets measured at amortised cost and FVOCI. Lifetime expected credit losses are recognized for all trade receivables that do not have a financing component. For financial assets other than these trade receivables, the loss allowance is measured as 12-month expected credit losses where the credit risk has not significantly increased since initial recognition; however, if the credit risk has increased significantly, lifetime expected credit losses are recognized.

Derecognition of Financial Assets

The Group derecognizes a financial asset only when the contractual rights to cash flows expire or when the asset is transferred along with substantially all the risks and rewards of ownership to another party. If the Group neither transfers nor retains substantially all risks and rewards but retains control, it continues to recognize the asset with an associated liability for amounts that may be payable. If the Group retains substantially all risks and rewards, the asset continues to be recognized, together with a borrowing representing the proceeds received.

Financial Liabilities and Equity Instruments

Classification as Debt or Equity

Financial liabilities and equity instruments issued by the Group are classified based on the substance of the contractual arrangements and the definitions of financial liabilities and equity instruments.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all liabilities. Equity instruments are recorded at the proceeds received, net of direct issuance costs.

Financial Liabilities

Trade payables and other short-term liabilities are initially measured at fair value minus transaction costs and subsequently measured at amortised cost using the effective interest rate method where the time value of money is significant. Interest-bearing bank loans, overdrafts, and issued debts are initially recognized at fair value and subsequently measured at amortised cost using the effective interest rate method. Any difference between proceeds (net of transaction costs) and the redemption amount is recognized over the term in the Statement of Profit and Loss.

Derecognition of Financial Liabilities

Financial liabilities are derecognized when the Group's obligations are discharged, cancelled, or have expired.

5.14.Segments reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Group has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

5.15.Earnings per share Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

5.16.Share Issue Expenses

The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction.

5.17.Rounding off amounts

All amounts disclosed in the fi¬nancial statements and notes have been rounded off to the nearest crore as per the requirement of Schedule III, unless otherwise stated.

5.18.Exceptional items

Exceptional Items include income/expenses that are considered to be part of ordinary activities, however of such significance and nature that separate disclosure enables the users of financial statements to understand the impact in more meaningful manner. Exceptional Items are identified by virtue of their size, nature and incidence.

6. PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land	Buildings	Plant & Machinery	Electrical Installation	Motor Vehicles	Office Equipments	Furniture& Fixture	Computers	Total Assets
Gross Carrying Amount									
As at 1st April 2023	**0.83**	**110.12**	**1,397.78**	**28.44**	**182.55**	**12.86**	**6.84**	**4.52**	**1,743.95**
Additions	446.51	1.47	41.91	-	457.93	52.30	33.66	11.25	1,045.02
Disposals	-	-	-	-	-	-	-	-	-
Adjustments	-	-	7.41	-	-	-	-	-	7.41
As at 31 March 2024	**447.34**	**111.59**	**1,447.10**	**28.44**	**640.48**	**65.16**	**40.50**	**15.77**	**2,796.37**
Additions	-	21.54	12,248.97	-	33.59	145.20	54.17	28.23	12,531.71
Disposals	-	-	35.25	-	-	-	-	-	35.25
Adjustments	-	-	-	-	-	-	-	-	-
As at 31 March 2025	**447.34**	**133.12**	**13,660.82**	**28.44**	**674.07**	**210.36**	**94.67**	**44.00**	**15,292.83**
Accumulated depreciation									
As at 1st April 2023	**-**	**8.66**	**134.61**	**8.10**	**54.62**	**5.49**	**1.93**	**2.09**	**215.50**
Depreciation charge for the year	-	3.18	111.37	2.71	34.61	7.50	2.03	2.50	163.91
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2024	**-**	**11.85**	**245.98**	**10.81**	**89.23**	**13.00**	**3.96**	**4.48**	**379.30**
Depreciation charge for the year		3.63	119.96	2.70	79.53	16.92	5.66	8.13	236.53
Disposals	-	-	3.27	-	-	-	-	-	3.27
As at 31 March 2025		**15.48**	**362.67**	**13.51**	**168.76**	**29.91**	**9.62**	**12.61**	**612.57**
Net book value									
As at 31 March 2025	**447.34**	**117.64**	**13,298.15**	**14.93**	**505.31**	**180.45**	**85.05**	**31.39**	**14,680.26**
As at 31 March 2024	**447.34**	**99.74**	**1,201.12**	**17.63**	**551.25**	**52.16**	**36.54**	**11.29**	**2,417.07**

1. Property, plant and equipment having net carrying amount aggregating ₹ 14,197.85 Lakhs as on 31st March 2025 (₹ 1,896.14 Lakhs as at 31st March 2024), which are hypothecation / pledged as security for borrowings - Refer Notes 22.1 and 24

2. The title deeds of all the immovable properties are held in the name of the Company, except for the following:

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
PPE	Freehold Land	0.83	Mr. Jaspal Singh Chandock	Promoter cum Director	Since 3rd August 2020	The title has been transferred to the Company, pursuant to the succession agreement (reverse merger). The registration of the transfer deed in the name of the company is pending on account of certain procedural formalities.

3. Disclosure of contractual commitments for acquisition of property, plant and equipment is provided in note no 44

7. RIGHT-OF-USE ASSETS AND LEASE LIABILITY- BUILDING

(₹ in Lakhs)

Particulars	Amount
Right-of-use assets as on 1st April 2023	**41.87**
Additions	-
Deductions	-
Amortisation expense	(40.58)
At 31st March 2024	**1.29**
Additions	463.46
Deductions	(1.28)
Amortisation expense	(100.50)
At 31st March 2025	**362.97**

(₹ in Lakhs)

Particulars	Amount
Lease liabilities as on 1st April 2023	**53.83**
Additions	-
Deduction	-
Interest accrued	2.49
Lease payments	(54.71)
At 31st March 2024	**1.61**
Additions	449.66
Deduction	(1.08)
Interest accrued	37.87
Lease payments	(100.89)
At 31st March 2025	**387.17**
Short term lease liability	386.62
Long term lease liability	0.55

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The leases that the Company has entered with lessors are generally long-term in nature and no changes in terms of those leases.

8. CAPITAL WORK- IN-PROGRESS: AGEING

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	13,027.29	666.98
Addition during the year	41,063.99	12,360.31
Capitalisation during the year	12,380.59	-
Closing Balance	**41,710.69**	**13,027.29**

(₹ in Lakhs)

Particulars	As at 31 March 2025				
	Amount of Capital Work-in-progress for a period of				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Projects in progress at Belgaum Unit	37,694.76	4,015.93	-	-	41,710.69
Projects temporarily suspended	-	-	-	-	-
Total	**37,694.76**	**4,015.93**	**-**	**-**	**41,710.69**

(₹ in Lakhs)

Particulars	As at 31 March 2024				
	Amount of Capital Work-in-progress for a period of				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Projects in progress at Belgaum Unit	12,360.31	-	666.98	-	13,027.29
Projects temporarily suspended	-	-	-	-	-
Total	**12,360.31**	**-**	**666.98**	**-**	**13,027.29**

9. INTANGIBLE ASSETS AND GOODWILL

(₹ in Lakhs)

Particulars	#Goodwill	Computer Software	Amount
Cost			
As at 1st April 2023	**3,254.45**	**6.32**	**3,260.77**
Additions	-	-	-
Disposals	-	1.46	1.46
As at 31st March 2024	**3,254.45**	**4.86**	**3,259.31**
Additions	-	-	-
Disposals	-	-	-
As at 31st March 2025	**3,254.45**	**4.86**	**3,259.31**
Accumulated amortization			
As at 1st April 2023	**-**	**1.46**	**1.46**
Amortisation	-	0.93	0.93
Disposals	-	-	-
As at 31st March 2024	**-**	**2.39**	**2.39**
Amortisation	-	0.92	0.92
Disposals	-	-	-
As at 31st March 2025	**-**	**3.31**	**3.31**
Net book value :			
As at 31st March 2025	**3,254.45**	**1.55**	**3,256.00**
As at 31st March 2024	**3,254.45**	**2.47**	**3,256.92**

As a effect of reverse merger with M/s Balu India, a sole proprietary concern in accordance with the terms and conditions set out in the Business Succession Agreement dated 3rd August 2020, the Company has recognised goodwill of ₹ 3254.45 lakhs.

Goodwill is tested for impairment annually in accordance with the Company's procedure for determining the recoverable amount of such assets. For the purpose of impairment testing, entire business is considered as one Cash Generating Unit. The recoverable amount of this Cash Generating Unit is based on value in use. The value in use is determined based on discounted cash flow projections. The fair value measurement has been categorised as level 3 fair value based on the inputs to the valuation technique used.

The rate used to discount the forecasted cash flow is 12%. Five years period is considered for discounting. Terminal value growth rate is considered @ 3%.

Based on the above, no impairment was identified as of 31st March 2025 as the recoverable value of the cash generating unit exceeded the carrying value.

10. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	55.65	62.31
Total	**55.65**	**62.31**

11. Deferred tax asset / (liability) (net)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows:

(₹ in Lakhs)

Deferred tax balance in relation to	As at 31 March 2024	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensiveincome	As at 31 March 2025
Property, plant and equipment	(56.51)	(77.90)	-	(134.41)
Provisions for employee benefits	27.40	10.10	(1.59)	35.91
Lease liabilities	0.08	6.01	-	6.09
Impairment of Financial Assets	406.65	(145.10)	-	261.55
Total	**377.62**	**(206.89)**	**(1.59)**	**169.14**

(₹ in Lakhs)

Deferred tax balance in relation to	As at 31st March 2023	Recognised / reversed through profit and loss	Recognised in / reclassified from other comprehensiveincome	As at 31st March 2024
Property, plant and equipment	(38.85)	(17.66)	-	(56.51)
Provisions for employee benefits	23.87	4.44	(0.91)	27.40
Lease liabilities	3.00	(2.92)	-	0.08
Impairment of Financial Assets	223.57	182.58	0.50	406.65
Total	**211.59**	**167.67**	**(0.41)**	**377.62**

12. OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital advances	8,216.23	2,804.02
Total	**8,216.23**	**2,804.02**

13. INVENTORIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components (at cost)	985.34	633.57
Work-in-progress (at cost)	541.55	2,360.28
Finished goods (at cost or net realisable value whichever is lower)	8,282.08	5,088.27
Total	**9,808.97**	**8,082.12**

Inventories have been hypothecated as primary security against certain bank borrowings, details relating to which has been described in note no. 24.

14. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables considered good - Unsecured	33,765.86	23,465.34
Less: Allowance for doubtful debts	(1,039.13)	(1,615.60)
Discounted Trade Receivables	6,478.20	5,559.16
Total Trade Receivables	**39,204.93**	**27,408.90**
Less: Bills Payable against Discounted Trade Receivables	(6,478.20)	(5,559.16)
Total	**32,726.73**	**21,849.74**

In determining the allowances for credit losses of Trade Receivables, the Company has used a practical expedient by computing the Expected Credit Loss Allowance for Trade Receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The Expected Credit Loss allowance is based on the ageing of the receivables that are due and the rates used in the provision matrix.

i. Since the Company calculates impairment under the simplified approach for Trade Receivables, it is not required to separately track changes in credit risk of Trade Receivables as the impairment amount represents Lifetime Expected Credit Loss. Accordingly, based on a harmonious reading of Ind AS 109 and the break-up requirements under Schedule III, the discolsure for all such Trade Receivables is made as shown above.

ii. Trade receivables have been given as security against certain bank borrowings, details relating to which has been described in note no. 24.

iii. Trade receivables does not include any receivables from directors and officers of the company.

Reconciliation of Credit Loss allowance:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	1,615.60	891.06
Allowance for expected credit loss	115.00	829.59
Release during the year	(691.47)	(105.05)
Balance at the end of the year	**1,039.13**	**1,615.60**

Ageing for Trade Receivables outstanding is as follows:

(₹ in Lakhs)

Particulars	Outstanding from following periods from due date of payment as on 31 March 2025					
	Less than 6 Months	6 Months To 1Year	1 Year To 2 Year	2 Year To 3 Year	More than 3 Year	Total
Considered Good – Unsecured						
Undisputed	17,427.36	11,869.31	4,469.19	-	-	33,765.86
Disputed	-	-	-	-	-	-
Trade Receivables –	-	-	-	-	-	**33,765.86**
Less: - Allowance for expected credit loss	-	-	-	-	-	(1,039.13)
Total						**32,726.73**

(₹ in Lakhs)

Particulars	Not Due	Outstanding from following periods from due date of payment as on 31 March 2024					
		Less than 6 Months	6 Months To 1Year	1 Year To 2 Year	2 Year To 3 Year	More than 3 Year	Total
Considered Good – Unsecured							
Undisputed		16,681.55	5,855.72	928.07	-	-	23,465.34
Disputed		-	-	-	-	-	-
Trade Receivables –	-	-	-	-	-	-	**23,465.34**
Less: - Allowance for expected credit loss	-	-	-	-	-	-	(1,615.60)
Total							**21,849.74**

15. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with banks in current accounts	9,183.89	8,716.20
Cash on hand	123.96	77.79
Total	**9,307.85**	**8,793.99**

16. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with Banks		
In term deposit accounts with maturity more than 3 months	312.49	292.37
Unpaid dividend	1.07	1.07
Total	**313.56**	**293.44**

17. LOANS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(Unsecured, considered good)		
Loans & advances	15.36	29.92
Total	**15.36**	**29.92**

18. OTHER FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Export benefits and entitlements	192.72	200.74
Security deposits	412.82	415.82
Others	60.62	23.21
Total	**666.16**	**639.77**

19. OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Prepaid expenses	121.77	95.58
Advances to suppliers & others	3,104.06	7,786.47
GST Receivable	703.61	863.97
Total	**3,929.44**	**8,746.02**

20. EQUITY SHARE CAPITAL

Particulars	As at 31 March 2025		As at 31 March 2024	
	No of shares	₹ in Lakh	No of shares	₹ in Lakh
Authorised:				
Equity Shares:				
Equity shares of ₹10/- each	12,50,00,000.00	12,500.00	11,00,00,000.00	11,000.00
Issued, Subscribed and Paid-up				
Equity Shares:				
Equity shares of ₹10/- each	11,07,66,900.00	11,076.69	10,25,91,900.00	10,259.19
Total	**11,07,66,900.00**	**11,076.69**	**10,25,91,900.00**	**10,259.19**

A. Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	No of shares	₹ in Lakh	No of shares	₹ in Lakh
At the beginning of the year	10,25,91,900.00	10,259.19	8,33,64,886.00	8,336.49
Issued during the year	45,00,000.00	450.00	1,62,27,000.00	1,622.70
Issued during the year (Conversion of Warrants into Equity Shares)	36,75,000.00	367.50	30,00,014.00	300.00
Outstanding at the end of the year	**11,07,66,900.00**	**11,076.69**	**10,25,91,900.00**	**10,259.19**

During the FY 2024-25, the Company has issued and allotted:

i. 36,75,000 Equity Shares having face value of ₹10/- each at an issue price of ₹ 183.60/- fully paid up upon exercising the option available with the Share Warrant Holder (person belonging to the Promoter group) to convert 36,75,000 Convertible Warrants

ii. 45,00,000 Equity Shares to the Non-Promoters (Public Category) on preferential basis of ₹10/- each for cash at premium of ₹ 350/- aggregating to ₹ 1,62,00,00,000/-.

B. Terms/Rights attached to equity shares

The company has only one class of equity shares having par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors will be subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

C. Following shareholders hold equity shares more than 5% of the total equity shares of the Company

Name of Shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of shares held having face value of ₹ 10 each	% of holding in class	Number of shares held having face value of ₹ 10 each	% of holding in class
Jaspalsingh Chandock	5,74,40,024.00	52%	5,44,40,010.00	53%

D. The details of promoter's shareholding are as under

Name of the promoter	As at 31 March 2025			As at 31 March 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Equity shares of ₹ 10/- each fully paid						
Mr. Jaspal Singh Chandock	5,74,40,024.00	52%	(1%)	5,44,40,010.00	53%	(12%)
Mr. Trimaan Chandock	25,75,900.00	2%	1%	15,43,032.00	2%	1%
Mr. Jaikaran Chandock	11,85,150.00	1%	0%	15,43,032.00	2%	1%
Total	**6,12,01,074.00**	**55%**	**(1%)**	**5,75,26,074.00**	**56%**	**(9%)**

Although, the actual number of promoters holding has increased, there is negative change in the promoters shareholdings due to additional shares being issed by the Company to Non-Promoter group.

E. Information regarding issue of Equity Shares during last five years

i. No bonus share has been issued.

ii. No share has been bought back.

F. No Shares held in Abeyance

21. OTHER EQUITY

(₹ in Lakhs)

Particulars	Share Warrants	Reserves and surplus: Securities premium	Reserves and surplus: Retained Earnings/ (losses)	Other comprehensive income: Remeasurements of defined benefit obligations	Total Equity
As at 1st April 2023	**-**	**3,940.42**	**7,477.65**	**8.39**	**11,426.46**
Net income / (loss) for the year	-	-	9,349.32	-	9,349.32
Securities premium credited on Share issue	-	21,978.64	-	-	21,978.64
Issue of Share warrants	2,295.00	-	-	-	2,295.00
Share issue expenses	-	(33.02)	-	-	(33.02)
Other comprehensive income	-	-	2.72	18.02	20.74
As at 31st March 2024	**2,295.00**	**25,886.04**	**16,829.69**	**26.41**	**45,037.14**
As at 1st March 2024	**2,295.00**	**25,886.04**	**16,829.69**	**26.41**	**45,037.14**
Net income / (loss) for the year	-	-	20,385.54	-	20,385.54
Securities premium credited on Share issue	-	22,113.98	-	-	22,113.98
Issue of Share warrants	6,683.18	-	-	-	6,683.18
Dividend Paid	-	-	(157.41)	-	(157.41)
Other comprehensive income	-	-	(4.75)	187.20	182.45
As at 31st March 2025	**8,978.18**	**48,000.02**	**37,053.07**	**213.61**	**94,244.88**

Note :

During the FY 2024-25, the Company has issued and allotted:

i. 36,75,000 Equity Shares having face value of ₹10/- each at an issue price of ₹ 183.60/- fully paid up upon exercising the option available with the Share Warrant Holder (person belonging to the Promoter group) to convert 36,75,000 Convertible Warrants

ii. 45,00,000 Equity Shares to the Non-Promoters (Public Category) on preferential basis of ₹10/- each for cash at premium of ₹ 350/- aggregating to ₹ 1,62,00,00,000/-.

iii. 93,00,000 Convertible Warrants to persons forming part of promoter group on preferential basis of ₹10/- each for cash at premium of ₹ 350/- aggregating to ₹3,34,80,00,000/-, with an option to convert the same into equal number of equity shares of ₹10/- (Rupees Ten) each at an issue price of ₹ 360/- per share within a period of 18 months from the date of allotment of warrants.

22. BORROWINGS (AT AMORTISED COST)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Term loan (secured)		
- Term loans from banks	1,149.74	1,927.61
- Term loans from financial institutions	-	51.64
- Term loans from other parties	456.01	504.72
Total	**1,605.75**	**2,483.97**

22.1 Interest and repayment schedule for secured long term borrowings

(₹ in Lakhs)

Type of loan	Loan outstanding as at 31 March 2025: Non Current	Current	Total	Sanction amount	Rate of interest	Repayment terms	Security Guarantee
Term loans from bank							
ICICI Bank Limited -Business Loan	0.06	-	0.06	40.00	-	Loan fully repaid, disputed charges are showns as outstanding	Post dated cheques

(₹ in Lakhs)

Type of loan	Loan outstanding as at 31 March 2025			Sanction amount	Rate of interest	Repayment terms	Security Guarantee
	Non Current	Current	Total				
HDFC Bank Limited -Business Loan	0.01	-	0.01	50.00	-	Loan fully repaid, disputed charges are showns as outstanding	Post dated cheques
Axis Bank Ltd - Car Loan	253.36	86.08	339.44	441.93	8.65 - 9.55%	Equated monthly installments as per specific repayment schedule predetermined in case of each vehicle loan.	Secured against the hypothecation of underly- ing company owned vehicles.
Union Bank of India - Vehicle Loan	59.14	16.50	75.64	129.08	8-10%	Equated monthly installments as per specific repayment schedule predetermined in case of each vehicle loan.	secured against the hypothecation of underly- ing company owned vehicles.
Union Bank of India - Term Loan	837.17	695.15	1,532.32	2,920.00	8%	Equated monthly installment for 60 months and interest to the loan account to be serviced as & when debited to the account.	secured against the hypothecation of underly- ing company owned vehicles.
Total (A)	**1,149.74**	**797.73**	**1,947.47**	**3,581.01**			
Term loans from other parties							
Jain Sons Finlease Ltd. - Business Loan	2.33	-	2.33	40.00	-	Loan fully repaid, disputed charges are showns as outstanding	Unsecured
Shriram City Finance Ltd. - Business Loan	0.86	-	0.86	35.00	-	Loan fully repaid, disputed charges are showns as outstanding	Unsecured
Tata Capital Financial ServicesLtd. - Car Loan	0.55	-	0.55	50.69	-	Loan fully repaid, disputed charges are showns as outstanding	Secured against the hypothecation of underly- ing company owned vehicles.
PNB Housing Ltd. -Business Loan	452.26	38.68	490.94	650.00	11%	Equated monthly installments as per specific repayment schedule predetermined	Unsecured
Protium	0.01	29.08	29.09	100.00	14%	Equated monthly installments as per specific repayment schedule predetermined	Unsecured
Total (C)	**456.01**	**67.76**	**523.77**	**875.69**			
Grand TOTAL (A+B+C)	**1,605.75**	**865.49**	**2,471.24**	**4,456.70**			

23. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 43)	118.54	92.66
Total	**118.54**	**92.66**

24. BORROWINGS (CURRENT, AT AMORTISED COST)

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Working capital loans from bank (secured)		
Packing Credit limit	1,120.00	1,552.97
Current maturity of long-term debt	865.49	840.59
Total	**1,985.49**	**2,393.56**

Working capital loans from bank (secured)

Short-term working capital loan of ₹1,120 lakhs As at 31st March 2025 and ₹1,552.97 lakhs As at 31st March 2024 secured by hypothecation of stock & book debts. The interest rates were in the ranges from 7.00% to 9.25% p.a.

The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions generally are in agreement with the books of accounts with minor difference on account of provisional figures recorded while submission of statements of current assets to the bank.

25. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade payables		
- total outstanding dues of micro and small enterprises;	50.02	52.65
- total outstanding dues of creditors other than micro and small enterprises	11,751.00	8,005.28
Total	**11,801.02**	**8,057.93**

i. Disclosure with respect to related party transactions is given in note 45.

ii. Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
The principal amount remaining unpaid to supplier as at the end of accounting year	49.78	51.93
The interest due thereon remaining unpaid to supplier as at the end of accounting year	0.24	0.72
The amount of interest paid in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of 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 this Act.	-	-
The amount of interest accrued during the year and remaining unpaid at the end of the accounting year	0.24	0.72
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the micro and small enterprises, for the purpose of disallowance as a deductible expenditure.	0.24	0.72

iii. Ageing for Trade Payables outstanding is as follows:

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on 31st March 2025				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Unsecured and considered good					
(i) MSME	50.02	-	-	-	50.02
(ii) Others	11,622.66	-	-	-	11622.66
(iii) Disputed dues - MSME	-	-	-	-	0
(iv) Disputed dues - Others	-	-	-	128.34	128.34
Total	**11,672.68**	**0.00**	**0.00**	**128.34**	**11,801.02**

(₹ in Lakhs)

Particulars	Outstanding from due date of payment as on 31st March 2024				
	Less than 1 year	1 to 2 Year	2 to 3 Year	More than 3 year	Total
Unsecured and considered good					
(i) MSME	52.65	-	-	-	52.65
(ii) Others	7,876.94	-	-	-	7876.94
(iii) Disputed dues - MSME	-	-	-	-	0
(iv) Disputed dues – Others	-	-	-	128.34	128.34
Total	**7,929.59**	**0.00**	**0.00**	**128.34**	**8,057.93**

26. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Liabilities towards expenses	680.00	1,189.59
Total	**680.00**	**1,189.59**

27. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance against orders	1.67	(1.06)
Unpaid dividend payable	3.19	0.74
Statutory dues payable	107.27	52.65
Total	**112.13**	**52.33**

28. PROVISIONS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for gratuity (refer note 43)	24.13	16.22
Total	**24.13**	**16.22**

29. REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Sale		
Export sale	75,275.55	41,136.42
Domestic sale (incl. merchant export)	15,366.22	14,177.73

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Other operating revenues	**90,641.77**	**55,314.15**
Export benefits and entitlements income	1,719.97	671.43
Total	**92,361.74**	**55,985.58**

30. OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net gain on foreign currency transactions and translation	1,409.55	569.43
Interest received	247.83	280.96
Other income	56.92	173.06
Total	**1,714.30**	**1,023.45**

31. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Work in Progress - Opening	2,360.28	1,038.70
Work in Progress - Closing	541.55	2,360.28
	1,818.73	**(1,321.58)**
Finished Goods (Mfg.) - Opening	5,952.81	2,125.16
Finished Goods (Mfg.) - Closing	8,282.08	5,952.81
	(2,329.27)	**(3,827.65)**
Total	**(510.54)**	**(5,149.23)**

32. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	1,901.57	1,131.49
Contribution to provident and other funds	55.98	27.21
Director remuneration	219.65	117.20
Gratuity expense (refer note 43)	27.46	22.28
Staff welfare expenses	147.71	50.15
Total	**2,352.37**	**1,348.33**

33. DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment (Refer Note -6)	233.26	163.94
Amortisation of intangible assets (Refer Note -9)	0.92	0.93
Depreciation of right to use assets (Refer Note -7)	100.89	40.58
Total	**335.07**	**205.45**

34. FINANCE COSTS

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on borrowings	667.81	872.95
Interest expense on leaase liabilities	37.87	2.5
Other borrowing costs	13.33	40.6
Discounting & LC Charges	376.69	447.75
Total	**1,095.70**	**1,363.80**

35. OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Repairs and maintenance	239.62	289.51
Rent	493.12	365.32
Rates and taxes	169.90	158.72
Insurance	24.29	14.39
Legal and professional fees	267.37	161.78
Travelling & conveyance expenses	644.18	468.94
Audit fees	17.26	13.13
Security charges	72.37	39.68
Commission	-	0.05
Electricity Charges Office	20.30	23.84
Freight forwarding and distribution expenses	785.40	591.60
Forward Contract Gain/Loss & Foreign exchange Fluctuation Loss	6.05	75.30
Advertisement and sales promotion expenses	2,068.64	1,848.34
Miscellaneous expenses	52.47	30.01
CSR expenses	196.39	101.04
Donation	11.09	28.96
Postage and telephone	13.80	13.08
Printing and stationery	17.93	5.48
Provision for doubtful debts	(479.88)	840.73
Bad Debts	13.96	23.75
Total	**4,634.26**	**5,093.65**

Note:

A) Auditor's remuneration (excluding taxes):

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Statutory audit fees including limited review	12.75	9.25
Tax audit fees	1.50	1.00
Other services	3.01	2.88
Total	**17.26**	**13.13**

36. INCOME TAX

Indian companies are subject to Indian income tax. For each financial year, the entity profit and loss is subject to the regular income tax payable.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. Statutory income tax is charged at 22% plus a surcharge of 10% and education cess 4%.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Current Tax	4,348.56	2,000.00
Deferred tax liabilities (Net)	210.07	(168.17)
(Excess) / short provision of tax of earlier years	450.09	185.13
Total tax expense	**5,008.72**	**2,016.96**

A reconciliation of income tax expense applicable to accounting profit before tax at the statutory income tax rate to recognized income tax expense for the year indicated are as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Profit before tax	**25,394.26**	**11,366.28**
Enacted tax rate in India	25.17%	25.17%
Expected income tax expense at statutory rate	6,391.74	2,860.89
Effect of different tax rate of subsidiaries operating in other countries	(1,752.48)	(663.06)
Tax effect of amounts which are deductible / not deductible in calculating taxable income	(290.70)	(197.83)
Income tax expense in the consolidated statement of profit and loss	**4,348.56**	**2,000.00**

37. COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

(₹ in Lakhs)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligations	(6.34)	3.64
Tax relating to items that will not be reclassified to profit or loss	1.59	(0.92)
	(4.75)	**2.72**
Items that will be reclassified to profit or loss		
Exchange differences on translation of financial statements of foreign operations	187.20	18.02
Tax relating to items that will not be reclassified to profit or loss	-	-
	187.20	**18.02**
Total	**182.45**	**20.74**

38. EARNINGS PER SHARE (EPS)

Particulars	2024-25	2023-24
Face Value of Equity Share	₹ 10	₹ 10
Profit attributable to equity shareholders (₹ in Lakh) (A)	**20,567.99**	**9,370.06**
Weighted average number of equity shares for basic EPS (B)	**10,68,80,188**	**9,56,59,478**
Effect of dilution:		
Total weighted average potential equity shares	50,09,253	5,12,100
Weighted average number of equity shares adjusted for the effect of dilution (C)	**11,18,89,441**	**9,61,71,577**
Basic EPS (Amount in ₹) (A/B)	**19.24**	**9.80**
Diluted EPS (Amount in ₹) (A/C)	**18.38**	**9.74**

39. RESEARCH AND DEVELOPMENT ACTIVITIES

Details of expenditure incurred in respect of research and development activities undertaken during the year is as follows

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue expenditure charged to profit and loss account	139.90	114.76

40. SEGMENT REPORTING

The Company is in the business of manufacturing of steel forging products having similar economic characteristics. The company and its Chief Operating Decision Maker (CODM) reviews steel forging business as the only segment and takes decision based on the demand and supply in forging business. Thus, as per Ind AS 108, the business activities fall within a single primary segment i.e. manufacturing and selling Steel Forging Products.

The information relating to revenue from external customers and location of non-current assets of its single reportable segment has been disclosed as below:

a) Revenue from operations

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Export	76,995.52	41,807.85
Domestic (incl. merchant export)	15,366.22	14,177.73
Total	**92,361.74**	**55,985.58**

b) Non-current assets

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
India	59,527.51	18,181.64
Outside India	482.41	520.93
Total	**60,009.92**	**18,702.57**

41 : EXPENDITURE TOWARDS CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross amount required to be spent by the company during the year	86.38	62.04
Amount required to be set off for the financial year, if any	12.99	0.03
Net amount required to be spent by the company during the year	73.39	62.01
Amount of expenditure incurred	86.40	75.00
Shortfall / (Excess) at the end of the year	13.01	12.99
Total of previous years shortfall	-	-
Reason for shortfall	NA	NA
Nature of CSR activities	Promoting Education, Empowering women	Promoting Education and women welfare, Promoting Health care
Details of related party transactions in relation to CSR expenditure as per relevant	NA	NA

The Company has spent the entire CSR obligation for the year, with actual expenditure exceeding the prescribed amount. Accordingly, there is no unspent CSR amount and the provisions of Section 135(6) of the Companies Act, 2013 are not applicable.

42. DISCLOSURE AS PER IND AS 107

a) Fair Value Measurement

i. Categories and hierarchy of financial instruments

The carrying values of the financial instruments by categories were as follows:

(₹ in Lakhs)

Particulars	As at 31 March 2025			As at 31 March 2024		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets Measured at amortised cost						
Trade receivables	-	-	32,726.73	-	-	21,849.74
Cash and cash equivalents	-	-	9,307.85	-	-	8,793.99
Bank balances other than cash and cash equivalents	-	-	313.56	-	-	293.44
Other financial assets	-	-	737.17	-	-	732.00
Total financial assets at amortised cost	**-**	**-**	**43,085.31**	**-**	**-**	**31,669.17**
Financial liabilities Measured at amortised cost						
Borrowings	-	-				
Long term Borrowings	-	-	1,605.76	-	-	2,483.97
Short term Borrowings	-	-	1,985.49	-	-	2,393.56
Trade payables	-	-	11,801.02	-	-	8,057.93
Other financial liabilities	-	-	1,067.17	-	-	1,191.20
Total financial liabilities carried at amortised cost	**-**	**-**	**16,459.44**	**-**	**-**	**14,126.66**

FVPL - Fair Value Through Prot or Loss

FVOCI - Fair Value Through Other Comprehensive Income

Assets and liabilities which are measured at amortised cost for which fair values are disclosed (It is categorised under Level 3 of fair value hierarchy)

(₹ in Lakhs)

Particulars	For the year ended 31 March 2025		For the year ended 31 March 2024	
	Carrying cost	Amortised Cost	Carrying cost	Amortised Cost
Non-current financial assets				
Other Financial Assets	55.65	55.65	62.31	62.31
Non current financial liabilities				
Borrowings	1605.76	1605.76	2483.97	2483.97
Lease liabilities	0.55	0.55	0.55	0.55

During the periods mentioned above, there have been no transfers amongst the levels of hierarchy.

The carrying amounts of current trade receivables, current financial assets, cash and bank balances, loans, trade payables, current borrowings, current financial liabilities and current lease liabilities are considered to be approximately equal to their fair value.

The fair value of non current borrowings is considered to be equal to the carrying amount as the same is at variable rate of interest

B Financial risk management

Market risk is the potential loss of earnings, fair values, or cash flows due to changes in interest rates, foreign exchange rates, equity prices, or other market variables affecting financial instruments. The Company's principal financial liabilities comprise borrowings, lease obligations, and trade payables, while its financial assets mainly include receivables, cash, and deposits. Key risks arising from these instruments are foreign currency risk, interest rate risk, credit risk, and liquidity risk. The Board of Directors reviews and approves policies for managing these risks. The Corporate Treasury function facilitates access to financial markets and oversees risk management in line with approved policies. The Company does not enter into derivatives for speculative purposes.

1) Market risk

The Company is primarily exposed to risks arising from fluctuations in foreign currency exchange rates, interest rates, and commodity prices. These risks are managed through prudent financial management, operational efficiencies, and continuous monitoring rather than through the use of derivative or forward contracts

To address such exposures, the Company has established Risk Management Policies approved by the Board of Directors, providing a structured framework for identifying, assessing, and mitigating risks. The Treasury Department tracks foreign exchange exposures and commodity price movements, prepares periodic reports, and submits them to the Risk Management Committee. These reports are subsequently placed before the Audit Committee to ensure oversight, compliance, and effective implementation of the approved framework.

The Company does not trade in financial instruments for speculative purposes.

a) Foreign currency risk management

The Company's functional currency is Indian Rupees (₹). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets. The Company is exposed to exchange rate risk under its trade portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency result's in decrease in the Company's overall receivables in Rupee terms and favourable movements in the exchange rates will conversely result in increase in the Company's receivables in Rupee terms.

Going by the past trends and future prospects in respect of movement in exchange rate between the Rupee and any relevant foreign currency, the Board expects that there will be favourable movements in the exchange rate and accordingly the management has decided not to hedge the foreign currency through any forward exchange contract. Therefore, receivables aggregating to ₹ 33,338.21 lakhs outstanding As at 31st March 2025 represents as unhedged position.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting year are as follows:

Foreign Currency exposure as at 31st March 2025

(₹ in Lakhs)

Particulars	USD*	EUR	AED*	Total
Financial assets				
Trade receivables	20,838.21	682.81	11,817.19	33,338.21
Other financial assets	4,840.92		-	4,840.92
Total financial assets (A)	**25,679.13**	**682.81**	**11,817.19**	**38,179.13**
Financial liabilities				
Trade payables	-	-	2,029.29	2,029.29
Other financial liabilities	-	-	-	-
Total financial liabilities (B)	**-**	**-**	**2,029.29**	**2,029.29**
Net Exposure (A-B)	**25,679.13**	**682.81**	**9,787.90**	**36,149.84**

Foreign Currency exposure as at 31st March 2024

(₹ in Lakhs)

Particulars	USD*	EUR	AED*	Total
Financial assets				
Trade receivables	19,735.21	938.61	2,791.52	23,465.34
Other financial assets	1,949.25			1,949.25
Total financial assets (A)	**21,684.46**	**938.61**	**2,791.52**	**25,414.59**
Financial liabilities				
Trade payables	-	-	152.00	152.00
Other financial liabilities	-	-	-	-
Total financial liabilities (B)	**-**	**-**	**152.00**	**152.00**
Net Exposure (A-B)	**21,684.46**	**938.61**	**2,639.52**	**25,262.59**

*unhedged currency position

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

(₹ in Lakhs)

Particulars	Increase (strengthening of ₹)		Decrease (weakening of ₹)	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Receivable				
USD/INR	(256.79)	(216.84)	256.79	216.84
EUR/INR	(6.83)	(9.39)	6.83	9.39
AED/INR	(118.17)	(27.92)	118.17	27.92
Payable				
USD/INR	-	-	-	-

b) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table provides a break-up of the Company's fixed and floating rate borrowings

(₹ in Lakhs)

	As at 31 March 2025	As at 31 March 2024
Fixed rate borrowings	1,416.85	2,034.61
Floating rate borrowings	2,174.40	2,842.93
Total borrowings	**3,591.25**	**4,877.53**

The sensitivity analyses below have been determined based on the exposure to interest rates for floating rate liabilities, assuming the amount of the liability outstanding at the year-end was outstanding for the whole year.

If interest rates had been 100 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended 31st March 2025 would decrease / increase by ₹ 21.74 Lakhs (for the year ended 31st March 2024: decrease / increase by ₹ 28.43 Lakhs). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings

c) Commodity Price Risk

The Company is primarily exposed to fluctuations in the prices of steel and alloy steels, which are the key raw materials for manufacturing crankshafts. Most contracts with Indian customers are based on mutually agreed price mechanisms, which partially offset the impact of raw material price volatility. However, in the case of firm price orders, any sharp movement in commodity prices may impact profitability.

The Company manages this risk through long-term supplier relationships, bulk procurement strategies, and continuous monitoring of price trends. Risk management policies approved by the Board of Directors provide a structured framework for addressing commodity price exposures. The Company does not enter into commodity derivative contracts and relies on operational measures to mitigate such risks.

2) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Cash and cash equivalents

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. The Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit- ratings assigned by credit-rating agencies.

In addition, the Company is not exposed to credit risk in relation to financial guarantees given to banks and other counterparties.

3. Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long- term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non- derivative financial liabilities with agreed repayment periods and its non-derivative financial assets. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Liquidity exposure As at 31st March 2025

(₹ in Lakhs)

Particulars	<1year	1-5years	>5 years	Total
Financial assets				
Trade receivables	32,726.73	-	-	32,726.73
Cash and cash equivalents	9,307.85	-	-	9,307.85
Bank balances other than cash and cash equivalents	313.56	-	-	313.56
Loans	15.36	-	-	15.36
Other financial assets	666.16	55.65		721.81
Total financial assets	**43,029.66**	**55.65**	**-**	**43,085.31**
Financial liabilities				
Long term borrowings	865.49	1,605.76	-	2,471.25
Short term borrowings	1,120.00	-	-	1,120.00
Trade payables	11,801.02	-	-	11,801.02
Lease Liabilities	418.29	40.76	-	459.05
Other financial liabilities	680.00	-	-	680.00
Total financial liabilities	**14,884.8**	**1,646.52**	**-**	**16,531.32**

Liquidity exposure as at 31st March 2024

(₹ in Lakhs)

Particulars	<1year	1-5years	>5 years	Total
Financial assets				
Trade receivables	21,849.74	-	-	21,849.74
Cash and cash equivalents	8,793.99	-	-	8,793.99
Bank balances other than cash and cash equivalents	293.44	-	-	293.44
Loans	29.92	-	-	29.92
Other financial assets	639.77	62.31	-	702.08
Total financial assets	**31,606.86**	**62.31**	**-**	**31,669.17**
Financial liabilities				
Long term borrowings	840.59	2,483.97	-	3,324.56
Short term borrowings	1,552.97	-	-	1,552.97
Trade payables	8,057.93	-	-	8,057.93
Other financial liabilities	1,190.65	0.55	-	1,191.20
Total financial liabilities	**11,642.14**	**2,484.52**	**-**	**14,126.66**

Collateral

The Company has pledged part of its trade receivables, short term investments and cash and cash equivalents in order to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered (Refer note 22 and 24).

4) Capital Risk management

The Company being in a capital intensive industry, its objective is to maintain a strong credit rating, healthy capital ratios and establish a capital structure that would maximise the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capacity expansion and repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the equity capital by way of preferential allotment. The Company is not subject to any externally imposed capital requirements.

The Company regularly considers other financing and refinancing opportunities to diversify its debt profile, reduce interest cost and elongate the maturity of its debt portfolio, and closely monitors its judicious allocation amongst competing capital expansion projects, to capture market opportunities at minimum risk.

The Company monitors its capital using gearing ratio, which is net debt, divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents and current investments.

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Long term borrowings	1,605.76	2,483.97
Current maturities of long term debt and finance lease obligations	865.49	840.59
Short term borrowings	1,120.00	1,552.97
Less: Cash and cash equivalent	(9,307.85)	(8,793.99)
Less: Bank balances other than cash and cash equivalents	(313.56)	(293.44)
Net debt	**(6,030.16)**	**(4,209.90)**
Total equity	**1,05,321.57**	**55,296.33**
Gearing ratio	-	-

i. Equity includes all capital and reserves of the Company that are managed as capital.

ii. Debt is defined as long and short term borrowings, as described in notes 22 and 24.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

43. EMPLOYEE BENEFIT OBLIGATIONS

a. Defined contribution plan

The Company operates defined contribution retirement benefit plans for all qualifying employees. Under these plans, the Company is required to contribute a specified percentage of payroll costs.

Company's contribution to provident fund recognised in statement of profit and loss of ₹22.61 Lakhs (31st March 2024:₹21.80) (included in note 33).

b. Defined benefit plans

The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, all employees are entitled to Gratuity Benefits on exit from service due to retirement, resignation or death at the rate of 15 days' salary for each year of service with payment ceiling of ₹20 lakhs. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out at 31st March 2025 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

i. Reconciliation of Opening and Closing balances of Defined Benefit Obligation

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	**2024**
Defined Benefit obligation at beginning of year	**108.88**	**94.83**
Current Service Cost	19.03	11.87
Interest Cost	8.43	7.04
Actuarial (Gains)/Losses on Obligations		
- Due to Change in Demographic Assumptions	0.00	0.00
- Due to Change in Financial Assumptions	3.81	3.38
- Due to Experience	2.53	(8.24)
Benefits paid	0.00	0.00
Defined Benefit obligation at year end	142.68	108.88

ii. Expenses recognised in statement of profit and loss account

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	**2024**
Current Service Cost	19.03	11.87
Net Interest Cost	8.43	7.04
Component of defined benefit cost recognised in statement of profit and loss	**27.46**	**18.91**
Remeasurement of net defined benefit liability		
Actuarial (gain)/loss on defined benefit obligation	6.33	(4.86)
Component of defined benefit cost recognised in other comprehensive income	**6.33**	**(4.86)**

iii. Actuarial assumptions

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	**2024**
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Discount rate (p.a.)	6.85%	7.10%
Attrition Rate	5% to 1%	5% to 1%
Retirement age	58.00	58.00
Rate of escalation in salary (p.a.)	6.00%	6.00%

iv. The amount included in the financial statements arising from the entity's obligation in respect of its defined benefit plan is as follows

(₹ in Lakhs)

Description	Gratuity as on 31 March	
	2025	**2024**
Present value of obligation	142.68	108.88
Net liability / (asset) arising from defined benefit obligation	**142.68**	**108.88**

v. Sensitivity Analysis – Gratuity

(₹ in Lakhs)

Particulars	2024-25	2023-24
Projected Benefit Obligation on Current Assumptions	142.68	108.88
Discount Rate - 1 percent increase	131.93	100.29
Discount Rate - 1 percent decrease	155.24	118.92
Salary Escalation Rate - 1 percent increase	155.21	118.93
Salary Escalation Rate - 1 percent decrease	131.77	100.13
Withdrawal Rate - 1 percent increase	143.33	109.66
Withdrawal Rate - 1 percent decrease	141.95	108.00

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

vi. Maturity analysis of projected benefit obligation

(₹ in Lakhs)

Particulars	Less than a year	Between 1 to 5 years	Between 6 to 10 years	Total
As at 31st March 2025				
Projected benefit payable	24.13	41.38	60.90	**126.41**
As at 31st March 2024				
Projected benefit payable	16.22	28.37	54.87	**99.46**

44. CONTINGENT LIABILITIES AND LEGAL CASES

(₹ in Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the company not acknowledge as debt	-	-

Capital Commitments

Estimated amount of contract remaining to be executed on capital account, net of advances is ₹2569.23 lakhs (Previous year ₹5,499.92 lakhs).

45. RELATED PARTY DISCLOSURES AS REQUIRED BY IND AS 24 "RELATED PARTY DISCLOSURES" ARE GIVEN BELOW:

a) List of Related Parties

Key Management Personnel (KMP)

JaspalSingh Chandock – Chairman and Managing Director

Trimaan Chandock – Whole Time Director

Jaikaran Chandock – Whole Time Director

Raghavendra Raj Mehta – Independent Director

Radheshyam Soni - Independent Director

Shalu Bhandari - Independent Director

Amit Todkari - Chief Financial Officer

Tabassum Begum – Company Secretary

Relative of Key Management Personnel (KMP)

Nivjeet Chandock – Wife of JaspalSingh Chandock

Mukta Chandock – Wife of Jaikaran Chandock

Entities where control / significant influence by KMPs and their relatives exists and with whom transaction have taken place.

Hotel Imperial Palace (I)

b) Details of transactions with related parties

(₹ in Lakhs)

Name of related party/Nature of Transaction	2024-25	2023-24
Director's Remuneration		
Jaspalsingh Chandock	116.00	72.00
Trimaan Chandock	45.50	18.00
Jaikaran Chandock	45.50	18.00
Salary paid		
Amit Todkari	16.39	14.12
Tabassum Begum	10.47	6.84
Director Sitting fees		
Raghavendra Raj Mehta	4.35	3.20
Shalu Bhandari	4.15	3.00
Radheshyam Soni	4.15	3.00
Loan Taken		
Jaspalsingh Chandock	1,910.00	3,980.99
Loan Repaid to parties		
Jaspalsingh Chandock	1,924.13	5,270.74
Interest paid to parties		
Jaspalsingh Chandock	15.70	88.09
Rent paid to parties		
Hotel Imperial Palace (I)	96.80	51.84

(₹ in Lakhs)

Name of related party/Nature of Transaction	2024-25	2023-24
Reimbursement of expenses		
Jaspal Singh Chandock (Expenses on behalf of Party)	-	206.37
Jaspal Singh Chandock (Expenses on behalf of Balu Forge Ind. Ltd)	17.74	4.00
Hotel Imperial Palace (I) (Expenses on behalf of Party)	2.38	5.02
Jaikaran Chandock (Expenses on behalf of Party)	2.53	2.42
Jaikaran Chandock (Expenses on behalf of Balu Forge Ind. Ltd)	-	0.17
Trimaan Chandock (Expenses on behalf of Party)	4.15	0.60
Outstanding balance at the end of the year		
Amit Todkari	1.28	1.28
Tabassum Begum	0.83	0.83

46. ADDITIONAL REGULATORY INFORMATION

Additional Regulatory Information pursuant to Clause 6L of General Instructions for preparation of Balance Sheet as given in Part I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a) The title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except for the following:

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (₹ in Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
PPE	Freehold Land	0.83	Mr. Jaspal Singh Chandock	Promoter cum Director	Since 3rd August 2020	The title has been transferred to the Company, pursuant to the succession agreement (reverse merger). The registration of the transfer deed in the name of the company is pending on account of certain procedural formalities.

b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

c) The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

d) The Company has not been declared as a willful defaulter by any lender who has powers to declare a company as a willful defaulter at any time during the financial year or after the end of reporting period but before the date when the financial statements are approved.

e) The Company does not have any transactions with struck-off companies.

f) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies (ROC) beyond the statutory period except in case of one lender where outstanding balance as on 31.st March 2025 is ₹29.08 lakhs, charge is pending on account of certain procedural formalities..

g) The Company has compiled with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restrictions on number of Layers) Rules, 2017.

h) The company has not advanced or loaned or invested funds to any other person(s) or entity(is), including foreign entities(intermediaries), with the understanding 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.

i) The Company has not received any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;

   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.

j) The Company does not have any transactions which is not recorded in the books of accounts but 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).

k) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47 . Previous period figures have been regrouped / recasted / reclassified wherever necessary.

48. The Company has approved its financial statements in its board meeting dated 14th May 2025.

The accompanying notes form an integral part of the Consolidated financial statements.

As per our report of even date

For **M. B. Agrawal & Co.**
Chartered Accountants
Firm's Reg. No.: 100137W

Sd/-
Leena Agrawal
Partner
Membership No.: 061362

Sd/-
Jaspalsingh Chandock
Chairman & Managing Director
(DIN 00813218)

Sd/-
Trimaan Chandock
Director
(DIN 02853445)

Sd/-
Jaikaran Chandock
Director
(DIN 06965738)

Mumbai, 14th May 2025

Sd/-
Amit Todkari
Chief Financial Officer

Sd/-
Tabassum Begum
Company Secretary
& Compliance Officer

Notice

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 36TH ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF BALU FORGE INDUSTRIES LIMITED ('THE COMPANY') WILL BE HELD ON MONDAY, 29TH SEPTEMBER 2025, AT 02:30 P.M. IST THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. **To receive, consider and adopt:**

   a. the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2025 together with the Reports of the Board of Directors and the Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2025 together with the Reports of the Auditors thereon;

2. **Declaration of dividend for the Financial Year ended 31st March 2025.**

   To declare a Final Dividend at the rate of 1.5% i.e. ₹ 0.15 per equity share of face value ₹ 10/- (Rupee Ten Only) each fully paid-up for the Financial Year ended 31st March 2025.

3. **Retirement by Rotation:**

   To re-appoint Mr. Jaikaran Jaspalsingh Chandock (DIN: 06965738), who retires by rotation as a Director and being eligible, offers himself for re-appointment:

   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 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Jaikaran Jaspalsingh Chandock (DIN: 06965738), who retires by rotation as a Director at this AGM, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

SPECIAL BUSINESS

4. **Re-appointment of M/s. M. B. Agrawal & Co., Chartered Accountants (Registration No. 100137W) as the Statutory Auditors of the Company for a term of Five Years.**

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

   "**RESOLVED THAT** pursuant to Sections 139, 141 and 142 of the Companies Act, 2013 ("Act") and all other applicable provisions, if any, of the Companies Act, 2013 , read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. M. B. Agrawal & Co, Chartered Accountants (Registration No 100137W), be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five (5) consecutive years, who shall hold office commencing from the conclusion of this 36th Annual General Meeting until the conclusion of the 41st Annual General Meeting of the Company, at a remuneration as may be mutually agreed between the Board of Directors and the Statutory Auditors as per details set out in the Explanatory Statement annexed hereto."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its committees thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

5. **Appointment of M/s. Prachi Bansal and Associates, Practicing Company Secretaries (FRN: I2020HR2093500) as Secretarial Auditors of the company for term of five (5) Consecutive Years and Fixation of 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 provisions of Sections 204 and 179(3) of the Companies Act, 2013 ('the Act') and all other applicable provisions, if any, of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) 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 ('SEBI Listing Regulations, 2015') (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force) and circulars issued thereunder from time to time and based on the recommendation(s) of the Audit Committee and the Board of Directors of the Company ('the Board'), M/s. Prachi Bansal and Associates, Practicing Company Secretaries having Firm Registration Number I2020HR2093500, be and are hereby appointed as the Secretarial Auditors for the Company, to hold office for a term of five consecutive years i.e. from FY 2025-26 to FY 2029-30, on such terms & conditions, including remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors of the Company.

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its committees thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

6. **Ratification of Remuneration of Cost Auditors of the Company:**

   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 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. S K Agarwal & Associates, Cost and Management Consultants, having Firm Registration No.: 100322, appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the FY 2025-26 amounting to ₹ 3,00,000/- (Rupees Three Lakh Only) plus applicable tax(es) and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit, recommended by the Audit Committee and approved by the Board of Directors of the Company be and is hereby ratified."

   "RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

7. **Increase in borrowing powers of the Company:**

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

   "RESOLVED THAT in supersession of the earlier Resolution passed by the Members by way of Postal Ballot held on 9th September 2020, and pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and such other laws, rules as may be applicable from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to borrow any sum or sums of money from time to time, notwithstanding that the money or moneys to be borrowed, together with the money already borrowed by the Company, may exceed aggregate of its paid-up capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, provided however, the total amount so borrowed shall not exceed ₹ 500 Crores (Indian Rupees Five Hundred Crores only)."

   "RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

8. **Creation of Charge and to provide security:**

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

   "RESOLVED THAT in supersession of the earlier Resolution passed by the Members by way of Postal Ballot held on 9th September 2020, and pursuant to Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and such other laws, rules as may be applicable from time to time, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) to pledge, mortgage and/or create charge by the Board of Directors and/or Committee of Directors of the Company, by way of charge on all the immovable and movable properties of the Company in favour of the Banks, Financial Institutions, any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the maximum extent of the indebtedness secured by properties of the Company does not exceed ₹ 500 Crores (Indian Rupees Five Hundred Crores only) at any time."

   "RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

By Order of the Board
For **Balu Forge Industries Limited**

Sd/-
Tabassum Begum
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 4th September, 2025

Registered Office:
506, 5th Floor, Imperial palace,
45 Telly Park Road, Andheri (East),
Mumbai, 400069, Maharashtra, India

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 8 of the accompanying Notice, is annexed hereto and forms part of this Notice. Further, disclosures in relation to Item Nos. 4 & 5 of the Notice, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and 'Secretarial Standard 2 on General Meetings' issued by the Institute of Company Secretaries of India ("SS-2") forms an integral part of this Notice.

2. Statement giving details of the Directors seeking appointment/re-appointment is annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI ("Listing Regulations") and Secretarial Standards on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India.

3. Ministry of Corporate Affairs ("MCA") vide its General Circular No. 09/2024 dated 19th September 2024 read with circulars issued earlier on the subject ("MCA Circulars") and SEBI vide its Circular(s) dated 12th May 2020, 15th January 2021, 13th May 2022, 5th January 2023, 7th October 2023 and 3rd October 2024 ("SEBI Circulars"), have permitted to conduct the Annual General Meeting ("AGM") virtually, without physical presence of Members at a common venue.

   In compliance with the MCA Circulars and SEBI Circulars, the provisions of the Act and the SEBI Listing Regulations, the 36th AGM of the Company is being held through VC/OAVM on Monday, 29th September 2025 at 02:30 p.m. (IST). The proceedings of the AGM will be conducted at the Registered Office of the Company at 506, 5th Floor, Imperial Palace, 45 Telly Park Road, Andheri (East), Mumbai – 400069, which shall be the deemed venue of the AGM.

   In terms of Listing Regulations, relevant MCA Circulars and the SEBI Circulars, the AGM Notice along with the Annual Report for FY2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may kindly note that the Notice convening this AGM and Annual Report for FY2024-25 will also be available on the Company's website www.baluindustries.com, website of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com, respectively and on the website of National Securities Depository Limited (NSDL) at https://www.evoting.nsdl.com. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail Id., Cut-off date for e-voting, Record Date for payment of dividend, etc.

4. Since this AGM is held through Video Conference/Other Audio Visual Means ("VC/OAVM"), route map to the venue is not required and therefore, the same is not annexed to this Notice.

5. Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act. Members holding equity shares as on **Monday, 22nd September 2025 ("Cut-off date")** may join the AGM anytime 30 minutes before the scheduled time by following the procedure outlined in the Notice. A person who is a Member as on the Cut-off date shall be eligible to attend and vote on resolutions proposed at the AGM. Any person who is not a Member as on the Cut-off date shall treat this Notice for informational purpose only.

6. Attendance through VC/OAVM is restricted and hence, Members shall be eligible to join the meeting on first come-first-serve basis. However, attendance of Members holding more than 2% of the paid-up equity share capital, Institutional investors, Directors, Key Managerial Personnel, and Auditors will not be restricted on first-come-first serve basis.

7. **Appointment of Proxy and Attendance Slip:**

   Since the 36th AGM is being held through VC/OAVM in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 36th AGM, and therefore, proxy form and attendance slip are not annexed to this Notice.

   However, in pursuance of Section 113 of the Companies Act, 2013, the Body Corporate member/ institutional members are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate and cast their votes through e-voting. Accordingly, Institutional /Corporate Members are requested to send a scanned copy (PDF/ JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, at compliance@baluindustries.com.

   The Company has appointed **Mr. Jaymin Modi, Practicing Company Secretaries** (Membership No. 44248 and Certificate of Practice No. 16948) as the Scrutinizer for scrutinizing the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.

8. **Record Date:**

   Members may kindly note that **Friday, 19th September 2025** has been fixed as the "Record Date" to determine entitlement of Members to the Final Dividend for the Financial Year 2024-25, if approved at the AGM.

9. Dividend:

i. Pursuant to Finance Act, 2020, dividend income is taxable in the hands of Members w.e.f. 1st April 2020. Accordingly, the Final Dividend, as recommended by the Board of Directors, and if approved at the 36th AGM, shall be paid after deducting tax at source ('TDS') at the prescribed rates in accordance with the provisions of the Income Tax Act, 1961, within statutory time limit to those members:

- whose names appear in the Register of Members of the Company after giving effect to all valid transmission or transposition requests lodged with the Company as of the close of business hours on Monday, 22nd September 2025; and

- whose names appear as beneficial owners holding shares in electronic form as per the beneficial ownership data as may be made available to the Company by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), as of the close of business hours on Monday, 22nd September 2025.

- For information on TDS and the prescribed rates for various categories, the members are requested to refer to the Finance Act, 2020 and the amendments thereof. In order to enable the Company to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961.

10. Mandatory updation of PAN, KYC, Nomination and Bank details by Members:

Members holding shares in physical form

a. Members holding shares in physical form are requested to note that in terms of Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019. In view of the above and in order to eliminate risks associated with physical transfer of securities, shareholders holding equity shares of the Company in physical form are requested to consider converting their holdings to dematerialised form. Members may contact the Company's Registrar and Share Transfer Agent ('RTA') i.e. Skyline Financial Services Pvt. Ltd. for assistance in this regard.

b. SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7th May, 2024, has mandated that with effect from 1st April, 2024, dividend to security holders who are holding securities in physical form, shall be paid only through electronic mode. Such payment shall be made only after the shareholders furnish their PAN, contact details (postal address with PIN and mobile number), Bank Account details & Specimen Signature ("KYC").

c. Members holding shares in physical form are requested to furnish Form ISR-1, Form ISR-2 and SH13 to update KYC and choice of Nomination (in case the same are not already updated), to Skyline Financial Services Pvt. Ltd., the Company's Registrar and Share Transfer Agent. Alternatively, Members may send digitally signed copy of their documents by email to Skyline Financial Services Pvt. Ltd. at mumbai@skylinerta.com.

d. Members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

e. Members may further note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate securities certificate, claim from unclaimed suspense account, splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition etc. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available https://www.baluindustries.com/. It may be noted that any service request can be processed only after the folio is KYC compliant.

Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialization and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

In furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to register their email id with the Company or with the Registrar and Transfer Agents at the below mentioned link http://www.skylinerta.com/EmailReg.php.

11. Unclaimed Dividend & Transfer to IEPF:

As per Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, dividends which remain unpaid or unclaimed by the shareholder for a period of 7 (seven) years shall be transferred to the Investor Education and Protection Fund (IEPF). Further, the said provisions mandate companies to transfer the shares of shareholders whose dividends remain unpaid or unclaimed for a period of 7 (seven) consecutive years, to the demat account of IEPF Authority.

Details of unclaimed dividend, are available on the Company's website https://www.baluindustries.com/. In compliance with Section 124 of the Act and Rules made thereunder, unclaimed dividend and equity shares in respect whereof dividend remains unclaimed for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF").

12. **E-voting:**

- Electronic/digital copy of the Annual Report for the Financial Year 2025 and Notice convening the 36th AGM are being sent to all Members whose e-mail Id are registered with the RTA/ Company/Depositories. Members who have not registered their e-mail Id may get the same registered by following the instructions mentioned above.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting during the AGM will be provided by NSDL.
- Necessary arrangements have been made by the Company to facilitate 'Remote e-voting' as well as e-voting during the aforementioned AGM. Members shall have the option to vote either through remote e-voting (during the remote e-voting window) or e-voting during the AGM.
- Voting rights of Members shall be reckoned on the paid-up value of equity shares registered in their name as on the Cut-off date.
- Members 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, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.
- The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Any person who becomes a Member of the Company after dispatch of the Notice and holds equity shares as on the Cut-off date can vote by following the procedure for e-voting, as outlined in the Notice.
- Members present at the 36th AGM and who have not cast their vote on resolutions set out in the Notice convening the AGM through remote e-voting and who are not otherwise barred from doing so, shall be allowed to cast their vote through e-voting facility during the AGM.
- However, Members who have exercised their right to vote during the Remote e-voting period may attend the AGM but shall not be entitled to cast their vote again.
- Once the vote on a resolution is cast, Member shall not be allowed to change the same subsequently or cast vote again.
- Members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail.
- In case of joint holders attending the 36th AGM, only such joint holder who is higher in the order of names as per the Company's records, will be entitled to cast vote.

PROCEDURE FOR REMOTE E-VOTING:

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period **begins on Thursday, 25th September 2025 at 09:00 A.M. and ends on Sunday, 28th September 2025 at 05:00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date **(cut-off date) i.e. Monday, 22nd September 2025,** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the **cut-off date, being Monday, 22nd September 2025**.

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 and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 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.	1. 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. 2. 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 3. 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. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. 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. 2. 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. 3. 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. 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 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting 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 user 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’?

      (i) 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’.

(ii) 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.co.in 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.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting 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 and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

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 info@csjmco.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 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Apeksha Gojamgunde 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 compliance@baluindustries.com.

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 compliance@baluindustries.com 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 9th December 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.

1. **The instructions for members for e-voting on the day of the AGM are as under:-**

    i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

    ii. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

    iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

    iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

2. **Instructions for members for attending the AGM through VC/OAVM are as under:**

    i. 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.

    ii. Members are encouraged to join the Meeting through Laptops for better experience.

    iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    iv. 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.

    v. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably

    The Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send request from their registered e-mail address mentioning their name, demat account number / folio number, e-mail id, mobile number at compliance@baluindustries.com by Monday, 22nd September 2025. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

13. All the relevant documents referred to in this AGM Notice and Explanatory Statement etc., Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 and Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and other documents shall be available electronically for inspection by the members at the AGM. Members seeking to inspect such documents can send an e-mail to compliance@baluindustries.com.

14. The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from Monday, 22th September 2025 to Monday, 29th September 2025 (both days inclusive).

15. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

16. After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favor or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the voting will be declared within the time stipulated under the applicable laws.

17. The voting results along with the Scrutinizer's report, shall be hosted on the website of the Company https://www.baluindustries.com/shareholdersinformation.php and will be simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

EXPLANATORY STATEMENT

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. 4

Re-Appointment of Statutory Auditors (Ordinary Resolution)

In accordance with the provisions of Section 139(2) of the Companies Act, 2013, and other applicable regulations, the current Statutory Auditors of the Company, M/s. M. B. Agrawal & Co., (Firm Registration No. [100137W], Chartered Accountants), will complete their first term as Statutory Auditors at the conclusion of the ensuing Annual General Meeting in 2025.

Considering their expertise and experience, it is proposed to re-appoint M/s. M. B. Agrawal & Co., (Firm Registration No. [100137W], Chartered Accountants) as the Statutory Auditors of the Company for the second term of 5 (five) consecutive years from conclusion of this 36th Annual General Meeting of the Company until the conclusion of the 41st Annual General Meeting subject to approval of the shareholders. The remuneration would be mutually agreed, subject to the approval granted by the Audit Committee.

At its meeting held on 14th May, 2025, the Board of Directors, considering their expertise and experience and based on the recommendation of the Audit Committee, has proposed the re-appointment of M/s. M. B. Agrawal & Co., Chartered Accountants, as the Statutory Auditors of the Company.

Brief Profile of the Statutory Auditors

M/s. M. B. Agrawal & Co., was constituted on 06th October, 1967, having firm registration no. as 100137W.

M/s. M. B. Agrawal & Co., is a professionally managed Chartered Accountancy firm based in Mumbai, India, who provide a comprehensive range of financial and advisory services to individuals, businesses, and organizations across various sectors.

The Firm's Vision is to be recognized as a leading professional services firm, known for integrity, client service, and commitment to excellence.

The Firm's Services include Audit and Assurances, Taxation Services, Accounting & Book-keeping, Advisory Services, Regulatory & Compliance Filings and the team comprises of experienced Chartered Accountants, tax consultants, and support staff with a shared vision of providing quality service and building long-term relationships with clients.

Its clientele includes listed and unlisted companies, operating across multiple locations in India.

The broad terms and conditions of the appointment are as under:

a) **Term of appointment:** The proposed appointment is for a term of 5 (five) consecutive years commencing from the conclusion of the 36th Annual General Meeting of the Company till the conclusion of the 41st Annual General Meeting to be held in the year 2030, to conduct statutory audit for the financial years ending March 31, 2026, to March 31, 2030.

b) **Proposed fees:** ₹ 8,64,000/-(Rupees Eight Lakhs Sixty-Four Thousand only) along with GST and other taxes as may be applicable and reimbursement of out-of-pocket expense, if any, incurred in connection with the statutory audit for the financial year ending March 31, 2026, and for subsequent year(s) of the term, such fee as determined by the Board, on the recommendation of Audit Committee and in consultation with the Statutory Auditors.

The change in the remuneration proposed to be paid to of M/s. M. B. Agrawal & Co is on account of expanded audit scope driven by business growth, enhanced regulatory requirements, increased reporting complexities and composition of audit team, etc. The remuneration proposed to be paid to M/s. M. B. Agrawal & Co is in line with the industry norms prevalent for similar assignments to Audit firms of their stature at companies of our size.

Pursuant to Section 139 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written confirmation from M/s. M. B. Agrawal & Co. and a certificate that they satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. M. B. Agrawal & Co., has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such a manner and to such an extent as may be mutually agreed with the Statutory Auditors.

Accordingly, consent of the members is being sought by way of an Ordinary Resolution as set out at Item no. 4 of the Notice for re-appointment of Statutory Auditors.

None of the Directors, Promoters and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution for approval of the members.

Item no. 5

Appointment of Secretarial Auditors (Ordinary Resolution)

In terms of the provisions of Section 204 and other applicable provisions, if any, of the Act, read with Rule 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in accordance with the provisions of Regulation 24A and other applicable provisions, if any, of the SEBI Listing Regulations, as amended, every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Secretarial Auditors who shall be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five (5) consecutive years.

Accordingly, based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on 4th September, 2025, after considering the expertise and experience of 7 years, subject to the approval of member of the Company, approved the appointment of M/s. Prachi Bansal and Associates, Practicing Company Secretaries (Firm Registration No. I2020HR2093500, Peer Review No. 3702/2023), as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, i.e. from financial year 2025-26 to financial year 2029-30, on such terms & conditions, including remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors of the Company.

Pursuant to Section 204 of the Companies Act, 2013 (the Act) and the Rules framed thereunder, the Company has received written consent and a certificate from M/s. Prachi Bansal and Associates, confirming that they satisfy the criteria provided under Regulation 24A of the Listing Regulations and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and Rules framed thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. Prachi Bansal and Associates, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICSI.

Brief Profile of the Secretarial Auditors

M/s. Prachi Bansal and Associates, (ACS: 43355 and COP: 23670) (Firm Registration No. I2020HR2093500, Peer Review No. 3702/2023) is one of the leading firms of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, New Delhi.

CS Prachi Bansal is a qualified Company Secretary and the Proprietor of M/s. Prachi Bansal and Associates, bringing with her over 7 years of rich professional experience in corporate laws, compliance management, and advisory services. She has been instrumental in guiding companies across diverse sectors in matters relating to Companies Act, SEBI compliances, FEMA, secretarial audits, corporate restructuring, and governance practices.

With a strong focus on delivering practical and business-oriented solutions, CS Prachi Bansal has earned recognition for her expertise, commitment, and client-centric approach. Under her leadership, M/s. Prachi Bansal and Associates, has been assisting corporates, LLPs, and startups in meeting their statutory and regulatory requirements with efficiency and precision.

M/s. Prachi Bansal and Associates offers a comprehensive range of services including Secretarial Compliance, Corporate Restructuring, Legal Advisory, Secretarial Audits, Insolvency and Bankruptcy Advisory, Securities Laws & Domestic and Global Business Setup, ESOPs, Trademark, Due Diligence, and other Corporate Advisory Services.

Its clientele includes listed and unlisted companies, multinational corporations, operating across multiple locations in India.

Apart from Secretarial Audit, M/s. Prachi Bansal and Associates, may render other certification and other assignments as may be approved by the Board of Directors, except for those services which are prohibited under the extant regulations.

The board terms and conditions of the appointment are as under:

a) **Term of appointment:** The proposed appointment is for a term of 5 (five) consecutive years commencing from the conclusion of the 36th Annual General Meeting of the Company till the conclusion of the 41st Annual General Meeting to be held in the year 2030, to conduct secretarial audit for the financial years ending March 31, 2026, to March 31, 2030.

b) **Proposed fees:** ₹ 70,000/- (Rupees Seventy Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, if any, incurred in connection with the secretarial audit for the financial year ending March 31, 2026, and for subsequent year(s) of the term, such fee as determined by the Board, on the recommendation of Audit Committee and in consultation with the Secretarial Auditors.

The Audit Committee and the Board, while recommending the appointment of M/s. Prachi Bansal and Associates, as the Secretarial Auditors of the Company, have taken into consideration, among other things, the fulfilment of the eligibility criteria and experience of conducting secretarial audit of listed companies, knowledge of the legal and regulatory framework in ensuring continued adherence to compliance requirements under the applicable laws and also based on the evaluation of the quality of audit work done by them in the past.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such a manner and to such an extent as may be mutually agreed with the Secretarial Auditors.

Accordingly, consent of the members is being sought by way of an Ordinary Resolution as set out at Item no. 5 of the Notice for appointment of Secretarial Auditors.

None of the Directors, Promoters and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution for approval of the members.

Item no. 6

Ratification of remuneration payable to the Cost Auditors of the Company. (Ordinary Resolution)

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors of the Company, based on the recommendations of the Audit Committee, approved the appointment of M/s. S K Agarwal & Associates, Cost and Management Consultants (Firm Registration No. 100322), as Cost Auditors to conduct audit of cost records of the Company for year ending 31st March 2026 at a remuneration of ₹ 3,00,000/- (Rupees Three lakhs only) plus applicable tax(es) and reimbursement of out-of-pocket expenses in connection with the aforesaid audit.

In accordance with the provisions of Section 148(3) of the Act read with Rule 14(a)(ii) of the Rules, the remuneration payable to Cost Auditor needs to be ratified by the members of the Company.

Accordingly, consent of the members is being sought by way of an Ordinary Resolution as set out at Item no. 6 of the Notice for ratification for the remuneration payable to the Cost Auditors.

None of the Directors, Promoters and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Ordinary Resolution for approval of the members.

Item no. 7 and 8

Increase in borrowing powers of the Company. (Special Resolution)

As per the provisions of Section 180(1)(c) of the Act, the Board of Directors of a company cannot, except with the consent of the Members of the company in a General Meeting, borrow monies, apart from temporary loans obtained from the company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up share capital of the company, its free reserves, and securities premium, that is reserves not set apart for any specific purpose.

The Members of the Company through Postal Ballot held on 09th September 2020, had by way of a special resolution approved the borrowing limits of the Company under Section 180 (1)(c) to ₹ 200 Crores and for creation of charges under Section 180(1)(a) up to ₹ 200 Crores.

The commissioning of the new greenfield facility is expected to substantially enhance production volumes, which will in turn need additional working capital. The Company has growth plans driven by automation & new emerging segments. The Company is prioritizing its presence in high-value segments such as defence and aerospace, where its expertise in advanced machining and heavy forging is well aligned with the stringent quality standards of these industries. A key milestone in this journey is the planned entry into the defence sector through a strategic joint venture.

These projects will entail high capital expenditure, which will need to be financed by both debt and equity. The Company is also required to make Capability enhancement and automation in the sectors including defence, aerospace and railways. To meet the financial requirements for future projects as also for meeting other corporate requirements, borrowing limits previously sanctioned by the Members are proposed to be increased to ₹ 500 Crores.

The proposed borrowings of the Company may, if necessary, be secured by way of mortgages, charges and hypothecations on the Company's movable/immovable properties, present and future, in favour of the financial institutions/banks/insurance companies/other investing agencies/trustees for the holders of debentures/bonds/ other instruments. As the documents to be executed by, with, or in favour of, the lender/parties may contain the power to take over the management and concern of the Company in certain events, it is necessary for the Members to pass a resolution for creation of mortgages, charges and hypothecation to secure such borrowings, it is proposed to seek Members consent for creation of charges upto ₹ 500 Crores.

None of the Directors and KMP of the Company and their respective relatives are concerned or interested in the Resolution at Item Nos. 7 and 8 of the accompanying Notice.

The Board commends the Special Resolution at Item Nos. 7 and 8 of the accompanying Notice for ratification by the Members of the Company.

By Order of the Board
For **Balu Forge Industries Limited**

Sd/-
Tabassum Begum
Company Secretary &
Compliance Officer

Place: Mumbai
Date: 4th September, 2025

Registered Office:
506, 5th Floor, Imperial palace,
45 Telly Park Road, Andheri (East),
Mumbai, 400069, Maharashtra, India

Annexure-1

Details regarding Directors being appointed/re-appointed as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause no 1.2.5 of Secretarial Standards issued by the ICSI

Name of Director	Jaikaran Jaspalsingh Chandock
Date of Birth and age	22.05.1992, 33 years
Nationality	Indian
Date of Appointment & designation	19th November 2020, Whole-time Director
Terms and Conditions of appointment / reappointment including remuneration, if any	Liable to retire by rotation.
Remuneration/ Variation in Remuneration/ details of remuneration last drawn.	Refer to Directors' Report and Corporate Governance Report forming part of the Annual Report.
No. of Board meetings attended during the year	8
Qualification	BSc in Management & MSc in Strategic Marketing
Expertise in specific field	9 Years in Manufacturing & Hospitality
Name of other Companies in which he holds Directorship*	Balu Hospitality Limited
Name of Listed Companies in which he holds Directorship	Nil
Names of listed entities from which the person has resigned in the past three years	Nil
Name of other companies in which he holds Chairmanship/ Membership of Committees of Board$	Nil
No. of Shares held in Balu Forge Industries Ltd	11,85,150
Inter-se relationship with other Directors and Key Managerial Personnel	Mr. Jaikaran Chandock is the son of Mr. Jaspalsingh Chandock and sibling of Mr. Trimaan Chandock.

Note: *excludes directorships held in private limited companies which are not subsidiaries or holding companies of public limited companies, unlimited companies, foreign companies and Companies formed under Section 8 of the Companies Act, 2013.

$ includes Chairmanship/ membership of the Audit Committee and Stakeholders Relationship Committee of only public limited companies, whether listed or not.

Notes

Notes

BALU FORGE INDUSTRIES LIMITED

Registered Office
506, 5th Floor, Imperial Palace, 45 Tally Park Road,
Andheri (East), Mumbai - 400 069
www.baluindustries.com

CIN: L29100MH1989PLC255933