

August 07, 2024,

General Manager,
Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001

Scrip Code: 502865
Security ID: FORBESCO

Dear Sir/Madam,

Sub: Annual Report of the Company for the Financial Year 2023-24 and Notice convening 105th Annual General Meeting (AGM)

Pursuant to Regulation 30 read with Para A of Part A of Schedule III and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), please find enclosed herewith, the Annual Report of the Company for the Financial Year 2023-24, containing, inter alia, the Notice of the 105th Annual General Meeting (AGM) of the Company scheduled to be held on Thursday, August 29, 2024, at 3:00 P.M. (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”).

The Notice of the AGM along with the Annual Report for the Financial Year 2023-24 is also available on the website of the Company, www.forbes.co.in.

The remote e-voting period commences on Monday, August 26, 2024 (9:00 am) (IST) and ends on Wednesday, August 28, 2024 (5:00 pm) (IST). During this period, the Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date, i.e., Thursday, August 22, 2024, may cast their votes by remote e-voting.

We request you to kindly take the same on record.

For Forbes & Company Limited

Pritesh Jhaveri
Company Secretary and Compliance Officer
Membership No. A51446



105TH
ANNUAL
REPORT
2023- 24
Forbes & Company Limited



Alloy Wheel Marking Machine



Plate marking machine



Car Engine Marking SPM



Cowl Marking SPM



Conventional Marketing Elements



Frame Marking Machine



BOARD OF DIRECTORS**Board of Directors**

Shapoor P. Mistry	Chairman	<i>(upto March 31, 2024)</i>
M. C. Tahilyani	Non-Executive Director	<i>(w.e.f April 01, 2024)</i>
Ravinder C. Prem	Whole-time Director	<i>(w.e.f April 01, 2024)</i>
D. Sivanandhan	Independent Director	
Jai L. Mavani	Non-Executive Director	
Rani Ajit Jadhav	Independent Director	
Nikhil Bhatia	Independent Director	

Chief Financial Officer

Nirmal Jagawat

Company Secretary & Compliance Officer

Rupa Khanna *(upto March 31, 2024)*

Pritesh Jhaveri *(w.e.f April 01, 2024)*

Statutory Auditors

Sharp & Tannan Associates

Registered Office

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

Tel: +91 22 6135 8900

Fax: +91 22 6135 8901

Email: investor.relations@forbes.co.in

Website: www.forbes.co.in

CIN: L17110MH1919PLC000628

Registrar & Share Transfer Agents

Link Intime India Private Limited

(Unit: Forbes & Company Limited)

C- 101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West),

Mumbai - 400083

Tel: +91 8108118484

Fax: +91 22 66568494

Email: csg-unit@linkintime.co.in

Website: www.linkintime.co.in

105th Annual General Meeting of Forbes & Company Limited will be held on Thursday, August 29, 2024 at 3.00 pm (IST) through Video Conference ('VC') / Other Audio Visual Means ('OAVM')

In accordance with the Ministry of Corporate Affairs (MCA) General Circulars Nos. 20/2020 dated May 5, 2020, No. 09 / 2023 dated September 25, 2023 and Securities and Exchange Board of India (SEBI) Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/ PoD-2/P/CIR/2023/167 dated October 07, 2023 ("the Circulars"), permit sending of the Annual Report (including the Notice of Annual General Meeting) to Members through electronic mode only .

This Annual Report can be accessed at www.forbes.co.in

105th ANNUAL REPORT 2023-24

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NOTICE

NOTICE is hereby given that the 105th Annual General Meeting of the Members of Forbes & Company Limited will be held on Thursday, August 29, 2024 at 3.00 p.m. through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt:
 - a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2024, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Jai Mavani (DIN: 05260191), who retires by rotation and being eligible, seeks re-appointment.

SPECIAL BUSINESS**3. Ratification of remuneration to Cost Auditor**

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

“Resolved that pursuant to the provisions of Section 148 (3) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) (including any statutory modification(s) or re-enactment thereof), read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration of ₹ 1.50 lakhs plus applicable taxes and out of pocket expenses payable to M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost accounts of the Company for the financial year ending March 31, 2025, be and is hereby ratified and confirmed.

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

4. Appointment of Mr. Paras Savla (DIN: 00516639) as an Independent Director 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 pursuant to the provisions of Sections 149,150, 152 and other applicable provisions, if any, of the Companies Act 2013 (“the Act”) read with Schedule IV to the Act and the Company (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), including any statutory modification or re-enactment thereof for the time being in force, Mr. Paras Savla (DIN: 00516639), who was appointed as an Additional Director (Non- Executive- Independent) of the Company by the Board of Directors, pursuant to provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, with effect from August 05, 2024 and who meets the criteria for independence as provided in section 149(6) of the Act and Regulation 16(1)(b) of SEBI LODR and who has submitted a declaration to that effect, and who holds office as such up to the date of this Annual General Meeting of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years with effect from August 05, 2024 and shall not be liable to retire by rotation.”

“Resolved further that the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all documents and filing of requisites forms that may be required on behalf of the Company, and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect this resolution.”

By Order of the Board**Pritesh Jhaveri**

Company Secretary and Compliance Officer
Membership No. A51446

Mumbai, May 29, 2024

Registered Office:

Forbes' Building, Charanjit Rai Marg, Fort,
Mumbai 400 001
Tel: +91 22 6135 8900, Fax: +91 22 6135 8901
Email: investor.relations@forbes.co.in
Website: www.forbes.co.in
CIN: L17110MH1919PLC000628

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (“the Act”) with respect to the special business set out in the Notice is annexed hereto. Additional information pursuant to Regulation 36(3) of SEBI LODR in respect of Director seeking appointment/re-appointment at the meeting is annexed as Annexure to this Notice.

2. In accordance with the Ministry of Corporate Affairs General Circulars Nos. 20/2020 dated May 5, 2020, No. 09 / 2023 dated September 25, 2023 and SEBI Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 (“the Circulars”) companies are allowed to hold AGM through video conference/other audio visual means (“VC/OAVM”) upto September 30, 2024 without the physical presence of members. In compliance with the applicable provisions of the Act, MCA & SEBI circulars, the 105th AGM of the Company is held through VC/OAVM on Thursday, August 29, 2024, at 3.00 P.M. (IST). The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Forbes’ Building, Charanjit Rai Marg, Fort, Mumbai 400 001, which shall be the deemed venue for the AGM.

In compliance with the aforesaid Circulars, the financial statements (including Board’s Report, Auditor’s Report or other documents required to be attached therewith) for the Financial Year ended March 31, 2024 pursuant to Section 136 of the Act and Notice calling the AGM pursuant to Section 101 of the Act read with the Rules framed thereunder, are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company / Link Intime India Private Limited or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those Members who request for the same. Notice and Annual Report for the Financial Year 2023-24 are also available on the website of the Company, www.forbes.co.in.

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

Members holding shares in physical mode and whose email IDs are not registered, are requested to register their email ID with Link Intime India Private Limited (RTA) at csg-unit@linkintime.co.in or investor.relations@forbes.co.in, by sending a duly signed Form ISR-1 mentioning their Name as registered with the RTA, Address, email ID, Mobile Number, self-attested copy of PAN, DPID/Client ID or Folio Number and number of shares held. Shareholders holding shares in dematerialized mode are requested to register/update their email address with the relevant Depository Participants.

3. Since the AGM is being held pursuant to the Circulars issued by the Ministry of Corporate Affairs through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly,

the facility to appoint a proxy by a Member will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there and cast their vote through remote e-voting.

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

5. Members are requested to immediately notify the REGISTRAR AND SHARE TRANSFER AGENTS or the DEPOSITORY PARTICIPANTS (in case of shares which have been dematerialised) of any change in their address.

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

7. Members who wish to claim dividend of earlier years, which remain unclaimed, are requested to either correspond with the Company or the Registrar and Share Transfer Agents, Link Intime India Private Limited, Unit: Forbes & Company Limited, C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (west), Mumbai 400 083.

Due dates for transfer of unclaimed and unpaid dividends declared by the Company to IEPF are as under:

Financial Year ended	Date of declaration of dividend	Due date for transfer to IEPF
March 31, 2017	August 24, 2017	September 28, 2024
March 31, 2018	September 25, 2018	October 30, 2025
March 31, 2019	August 26, 2019	September 30, 2026
Special Interim Dividend for FY 2022-2023	August 13, 2022	September 27, 2029

In terms of Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Members are requested to ensure that they claim the dividends referred to above before they are transferred to the said Fund.

Members are requested to send their request for claiming unclaimed dividend atleast 30 (thirty) days before the date of transfer to IEPF.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund)

Rules, 2016 ('IEPF Rules'), the Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on March 31, 2024 on the website of the Company, www.forbes.co.in

Members are requested to note that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company to demat account of the IEPF Authority within a period of thirty days of such shares becoming due to be transferred to the IEPF.

Members whose unclaimed dividends/shares have been transferred to IEPF, can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>

8. As per Regulation 40 of SEBI LODR, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division / Splitting of securities certificate; consolidation of securities certificate/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website, www.forbes.co.in and on the website of the Company's RTA at <https://www.linkintime.co.in>. Kindly note that any service request can be processed only after the Folio is KYC compliant. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transmission and transposition shall be processed only in dematerialised form. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSDPoD-1/P/CIR/2023/37 dated March 16, 2023 issued in supersession of earlier circulars nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated November 3, 2021 and December 14, 2021 respectively has mandated all the listed companies to record the PAN, Address with PIN code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical shares/securities. The Company has vide its circulars dated February 5, 2022 and May 22, 2023 requested all the shareholders holding shares in physical form to complete updation of PAN, KYC details and Nomination.

Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited ('LIT IPL') for assistance in this regard. The Forms for updation of PAN, KYC, bank details and Nomination are available on the Company's website, www.forbes.co.in.

9. Members desiring any additional information/clarification on the Financial Statements are requested to send such requests at the earliest through email on investor.relations@forbes.co.in on or before August 22, 2024. The same will be replied by the Company suitably at the AGM.
10. Members desiring inspection of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act during the AGM may send their request in writing to the Company to investor.relations@forbes.co.in by August 22, 2024.
11. Since the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice.
12. In the case of jointholders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. National Securities Depositories Limited ("NSDL") will be providing facilities for voting through remote e-Voting, for participation in the 105th AGM through VC/OAVM Facility and e-Voting during the 105th AGM.
14. Members may join the 105th AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members 30 minutes before the time scheduled to start the 105th AGM and 15 minutes after the scheduled time to start the 105th AGM.
15. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of upto 1,000 Members on a first-come-first-served basis. The large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 105th AGM without any restriction on account of first-come first- served principle.

16. E-Voting

- I. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means, through e-Voting Services provided by National Securities Depository Limited (NSDL). Those Members participating in the AGM through VC/OAVM Facility and who have not cast their vote by remote e-voting shall be able to exercise their right to vote through e-voting system during the AGM.
- II. The members who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM through VC/OAVM Facility but shall not be entitled to cast their vote again.

III. The remote e-voting period commences on Monday, August 26, 2024 (9:00 am) (IST) and ends on Wednesday, August 28, 2024 (5:00 pm) (IST). During this period Members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 22, 2024 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

IV. The process and manner for remote e-voting are as under:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	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 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.

Type of shareholders	Login Method
	<p>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</p> <p>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.</p> <p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> </p> <p> </p>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly. If the user is not registered for Easi/ Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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.

Type of shareholders	Login Method
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
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?

- 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, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

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

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

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

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 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 scrutinisers@mmjc.in 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 or send a request to Mr. Amit Vishal or Ms. Pallavi Mhatre at evoting@nsdl.com.

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

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

their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. 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.
3. 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.
4. 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.

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

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

5. 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 investor.relations@forbes.co.in. The same will be replied by the company suitably.
 6. Members who would like to express their views during the AGM may per-register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, PAN, mobile number at investor.relations@forbes.co.in. upto August 26, 2024. Members who have registered as speakers will only be allowed to express their views during the AGM. The Company reserves the right to restrict the number of speakers depending on the available of time for the AGM.
- A. Other Instructions:**
- I. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of August 22, 2024 as per the Register of Members/Statements of beneficial ownership maintained by the Depositories, i.e., NSDL and CDSL. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holds shares as of the cut-off date i.e. August 22, 2024, may obtain the login ID and password by sending a request at evoting@nsdl.com or csg-unit@linkintime.co.in

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following no.: 1800-222-990.
 - II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or casting vote through e-voting system during the meeting.
 - IV. MMJB & Associates LLP, Practicing Company Secretaries has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the remote e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
 - V. During the AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 105th AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be disabled by NSDL for voting 15 minutes after conclusion of meeting.
 - VI. The Scrutinizer shall after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - VII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the BSE Limited, Mumbai within the permitted time, subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed at the date of AGM.

ANNEXURE TO NOTICE**Statement Pursuant to Section 102 (1) of the Companies Act, 2013 (“Act”)**

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

Item No. 3

The Board of Directors has approved the appointment of M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294) as cost auditors of the Company at a remuneration of ₹ 1.5 lakhs plus out of pocket expenses for the financial year ending March 31, 2025.

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

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2025.

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

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

Item No.4

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Paras Savla (DIN: 00516639) as an Additional Director (Non-Executive- Independent) of the Company with effect from August 05, 2024 for a term of five years.

In terms of Regulation 17 (1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Mr. Paras Savla holds office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years with effect from August 05, 2024.

Mr. Paras Savla is a Fellow member of Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and an Associate member of the Institute of Chartered Accountants of England & Wales (ICAEW). Mr. Savla also holds qualifications as a Registered Valuer-Securities & Finance Assets (IBBI), Insolvency Resolution Professional (IBBI), Business & Finance Professional (ICAEW), Diploma in Information System Audit (ICAI), Certified Fraud Examiner (Associate of Certified Fraud Examiners, USA) and a Commerce Graduate.

Mr. Savla has worked with several domestic and international clients on Indian tax, international taxation, Exchange control regulation, structuring, transactions, valuation, conducting due diligence, planning for business restructuring, mergers, demergers, acquisitions, insolvency resolution, estates and succession planning. He is well versed in the Indian tax and regulatory environment from investing & structuring perspective. He has advised various not for profit organizations on Corporate Social Responsibility, regulatory and taxation matters. Previously, he had a stint with one of the big 4 accounting firms in Transactions Advisory Services. Mr. Savla is also a Governing Council Member of the Indo-Belgian Luxemburg Chambers of Commerce & Industry and a Member of the Journal Committee of the Chamber of Tax Consultants. He is on the Board of various Companies and Not for Profit organizations. He was president of the Chambers of Tax Consultants and CVO Chartered and Cost Accountants Association. He was a member of the managing committee of the IMC Chambers of Commerce & Industry.

The Company has received a declaration from Mr. Paras Savla confirming that he meets the criteria of independence as prescribed under the Companies Act, 2013 and the SEBI LODR. He has also confirmed that he is not disqualified from being appointed as Director in terms of section 164 of the Act.

In the opinion of the Board, Mr. Paras Savla possessed the skills and capabilities required for this role and fulfills the conditions specified in the Companies Act, 2013, Rules made thereunder and SEBI LODR for his appointment as Independent Director of the Company and he is independent of the management of the Company.

The Board considers that his appointment would be of immense benefit to the Company, and recommends the resolution as set out in Item No.4 of this notice for the approval by the shareholders of the Company.

By Order of the Board

Pritesh Jhaveri
Company Secretary and Compliance Officer
Membership No. A51446

Mumbai, May 29, 2024

Registered Office:

Forbes' Building, Charanjit Rai Marg, Fort,
Mumbai 400 001
Tel: +91 22 6135 8900, Fax: +91 22 6135 8901
Email: investor.relations@forbes.co.in
Website: www.forbes.co.in
CIN: L17110MH1919PLC000628

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

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of Secretarial Standards - 2]

Name of Director	Mr. Jai Mavani	Mr. Paras Khimji Savla
Director Identification Number (DIN)	05260191	00516639
Date of Birth	September 4, 1971	May 31, 1974
Date of first Appointment on Board	May 22, 2012	August 05, 2024
Qualification	B. Com, ACA	He is a Fellow member of Chartered Accountant from the Institute of Chartered Accountants of India (ICAI) and an Associate member of the Institute of Chartered Accountants of England & Wales (ICAEW). Mr. Savla also holds qualifications as a Registered Valuer- Securities & Finance Assets (IBBI), Insolvency Resolution Professional (IBBI), Business & Finance Professional (ICAEW), Diploma in Information System Audit (ICAI), Certified Fraud Examiner (Associate of Certified Fraud Examiners, USA) and a Commerce Graduate.
Relationships between directors inter-se	Not related to any Director/Key Managerial Personnel of the Company.	Not related to any Director/Key Managerial Personnel of the Company.
Brief Profile and expertise in specific functional areas	Mr. Jai Mavani worked with firms like Arthur Andersen, KPMG and PWC and has industry specialization in Infrastructure, Real Estate and Private Equity and his skills include fund raising, business structuring, Mergers & Acquisitions, tax and regulatory and investment. He has skills and expertise in Fund raising, business structuring, Finance and Tax, Mergers and Acquisition and Business Governance.	Mr. Savla has worked with several domestic and international clients on Indian tax, international taxation, Exchange control regulation, structuring, transactions, valuation, conducting due diligence, planning for business restructuring, mergers, demergers, acquisitions, insolvency resolution, estates and succession planning. He is well versed in the Indian tax and regulatory environment from investing & structuring perspective. He has advised various not for profit organizations on Corporate Social Responsibility, regulatory and taxation matters. Previously, he had a stint with one of the big 4 accounting firms in Transactions Tax Services. Mr. Savla is also a Governing Council Member of the Indo-Belgian Luxemburg Chambers of Commerce & Industry and a Member of the Journal Committee of the Chamber of Tax Consultants. He is on the Board of various Companies and Not for Profit organizations. He was president of the Chambers of Tax Consultants and CVO Chartered and Cost Accountants Association. He was a member of the managing committee of the IMC Chambers of Commerce & Industry. Mr. Savla is widely recognized for his thought leadership in the financial arena. His insights and opinions are frequently cited in leading Indian and foreign newspaper. He actively contributes to various professional and newspaper, sharing his expertise on technical subjects. Mr. Savla is also an acclaimed speaker at various forums, where he imparts his knowledge of the wider community.

Name of Director	Mr. Jai Mavani	Mr. Paras Khimji Savla
List of Directorship held in other listed companies in India (excluding Private and Section 8 Companies)	Forbes Precision Tools and Machine Parts Limited	Abans Enterprises Limited
Listed companies from which the Director has resigned in the past 3 (three) years	Nil	Nil
Chairmanship / Membership of the Committees of Audit Committee and Stakeholders Relationship Committee of other Indian Listed Companies	Nil	Chairman of Audit Committee and Stakeholders Relationship Committee of Abans Enterprises Limited
Terms and Conditions of re-appointment	Non-executive Director, liable to retire by rotation	NA
No. of shares held in the Company	2032	Nil
Attendance at the Board Meeting in the Financial Year 2023 – 2024	No. of Meetings held	Attended
	7	7
Details of remuneration	No. of Meetings held	Attended
	7	7
	NA	NA
	Except for sitting fees for attending the meetings of the Board, Committees and Commission as approved by shareholders no other remuneration is paid/payable to Mr. Jai Mavani	Except for sitting fees , if any for attending the meetings of the Board, Committees and Commission as approved by shareholders no other remuneration is proposed to be paid/payable to Mr. Paras Savla

By Order of the Board

Pritesh Jhaveri

Company Secretary and Compliance Officer
Membership No. A51446

Mumbai, May 29, 2024

Registered Office:

Forbes' Building, Charanjit Rai Marg, Fort,
Mumbai 400 001
Tel: +91 22 6135 8900, Fax: +91 22 6135 8901
Email: investor.relations@forbes.co.in
Website: www.forbes.co.in
CIN: L17110MH1919PLC000628

REPORT OF BOARD AND MANAGEMENT DISCUSSION AND ANALYSIS

Dear Members,

The Board of Directors hereby submit the report of the business and operations of the Company along with the Audited Financial Statements of the Company for the Financial Year (FY) ended March 31, 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

Financial Results and Highlights of Performance

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

₹ in Lakhs

Particulars	Standalone		Consolidated	
	FY 23-24 *	FY 22-23 *	FY 23-24	FY 22-23
Revenue and Other Income (Total Income)	14,626	25,589	15,113	26,240
Earnings before Finance Cost, Depreciation, Share of Net Profit of Joint ventures Exceptional Item & Tax	3,003	20,204	2,975	18,635
Share of Net Profit of joint venture	-	-	(212)	295
Profit / (Loss) after Finance Cost, Depreciation, Share of Net profit of Joint ventures and before Exceptional Items & Tax	2,736	19,543	2,438	17,356
Exceptional Items - Income/(Expense)	(486)	2,905	(300)	1,202
Profit before Tax (PBT)	2,250	22,448	2,138	18,558
Profit/(loss) after tax for the year from continuing operations	2,034	21,855	1,893	17,915
Profit/(loss) before tax from discontinued operations	-	2,273	(2,210)	3,423
Tax Expense	-	(269)	(129)	(2,156)
Profit/(loss) for the year from discontinued operations	-	2,004	(2,339)	1,267
Profit/(Loss) for the year	2,034	23,859	(446)	19,182
Other Comprehensive Income (net of tax)/(Loss)	275	1,308	3,260	(3,222)
Total Comprehensive Income	2,309	25,167	2,814	15,960
Earnings Per Share - Basic and Diluted (₹) (Continuing operation)	15.77	169.42	14.87	140.92
Earnings Per Share - Basic and Diluted (₹) (Discontinued operations)	-	15.53	(18.37)	9.85

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

* The results are reinstated for the previous year ended March 31, 2023 in view of the effect of the Scheme of Arrangement between Forbes & Company Limited and Forbes Precision Tools and Machine Parts Limited, and their respective Shareholders for demerger of Precision Tools business of the Company, the appointed date of the scheme was April 01, 2023. The effective date of the scheme was March 01, 2024.

From the appointed date, the precision tool business including all its assets and liabilities is transferred and vested to Forbes Precision Tools and Machine Parts Limited.

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

General Performance and Outlook

The Indian economy has shown remarkable resilience and growth post-pandemic, establishing itself as the fifth-largest economy globally and maintaining its position as the fastest-growing economy among G20 nations. Despite the global economic struggle to recover from the pandemic, India has managed to bounce back strongly, with several structural reforms strengthening its macroeconomic fundamentals.

In 2023-24, the Indian economy is estimated to have grown by 7.3%, following growth rates of 9.1% in FY22 and 7.2% in FY23. The National Statistical Organization estimates a growth rate of 7% for 2024-25, marking the fourth consecutive year of achieving 7% growth. This consistent performance highlights India's robust economic policies and effective implementation strategies over the past decade.

However, India must remain vigilant to challenges such as global manufacturing dynamics shifts, the rise of Artificial Intelligence, and critical energy transitions. The policies adopted in recent years have positioned the Indian economy well to address these challenges. The overall outlook for the Indian economy remains positive, reflecting strong macroeconomic fundamentals and strategic policy initiatives.

Performance and outlook

During the year under consideration, your Company has undertaken several consolidation actions, which are detailed below, followed by a discussion of the results. These actions enable the Company to concentrate on growth-oriented businesses, specifically Coding & Industrial Automation and Real Estate. The Company maintains a tradition of excellence, with total customer delight as its singular aim. Significant actions taken in various areas are summarized hereunder for a better understanding of all stakeholders:

Strategic Reorganization

- Your Company had approved the Scheme of Arrangement ("Scheme") between the Company ("FCL" or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the Rules framed thereunder. This Scheme is a Scheme of Arrangement involving demerger of Precision Tools business of the Company into FPTL. The National Company Law Tribunal (NCLT) vide its Order dated February 09, 2024 approved the Scheme and the certified copy of the Order was received on

February 22, 2024. The Scheme became operative from April 01, 2023 and effective from March 01, 2024. Pursuant to clause 8, of the Scheme the shareholders of the Company were allotted on March 13, 2024, 4 (four) equity shares of FPTL for 1(one) equity share held in the Company. FPTL had ceased to be subsidiary of the Company with effect from March 13, 2024.

Other Activities

- Your Company has entered into a Sale Deed dated June 01, 2023 with the buyer for sale of 0.538 acres of industrial land at Chennai at a total consideration of ₹15 crores. The Company has received entire consideration of ₹ 15 crores. The difference between the net disposal proceeds and the carrying amount of the land amounting to ₹ 14.47 Crores has been recognized as gain on disposal and reflected in other income in the financial results.
- Your Company was holding 50% shareholding in Forbes Concept Hospitality Services Private Limited (FCHSPL), a Joint Venture of the Company, which became part of your Company directly during the Eureka Forbes Limited demerger process. Since, there were no activities nor any significant assets or liabilities in that company, the Board of Directors of the Company at their meeting held on August 03, 2023 has approved sale of its holding to Metamix Technologies Private Limited and Floral Finance Private Limited. Pursuant to the said sale of the entire shareholding in FCHSPL, it has ceased to be a Joint Venture of the Company effective from August 03, 2023.

Consequent to the above rationalization and relevant developments/actions, your Company now can better focus to handle and address the key areas – namely Coding & Industrial Automation and Real Estate business. The above actions enable your Company to take challenging targets to leverage on the competencies and the capabilities created with the new situation.

Coding & Industrial Automation Business (CIAB):

The Coding & Industrial Automation Business (CIAB) which includes conventional marking system, dot peen Marking Systems, Lasers and Industrial Project Automation achieved a 27% year-over-year growth, with an improvement in contribution margin, but the segment results for this business are still marginally negative. The initiative to increase the volumes continues and we are confident of achieving higher volumes to enable positive growth in the results.

In view of the demerger and restructuring of the CIAB, the sales channel has to be re-organised and your Company is establishing a zonal sales structure to better manage both the Automation business and the channel sales of the traditional product lines. This structural change will allow us to be more focussed in geographies with better demand of the products. We will enhance and improve our distribution network and at the same time focus on new product introduction for our customers for this category.

As a technology-driven business, your Company is in the process of expanding its capabilities to scale the business and transition from special purpose machines to comprehensive industrial automation solutions.

Real Estate - Project Vicinia, Chandivali

Your Company has completed the construction of Phase 1 of the project containing Towers A, B, C, D, & F which has been handed over to the customers. Phase 2 containing Towers E, G & H are also completed and handing over of the flats are in progress. Your Company is in process of completing amenities, other infrastructure facilities of the project which is expected to be completed shortly. Your Company has sold entire flat inventory except 9 flats in the total project. Overall completion of the project is delayed consequently, there have been financial impact on the project cost in terms of additional cost.

There are other potential real estate development opportunities which the company may decide to leverage upon by development or from sale from time to time. This is under review with the management.

Lux Group

Forbes Lux International AG (FLIAG), a subsidiary of the company, along with its subsidiary Lux International AG (LIAG) and step-down subsidiaries, has been facing severe liquidity crisis for the past several years. Given the ongoing losses and financial difficulties, the management of FLIAG, LIAG, and Lux Schweiz AG submitted an application on April 11, 2023, seeking a provisional debt restructuring moratorium from the Bülach District Court in Wallisellen, Switzerland. By an Order dated April 17, 2023, the Court granted a provisional moratorium, until August 17, 2023, to facilitate the restructuring of these companies. A Provisional Administrator was appointed to assess the prospects for its restructuring. The Provisional Administrator submitted the final report to the Court on August 02, 2023. Based on the Administrator's final report, the Court determined that FLIAG, being a pure holding company that hasn't generated any income for a considerable period and had ceased its operational activities, is not viable. Similarly, Lux Schweiz AG has also discontinued its operational activities and income generation, leading to the decision to initiate bankruptcy proceedings of these companies. As for LIAG, the Court has granted an extension of the moratorium period until December 01, 2023. Consequently, FLIAG and Lux Schweiz were declared bankrupt by an Order dated August 14, 2023.

Subsequently, following due process, the bankruptcy officials issued a publication on September 08, 2023, announcing the closure of the bankruptcy proceedings due to lack of assets unless a creditor requests implementation within a specified 10-day period. Since no opposition was filed with the Bankruptcy Officer during the stipulated timeline, Forbes Lux International AG, in Liquidation and Lux

Schweiz AG, in Liquidation were liquidated and dissolved. In the context of FLIAG's bankruptcy proceedings, Lux International AG, in Liquidation (LIAG), a subsidiary of FLIAG, has been disposed of by the bankruptcy official. Consequently, FLIAG and its subsidiaries are no longer considered subsidiaries of the Company.

Forbes Technosys Limited (FTL)

Forbes Technosys Limited (FTL), a wholly owned subsidiary, is facing serious challenges in terms of operations and due to continuing losses and withdrawal of support from its operational creditors to provide further credit on outstanding dues and non-receipt of its dues by its trade receivables. Company Petition has been filed by FTL in order to submit itself into the Corporate Insolvency Resolution Process (CIRP), under section 10 of the Insolvency and Bankruptcy Code, 2016 (IB Code) before the National Company Law Tribunal, Mumbai Bench on February 20, 2024. The hearing of the said Company Petition is awaited.

For the financial year 2023 -24, the total income of FTL was ₹ 333 Lakhs and total loss was ₹ 46 Lakhs compared to a net loss of ₹ 3,387 lakhs for the year ended March 31, 2023. FTL's current liabilities exceeded its current assets by ₹ 11,011 lakhs as at March 31, 2024 and it has accumulated losses of ₹ 18,323 lakhs and its net-worth is negative as at March 31, 2024.

FTL is not a material subsidiary of the Company and therefore it will not impact materially on consolidated financials of the Company.

Forbes Bumi Armada Limited (FBAL)

The gross revenue from operations for the financial year ended March 31, 2024 stood at ₹ 6,837 Lakhs compared to ₹ 5,777 Lakhs for the financial year ended March 31, 2023. Total Comprehensive income is at ₹ 382 Lakhs as against ₹ 306 Lakhs in the previous year.

FBAL maintains qualified and experienced manpower which continues to provide quality manning services for Operation and Maintenance of Floating Production Storage Offload "FPSO" Vessels.

FBAL is providing Operations and Management manning services to three (3) FPSOs. Manpower resources of FBAL are delivering international standard services while maintaining high level Health Safety and Environment track records.

The Company has duly complied with ISO 9001, 14001 & 45001 certifications, which are valid till January 17, 2027 and ISO 27001: 2013 – Security Management System Certification valid till October 31, 2025. All the compliances in terms of renewal of certification, licenses and other imperative regulations are regularly renewed and fully complied by the company without any delay.

During the year under review, there has been no change in the nature of business and share capital of the Company.

Forbes Macsa Private Limited

Forbes Macsa Private Limited (FMPL) is a joint venture company between Forbes & Company Limited and Macsa ID, S. A which came together to develop, produce, and market laser marking systems to meet permanent marking, coding & traceability requirement for various industry segments in India.

FMPL is providing permanent marking & coding solution as well as has a larger laser product portfolio with products ranging from Fiber Lasers to CO2 Lasers to UV Lasers to Green Lasers and many more with high speed and integration capabilities. The company prides itself in having the solutions for marking and coding to all kinds of substrates like Plastics, Pet Bottles, Glass, Packing Films, Metal Components - Aluminium etc. covering all segments of industry – Industrial, Food, Beverage, Home care, Personal care, Pharma etc.

FMPL is in initial phase of its business operation. The gross revenue from operations for the financial year ended March 31, 2024 stood at ₹ 564 Lakhs with a Net Loss of ₹ 228 Lakhs.

The Svadeshi Mills Company Limited (Svadeshi) – Associate Company

In the matter of Svadeshi Mills Company Limited (Svadeshi), the Hon'ble High Court, Bombay vide order dated October 09, 2023 has allowed the Interim Application (IA) filed by Grand View Estate

Private Limited (GVEPL) granting permanent stay on the winding up of Svadeshi along with directions to Official Liquidator (OL) to handover entire undertaking of Svadeshi including all its properties, assets, books of accounts etc., to GVEPL. OL has been discharged as the liquidator of Svadeshi except for carrying out certain directions. Directors have been appointed on the Board of Svadeshi. ROC has been directed to restore status of Svadeshi as active.

Your Company as a shareholder of Svadeshi has secured the funding availed by GVEPL for revival of Svadeshi by way of exclusive pledge of entire equity shares of the Company and its wholly-owned subsidiary Forbes Campbell Finance Limited (FCFL) in Svadeshi, assignment of secured debt due to the Company from Svadeshi together with the underlying security and hypothecation of receivables due to the Company from Svadeshi.

Financial Performance

The Consolidated Financial Statements of your Company and its subsidiaries, its joint ventures and associate companies are prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Companies Act, 2013. The Notes to Consolidated Financial Statements are disclosed and forms part of the Consolidated Financial Statements.

Segment wise performance

The summarized performance of segment revenues and segment results is as under:

₹ in Lakhs

Particulars	Segment Revenue	
	FY 23-24	FY 22-23
Coding and Industrial Automation (CIAB)	3,108	2,449
Real Estate	9,373	1,943
IT Enabled Services and Products	110	312
Others	-	8
Total	12,591	4,712
Less: Inter Segment Revenue	(1)	(38)
Total Income from operations (net)	12,590	4,674

₹ in Lakhs

Particulars	Segment Results	
	FY 23-24	FY 22-23
Coding and Industrial Automation (CIAB)	(23)	(125)
Real Estate	3,427	20,808
IT Enabled Services and Products	12	(3,011)
Others	-	-
Total segment results	3,416	17,672
Add: Share of profit of joint ventures and associates accounted for using equity method	(212)	295
Add: Unallocated Exceptional items-Income	133	2,171
Less: Finance Costs	(160)	(983)
Balance	3,177	19,155
Add: Unallocable income/(expenses)	(1,039)	(597)
Profit /(Loss) from continuing activities before tax	2,138	18,558
Profit / (Loss) from discontinued operations	(2,210)	3,423
Profit /(Loss) before tax from continuing and discontinued operation	(72)	21,981

Key Financial performance, Operational Information and Ratio Analysis

Key Ratios/ Indicators	Standalone		Explanation for change of 25% or more
	FY 23 -24	FY 22 -23	
Debtors Turnover (in days)	20	59	This is increased mainly on account of partial revenue recognition of Vicinia Project & increased in sales of Coding and Industrial Automation Business(CIAB) during year.
Interest Coverage Ratio	26	41	The company has repaid the outstanding loan liability in previous year. However Company does not have any liability except notional lease liability.
Operating Profit Margin %	23%	472%	Downfall in operating margin is mainly due to demerger of precision tools business
Return on Net Worth	21%	92%	Downfall in return on net-worth is mainly due to demerger of precision tools business

Key Ratios/ Indicators	FY 23 -24	FY 22 -23	Explanation for change of 25% or more
Current Ratio	0.98	0.88	Current liabilities reduced due to cash flow from sale of Chennai land, increase in Investment in mutual funds.
Debt-Equity Ratio	0.04	0.02	Due to demerger of Precision Tools Business, Net worth/ Reserve of the Company is reduced.
Return on Equity Ratio	14%	205%	Major variation in profit after tax on account of profit on sale of Chandivali land in previous year.
Trade Receivables turnover ratio	18.19	5.32	This is increased mainly on account of partial revenue recognition of Vicinia Project & increased in sales of Coding and Industrial Automation Business(CIAB) during year.
Trade payables turnover ratio	0.87	0.62	During the year CIAB sales increased equally, purchases is higher however creditor is not increased proportionately.
Net capital turnover ratio	-24.11	-1.38	Major variance due to improved working capital i.e. Investment in mutual fund have increased & revenue recognised for Vicinia Projects
Net profit ratio	19%	593%	Major variation in profit after tax on account of revenue recognised for Vicinia Projects in current year. Last year earning increased on account of sale of land.
Return on Capital employed	23%	97%	Last year Earnings before interest and tax increased on account of sale of land. Revenue recognised for Vicinia Projects in current year.
Return on investment	8%	38%	Last year Earnings before interest and tax increased on account of sale of land. Revenue recognised for Vicinia Projects in current year.

Revenue

During the year your Company has achieved total standalone revenue (including other income) of ₹ 14,626 lakhs (previous year ₹ 25,589 lakhs).

During the year your Company achieved consolidated revenue (including other income) of ₹ 15,113 lakhs (previous year ₹ 26,240 lakhs).

Earnings Before Interest, Depreciation, Taxation and Amortization (“EBIDTA”) (excluding Exceptional item)

Standalone EBIDTA is ₹ 3,003 lakhs (previous year ₹ 20,204 lakhs) while **Consolidated** EBIDTA is ₹ 2,975 lakhs (previous year ₹ 18,635 lakhs).

Profit/(Loss) Before Tax (“PBT”)

Consequent to the above, during the year standalone PBT is ₹ 2,250 lakhs (previous year ₹ 22,448 Lakhs)

Consolidated PBT is ₹ 2,138 lakhs (previous year ₹ 18,558 lakhs)

Fixed Assets

The opening gross block of standalone financials is ₹ 14,422 lakhs includes assets pertaining to discontinued business was ₹ 13,799 lakhs which has been reduced on account of demerger of precision tools business. The remaining opening gross block is ₹ 622 lakhs (previous year ₹ 14,241 lakhs). Consolidated Gross Block of assets is ₹ 1,401 lakhs (previous year ₹ 17,190 lakhs which includes gross block of Lux group ₹ 1,990 lakhs & precision tools business ₹ 13,799 lakhs).

Total Comprehensive Income / (Loss)

During the year standalone profit after other Comprehensive income of ₹ 2,309 lakhs (previous year ₹ 25,167 lakhs).

Consolidated Profit after Other Comprehensive Income of ₹ 2,814 lakhs (previous year ₹ 15,960 lakhs)

Borrowing

Total standalone borrowing is Nil in current year as well as in previous year.

Your company’s consolidated borrowing is ₹ 406 lakhs (previous year ₹ 376 lakhs).

OPPORTUNITIES & RISKS

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

Market Development

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

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

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

Political and Global Uncertainty

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

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

Legal and Regulatory

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

Systems and Information

Your Company's operations are increasingly dependent on IT systems and the management of information.

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

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

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

Internal control systems and their adequacy

Your Company has an internal control system, which ensures that all transactions are recorded satisfactorily and reported and that all assets are protected against loss from unauthorized use or otherwise. The internal control systems are supplemented by an internal audit system carried out by a team under the direct supervision of the Head of Internal Audit. The findings of such internal audits are periodically reviewed by the management and suitable actions taken to address the gaps, if any. The Audit Committee of the Board meets at regular intervals and addresses significant issues raised by both the

Internal Auditors and the Statutory Auditors. The process of internal control and systems, statutory compliance, information technology, risk analysis and risk management are inter-woven to provide a meaningful support to the management of the business.

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

Material Development in Human Resources and Industrial Relations

The fiscal year 2023-24 commenced with promising business results across all product categories, reflecting a positive start. The Human Resources function concentrated on several critical areas, ensuring a robust and future-ready organization. Key HR initiatives and activities undertaken during the year are summarized below for stakeholders' better understanding:

a. Employee Safety, Health & Wellbeing:

The focus was on the overall well-being of employees, ensuring a safe and healthy work environment.

Health-related seminars were organized to educate employees on various health issues and promote a healthy lifestyle. Annual Health checkup of employees including contract workers followed by doctor advice & address the health-related issues of the employees on weekly basis.

Safety programs were conducted during safety week to reinforce the importance of workplace safety.

b. Talent Acquisition & Development:

A six-day induction program was implemented for all new joiners to familiarize them with the company culture, values, systems policies, and departmental functions.

The induction program aimed to seamlessly integrate new employees and provide a comprehensive understanding of the company's operations and products.

c. Performance Management & Capability Development:

A structured performance management system was employed to ensure employees' growth and productivity.

Capability development programs were designed to make the organization future-ready, focusing on skill enhancement and professional growth.

d. Harmonious Industrial Relations:

Industrial relations remained harmonious, contributing to a peaceful work environment.

A labor agreement focused on productivity improvement was successfully signed, fostering cooperation and mutual growth.

e. Internal Talent Promotion:

i) Apprenticeship and Future Workforce Planning:

Your company participated in the National Apprentice Promotion Scheme, creating a pipeline for junior engineers.

This initiative aimed to increase employability and meet future manpower requirements, ensuring a steady influx of skilled professionals.

ii) Environmental and Community Initiatives:

Tree plantation drives were organized in the factory premises on World Environment Day, reinforcing the company's commitment to sustainability.

iii) Smooth Execution of Demerger Activities:

All demerger activities were meticulously planned and executed on time, ensuring a smooth transition and minimal disruption to operations.

By focusing on these areas, your company has created a supportive and dynamic work environment that fosters employee growth, operational efficiency, and sustainable development. These initiatives have laid a strong foundation for continued success and growth in the coming years

Investment in Subsidiaries/Joint Ventures

Your Company have invested in Equity Shares of FMPL amounting to ₹ 100 Lakhs and Preference Shares of FMPL amounting to ₹ 150 Lakhs in FY 2023-24.

Subsidiaries/ Associates /Joint Ventures

During FY 2023-24 the following company(s) have become or ceased to be subsidiaries, joint ventures or associates.

Name of Company	Nature of Relationship
Forbes Lux International AG	Liquidated with effect from September 18, 2023
Lux Hungaria Kereskedelmi.kft	Ceased to be subsidiary with effect from August 23, 2023
Lux International AG	Ceased to be a subsidiary with effect from September 18, 2023
Lux International Services and Logistics GmbH	Ceased to be a subsidiary with effect from September 15, 2023
Lux Oesterreich GmbH	Ceased to be a subsidiary with effect from August 25, 2023

Name of Company	Nature of Relationship
Lux Schweiz AG	Ceased to be a subsidiary with effect from September 18, 2023
Lux Welity Polska sp.z.o.o	Ceased to be a subsidiary with effect from August 18, 2023
Forbes Precision Tools and Machine Parts Limited	Ceased to be subsidiary with effect from March 13, 2024 consequent upon allotment of shares under the Scheme of Arrangement (Demerger) approved by NCLT vide its Order dated February 09, 2024.
Forbes Concept Hospitality Private Limited	Ceased to be a Joint Venture of the Company effective from August 03, 2023 consequent to sale of entire shareholding.

Details of subsidiaries, associate companies and joint venture companies are set out in the statement in Form AOC-1, pursuant to Section 129 of the Companies Act, 2013 ("Act") and, is attached, herewith, as Annexure "I". Financial Statements of these subsidiaries are available for inspection at the registered office of the Company and that of the subsidiary company concerned and the same would be also available on the website of the Company, www.forbes.co.in

Dividend & Transfer to Reserves

In accordance with SEBI (Listing Obligations and Disclosure Regulations), 2015, the Board of Directors of the Company has adopted a Dividend Distribution Policy, which is available on the website of the Company, www.forbes.co.in

No amount has been transferred to the reserves during the year.

Share Capital

The paid-up Equity Share Capital of the Company as on March 31, 2024 was ₹ 1,289.86 Lakhs. During the year under review, the Company has not issued any shares with differential voting rights or 'sweat equity shares' and has not granted any stock options.

Finance

The Board is pleased to inform the stakeholders that the Company is now Debt Free as on March 31, 2024. The Company continues to focus on judicious management of its working capital. Relentless focus on receivables, inventories, strict cost control where possible, and the sale of assets has helped in keeping the borrowings and effective interest cost under control.

Deposits

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

Particular of loans, guarantees and investments

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

Related Party Transactions

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

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for transactions which are of a foreseen and repetitive nature. The transactions entered pursuant to the omnibus approval so granted are placed before the Audit Committee on a quarterly basis.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website viz, www.forbes.co.in

Vigil Mechanism/Whistle Blower Policy

The Company has Whistle Blower Policy/Vigil Mechanism to deal with instances of fraud and mismanagement, if any. The Policy is also available on the website of the Company viz, www.forbes.co.in

Remuneration Policy

The Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, senior management personnel and their remuneration. Remuneration Policy of the Company acts as a guideline for determining, inter alia, qualification, positive attributes and independence of a Director, matters relating to the remuneration, appointment, removal and evaluation of the performance of the Director, Key Managerial Personnel and Senior Managerial Personnel. Nomination and Remuneration Policy is available on the website of the Company, www.forbes.co.in

Business Responsibility and Sustainability Report

The requirement under Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is not applicable to the Company as the Company was not in the list of top 1000 listed entities based on market capitalization as on March 31, 2024.

Internal Complaints Committee

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace as per with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Internal

Compliant Committee (ICC) has been setup to redress complaints received regarding sexual harassment as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the ICC includes external member. During FY 2023-24, no complaints on sexual harassment were received.

Corporate Governance and Management Discussion and Analysis

The guiding principle of the Code of Corporate Governance is 'harmony' i.e., balancing the need for transparency with the need to protect the interest of the Company and balancing the need for empowerment at all levels with the need for accountability. A detailed report on Corporate Governance forms part of Annual Report. The 'Management Discussion and Analysis' forms part of this report.

Corporate Social Responsibility (CSR)

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

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

The total amount to be spent during the financial year 2023-24 was ₹ 43.20 lacs.

The Report on CSR activities, in terms of Section 135 of the Companies Act, 2013, is annexed as Annexure II to this report.

Risk Management

The Board of Directors of your Company has formed a Risk Management Committee for identification, evaluation and mitigation of external and internal material risks. The Committee has established a framework for the company's risk management process and ensures its implementation. The Committee periodically reviews the risk management processes and practices of the Company and establish and amends procedures to mitigate risks on a continuing basis.

Significant and Material Orders Passed by the Regulators or Courts

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

Directors and Key Managerial Personnel

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

Based on the recommendations of the Nomination and Remuneration Committee and subject to the approval the Shareholders of the Company, the Board of Directors approved the re-appointment of Mr. Nikhil Bhatia as an Independent Director for second term of 5 years commencing from May 15, 2024 and the appointment of Mr. Ravinder Prem as an Additional Director and Whole-time Director of the Company for the period of two years with effect from April 01, 2024. The said appointments were approved by the shareholders of the Company through postal ballot on March 18, 2024 and April 22, 2024 respectively.

Mr. M. C. Tahilyani, Managing Director of the Company demitted his office as Managing Director of the Company with effect from the close of business hours on March 31, 2024. He continues on the Board of Directors of the Company as Non-Executive, Non-Independent Director with effect from April 01, 2024 and shall be liable to retire by rotation. He was appointed as the Chairman of the Board of Directors with effect from May 29, 2024.

Mr. Shapoor P. Mistry due to pre-occupation and prior professional/personal commitments has resigned as Chairman and Non-Executive Director of the Company with effect from close of business hours on March 31, 2024.

The Board places on record its appreciation for the invaluable services and guidance rendered by Mr. Shapoor P. Mistry to the Board and the Company during his tenure as Member of the Board/Committees of the Board and as Chairman of the Company.

The second term of Mr. D. Sivanandhan as an Independent Director expires on August 05, 2024, and he is not eligible for re-appointment in accordance with the provisions of Section 149 (11) of the Companies Act, 2013.

Based on the recommendations of the Nomination and Remuneration Committee and subject to the approval of the Shareholders of the Company, the Board of Directors at their meeting held on May 29, 2024, appointed Mr. Paras Savla (DIN:00516639) as an Additional Director (Non-Executive- Independent) of the Company with effect from August 05, 2024.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed both under the Act and SEBI (LODR), 2015 and there has been no change in the circumstances which may affect their status as Independent Directors during the year.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of Board/Committee of the Company.

One of the Directors holds 2032 Equity shares of the Company and is entitled to all rights and obligations of other shareholders.

Independent Directors are familiarized with their roles, rights and responsibilities in the Company through induction programmes at the time of their appointment as Directors and through presentations made to them from time to time. The details of familiarization programmes conducted have been hosted on the website of the Company and can be accessed at www.forbes.co.in

Pursuant to the provisions of section 203 of the Act, Mr. M. C. Tahilyani, Managing Director, Mr. Nirmal Jagawat, Chief Financial Officer and Ms. Rupa Khanna Company Secretary are the Key Managerial Personnel of the Company as on March 31, 2024.

Mr. Ravinder Prem, Whole-Time Director, Mr. Nirmal Jagawat, Chief Financial Officer and Mr. Pritesh Jhaveri, Company Secretary are the Key Managerial Personnel of the Company with effect from April 01, 2024.

Audit Committee of the Board of Directors

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

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR), 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually, as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committees.

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

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors based on self-assessment questionnaire and feedback/inputs from other Directors (without the concerned director being present).

In a separate meeting of Independent Directors, performance of Non-Independent Directors of the Board as a whole and the performance of the Chairman were evaluated.

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

Meetings of the Board

The Board met at least once in each quarter and 7 (seven) meetings of the Board were held during the year and the maximum time gap between two Board meetings did not exceed the time limit prescribed in the Act. The details have been provided in the Corporate Governance Report.

Directors' Responsibility Statement

Pursuant to the provisions of Section 134(5) of the Act, the Directors, based on the representations received from the operating management, confirm that:

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

Audit Report

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

As regards the Consolidated Financial Statements, the Statutory Auditors have given a Qualified Opinion and have expressed their inability to provide an opinion on the state of affairs of the Consolidated financials of the Company. There is a point relating to the Forbes Technosys Limited (FTL) for which has been carried

forward by the Statutory Auditor of the Company. The Statutory auditor of the FTL has given an adverse report. In connection with this points the responses are given hereunder:

The reporting of the Forbes Technosys Limited (FTL) is on periodic basis as a subsidiary for consolidation purposes based on the quarterly limited review or Audited financials. This process is followed since incorporation of FTL.

FTL has incurred a net loss of ₹ 46.32 lakhs for the year March 31, 2024 and a net loss of ₹ 3,384.96 lakhs for the year ended March 31, 2023. The Company's current liabilities exceeded its current assets by ₹ 11,011.01 lakhs as at March 31, 2024. The Company has accumulated losses of ₹ 18,322.65 lakhs and its net-worth is negative as at March 31, 2024.

Subsequent to the setback of Covid-19 pandemic, FTL was confident of repayment of all liabilities, as and when due, from business operations and/ or financial support from the Parent Company and other shareholders. FTL also received the approval from the National Company Law Tribunal – Mumbai Bench ('the NCLT') for the Composite scheme of arrangement during the previous year to improve the position of FTL.

However, due to continuing losses and withdrawal of support from its operational creditors to provide further credit on outstanding dues and non-receipt of its dues by its trade receivables, a corporate insolvency resolution process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 has been initiated by the FTL voluntarily vide application filed before the NCLT on February 20, 2024. The hearing of the said application is awaited. During the pendency of such application before the NCLT, the financial statements for the year ended March 31, 2024 have been prepared on a going concern basis.

FTL is in the process of negotiating settlements with and obtaining balance confirmations, from its outstanding trade payables (other than related parties) of ₹ 1,693.43 lakhs and trade receivables of ₹ 308.22 lakhs as at March 31, 2024 which has not been completed as on date of these financial statements and the adjustment arising from such process, if any, shall be accounted for when such process is complete. FTL has assessed recoverability of its assets such as trade receivables, inventory, other current assets and loans and advances and believes that the carrying cost of all its assets (net of provisions) are recoverable. Consequently, the Company believes that there will not be any material impact on the recoverability of these assets.

The investment made and loans granted by the Company to FTL has also been fully provided in the standalone financials of the Company and this has no risk or consequences on the Company.

Further, the quantum of assets and liabilities of FTL will not have any material impact on the consolidated financials of the company as the same forms a small percentage (%) of the overall consolidated assets and liabilities.

While the auditors' views arise from the continuing losses and viability of business of FTL and application under Section 10 of the

Insolvency and Bankruptcy Code, 2016, the Company believes that under the current circumstances as explained above, the financial reporting is in order.

Auditors

Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s Sharp & Tannan Associates (ICAI Firm Registration No.109983W) are Statutory Auditors of the Company till the conclusion of 108th Annual General Meeting of the Company.

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

Cost Auditors

As per the requirements of Section 148 of the Act read with The Companies (Cost Records and Audit) Rules, 2014, the cost accounts of the Company are required to be audited by a Cost Accountant. The Board of Directors of the Company have, on the recommendation of the Audit Committee, appointed Kishore Bhatia & Associates, Cost Accountants, as Cost Auditors for FY 2024-25 on a remuneration of ₹ 1.50 lakhs plus applicable taxes and out of pocket expenses.

The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Makarand M. Joshi & Co, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith as Annexure 'IV' and which is self explanatory.

Secretarial Standards

The Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India.

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

- (a) The information required pursuant to Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during the business hours on working days of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.
- (b) Information relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134 (3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014 is annexed herewith as Annexure 'VI'.

Extract of Annual Return

Pursuant to section 92(3) read with section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2024 is available on the website of the Company viz, www.forbes.co.in

Cautionary Statement

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

Acknowledgements

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

For and on behalf of the Board

Ravinder C. Prem
Whole-time Director
DIN: 07771465

M. C. Tahilyani
Chairman
DIN: 01423084

Mumbai, May 29, 2024

FORMAOC-I

[Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
PART "A" SUBSIDIARIES

Name of Subsidiary	Reporting Period of Subsidiary concerned, if different from the holding company's reporting period	Campbell Properties & Hospitality Services Limited		EFL Mauritius Limited		Forbes Campbell Finance Limited	Forbes Technosys Limited	Volkart Fleming Shipping & Services Limited.
		31-03-2024	₹ In Lakhs	EUR	Rate			
(a) Share Capital		48.75		287.20	73.94	21,234.30	94.90	50.39
(b) Reserves & Surplus		144.58	*	(290.54)	74.12	*(21,534.51)	*(11,070.93)	235.19
(c) Total Assets		195.38		1.08	89.94	97.43	786.19	383.59
(d) Total Liabilities		2.05		4.42	89.94	397.59	11,762.22	98.02
(e) Investments		-		-	-	-	-	3.91
(f) Turnover		13.10		-	-	-	109.87	115.49
(g) Profit before Taxation		0.67		(0.18)	89.88	(16.09)	(41.38)	76.42
(h) Provision for Taxation		0.35		-	-	-	4.94	21.57
(i) Profit after Taxation		0.32		(0.18)	89.88	(16.09)	(46.32)	54.85
(j) Proposed Dividend		-		-	-	-	-	-
(k) % of Shareholding		100		-	-	100	100	100

All Foreign currencies are in Lakhs.

* Net of Debit balance of Profit & Loss Accounts and Foreign exchange translation Reserve.

FORM AOC-I

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

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

Part “B” Associates and Joint Ventures

Sr. No.	Name of Joint Ventures / Associates	Forbes Macsa Private Limited	Nuevo Consultancy Services Private Limited	Dhan Gaming Solution (India) Private Ltd.	Forbes Bumi Armada Limited
1	Latest Audited Balance sheet Date	31/03/2024	31/03/2024	31/03/2024	31/03/2024
2	Share of Associate/ Joint Venture held by the company on the year end				
	Number of shares held	10,00,000	58,849	4,900	2,805,000
	Amount of Investment (₹ in Lakhs)	250.00	5.88	0.49	280.56
	Extend of Holding %	50%	49%	49%	51%
3	Description of how there is significant influence	Joint Venture	Associate	Associate	Joint Venture (Through its wholly owned subsidiary)
4	Reason why the associate/ Joint venture is not consolidated	NA	NA	NA	NA
5	Networth attributable to shareholding as per latest audited Balance Sheet (₹ in Lakhs)	129.09	1,098.72	(0.56)	3,621.78
6	Profit/Loss for the year				
	(1) Consider in Consolidation (₹ in Lakhs)	(114.10)	(292.31)	0.24	4.74
	(2) Not Considered in Consolidation (₹ in Lakhs)	-	-	-	-

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

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

CSR Policy (‘Policy’) was adopted by the Board of Directors of the Company on March 23, 2015.

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

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

The Company’s CSR activities focus on :

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

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

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

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

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

General improvement in quality of life will include development of the urban poor specially those who are impacted by re-development projects, differently abled youth to make them employment worthy, financial inclusion facilities for the poor workers.

The Company may also undertake other CSR activities as permitted in Schedule VII of the Companies Act, 2013.

The Policy is available on the Company’s website at www.forbes.co.in

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

2. The Composition of the CSR Committee as on March 31, 2024

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

Ceased to be Executive director of the Company with effect from close of business hours of March 31, 2024 and continues as Non-Executive, Non-Independent Director with effect from April 01, 2024.

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

The composition of the CSR Committee is available on our website, at www.forbes.co.in

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

The CSR Policy of the Company is available on our website, at www.forbes.co.in

The annual action plan / projects, the details of which are available on our website at www.forbes.co.in

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

(₹ in lakhs)

a)	Average net profit of the Company as per sub-section (5) of section 135	2160
b)	Two percent of average net profit of the Company as per section 135(5)	43.20
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
d)	Amount required to be set off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year (5b+5c+5d)	43.20

6. Details of CSR Amount spent

(₹ in lakhs)

a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	1.82
b)	Amount spent on Administrative Overheads	Nil
c)	Amount spent on Impact Assessment, if applicable	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	1.82

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

Total amount spent for the Financial Year	Amount Unspent (in ₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
43.20	41.37	April 26, 2024	-	-	-

f) Excess amount for set-off : Not Applicable

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

S r . No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial year
1	2020 - 21	-	-	-	-
2	2021 - 22	-	-	-	-
3	2022 - 23	9.34	9.34	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : Not Applicable.**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135**

Your Company had entered into a Memorandum of Understanding (MOU) with Aurangabad Municipal Corporation towards reconstruction of a municipal school building in Aurangabad and has committed towards the partial cost of construction of class rooms and toilet block/s in the secondary school building of the said municipal school. The construction of the school building and related infrastructure has already commenced.

M. C. Tahilyani
Director
DIN: 01423084

D. Sivanandhan
Chairman of the CSR Committee
DIN:03607203

Mumbai, May 29, 2024

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

1. a. **Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended March 31, 2024.**

Non-Executive Directors of the Board were paid sitting fees and commission during the financial year ended March 31, 2024 as follows:

Director	Sitting Fees (₹ in lakhs)	Commission (₹ in Lakhs)	Total (₹ in Lakhs)	Ratio to Median (No. of times to Median Salary)
Non- Executive Directors				
Mr. D. Sivanandhan	9.50	25.00	34.50	5.14
Mr. Jai L. Mavani	4.50	25.00	24.50	3.65
Mr. Nikhil Bhatia	10.50	25.00	35.50	5.29
Ms. Rani Ajit Jadhav	4.50	25.00	29.50	4.40
Mr. Shapoor P. Mistry	0.50	25.00	25.50	3.80

Remuneration to Executive Director

Director	(₹ in lakhs)	Ratio to Median (No. of times to Median Salary)
Mr. M. C. Tahilyani	388.67	57.92

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

The percentage increase in remuneration of each, Managing Director (22.80%), CFO (8%) and CS (7%).

2. **Percentage increase in the median remuneration of employees in the financial 2023 - 2024.**

The percentage increase in the median remuneration of the employees in FY 2023 - 2024- 8%

3. **Number of permanent employees on the rolls of Company as on March 31, 2024 were 69 and in the previous year were 520.**

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

The average percentile increase in remuneration of Non-Key Managerial Personnel was 10 % and for Key Managerial Personnel was 8%. There are no exceptional circumstances for an increase in managerial remuneration.

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year Ended March 31, 2024

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

To,
The Members,
Forbes & Company Limited
Forbes Building, Charanjit Rai Marg, Fort,
Mumbai – 400001, Maharashtra.

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

Auditor’s responsibility

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

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period from April 01, 2023 to March 31, 2024 (“the audit period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms in place to the extent and in the manner reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment (Foreign Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit Period);
- (v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“the SEBI Act”): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period) and**
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not applicable to the Company during the audit period)**
 - i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;.

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

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under except *in one instance disclosure to stock exchange pursuant to Regulation 30 of Listing Regulations was made beyond the mandated time period prescribed by regulations.*

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

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on testcheck basis the Company has complied with the law applicable specifically to the Company i.e. Real Estate Regulatory Authority Act.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice was given to all directors to schedule Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance (two meetings were convened at shorter notice for which necessary approvals were obtained as per applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that, during the audit period:

1. The Company has disinvested its entire shareholding in Forbes Concept Hospitality Services Private Limited, an Associate Company of the Company.
2. Pursuant to an order for liquidation by District Court of Buelach, Wallisellen, Switzerland dated August 14, 2023, the Company’s subsidiaries Forbes Lux International AG (FLIAG) and Lux International AG (LIAG) including its step-down subsidiaries, in total eight subsidiaries are no longer considered as subsidiaries of the Company.
3. The Hon’ble National Company Law Tribunal, Mumbai Bench has passed an order on February 09, 2024, in the matter of Scheme of Arrangement between the Company (Demerged Company) and Forbes Precision Tools and Machine Parts Limited (Resulting Company) and their respective Shareholders.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
PR: 640/2019
UDIN:F006667F000478041

Place: Mumbai
Date: May 29, 2024

This report is to be read with Annexure A which forms an integral part of this report.

To,
The Members,
Forbes & Company Limited
Forbes Building, Charanjit Rai Marg, Fort,
Mumbai – 400001, 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 an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that accurate 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 of the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.
Company Secretaries

Kumudini Bhalerao
Partner
FCS: 6667
CP: 6690
PR: 640/2019
UDIN: F006667F000478041

Place: Mumbai
Date: May 29, 2024

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Regulation 24A of The Securities and Exchange Board of India

(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
FORBES CAMPBELL FINANCE LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FORBES CAMPBELL FINANCE LIMITED** (hereinafter called **the Company**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (“Audit Period”) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; **(Not applicable to the Company during the period under Audit)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not applicable to the Company during the period under Audit)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the Company during the audit period)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the period under Audit)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the period under Audit)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the period under Audit)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the period under Audit)**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable to the Company during the period under Audit)**
- and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(The Company being unlisted and material subsidiary of Listed Company, only limited provisions are applicable)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges. **(Not applicable to the Company during the period under Audit)**

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of executive directors and non-executive directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent in advance. The Company confirms that the system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof.

I 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.

I further report that no specific event having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. has taken place during the year under review.

Mehul Raval
Practicing Company Secretary
ACS 18300
CP. No: 24170
UDIN: A018300F000213022

Place: Mumbai
Dated: April 22, 2024

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

To,
The Members,
FORBES CAMPBELL FINANCE LIMITED

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I 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. My 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.

Mehul Raval
Practicing Company Secretary
ACS 18300
CP. No.: 24170

Place: Mumbai
Dated: April 22, 2024

Annexure “VI”

Particulars of Technology Absorption and Foreign Exchange Earnings and Outgo, as per section 134(3)(m) of the Companies Act, 2013 and the Rules made therein and forming part of Directors’ Report for the year ended March 31, 2024.

(A) Conservation of Energy:

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

(a) **ENERGY CONSERVATION MEASURES TAKEN:**

The Company is engaged in assembly operations, hence power consumption is minimal. However, energy conservation measures will be taken in future.

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

NA

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

i. Efforts, in brief, made towards technology & Benefits derived as result of below activity’s

ii. **Research & Development**

(ii) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** NA

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

(iii) **the expenditure incurred on Research and Development:** Nil

Foreign exchange earnings and outgo:

(₹ In Lakhs)

(a) **Foreign exchange earnings:**

1. Export of goods calculated on FOB basis	35.70
2. Commission and other Services	-
3. Freight and Insurance recoveries	1.58
4. Others	-
Total	<u><u>37.27</u></u>

(b) **Foreign exchange outgo:**

1. Imports calculated on CIF basis – Raw material	1384.17
2. Imports calculated on CIF basis – Components	-
3. Imports calculated on CIF basis – stores, spares and tools	-
4. Imports calculated on CIF basis – purchase for re-sale	-
5. Imports calculated on CIF basis – Capital Goods	-
6. Commission to overseas agents	-
7. Foreign travel	4.62
8. Royalty	-
9. Others	114.76
Total	<u><u>1503.55</u></u>

CORPORATE GOVERNANCE REPORT FOR FY 2023 - 2024

Corporate Governance Policy

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

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

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

Code of Conduct

The Company has strong legacy of fair, transparent and ethical governance practices. The Code has been communicated to the Directors and the members of the Senior Management. The Company has also adopted a Code of Conduct for Non-Executive Directors of the Company. All Board members and senior management have confirmed compliance with the Code for the year ended March 31, 2024. The Non-Executive Directors of the Company have also confirmed compliance with the Code of Conduct for the Non-Executive Directors for the year ended March 31, 2024. The Annual Report contains a declaration to this effect signed by the Whole-time Director.

Code of Practices and Procedures for Fair Disclosure and Conduct

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

Board of Directors

The Board of Directors as on March 31, 2024, comprised of Six (6) Directors. The Chairman of the Board is Non-Executive. Five (5)

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

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

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

The Board met at least once in each quarter and the maximum time gap between two Board meetings did not exceed the time limit prescribed in Regulation 17(2) of SEBI LODR. 7 (Seven) meetings were held during the Financial Year (FY) ended March 31, 2024, on April 10, 2023, May 26, 2023, August 03, 2023, August 08, 2023, November 03, 2023, January 25, 2024, and February 29, 2024. The necessary quorum was present for all the meetings. Video conferencing facility was provided, wherever required to enable Directors to participate in meetings.

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

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

Pursuant to the provisions of the Companies Act, 2013 ('the Act') and SEBI LODR the Board has carried out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committee(s) on the basis of the parameters of performance evaluation process provided in the Charter for Performance Evaluation adopted by the Board on January 30, 2024.

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

The names and categories of the Directors on the Board, their attendance at the Board Meetings and Annual General Meeting (AGM) held during the year, the number of Chairmanships / Directorships of all Boards excluding alternate directorship, directorship of private limited companies, foreign companies and companies under Section 8 of the Act and the Committees of Board (Chairmanship /Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee across all public limited companies (listed as well as unlisted) including those of the Company), held by them as on March 31, 2024 are as follows

Name of the Director	Category	Number of Board Meetings during the F.Y 2023-24		Attendance at AGM held on August 10, 2023	Number of Shares/ Convertible instruments held	Relation-ship with Director	No. of Directorships in all Public Companies	No. of Committee positions held in all Public Companies		Directorship in other listed entity (Category of Directorship)
		Held	Attended					Chairman	Member	
Mr. Shapoor P. Mistry DIN:00010114@	Non- Executive, Non-Independent	7	1	Yes	Nil	None	2	Nil	Nil	Nil
Mr. M. C. Tahilyani DIN:01423084#	Non-Independent, Executive	7	7	Yes	Nil	None	3	Nil	2	Nil
Mr. D. Sivanandhan DIN:03607203	Non-Executive, Independent	7	7	Yes	Nil	None	10	2	7	1. United Spirits Limited (Independent) 2. Kirloskar Industries Limited (Independent) 3. Inditrade Capital Limited (Independent) 4. AGS Transact Technologies Limited (Independent)
Mr. Jai L. Mavani DIN:05260191	Non- Executive, Non-Independent	7	7	Yes	2032	None	4	Nil	Nil	Nil
Ms. Rani Ajit Jadhav DIN:07070938	Non-Executive, Independent	7	7	Yes	Nil	None	4	0	2	Procter & Gamble Health Limited (Independent)
Mr. Nikhil Bhatia DIN: 00414281	Non-Executive, Independent	7	7	Yes	Nil	None	5	2	0	Gokak Textiles Limited (Independent)

@ Ceased as Director with effect from the closure of business hours of March 31, 2024

Ceased as Managing Director of the Company with effect from close of business hours of March 31, 2024 and continued as Non-Executive, Non-Independent Director with effect from April 1, 2024.

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

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

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

Director	Areas of Skills/Expertise/Competence
Mr. Shapoor P. Mistry@ Chairman	Long term Business Strategy and Business Development, Build and nurture talent, Marketing and communications, Business Governance and Administration.
Mr. M.C. Tahilyani# Managing Director	Business management and Administration, Finance and control, IT-Digital Strategy, Building High Performance Teams, Corporate Governance.
Mr. D Sivanadhan Non-Executive – Independent	Public Policy and General Administration, Business Development, Business and Corporate Governance, Security - ITS Domain Expertise.
Mr. Jai Mavani Non-Executive Non-Independent Director	Fund raising, business structuring, Finance and Tax, Mergers & Acquisitions and Business Governance.
Ms. Rani A. Jadhav Non-Executive – Independent	Public Policy and General Administration, Corporate Governance and Administration.
Mr. Nikhil Bhatia Non-Executive – Independent	Risk Management, Taxation and related Regulatory, Business structuring and Governance.

@ Ceased as Director with effect from the closure of business hours of March 31, 2024

Ceased as Managing Director of the Company with effect from close of business hours of March 31, 2024 and continued as Non-Executive, Non-Independent Director with effect from April 01, 2024.

Familiarization Programme for Independent Directors

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

Meeting of Independent Directors

The Independent Directors meet to discuss:

- a) Evaluation of the performance of Non-Independent Directors and the Board as a whole.

- b) Evaluation of the performance of the Chairman of the Company taking into account the views of the Executive Directors and Non-Executive Directors.
- c) Evaluation of quality content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Meetings of Independent Directors held on February 20, 2024 were attended by all Independent Directors.

CEO/CFO Certification

As required under Regulation 17(8) of SEBI LODR, the Certificate from Mr. Ravinder C. Prem, Whole-Time Director, and Mr. Nirmal Jagawat, Chief Financial Officer was placed before the Board of Directors.

Particulars of Senior Management

Name of Senior Management Personnel	Designation
Mr. Nirmal Jagawat	Chief Financial Officer
Mr. Pritesh Jhaveri	Company Secretary and Compliance Officer
Mr. Umashankar Ramaiah	Business Head- Coding and Industrial Automation
Ms. Sonal Gangwani	General Manager- Legal
Mr. Atul Sadawarte	Deputy General Manager - Human Resource

Audit Committee

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

- I. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- II. review and monitor the auditor's independence and performance, and effectiveness of audit process;
- III. examination of the financial statement and the auditors' report thereon;
- IV. approval or any subsequent modification of transactions of the Company with related parties;
- V. scrutiny of inter-corporate loans and investments;
- VI. valuation of undertakings or assets of the Company, wherever it is necessary;

- VII. evaluation of internal financial controls and risk management systems;
- VIII. monitoring the end use of funds raised through public offers and related matters;
- IX. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- X. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- XI. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- XII. 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;
- XIII. Discussion with internal auditors of any significant findings and follow up thereon;
- XIV. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- XV. 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;
- XVI. To look into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders and creditors;
- XVII. To review the functioning of the Whistle Blower mechanism;
- XVIII. Approval of appointment of CFO (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;
- XIX. Reviewing, with the management, financial statements, with particular reference to:
- a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Act;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Modified opinion(s) in the draft audit report;
- XX. Reviewing the utilization of loans and/or advances from/ investment by the Company in the subsidiary exceeding ₹ 100 crores or 10 % of the assets size of the subsidiary, whichever is lower including existing loans/advances/investments;
- XXI. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc on the listed entity and its shareholders; and
- XXII. Such other functions/duties as may be prescribed by the Act, or SEBI (LODR), 2015 (as amended from time to time); and such other functions/duties as may be entrusted by the Board from time to time.
- In addition to the above the Audit Committee also reviews the information listed in Schedule II of Part C (B) of SEBI (LODR)
- Composition of Audit Committee**
- The Audit Committee of the Board has been constituted in compliance with the provision of Regulation 18 of SEBI LODR read with Section 177 of the Act. Currently, the Committee comprises of 3 members of whom 2 are Independent Non-Executive Directors and 1 Non-Executive Director. The Chairman of the Audit Committee is an Independent Director.
- All members are financially literate and at least one member has Accounting expertise.
- The Audit Committee meetings are attended by Chief Financial Officer, Statutory Auditors and Head of Internal Audit and the functional heads as and when required. The Company Secretary acts as the Secretary to the Committee. The gap between two consecutive meetings was not more than four months. 7 (Seven) Audit Committee meetings were held during Financial Year (FY) ended March 31, 2024 on April 10, 2023, May 26, 2023, August 03, 2023, August 08, 2023, October 30, 2023, January 25, 2024, and February 29, 2024.
- The Composition of the Committee and details of meeting attended by its members is as follows:

Name of the Director	Category	No. of Audit Committee meetings held	No. of meetings attended
Mr. Nikhil Bhatia Chairman	Non-Executive, Independent Director	7	7
Mr. D. Sivanandhan	Non-Executive, Independent Director	7	7
Mr. M. C. Tahilyani	Non-Independent, Executive Director	7	7

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

Nomination and Remuneration Committee

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

3 (Three) Nomination and Remuneration Committee meetings were held during Financial Year (FY) ended March 31, 2024 on July 26, 2023, January 25, 2024, and February 29, 2024. The Composition of the Committee and details of meeting attended by its members is as follows:

Name of the Director	Category	No. of Nomination & Remuneration Committee meetings held	No. of meetings attended
Mr. D. Sivanandhan Chairman	Non-Executive, Independent Director	3	3
Mr. Shapoor P. Mistry	Non-Executive, Non -Independent Director	3	-
Mr. Nikhil Bhatia	Non- Executive, Independent Director	3	3

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

The terms of reference of Nomination and Remuneration Committee includes:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.
- c) Formulation of criteria for evaluation of Independent Directors and the Board;
- d) Devising a policy on Board diversity;
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- f) To recommend extending or continuing the terms of appointment of Independent Directors, on the basis of report of performance evaluation of Independent Director;
- g) Recommend to the Board, all remuneration, in whatever form payable to senior management; and
- h) Such other functions/duties as may be entrusted by the Board from time to time.

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

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

Details of remuneration paid to Directors during the year ended March 31, 2024 are as follows:

a) **Non-Executive Directors:**

(₹ in Lakhs)

Name of Director	Sitting Fees
Mr. Shapoor P. Mistry	0.50
Mr. D. Sivanandhan	9.50
Mr. Jai L. Mavani	4.50
Ms. Rani A. Jadhav	4.50
Mr. Nikhil Bhatia	10.50

Commission was paid to any Non-executive Director during FY 2023-24.

(₹ in Lakhs)

Name of Director	Commission
Mr. Shapoor P. Mistry	25.00
Mr. D. Sivanandhan	25.00
Mr. Jai L. Mavani	25.00
Ms. Rani A. Jadhav	25.00
Mr. Nikhil Bhatia	25.00

b) Managing Director

(₹ in Lakhs)

Sr. No	Particulars	Managing Director
a.	Salary and allowance	209.11
b.	Pension Contribution to PF & Superannuation Fund	32.08
c.	Annual Performance Incentive & Ex-Gratia	147.48
	Total	388.67
d.	Break up of fixed components and performance linked incentives with performance criteria	Item C is performance linked, others are fixed. Performance criteria include level of profits, reduction of costs, improvement of liquidity, steps taken for growth of business of the company and its subsidiaries.
e.	Service contracts	April 28, 2021 to April 27, 2026
f.	Notice Period	6 months
g.	Severance fees	Nil
h.	Stock options	Nil

Stakeholders' Relationship Committee

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

- Approval of Share Transfers / Deletion of Name/s / Transposition of Name/s, Dematerialization / Re-materialization of Shares;
- Approval of Transmission of Shares;
- Approval for issue of Duplicate/Replacement/Renewal of Share Certificates;
- Resolution of all the grievances of the security holders;
- Review of measures taken for effective exercise of voting rights by shareholders;

- Review of adherence to the service standards adopted in respect of various services being rendered by Registrar & Share Transfer Agents;
- Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- Such other functions/duties as may be entrusted by the Board from time to time.

The Stakeholders' Relationship Committee meeting was held on February 20, 2024.

The Composition of Stakeholders' Relationship Committee is as follows:

Name	Category	No. of meetings Held	No. of meetings attended
Mr. D. Sivanandhan – Chairman	Non-Executive, Independent Director	1	1
Mr. M. C. Tahilyani	Executive	1	1
Ms. Rani Jadhav	Non-Executive, Independent Director	1	1

The Company Secretary also functions as Compliance Officer.

During the year under review, 2 (Two) complaints were received by the Company and the same were resolved. Further no transfers were pending as on March 31, 2024.

Corporate Social Responsibility Committee

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

- Review of the CSR activities to be undertaken by the Company. The CSR Committee shall be guided by the list of activities specified in Schedule VII to the Act and this Policy;
- Formulate and recommend the projects to be supported to the Board and the CSR activities/programs to be undertaken by the Company;
- Recommend the CSR expenditure to be incurred on the CSR activities/programs;
- Institute a mechanism for implementation of the CSR projects and activities and effectively monitor the execution of the CSR activities;

- e) Appointment of a working group called the CSR Team to help it enable the implementation of the CSR projects/activities; and
- f) Such other responsibilities as may be entrusted by the Board from time to time.

No CSR meeting was held for FY 2023-2024

The CSR committee comprises of 1 Independent Director and 2 Non-Independent Directors.

The Composition of the Committee and details of meeting attended by its members is as follows:

Name of Director	Category	No. of meetings Held	No. of meetings attended
Mr. D. Sivanandhan Chairman	Non-Executive, Independent Director	0	0
Mr. M. C. Tahilyani	Executive, Non-Independent Director	0	0
Mr. Jai Mavani	Non-Executive, Non – Independent Director	0	0

During the year, the matters related to corporate social responsibility were passed by resolution through circulation. There was one circular resolution dated October 26, 2024 related to the CSR matter.

Risk Management Committee

Pursuant to the requirements under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Risk Management Committee was constituted. The role and responsibility of the Risk Management Committee shall inter-alia include:

- Establishing a framework for the company's risk management process and to ensure its implementation and monitor the risk management plan;
- Identification, evaluation and mitigation of external and internal material risks;
- Periodically review the risk management processes and its effectiveness;
- Evaluate risks related to cyber security and establish procedures to mitigate these risks;
- Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- Keep the Board of Directors informed about the nature and contents of its discussions, recommendations and actions to be taken;

- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Committee;
- Such other functions/duties/responsibilities as may be required under the Companies Act, 2013, SEBI LODR or as may be entrusted by the Board from time to time.

The Risk Management Committee meetings were held on August 25, 2023 and 19, 2024.

The Composition of the Committee is as follows:

Name of Director	Category	No. of Meetings Held	No. of meetings attended
Mr. Nikhil Bhatia Chairman	Non-Executive, Independent Director	2	2
Mr. M.C.Tahilyani	Executive Director	2	2
Mr. Jai L Mavani	Non-Executive, Non-Independent Director	2	2

General Body Meetings

The details of date, time and venue of the Annual General Meeting held during the last three years till March 31, 2024 are as under:

Particulars	Date	Time	Venue
102 nd Annual General Meeting	September 16, 2021	4.00 p.m	The Annual General Meeting was held through Video Conferencing / Other Audio Visual Means. The deemed place of the meeting was the registered office of the Company.
103 rd Annual General Meeting	September 29, 2022	3.00 p.m	The Annual General Meeting was held through Video Conferencing / Other Audio Visual Means. The deemed place of the meeting was the registered office of the Company.
104 th Annual General Meeting	August 10, 2023	2.00 p.m	The Annual General Meeting was held through Video Conferencing / Other Audio Visual Means. The deemed place of the meeting was the registered office of the Company.

Details of Special Resolutions passed in the General Meeting during previous 3 years

Meeting	Date & Time	Venue	Particulars
NCLT Convened Meeting of the Equity Shareholders	October 31, 2023 11.00 a.m	The Annual General Meeting was held through Video Conferencing /Other Audio Visual Means. The deemed place of the meeting was the registered office of the Company.	Approval of the Composite Scheme of Arrangement between Forbes & Company Limited, the Demerged Company and Forbes Precision Tools and Machine Parts Limited, the Resulting Company and their respective Shareholders (Scheme):

Details of Special Resolutions passed through Postal Ballot:
i. Postal Ballot Notice dated August 03, 2023
Date of declaration of results: September 18, 2023
Voting Pattern

Resolution (1)								
Approval of transactions under Section 185 of the Companies Act, 2013								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\{[2]/[1]\} * 100$	[4]	[5]	$[6]=\{[4]/[2]\} * 100$	$[7]=\{[5]/[2]\} * 100$
Promoter and Promoter Group	E-Voting	9525691	0.00	0.00	0.00	0.00	0.00	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		0.00	0.00	0.00	0.00	0.00	0.00
Public Institutions	E-Voting	1608836	1485361	92.33	1481146	4215	99.72	0.28
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1485361	92.33	1481146	4215	99.72	0.28
Public Non Institutions	E-Voting	1764089	249707	14.1550	246621	3086	98.77	1.24
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		249707	14.1550	246621	3086	98.77	1.24
Total		12898616	1735068	13.45	1727767	7301	99.58	0.42

Resolution (2)								
Approval of transactions under Section 186 of the Companies Act, 2013								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\{[2]/[1]\} * 100$	[4]	[5]	$[6]=\{[4]/[2]\} * 100$	$[7]=\{[5]/[2]\} * 100$
Promoter and Promoter Group	E-Voting	9525691	0.00	0.00	0.00	0.00	0.00	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		0.00	0.00	0.00	0.00	0.00	0.00
Public Institutions	E-Voting	1608836	1485361	92.33	1481146	4215	99.72	0.28
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1485361	92.33	1481146	4215	99.72	0.28
Public Non Institutions	E-Voting	1764089	249707	14.1550	246621	3086	98.72	1.24
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		249707	14.1550	246621	3186	98.72	1.28
Total		12898616	1735068	13.45	1727767	7401	99.58	0.43

Resolution (3)								
Approval for Material Related Party Transaction(s)								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\{[2]/[1]\} * 100$	[4]	[5]	$[6]=\{[4]/[2]\} * 100$	$[7]=\{[5]/[2]\} * 100$
Promoter and Promoter Group	E-Voting	9525691	0.00	0.00	0.00	0.00	0.00	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		0.00	0.00	0.00	0.00	0.00	0.00
Public Institutions	E-Voting	1608836	1485361	92.33	1481146	4215	99.72	0.28
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1485361	92.33	1481146	4215	99.72	0.28
Public Non Institutions	E-Voting	1764089	249707	14.1550	246446	3261	98.70	1.30
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		249707	14.1550	246446	3261	98.70	1.30
Total		12898616	1735068	13.45	1727592	7476	99.60	0.43

Resolution (4)								
Commission to Non-Executive Directors.								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\{[2]/[1]\} * 100$	[4]	[5]	$[6]=\{[4]/[2]\} * 100$	$[7]=\{[5]/[2]\} * 100$
Promoter and Promoter Group	E-Voting	9525691	0.00	0.00	0.00	0.00	0.00	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		0.00	0.00	0.00	0.00	0.00	0.00
Public Institutions	E-Voting	1608836	1485361	92.33	1484765	596	99.96	0.04
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1485361	92.33	1484765	596	99.96	0.04
Public Non Institutions	E-Voting	1764089	249692	14.15	245940	3752	98.49	1.50
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		249692	14.15	245940	3752	98.49	1.50
Total		12898616	1735053	13.45	1730705	4348	99.74	0.25

ii. Postal Ballot Notice dated January 25, 2024
Date of declaration of results: March 18, 2024
Voting Pattern

Resolution (1)								
Re-appointment of Mr. Nikhil Bhatia (DIN: 00414281) as an Independent Director								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	$[3]=\{[2]/[1]\} * 100$	[4]	[5]	$[6]=\{[4]/[2]\} * 100$	$[7]=\{[5]/[2]\} * 100$
Promoter and Promoter Group	E-Voting	9525691	9359293	98.25	9359293	0.00	100	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		9359293	98.25	9359293	0.00	100	0.00

Resolution (1)								
Re-appointment of Mr. Nikhil Bhatia (DIN: 00414281) as an Independent Director								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Public Institutions	E-Voting	1616499	1152133	71.28	1151595	538	99.95	0.05
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1152133	71.28	1151595	538	99.95	0.05
Public Non Institutions	E-Voting	1756426	23333	1.33	23172	161	99.31	0.69
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		23333	1.33	23172	161	99.31	0.69
Total		12898616	10534759	81.67	10534060	699	99.99	0.01

Resolution (2)								
Remuneration of Mr. M. C. Tahilyani (DIN: 01423084) as Managing Director								
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]={[2]/[1]}*100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter and Promoter Group	E-Voting	9525691	9359293	98.25	9359293	0.00	100	0.00
	Postal Ballot		0.00	0.00	0.00	0.00	0.00	0.00
	Total		9359293	98.25	9359293	0.00	100	0.00
Public Institutions	E-Voting	1616499	1152133	71.28	1148255	3878	99.66	0.33
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		1152133	71.28	1148255	3878	99.66	0.33
Public Non Institutions	E-Voting	1756426	23343	1.33	12725	10618	54.51	45.48
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Total		23343	1.33	12725	10618	54.51	45.48
Total		12898616	10534769	81.67	10534769	14496	99.86	0.13

Person who conducted the Postal Ballot exercise:

Postal Ballot was conducted by Mr. Omkar Dindorkar, Designated Partner, MMJB & Associates LLP.

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

No

Procedure for postal ballot

The postal ballot was carried out as per the provisions of sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder.

Fees paid by the Company and its Subsidiaries, on consolidated basis, to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

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

(₹ in Lakhs)

Particulars	Amount (₹)
Statutory Audit (including quarterly audit)	37.00
Reimbursement of out-of-pocket expenses	1.79
Total	38.79

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

The required disclosures have been made in the Directors' Report for the year ended March 31, 2024 which forms part of this Annual Report for FY 2023-2024.

Related Party Transactions

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

All related party transactions are placed before the Audit Committee for approval.

The Board has approved policies for determining material subsidiaries and related party transactions which has been uploaded on the Company website, www.forbes.co.in

Disclosure on loans and advances

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

Disclosure of Material Subsidiaries

Name of the Material Subsidiaries	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment/ Re-appointment of Statutory Auditor
Forbes Campbell Finance Limited #	25/04/1977	Chennai	U B G & Company	28/09/2022
Forbes Lux International AG \$	23/05/2013	Wallisellen	Grant Thornton	08/08/2022
Lux International AG ^	27/11/1998	Wallisellen	Grant Thornton	08/08/2022
Lux Hungaria Kereskedelmi Kft @	01/01/1999	Budapest	Grant Thornton	01/06/2022

Originally incorporated as Sarada Latham Business Machines Limited, name changed to Latham India Limited w.e.f. 24/1/1989. The name of Latham India Limited was change to Forbes Campbell Finance Limited w.e.f. 14/6/2010.

\$ liquidated with effect from September 18, 2023

^ Ceased to subsidiary with effect from August 23, 2023

@Ceased to subsidiary with effect from August 23, 2023

Statutory Compliances

The Company has ensured necessary compliance with the requirements of the Stock Exchange, SEBI and other authorities related to capital market and the details of non-compliance and penalties are not applicable.

Vigil Mechanism/Whistle Blower Policy

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

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

The Company has complied with all the mandatory requirements of SEBI LODR. The status of compliance with discretionary requirements under Regulation 27(1) and Part E Schedule II of SEBI (LODR), 2015 is provided below:

- Shareholders' Rights: As the quarterly and half yearly, financial results are published in the newspapers and are also posted on the Company's website, the same are not sent to the shareholders.

- Audit Qualifications: The Company's standalone financial statement for the financial year 2023-2024 does not contain any audit qualification.
- Separate posts of Chairman and CEO: The Chairman of the Board is a Non- Executive Director. The Company has appointed Managing Director (Whole-Time Director wef April 01, 2024) to take care of the day-to-day affairs of the Company. The position of the Chairman and Managing Director are separate.
- Reporting of internal auditor: The internal auditor may report directly to the audit committee

Means of Communication

The quarterly, half yearly and annual results are generally published in the Financial Express (English daily) and Navshakti or Mumbai Lakshadeep (regional language newspaper). The financial results, shareholding patterns are also available on the website of the Company, i.e. www.forbes.co.in

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

General Shareholders Information

AGM-Date, time and Venue	Next Annual General Meeting of the Company is scheduled on Thursday, August 29, 2024 at 3.00 PM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
Financial Year	The Company follows the April – March financial year
Listing on Stock Exchange	BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400 001.
Stock Code	502865 (ISIN-INE518A01013)

Equity shares of the Company are listed on BSE Limited only and Company has paid the annual listing fees before the due date.

Month	Forbes High	Forbes Low	No. of Shares	BSE Index High	BSE Index Low
April' 2023	635.00	580.00	29,755	61,209.46	58,793.08
May' 2023	620.05	577.10	30,855	63,036.12	61,002.17
June' 2023	615.00	570.60	37,689	64,768.58	62,359.14
July' 2023	715.00	585.00	77,717	67,619.17	64,836.16
August' 2023	709.00	642.30	43,626	66,658.12	64,723.63
September' 2023	710.00	650.00	1,41,488	67,927.23	64,818.37
October' 2023	707.00	591.30	1,45,818	66,592.16	63,092.98
November' 2023	905.00	645.00	3,23,490	67,069.89	63,550.46
December' 2023	855.50	718.00	1,04,846	72,484.34	67,149.07
January' 2024	880.00	745.35	92,516	73,427.59	70,001.60
February' 2024	1,270.00	815.00	3,80,775	73,413.93	70,809.84
March' 2024	1,399.00	383.30	3,95,375	74,245.17	71,674.42

Registrars and Share Transfer & Agents

The Company has appointed Link Intime India Private Limited (Earlier known as TSR Consultants Private Limited) as its Registrar & Share Transfer Agents (RTA). Shareholders are advised to approach them on the following address for any queries and problems related to shares held in physical form:

Link Intime India Private Limited
(Earlier known as TSR Consultants Private Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg, Vikhroli (west),
Mumbai - 400 083.
Tel.: +91 22 6656 8484 Fax.: +91 22 6656 8496
E-mail: csg-unit@linkintime.co.in
Website: www.linkintime.co.in

Share Transfer System

The Stakeholders Relationship Committee of the Board of Directors of the Company inter alia monitors Share Transfers/Deletion of Name/s/Transposition of Name/s, Transmission, dematerialization and re-materialization of shares. Shares of the Company are traded compulsorily in dematerialized form.

SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website, www.forbes.co.in and on the website of the Company's RTA at www.linkintime.co.in. It may be noted that any service request can be processed only after the folio is KYC compliant.

Request for dematerialization of shares are processed by RTA and confirmation is given to the respective depositories i.e. NSDL and CDSL, within the statutory time limit from the date of receipt of share certificates after due verification.

The shareholders holding shares in physical forms are requested to get their shares dematerialised to avoid any inconvenience in the future while transferring their shares.

Distribution of Shareholding as on March 31, 2024

Category	No. of Shares	%
Promoters	95,25,691	73.85
Central/State Government Institutions	30,363	0.24
Financial Institutions/ Banks	11,757	0.09
Limited Liability Partnership	4,486	0.03
Mutual Fund	142	0.00
FII & NRI/FBC/FPI	15,42,253	11.96
Investor Education and Protection Fund	1,63,153	1.26
Directors and their relatives	2,032	0.02
Trusts	600	0.00
Bodies Corporate/Clearing Members	4,09,284	3.17
Public	12,08,855	9.38
Total	1,28,98,616	100.00

Distribution by size as on March 31, 2024

Holding	No. of Shareholders	No. of Shares	% to Shares
1 to 500	13229	692302	96.72
501 to 1000	270	197366	1.98
1001 to 2000	98	142668	0.73
2001 to 3000	28	69537	0.21
3001 to 4000	13	44804	0.06
4001 to 5000	8	38471	0.06
5001 to 10000	19	137211	0.14
10001 & above	13	11576257	0.1
Total	13678	1,28,98,616	100.00

Status of dematerialization of shares and liquidity as on March 31, 2024

Details	No. of shares	% of Share Capital	No. of Accounts
Nationalized Securities Depository Ltd. (NSDL)	12037786	93.33	5553
Central Depository Services(India) Ltd. (CDSL)	617004	4.78	5963
Physical	243826	1.89	2162
Total	1,28,98,616	100	13678

Outstanding Employee Stock Options, GDRs, ADRs, etc.

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

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

Foreign exchange risk and hedging activities

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

The Company does not undertake any commodity hedging activities.

Credit rating

Instrument	Previous Rated Amount (₹ crore)	Rating	Rating Action
Long term Fund-based Limits	19.50	[ICRA] BB+	[ICRA]BB+ reaffirmed and continue to be on watch with developing implications
Short term Fund-based Limits	16.00	[ICRA] A4+	[ICRA]A4+ reaffirmed and continue to be on watch with developing implications
Short term Non-Fund based Limits	13.50	[ICRA] A4+	[ICRA]A4+ reaffirmed and continue to be on watch with developing implications
Unallocated Limits (Long term/Short term)	10.00	[ICRA] BB+/A4+	[ICRA]BB+/A4+ reaffirmed and continue to be on watch with developing implications
Long Term Bank Facilities	42.58 (Reduced from 126.20)	CARE BBB-(RWD)	Continues to be on Rating Watch with Developing Implications
Short Term Bank Facilities	7.50 (Reduced from 23.50)	CARE A3 (RWD)	Continues to be on Rating Watch with Developing Implications

Plant Locations

Plot B-13, Waluj Industrial Area Waluj, Aurangabad - 431 133	A7, MIDC Area Chikalthana, Aurangabad - 431210
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Address for correspondence

Shareholders holding shares in physical mode are requested to direct all equity shares related correspondence /queries to Link Intime India Private Limited and only the non-shares related correspondence and complaints regarding RTA should be addressed to the Compliance Officer at the registered office of the Company. Shareholders holding shares in electronic mode (dematerialized form) should address all shares related correspondence to their respective Depository Participants only.

Auditors' Certificate

1. Certificate dated May 29, 2024 issued by Mehul Raval, Practicing Company Secretaries certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors by the Board/ Ministry of Corporate Affairs or any such statutory authority.
2. The certificate dated May 29, 2024 issued by Makarand M Joshi & Co., Practicing Company Secretaries on compliance with the Corporate Governance requirements by the Company is annexed herewith.

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

As provided under Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the code of conduct for Board of Directors and Senior Management for the year ended March 31, 2024.

For Forbes & Company Limited**Ravinder C. Prem****Whole-Time Director****DIN: 07771465****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,
The Members of
FORBES & COMPANY LIMITED
Forbes Building, Charanjit Rai Marg, Fort,
Mumbai – 4000 01.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Forbes & Company Limited having CIN: L17110MH1919PLC000628 and having Registered office at Forbes Building, Charanjit Rai Marg, Fort, Mumbai - 400001 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my 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 me by the Company & its officers, I hereby certify that none of the Directors as on 31st March, 2024 on the Board of the Directors of the Company as stated below have been debarred or disqualified from being appointed 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 Company	Date of Cessation
1	Shapoorji Pallonji Mistry	00010114	03/09/2001	31/03/2024*
2	Mahesh Chelaram Tahilyani	01423084	28/04/2016	--
3	Jai Laxmikant Mavani	05260191	22/05/2012	--
4	Rani Ajit Jadhav	07070938	01/09/2018	--
5	Sivanandhan Dhanushkodi	03607203	14/03/2012	--
6	Nikhil Jaysinh Bhatia	00414281	16/05/2019	--

* Resigned as Director of the Company w.e.f. close of business hours on 31/03/2024

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

Mehul Raval

Practicing Company Secretary

ACS: 18300

COP: 24170

UDIN: A018300F000479728

Date: May 29, 2024

Place: Mumbai

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Forbes & Company Limited
Forbes Building, Charanjit Rai Marg,
Fort, Mumbai- 400001

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

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

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

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

For **Makarand M Joshi & Co.**
Company Secretaries

Kumudini Bhalerao
Partner
FCS.: 6667
CP. No. 6690
PR. No. 640/2019
UDIN: F006667F000478061

Date: May 29, 2024
Place: Mumbai

STANDALONE
FINANCIAL STATEMENTS FORMING PART
OF ANNUAL REPORT OF
FORBES & COMPANY LIMITED
FOR THE YEAR ENDED MARCH 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Forbes & Company Limited

Report on the audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Forbes & Company Limited** (hereinafter referred to as "the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and Notes to the Standalone Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter collectively referred as the "Standalone Financial Statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (hereinafter referred to as "SAs") specified Under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under

the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 52 of the financial statement in respect of the Scheme of Arrangement approved by the Board of Directors of the Company in their meeting dated 26th September 2022, between the company and Forbes Precision Tools and Machine Parts Limited (FPTL) and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the rules framed thereunder.

This Scheme is a 'Scheme of Arrangement' involving the demerger of the "Precision Tools Business" of the company into FPTL. The FPTL was incorporated on 30th August 2022 as a wholly-owned subsidiary of the Company. The Honourable National Company Law Tribunal (NCLT) of the Mumbai bench approved the scheme via Order No. C.P.(CAA)/303/MB-V/2023 dated 9th February 2024. The certified true copy of the order was received on 22nd February 2024 and filed with the Registrar of the Company on 1st March 2024. The Scheme became effective/operative from the effective date of March 1, 2024, with this, the Precision Tools business of the company being transferred to and vested in FPTL with effect from the appointed date i.e., April 1, 2023.

Our opinion is not modified in respect of this emphasis of matters.

Key Audit Matters

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

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	<p>Revenue Recognition:</p> <p>Revenue recognition for Real Estate Development Activities (Refer Notes 24 and 48 to the standalone financial statements)</p> <p>Revenue recognition for real estate development activities is considered a key audit matter in view of the involvement of management judgment in establishing the timing of the transfer of control to the customer, the enforceable right to payment for performance completed to date and related disclosures.</p> <p>In respect of real estate development projects, Revenue is recognized upon transfer of control of residential units to customers for an amount that reflects the consideration the Company expects to receive in exchange for those units. The point of revenue recognition is normally based on the terms as included in the intimation for the unit handover to the customer on completion of the project, after which the contract becomes non-cancellable by the parties.</p> <p>The Company records revenue at a point in time upon transfer of control of residential units to the customers as per requirements of Ind-AS 115 involves significant judgment by the Management.</p>	<p>Our audit procedures over the recognition of revenue for Real Estate Development activities included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding and evaluating the design and testing of the effectiveness of key internal financial controls in respect of revenue recognition for real estate development activities; • Obtaining an understanding of the Company's accounting policy on revenue recognition for real estate development activities and assessing compliance of the policy with principles enunciated under Ind-AS 115; • Obtaining a listing of contracts with customers from the Management; • On a sample basis, evaluating completeness and accuracy of the list of contracts as mentioned above; • Examining the mathematical accuracy in respect of the amount recognized as revenue in respect of these customer contracts; • Examining the terms of sales agreements, agreement value and other relevant details to validate revenue recognition during the year; • Obtaining evidence regarding the transfer of control considering criteria as per Ind-AS 115 and evaluating the enforceability of payment for work completed to date for validating the timing of the transfer of control to the customer; and • Evaluated the adequacy and appropriateness of the disclosures made in the standalone financial statements by the management with respect to revenue from the Real Estate Development Activities. <p>Based on the above audit procedures performed, we did not come across any significant exceptions with regard to revenue recognition in respect of real estate development activities.</p>
2	<p>Assessment of Provisions and Contingent Liabilities (Refer Notes 18A, 18B and 38 to the standalone financial statements)</p> <p>The Company undergoes assessment proceedings and related litigations with direct and indirect tax authorities and with certain other parties. There is a high level of management judgment required in estimating the probable outflow of economic resources and the level of provisioning and/or the disclosures required.</p> <p>The judgment of the management is supported by advice from independent tax and legal consultants, as considered necessary by the management. Any unexpected adverse outcomes could significantly impact the Company's reported profit and financial position.</p> <p>We considered this area as a key audit matter due to the associated uncertainty of the ultimate outcome and significant management judgment involved in the assessment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the current status of the direct and indirect tax assessments/ litigations & disputes with other parties; • Reading recent orders and/ or communication received from the tax authorities and with certain other parties and management responses to such communication; • Where relevant, read the most recent available independent tax/legal advice obtained by management and evaluate the grounds presented therein; • Obtaining written confirmations from the Company's legal/ tax consultants (internal/ external) to confirm the status of the assessments as well as have discussions with them as and when required; • Assessing the adequacy of disclosure in the standalone financial statements. <p>Based on the above procedures, we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.</p>

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

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the Standalone Financial Statements and our report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors Responsibilities for the Standalone Financial Statements

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and the Board of directors.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) 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 in terms of Section 143 (11) of the Act, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and
 - g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended, we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to the director by the company is in excess of the limit laid down under Section 197 of the Act, where request approval is taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us;
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2024 on its financial position in its Standalone Financial Statements - Refer note 38 to the Standalone Financial Statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned

- or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement; and
- v. During the year Company has not declared/paid any dividend hence reporting under rule 11 (f) is not applicable to that extent.
- vi. Based on our examination which included test checks, except for the instances mentioned below, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
- The feature of the recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account.
- As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on the preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

CA Parthiv S Desai
Partner
Membership No.: (F) 042624
UDIN- 24042624BKFRSS6659

Mumbai, May 29, 2024

Annexure A to the independent auditor’s report on the standalone financial statements of Forbes & Company Limited for the year ended 31st March, 2024
(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” Section of our report on even date)

- (i) (a) According to the information and explanation given to us and records examined by us;
- (A) The Company is maintaining proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment (PPE) of the Company.
- (B) The Company is maintaining proper records showing full particulars of the Intangible assets of the Company.
- (b) The Company has a program of verification of PPE to cover all the items once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, all the PPE were physically verified by the Management during the previous year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information & explanations given to us and the records examined by us and based on the examination of the registered documents provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings, (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company as on balance sheet date, except for the following:

Description of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Period held - indicate range, where appropriate (years)	Reason for not being held in the name of the Company
Land and building in Mumbai and Delhi	19.08	Gokak Patel Volkart Limited	No	15	Administrative procedures for the change of name from Gokak Patel Volkart Limited, 2nd erstwhile name of the Company have not been carried out.
Land, factory building and office premises at Mumbai, Thane, Ahmedabad and Bangalore	1,624.96	Forbes Gokak Limited	No	8-60	Administrative procedures for the change of name from Forbes Gokak Limited, the 3rd erstwhile name of the Company have not been carried out.

- (d) According to the information & explanations given to us and the records examined by us, we report that the company has not made any revaluation of PPE (including Right of use assets) or intangible assets or both during the year. Accordingly, reporting on paragraphs 3 Clause (i) (d) of the Order is not applicable to the Company.
- (e) According to the information & explanations given to us, we report that there is no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting on paragraphs 3 Clause (i) (e) of the Order is not applicable to the Company.
- (ii) In our opinion and according to the information and explanations given to us;
- (a) the physical verification of inventory has been conducted at reasonable intervals by the management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. Inventory lying with the third parties have been substantially confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not more 10% or more and have been appropriately dealt with in the books of accounts. In the case of real estate work in progress inventories have been physically verified by the management during the year by way of site visits and no material discrepancies were noticed on such physical verifications.
- (b) during the year the company has renewed/sanctioned its working capital facility in excess of five crores rupees, in aggregate, from banks on the basis of security of current assets; based on our verification of quarterly statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) In our opinion and according to the information and explanations given to us;
- (a) During the year the Company has given loans to one subsidiary and one fellow subsidiary. The aggregate amount during the year, and balance outstanding at the Balance Sheet date with respect to such loans and guarantees to the subsidiary are as per the table given below:

(Rs. in lakhs)

Particulars	Guarantees	Investment	Loans	Advances in the nature of loans
Aggregate amount during the year to subsidiaries/JV's	-	-	175.00	-
Balance outstanding as at Balance Sheet date in respect of the above case				
-Subsidiaries	-	-	6,510.73#	-
-Fellow Subsidiary	-	-	-	-

The loan given by the company has been fully provided. These closing balances do not include the closing balances of loan amount receivable from subsidiaries carried from the effect of the scheme of merger, however, the same amount has been fully provided by the company in the previous year.

- (b) In respect of the aforesaid loans, the terms and conditions under which such loans were granted/investments were made are prejudicial to the Company's interest.
- (c) The loans given by the company are repayable on demand and/or fully provided. Therefore, the question of our commenting on the regularity of repayment of principal and payment of interest does not arise.
- (d) The loans given by the company are repayable on demand and/or fully provided since they are considered non-recoverable in view of the reasons stated in Note No.10 to the financial statements Therefore, the questions of our commenting on whether there is any amount which is overdue for more than ninety days does not arise.
- (e) There were no loans/advances in the nature of the loan which fell due during the year and were renewed/extended. Further, no fresh loans were granted to the same parties to settle the existing overdue loans/advances in the nature of the loan.
- (f) Following loans were granted during the year, including to related parties under Section 2(76), which are repayable on demand or where no schedule for repayment of principal and payment of interest has been stipulated by the company.

Rs. In Lakhs

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan repayable on demand	175.00	-	175.00
Percentage of loans/advances in nature of loans to the total loans	2.69%	-	2.69%

- (iv) According to the information and explanation provided to us, in respect of loans, investments, guarantees and security, the Company has complied with provisions of Section 185 and Section 186 of the Act.
- (v) According to the information and explanations given to us, there is not any public deposit as such in the company during the year and no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal. Accordingly, reporting on paragraphs 3 Clause (v) of the Order is not applicable to the Company.
- (vi) The Central Government has specified maintenance of cost records under Section 148(1) of the Act. We have broadly reviewed these records relating to materials, labour and other items of cost maintained by the Company and are of the opinion that, prima facie, the prescribed cost accounts and records have been prepared and maintained. We have not however made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) in our opinion, the Company is regular in depositing the undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess, and other material statutory dues, as applicable, with the appropriate authorities as per the records of the company examined by us.
 - (b) Details of dues of statutory dues that have not been deposited as on March 31, 2024 on account of disputes are given below:

(Rs. in Lakhs)

Name of the Statute	Nature of dues	The period to which the amount relates	Forum where the dispute is pending	Amount involved	Amount unpaid
The Income Tax Act, 1961	Income Tax	Assessment Year 2001- 02	Commissioner of Income Tax (Appeals), Income Tax Appellate Tribunal	14.97	14.97
The Finance Act, 1994	Service Tax (including interest and penalty, as applicable)	Financial Years 2007-08 to 2012-13	Customs, Excise & Service Tax Appellate Tribunal	2,385.60	2,293.35
		Financial Year 2005-06, to 2012-13	Commissioner of Service Tax	1,038.89	1,038.89

Name of the Statute	Nature of dues	The period to which the amount relates	Forum where the dispute is pending	Amount involved	Amount unpaid
The Custom Act, 1962	Interest on duty	Financial Year 2011-12	High Court of Kerala	87.84	87.84
The Central Excise Act, 1944	Excise Duty (including interest and penalty)	Financial Years 1999 - 2000	Customs, Excise & Service Tax Appellate Tribunal	1.63	1.63
Sales Tax Laws	Sales Tax (including interest and penalty, as applicable)	Financial Years 1990-91 to 1994-95, 1997-98 to 2006-07, 2008-09 to 2009-10 & 2013 -14.	Appellate Authority – up to Sales Tax Appellate Tribunal	631.13	603.41
MMC Act, 1888	Property Tax (Including Interest and penalty)	Financial year 2010-11 to 2021-22	Assistant Assessor & Collector - Municipal Corporation of Greater Mumbai	1,034.34	1,034.34
Good and Service Tax Act, 2017	Tax	Financial year 2017-18	GST - Mazgaon Mumbai	369.46	369.46
	Interest and Penalty			175.50	175.50
	Interest on GST	December 2017 to June 2019	Dy. Commissioner of GST	123.94	123.94

- (viii) According to the information & explanations given to us and the records examined by us, there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting on paragraph 3 clause (viii) of the Order is not applicable to the Company.
- (ix) According to the information & explanations given to us, the company does not have any loans or borrowings from banks or financial institutions or any other lenders during the year. Accordingly, reporting on paragraph 3 Clause (ix) (a), (b), (c), (d), (e) & (f) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us and the records examined by us,
- In our opinion and according to the information and explanations given to us, the Company has not raised money by way of an initial public offer or further public offer (including debt instruments). Accordingly reporting on paragraph 3 clause (x) (a) is not applicable.
 - During the year the Company has not made preferential allotment as per the provision of the act and regulation made by the Securities Exchange Board of India and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with. During the year the company has not made the private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly reporting on paragraph 3 clause (x) (b) of the order is not applicable to the company.
- (xi) According to the information and explanations given to us and during the course of our examination of the books and records of the company,
- Carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of any such case by the management.
 - Carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the company.
 - Carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the company.
- (xii) The Company is not a Nidhi Company and hence reporting under paragraph 3 clause (xii) (a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us,
- the company has an internal audit system commensurate with the size and nature of its business.

- (b) we have considered the internal audit reports of the company issued till the balance sheet date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence reporting on compliance with the provisions of section 192 of the Companies Act, 2013 under clause 3(xv) of the order is not applicable to the company.
- (xvi) According to the information and explanations given to us and the records examined by us,
- the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on paragraph 3 Clause (xvi)(a) of the order is not applicable to the company.
 - the Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, reporting on paragraph 3 Clause (xvi)(b) of the order is not applicable to the company.
 - the Company is not a Core Investment Company (CIC) as defined in the regulations made the Reserve Bank of India. Accordingly, reporting on paragraph 3 Clause (xvi)(c) of the order is not applicable to the company.
 - The group has five CICs as part of the Group as detailed in note 57(iii) to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the current year as well as for the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year; accordingly, reporting on paragraph 3 Clause (xviii) of the order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, and other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the company's future viability. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanation given to us and on the basis of the accounts and records examined by us,
- we report that the company has calculated the CSR liability as per section 135 of the act and has transferred the amount remaining unspent to the Fund specified in Schedule VII to the Act before the date of our audit report.

(Rs. In Lakhs)

Financial Year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred to fund under Sch. VII	Amount transferred to Fund under Sch. VII, within 6 months from end of the financial year (or till the date of audit report, if that is earlier)	Amount transferred to Fund under Sch. VII, after 6 months from end of the financial year (or till the date of audit report, if that is earlier)	Amount not transferred to Fund under Sch. VII, till the date of audit report
2023-24	43.19	41.37	41.37	-	-

- In respect of ongoing projects, as at the balance sheet date, the company does not have any amount remaining unspent under section 135(5) of the Act. Accordingly, reporting under paragraph 3 clause (xx) (b) of the order is not applicable to the Company.
- (xxi) The reporting under paragraph 3 clause (xxi) of the Order is not applicable in respect of the audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

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

CA Parthiv S Desai
Partner

Membership No.: (F) 042624
UDIN- 24042624BKFRSS6659

Mumbai, May 29, 2024

Annexure B to the independent auditor's report on the standalone financial statements of Forbes & Company Limited for the year ended 31st March, 2024

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

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

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

Board of Directors Responsibility for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the guidance note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of Standalone Financial Statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over

financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as “the guidance note”) issued by the Institute of Chartered Accountants of India (hereinafter referred as “ICAI”).

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm's Registration No.: 109983W
by the hand of

CA Parthiv S Desai

Partner
Membership No.: (F) 042624
UDIN-24042624BKFRSS6659

Mumbai, May 29, 2024

BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	₹ in Lakhs	As at	As at
			31st Mar., 2024	31st Mar., 2023
			₹ in Lakhs	₹ in Lakhs
Assets				
1 Non-current assets				
Property, plant and equipment	5		143.47	173.97
Right-of-use assets	43		457.54	493.45
Capital work-in-progress	5.1		-	-
Investment Properties	6		2,101.55	2,173.00
Other Intangible assets	7		5.43	17.87
Intangible assets under development	7.1		-	-
Financial Assets:				
i) Investments				
Investments in subsidiaries	8A	3,654.87		3,659.86
Investments in associates	8B	5.88		5.88
Investments in joint ventures	8D	250.00		250.00
Other Investments	8C	5,483.58		5,120.58
			9,394.33	9,036.32
ii) Loans	10A	-		-
iii) Other financial assets	11A	102.97		42.83
			9,497.30	9,079.15
Tax assets				
i) Deferred tax assets (net)	19	1,465.86		1,693.27
ii) Income tax assets (net)	23	542.90		640.86
			2,008.76	2,334.13
Other non-current assets	14A		188.72	202.81
Total Non-current assets			14,402.77	14,474.38
2 Current assets				
Inventories	12		12,144.37	14,937.12
Financial Assets:				
i) Investments	8F	3,434.64		1,418.67
ii) Trade receivables	9	670.24		687.09
iii) Cash and cash equivalents	13A	1,820.47		3,292.77
iv) Bank balances other than (ii) above	13B	1,208.37		1,778.70
v) Loans	10B	1.82		10.33
vi) Other financial assets	11B	570.08		243.51
			7,705.62	7,431.07
Other current assets	14B		1,924.23	1,143.26
			9,629.85	8,574.33
Asset classified as held for sale	51		3.85	8.11
Assets pertaining to discontinued operations			-	14,815.09
Total Current assets			21,778.07	38,334.64
Total Assets			36,180.84	52,809.02

BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	₹ in Lakhs	As at	As at
			31st Mar., 2024	31st Mar., 2023
			₹ in Lakhs	₹ in Lakhs
Equity and Liabilities				
Equity				
Equity share capital	15	1,289.86		1,289.86
Other equity	16	10,904.71		19,395.31
Total Equity			12,194.57	20,685.17
Liabilities				
1 Non-current liabilities				
Financial liabilities:				
i) Lease liability	43	493.54		508.75
ii) Other financial liabilities	17A	398.22		255.39
			891.76	764.14
Provisions	18A	804.36		752.36
Total Non-current liabilities			1,696.12	1,516.50
2 Current liabilities				
Financial liabilities:				
i) Borrowings	21	-		-
ii) Lease liability	43	9.58		-
iii) Trade payables	22			
a) total outstanding dues of micro enterprises and small enterprises; and		139.89		-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		2,778.45		1,957.00
iv) Other financial liabilities	17B	2,189.56		1,146.06
			5,117.48	3,103.06
Other current liabilities	20	17,141.19		23,392.95
Provisions	18B	31.48		33.01
Current tax liabilities (net)	23	-		57.34
Liabilities pertaining to discontinued operations		-		4,020.99
Total Current Liabilities			22,290.15	30,607.35
Total Liabilities			23,986.27	32,123.85
Total Equity and Liabilities			36,180.84	52,809.02
Material Accounting Policies	2 - 3			
The accompanying notes form an integral part of the financial statements	4 - 59			

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

Pritesh Jhaveri
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 1423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	₹ in Lakhs	Year ended	Year ended
			31st Mar., 2024	31st Mar., 2023
			₹ in Lakhs	₹ in Lakhs
I Revenue from operations	24	12,345.15		4,242.71
II Other income	25	2,280.92		21,346.98
III Total Income (I + II)			14,626.07	25,589.69
IV Expenses:				
Real estate development costs	26	3,551.38		2,763.20
Cost of materials consumed	27A	1,956.40		1,552.24
Purchases of stock-in-trade		120.77		4.56
Changes in inventories of finished goods, work-in-progress and stock-in-trade	27B	2,893.05		(2,659.76)
Employee benefits expenses	28	1,425.86		1,274.43
Finance costs	29	108.53		487.84
Depreciation and amortisation expense	30	158.49		173.22
Other expenses	31A	1,675.88		2,450.33
Total expenses (IV)			11,890.36	6,046.06
V Profit before exceptional items and tax (III - IV)			2,735.71	19,543.63
VI Exceptional items (net)	31B		(485.56)	2,905.39
VII Profit / (loss) before tax (V + VI)			2,250.15	22,449.02
VIII Tax expense / (credit):				
(a) Current tax	32	-		81.40
(b) (Excess) / short provision for tax of earlier years	32	16.55		51.80
(c) Deferred tax	32	200.41		460.35
			216.96	593.55
IX Profit / (loss) for the year from continuing operations(VII- VIII)			2,033.19	21,855.47
X Profit / (loss) before tax from discontinued operations			-	2,273.07
XI Tax expense				
(a) Current tax	32	-		188.26
(b) Deferred tax	32	-		81.12
				269.38
XII Profit / (loss) after tax from discontinued operations (X - XI)			-	2,003.69
XIII Profit / (loss) for the year (IX + XII)			2,033.19	23,859.16
XIV Other Comprehensive Income				
(i) Items that will not be reclassified to Statement of Profit and Loss				
(a) Remeasurement of the defined benefit plans			(60.68)	5.68
(b) Fair value changes on Equity instruments through other comprehensive income			363.00	1,475.13
(ii) Taxes on items that will not be reclassified to Statement of Profit and Loss				
(a) Deferred Tax Expenses			(27.01)	(172.90)
			275.31	1,307.91
XV Total Comprehensive Income / (Loss) for the year (XIII + XIV)			2,308.50	25,167.07

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	₹ in Lakhs	Year ended 31st Mar., 2024 ₹ in Lakhs	Year ended 31st Mar., 2023 ₹ in Lakhs
XVI Earning per equity share :				
Basic and diluted earnings per equity share (after exceptional items) - continuing operations	33		₹ 15.77	₹ 169.42
Basic and diluted earnings per equity share (after exceptional items) - discontinued operations	33		₹ 0.00	₹ 15.53
Basic and diluted earnings per equity share (after exceptional items) - continuing and discontinued operations	33		₹ 15.77	₹ 184.95
Material Accounting Policies	2 - 3			
The accompanying notes form an integral part of the financial statements	4 - 59			

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

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For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 1423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

	Year ended 31st Mar., 2024 ₹ in Lakhs	Year ended 31st Mar., 2023 ₹ in Lakhs
Cash flows from operating activities		
Profit/(Loss) before tax from continuing and discontinued operations	2,250.15	24,722.09
Adjustments for -		
Depreciation and amortisation expense	158.49	1,362.47
Interest income earned on financial assets that are not designated as at fair value through profit or loss :		
(i) Bank deposits	(193.71)	(159.23)
(ii) Inter-corporate deposits	(1.85)	(3.36)
Interest on Income Tax	(15.63)	(20.55)
Finance costs	108.53	818.44
Unrealised Foreign Exchange gains / (losses)	(10.14)	-
(Gain)/loss on disposal of property, plant and equipment	(1,805.04)	(20,983.59)
Provision for doubtful trade receivables	5.11	26.74
Provision for doubtful loans and advances	6.88	55.82
Provision for Contingencies	272.00	-
Advances written off	1.69	-
Credit balances / excess provision written back	(3.58)	(19.47)
Dividend / Gain on sale of current investment	(48.20)	(106.38)
Unrealised gain / loss from current investment	(167.81)	(45.15)
	(1,693.26)	(19,074.26)
Exceptional items:		
- Provision for disputed matters	(559.05)	-
- Investment Written off	-	(145.22)
- Profit on sale of Investment in FFSP	(133.44)	(3,200.41)
-Provision for doubtful trade receivables	-	1.49
-Provision for doubtful Contractually reimbursable expenses to related parties	-	19.56
-Provision for doubtful loans and advances	60.00	419.19
Sale consideration of Forbes Concept Hospitality Services Pvt Ltd	(0.05)	-
	(632.54)	(2,905.39)
	(2,325.80)	(21,979.65)
Operating profit before working capital changes	(75.65)	2,742.44
Changes in working capital:		
(Increase) /decrease in trade and other receivables	15.30	126.47
(Increase) /decrease in inventories	2,792.74	(1,708.23)
(Increase)/ decrease in other assets	(971.74)	(889.11)
Increase /(decrease) in trade and other payables	971.47	(864.64)
Increase /(decrease) in provisions	609.52	(394.36)
Increase /(decrease) in other liabilities	(5,065.43)	6,927.68
	(1,648.14)	3,197.81
Cash inflow / (outflow) from operations	(1,723.79)	5,940.25
Income taxes (paid)/ refunds received (net)	39.71	424.34
(a) Net cash inflow / (outflow) from operating activities	(1,684.08)	6,364.59
Cash flows from investing activities:		
Payments for property, plant and equipment (net of capital creditors and including capital advances, capital work-in-progress, investment properties and intangible assets)	(23.38)	(997.39)
Proceeds from disposal of property, plant and equipment	1,820.22	19,044.23
<u>Purchase / subscription of long-term investments</u>		
- in subsidiaries	-	(5.00)
- Equity Investment in Joint Ventures	-	(0.50)
- Share application money in Joint Ventures	-	(249.50)
- others	-	(3,645.27)
<u>Proceeds from sale / capital reduction of long-term investments</u>		
- Subsidiary	-	3,659.10
- Joint Venture	133.49	2,900.00

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2024

	Year ended 31st Mar., 2024 ₹ in Lakhs	Year ended 31st Mar., 2023 ₹ in Lakhs
Purchase of current investments	-	(1,373.51)
Proceeds from sale of current investments	953.04	61.22
Amount received on capital reduction in a subsidiary	-	1.32
Loans and advances given to related parties realised	-	(3,266.00)
Investment in Mutual Fund	(2,801.20)	-
Bank balances not considered as cash and cash equivalents	-	(1,523.17)
Interest received	195.56	141.15
Dividend / Gain on sale of current investment	48.20	-
(b) Net cash inflow / (outflow) from investing activities	325.93	14,746.68
Cash flows from financing activities:		
Repayment of long-term borrowings	-	(8,912.56)
Finance costs paid	(60.11)	(770.23)
Payment of Lease Liabilities	(54.04)	(69.99)
Dividend paid on equity shares	-	(8,343.64)
(c) Net cash inflow / (outflow) from financing activities	(114.15)	(18,096.42)
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)	(1,472.30)	3,014.85
(e) Cash and cash equivalents as at the commencement of the year	3,292.77	611.08
(f) Cash and cash equivalents as at the end of the year (d + e)	1,820.47	3,625.93

Reconciliation of cash and cash equivalents as per the cash flow statements
Cash and cash equivalents as per above comprise of the following

	31st Mar., 2024 ₹ in Lakhs	31st Mar., 2023 ₹ in Lakhs
Balances with bank		
- In current accounts	584.15	756.18
- In EEFC Accounts	86.44	-
- In deposit accounts (with original maturity upto 3 months)	1,149.88	2,536.59
Cash on hand	-	-
Cash and cash equivalents	1,820.47	3,292.77
Cash and cash equivalents held under assets pertaining to discontinued business	-	333.16
Balances as per statement of cash flows	1,820.47	3,625.93

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" setout in Indian Accounting Standard - 7 on Statement of Cash Flows.
- Previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year classification.
- Other bank balances at the end of the year includes: (i) earmarked balances towards unpaid dividends ₹ 63.88 Lakhs (*Previous year ₹ 64.75 Lakhs*) and (ii) margin money deposits ₹ 1,129.31 Lakhs (*Previous year ₹ 338.66 Lakhs*) includes security against license for import of goods under EPCG Scheme and hence are not available for immediate use by the Company.

Material Accounting Policies

2 - 3

The accompanying notes form an integral part of the financial statements

4 - 59

In terms of our report of even date

For Sharp & Tannan Associates

 Firm Registration No. 0109983W
Chartered Accountants

Parthiv S. Desai

 Partner
Membership Number: (F) 042624

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Chief Financial Officer

Pritesh Jhaveri

 Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI

Chairman

DIN : 1423084

JAI L. MAVANI

Director

DIN : 05260191

RAVINDER PREM

Whole-time Director

DIN : 07771465

Place: Mumbai

 Date: 29th May, 2024

Place: Mumbai

 Date: 29th May, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024
a. Equity share capital

₹ in Lakhs

Particulars	Amount
Balance as at 31st March, 2022	1,289.86
Changes in equity share capital	-
Balance as at 31st March, 2023	1,289.86
Changes in equity share capital	-
Balance as at 31st March, 2024	1,289.86

b. Other equity

₹ in Lakhs

Particulars	Reserves and surplus				
	General Reserves	Capital Reserve	Other Comprehensive Income	Retained earnings	Total
Balance as at 31st March, 2022	39,954.45	(93,902.99)	(28.16)	56,589.04	2,612.34
Profit / (loss) for the year	-	-	-	23,859.16	23,859.16
Payment of Dividend on Equity Shares	-	-	-	(8,384.10)	(8,384.10)
Other comprehensive income for the year	-	-	1,307.91	-	1,307.91
Total comprehensive income / (loss) for the year	-	-	1,307.91	15,475.06	16,782.97
Balance as at 31st March, 2023	39,954.45	(93,902.99)	1,279.75	72,064.10	19,395.31
Profit / (loss) for the year	-	-	-	2,033.19	2,033.19
Impact of demerger (FPTL)	(5,810.21)	-	5.67	(4,989.56)	(10,794.10)
Impact of investment in FPTL write off	(5.00)	-	-	-	(5.00)
Other comprehensive income / (loss) for the year, net of income tax	-	-	275.31	-	275.31
Total comprehensive income / (loss) for the year	(5,815.21)	-	280.98	(2,956.37)	(8,490.60)
Balance as at 31st March, 2024	34,139.24	(93,902.99)	1,560.73	69,107.73	10,904.71

Material accounting policies

2 - 3

The accompanying notes form an integral part of the financial statements

4 - 59

In terms of our report of even date

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

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 Partner
 Membership Number: (F) 042624

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RAVINDER PREM
 Whole-time Director
 DIN : 07771465

 Place: Mumbai
 Date: 29th May, 2024

 Place: Mumbai
 Date: 29th May, 2024

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
1. GENERAL INFORMATION

Forbes & Company Limited (“the Company”) is one of the oldest companies of the world. The Company traces its origin to the year 1767 when John Forbes of Aberdeenshire, Scotland started his business in India. Over the years, the Management of the Company moved from the Forbes Family to the Campbells to the Tata Group and now finally to the well known Shapoorji Pallonji Group. Its parent and ultimate holding company is Shapoorji Pallonji and Company Private Limited. The Company is mainly engaged in the business of manufacturing and trading of engineering products, real estate development projects and leasing of premises. It is listed on the Bombay Stock Exchange. The address and registered office and principal place of business are disclosed in the Annual Report.

2. MATERIAL ACCOUNTING POLICIES
i) Statement of Compliance with Ind AS

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

ii) Basis of Preparation and Presentation

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

- Certain financial assets and liabilities (including derivative instruments) is measured at fair value;
- assets held for sale - measured at fair value less cost to sell or their carrying amount whichever is lower;
- defined benefit plans - plan asset measured at fair value

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

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

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

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for Coding and Automation business and 48 months for real estate business for the purpose of classification of its assets and liabilities as current and non current .

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

During the year, the Company engaged in a Scheme of Arrangement known as the “Scheme” that resulted in the demerger of the Precision Tools business of Forbes & Company Limited (the “Demerged Company”) into a Forbes Precision Tools and Machine Parts Limited (the “Resulting Company”). This demerger was approved by the National Company Law Tribunal (NCLT), Mumbai Bench on 9th February 2024, and the certified copy of the order was received on 20th February 2024. The Precision tools business is demerged from the effective date i.e. 1st March 2024.

Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its standalone financial statements:

iii) Investments in subsidiaries, associates and joint ventures
Subsidiaries:

Subsidiaries are all entities over which the Company has control, including through its subsidiaries. Control is achieved when the Company 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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Associates:

An associate is an entity over which the Company has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Joint Arrangements:

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company had joint ventures.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company has elected the exemption of previous GAAP carrying value of all its investments in subsidiaries, associates and joint ventures recognised as of 1st April, 2015 (transition date) as deemed cost except in case of Shapoorji Pallonji Forbes Shipping Limited.

Investments in the Subsidiaries, Associates and Joint ventures are accounted at cost less provision for impairment.

iv) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (excluding refundable taxes), borrowing costs if capitalization criteria are met and includes directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Freehold land is not depreciated. Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company and cost can be reliably measured.

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

Depreciation on property, plant and equipment has been provided on straight line method as per the useful lives

estimated by management. The life of the assets has been assessed based on technical evaluation which are higher than those specified by Schedule II to the Act, taking into account the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, etc.

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

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

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

Sr. No.	Class of assets	Estimated useful life
a	Building including investment properties	10 - 60 years
b	Plant and Equipment	10 - 15 years
c	Furniture and Fixtures	10 years
d	Vehicles	4 years
e	Office equipment, Data processing equipments:-	
	- Owned	Office equipments 5 years and Data processing equipments 3 to 5 years.
	- Leased	Lower of lease term and useful life as stated above
f	Buildings on leasehold land (including investment properties)	Lower of the useful life in the range of 30 - 60 years and the lease term building useful life is based on technical certification
g	Temporary structures (included in building)	4 years

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

v) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs and where applicable borrowing cost. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model, other than those that meet the criteria to be classified as held for sale shall be measured in accordance with Ind AS 105.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The estimated useful life of lease hold land is equivalent to the lease term.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss in the period in which the property is derecognised.

vi) Intangible Assets

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

Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Expenditure on development eligible for capitalisation is carried as intangible assets under development where such assets are not yet ready for their intended use.

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

Cost of software is amortised over a period of 5 years being the estimated useful life.

vii) Impairment of Assets

The Company assesses at end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount (cash generating unit). The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment

loss been recognised. Non financial asset other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating unit).

viii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivable which is measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial assets

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

Classification:

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

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

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and amounts that form an integral

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

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

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

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

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

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

Derecognition of financial assets

A financial asset is derecognised only when

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

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

Foreign exchange gains and losses

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

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

Equity instruments

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

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Borrowings are initially recognised at fair value, net of transaction costs incurred.

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

Derecognition of financial liabilities

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

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

Offsetting financial instruments

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

Financial guarantee contracts

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

The Fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

ix) Inventories

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

Real estate development work-in-progress :-

Cost of real estate business is charged to the Statement of Profit and Loss in proportion to the revenue recognised during the year and the balance cost is carried forward as "Real Estate Work in Progress" under Inventories.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Real estate development work-in-progress cost includes construction and development cost, allocated interest and other overheads related to projects under construction and is valued at lower of cost and net realizable value

x) Employee Benefits**a) Short-term employee benefits**

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

b) Other long-term employee benefits

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

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

c) Post-employment obligations

The Company operates the following post-employment schemes:

- Defined Contribution plans such as superannuation and employee state insurance scheme.
- Defined Benefit plans such as gratuity, provident fund, post-retirement medical benefits and non-compete fees (eligible whole-time directors and on their demise their spouses are entitled to medical benefits subject to certain limits and fixed monthly payment as non-compete fee).

Defined Contribution Plans

The Company's contribution to superannuation fund, pension and employee state insurance scheme are considered as defined

contribution plans, as the Company does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

In case of Superannuation, contributions are made to the Life Insurance Corporation of India (LIC).

Defined Benefit Plans

In case of Provident fund, contributions are made to a Trust administered by the Company. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity, post-retirement medical benefits and non-compete fees plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

Eligible employees receive benefits from a provident fund which is defined benefit plan. The employees of the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to Forbes & Company Ltd. Employees Provident Fund. The rate at which the annual interest is payable to the beneficiaries by the Trust is being determined by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. Any obligation in this respect is measured on the basis of an independent actuarial valuation. The remaining portion is contributed to the Government administered pension fund in respect of which the Company has no further obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments are available.

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

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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

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

xi) Provisions and Contingent Liabilities

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

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

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

Onerous Contracts

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

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

xii) Revenue recognition

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

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

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

1 Sale of goods:

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

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

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

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

- a) The Company does not adjust the promised amount of consideration for the effects of a significant financing component
- b) The Company recognises the incremental costs of obtaining a contract as an expense when incurred
- c) No information on remaining performance obligations as of the year end that have an expected original term of one year or less was reported.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

2 Interest and Dividend Income:

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

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

3 Export Incentives:

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

4 Revenue from real estate contracts:

In respect of real estate development projects undertaken by the Company, the control of real estate units is said to be satisfied over time, if any one of the following criteria is met:

- a) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- b) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- c) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

In all other cases, where the above criterias for satisfaction of performance obligation and recognising revenue over time are not met, revenue would be recognised when control of the real estate units has been transferred and there is no unfulfilled obligation which could affect the customer's acceptance of the real estate units. Considering the terms of the contract, revenue is recognised at a point in time when:

- The Company has transferred to the customer all significant risk and rewards of ownership and the Company retains no effective control of the real estate unit to a degree usually associated with ownership;

- The Company has handed over possession of the real estate unit to the customer or deemed possession based on the contract with the customer;
- No significant uncertainty exists regarding the amount of consideration that will be derived from the sale of the real estate unit;
- It is not unreasonable to expect ultimate collection of revenue from customer

Revenue is measured as the fair value of consideration which the Company expects to be entitled to in exchange of transferring the property to the customer (excluding amounts collected on behalf of third parties e.g. taxes). Revenue is recognized with respect to executed sales contracts on transfer of control of the real estate units to the customers

xiii) Foreign currency transactions and balances

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

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

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

xiv) Lease accounting

As a lessee:

From 1 April 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non lease components. The Company allocates the consideration in the contracts to the lease and non-lease components based on their relative standalone prices. However, the Company has elected not to separate lease and non-lease components and instead account for these as a single lease components.

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

- fixed payments (including in substances fixed payments), less any lease incentive receivable

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

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

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third party financing received by the lessee as a starting point, adjusted to reflect changes in financing condition since third party financing received
- use a build-up approach that starts with the risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing, and
- make adjustments specific to the leases, e.g. term, security, currency etc.

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

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

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

- the amount of initial measurement of lease liability

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

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

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

As a lessor:

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

xv) Taxes on Income

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

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

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

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

xvi) Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received. These are recognised in the Statement of Profit and Loss on a systematic basis over the period in line with the related costs.

xvii) Borrowing Costs

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

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

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

xviii) Segment Reporting

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

xix) Non-current assets held for sale

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

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

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

xx) Cash and cash equivalents

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

xxi) Exceptional Items

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see note 3.2 below), that the directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

3.1.1. The Svadeshi Mills Company Limited (Svadeshi) is not an associate of the Company although the Company owns a 23% ownership interest (including indirect) in Svadeshi, as the Assets of Svadeshi continue to be in the hands of the Official Liquidator, High Court, Bombay. The Review Petition had been filed against the Order dated 23rd February, 2016 whereby the Special Leave Petition (SLP) was dismissed. The said Review Petition filed before the Hon'ble Supreme Court was dismissed vide Order dated 26th August, 2016. The records of Svadeshi are in the custody of the Official Liquidator. Hence, the Company does not have significant influence over Svadeshi as Svadeshi is under liquidation.

3.2 Key sources of estimation uncertainty**3.2.1 Real Estate Development**

The determination of the period over which revenue from real estate development activities should be recognized, the timing of transfer of control to the customer; and determination of whether the Company has an enforceable right to payment as per requirements of Ind AS 115 involves significant judgement.

3.2.2 Contingent Liabilities and Provisions

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

3.2.3 Useful life and residual value of Property, Plant and Equipment (including investment properties)

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

3.2.4 Fair value measurement and valuation process

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The management of the Company determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the company uses market-observable data to the extent it is available. Where such inputs are not available, the Company engages third party qualified valuers to perform the valuation.

3.2.5 Impairment

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

3.2.6 Impairment of Trade Receivables

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

3.2.7 Defined Benefit Obligations

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

3.2.8 Deferred Tax Asset

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

4. ADOPTION OF NEW AND AMENDED INDIAN ACCOUNTING STANDARDS**(i) New and amended standards adopted by the Company**

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.

- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

(ii) New amendments issued but not effective

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
5A. Property, plant and equipment (Own, unless otherwise stated) for the year ended 31st March, 2024.

₹ in Lakhs

	Building and structures*	Vehicles	Data processing equipments	Office equipments	Furniture and fixtures	Plant and equipment*	Data processing equipments (Finance Lease)	As at 31st Mar., 2024
Cost or Deemed cost								
Balance at 1st April, 2023	4,234.54	71.49	295.00	204.54	186.21	9,429.39	1.02	14,422.19
Less: Assets pertaining to discontinued operations and other Adjustments #	4,107.23	36.02	218.06	57.50	99.87	9,280.80	-	13,799.48
Balance at 1st April, 2023	127.31	35.47	76.94	147.04	86.34	148.59	1.02	622.71
Additions	-	-	-	0.69	0.61	0.45	-	1.75
Disposals	-	-	11.09	2.85	24.22	-	-	38.16
Balance at 31st March, 2024	127.31	35.47	65.85	144.88	62.73	149.04	1.02	586.30
Accumulated depreciation								
Balance at 1st April, 2023	597.81	41.27	139.88	183.57	156.15	4,714.50	1.02	5,834.20
Less: Assets pertaining to discontinued operations and other Adjustments #	553.76	32.97	83.12	53.51	72.84	4,606.64	-	5,402.84
Balance at 1st April, 2023	44.05	8.30	56.76	130.06	83.31	107.86	1.02	431.36
Eliminated on disposals of assets	-	-	11.08	2.85	24.21	-	-	38.14
Depreciation expense for the year	14.65	11.15	5.97	3.91	1.16	12.77	-	49.61
Balance at 31st March, 2024	58.70	19.45	51.65	131.12	60.26	120.63	1.02	442.83
Carrying Amount								
Balance at 31st March, 2024	68.61	16.02	14.20	13.76	2.47	28.41	-	143.47

5B. Property, plant and equipment (Own, unless otherwise stated) for the previous year ended 31st March, 2023.

₹ In Lakhs

	Building and structures*	Vehicles	Data processing equipments	Office equipments	Furniture and fixtures	Plant and equipment*	Data processing equipments (Finance Lease)	As at 31st Mar., 2023
Cost or Deemed cost								
Balance at 1st April, 2022	4,124.98	71.49	304.57	193.78	188.41	9,356.48	1.02	14,240.72
Less: Assets pertaining to discontinued operations and other Adjustments #	4,107.23	36.02	218.06	57.50	99.87	9,280.80	-	13,799.48
Balance at 1st April, 2022	17.75	35.47	86.50	136.28	88.54	75.68	1.02	441.24
Additions	109.80	-	19.66	15.55	-	332.43	-	477.44
Disposals	0.25	-	29.23	4.79	2.20	259.51	-	295.97
Balance at 31st March, 2023	127.31	35.47	76.94	147.04	86.33	148.60	1.02	622.71
Accumulated depreciation								
Balance at 1st April, 2022	432.94	23.89	111.42	181.41	151.73	4,041.52	1.02	4,943.92
Less: Assets pertaining to discontinued operations and other Adjustments #	382.84	26.75	36.01	51.15	67.38	3,684.50	-	4,248.62
Balance at 1st April, 2022	50.10	(2.86)	75.41	130.26	84.35	375.01	1.02	695.30
Eliminated on disposals of assets	0.25	-	27.30	4.79	2.20	256.70	-	291.24
Depreciation expense for the year	11.57	11.15	8.65	4.59	1.17	7.55	-	44.68
Transferred from Investment Properties	-	-	-	-	-	-	-	-
Balance at 31st March, 2023	61.42	8.30	56.77	130.06	83.31	107.86	1.02	448.74
Balance at 31st March, 2023	65.89	27.17	20.17	16.99	3.02	40.74	-	173.97

Notes:

During the year, the Company has completed the Scheme of Arrangement for demerger of the Precision Tools business of the Company (the "Demerged Company") into Forbes Precision Tools and Machine Parts limited (the "Resulting Company"). This demerger was approved by the National Company law Tribunal (NCLT), Mumbai Bench on 9th February 2024, and the certified copy of the order was received on 20th February 2024. The effective date of the merger is 1st March 2024. All the assets & liabilities of Precision tools business has been transferred to the Resulting Company including Opening Gross Block and Opening Accumulated Depreciation of Fixed Assets. The impact of the transfer of assets has been adjusted in the above block of assets.

* Refer Note - 47 for Assets pledged.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
5.1 (a) Capital work-in-progress
Current year

₹ In Lakhs

Particulars	As at 1st Apr., 2023	Additions	Amounts Capitalised	As at 31st Mar., 2024
Capital work in progress	182.80	-	-	-
Less: Assets pertaining to discontinued operations and other Adjustments	182.80	-	-	-
Balance	-	-	-	-

Previous year

Particulars	As at 1st Apr., 2022	Additions	Amounts Capitalised	As at 31st Mar., 2023
Capital work in progress	81.82	618.63	517.66	182.80
Less: Assets pertaining to discontinued operations and other Adjustments	81.82	618.63	517.66	182.80
Balance	-	-	-	-

(b) Capital work-in-progress - Ageing
Current year

₹ In Lakhs

	Amounts in capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Previous year

	Amounts in capital work-in-progress for				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	182.80	-	-	-	182.80
Projects temporarily suspended	-	-	-	-	-
Total	182.80	-	-	-	182.80
Less: Assets pertaining to discontinued operations and other Adjustments	182.80	-	-	-	182.80
Total	-	-	-	-	-

(c) There are no capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

(d) Title deeds of immovable properties not held in the name of the company :

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Period held - indicate range, where appropriate (years)	Reason for not being held in the name of the Company
Property, plant and equipment and Investment Property	Land and building in Mumbai and Delhi	19.08	Gokak Patel Volkart Limited	No	15	Administrative procedures for change of name from Gokak Patel Volkart Limited, 2nd erstwhile name of the Company has not been carried out.
Property, plant and equipment and Investment Property	Land, factory building and office premises at Mumbai, Thane, Ahmedabad and Bangalore.	1,624.96	Forbes Gokak Limited	No	8-60	Administrative procedures for change of name from Forbes Gokak Limited, the 3rd erstwhile name of the Company has not been carried out.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
6. Investment properties (Own, unless otherwise stated)
₹ In Lakhs

	As at 31st Mar., 2024	As at 31st Mar., 2023
Completed investment properties	2,101.55	2,173.00
Total	2,101.55	2,173.00

Cost or Deemed Cost		
Balance at 1st April, 2023 / 1st April, 2022	2,639.00	2,663.69
Add: Assets held for sale	8.11	-
Less: Assets pertaining to discontinued operations and other Adjustments (Refer Note 5)	-	-
Balance at 1st April, 2023 / 1st April, 2022	2,647.11	2,663.69
Disposals	19.00	16.59
Additions	-	-
Transferred to property, plant and equipment	-	-
Property classified as held for sale	3.84	8.11
Balance at 31st Mar., 2024 / 31st Mar., 2023	2,624.27	2,639.00

Accumulated depreciation		
Balance at 1st April, 2023 / 1st April, 2022	466.00	408.10
Less: Assets pertaining to discontinued operations and other Adjustments (Refer Note 5)	-	-
Balance at 1st April, 2023 / 1st April, 2022	466.00	408.10
Transferred to property, plant and equipment	-	-
Disposals	3.81	3.38
Depreciation expense for the year	60.53	61.28
Balance at 31st Mar., 2024 / 31st Mar., 2023	522.72	466.00

Carrying amount		
Balance at 31st Mar., 2024 / 31st Mar., 2023	2,101.55	2,173.00

Notes:

- (i) Investment properties (Cost) include jointly owned Residential Premises including land with carrying amount ₹1,551.52 Lakhs (*Previous year ₹ 1,551.52 Lakhs*) and Shares in Co-operative Housing Societies, Association of apartment owners and in a company aggregating ₹ 0.17 Lakh (*Previous year ₹ 0.17 Lakh*).
- (ii) Investment properties includes the rights in respect of the land and building at Fort, Mumbai with net carrying value of ₹ 192.91 Lakhs (*Previous year ₹ 231.50 Lakhs*) of which ₹ 30.11 Lakhs (*Previous year ₹ 36.13 Lakhs*) has been disclosed under property, plant and equipment (Refer Note 5A). The Company has received approval for lease for the period 25th September, 2006 to 24th September, 2036 for 30 years U/s. 92(K) of BMC Act 1888.

6.1 Fair value measurement of the Company's investment properties

The fair value of the Company's investment properties as at 31st March, 2024 and 31st March, 2023 have been arrived at on the basis of a valuation carried out as on the respective dates by V.S.Modi, independent valuer not related to the Company. V.S. Modi is registered with the authority which governs the valuers in India, and has appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties as well as other lettings of similar properties in the neighbourhood. In estimating the fair value of the properties, the highest and best use of the properties is their current use. Thus, the significant unobservable inputs are recent transaction price, taking into account the differences in location, and individual factors, such as frontage and size, between the comparables and the properties. Details of the Company's investment properties and information about the fair value hierarchy as at 31st March, 2024 and 31st March, 2023 are as follows:

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

₹ In Lakhs

Particulars	Level 3	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Andhra Pradesh - Land	28.51	28.51
Delhi - Building	228.20	203.75
Gujarat - Land and Building	592.51	568.11
Kerala - Building	226.25	205.00
Maharashtra - Land and Building	62,995.89	62,063.71
Tamil Nadu - Land and Building	-	79.04
West Bengal - Building	766.86	686.83
Total	64,838.21	63,834.94

7. Other intangible assets (Own, unless otherwise stated)

₹ In Lakhs

	As at 31st Mar., 2024	As at 31st Mar., 2023
	Software / Licences acquired	Software / Licences acquired
Cost or Deemed cost		
Balance at 1st April, 2023 / 1st April, 2022	502.75	462.53
Less: Assets pertaining to discontinued operations and other adjustments (Refer Note 5)	272.03	231.81
Balance at 1st April, 2023 / 1st April, 2022	230.72	230.72
Additions during the year	-	-
Disposals	22.67	-
Balance at 31st Mar., 2024 / 31st Mar., 2023	208.05	230.72
Accumulated amortisation		
Balance at 1st April, 2023 / 1st April, 2022	387.39	313.51
Less: Assets pertaining to discontinued operations and other adjustments (Refer Note 5)	174.54	135.10
Balance at 1st April, 2023 / 1st April, 2022	212.85	178.41
Eliminated on disposals of assets	22.67	-
Amortisation charge for the year	12.44	34.44
Balance at 31st Mar., 2024 / 31st Mar., 2023	202.62	212.85
Carrying Amount		
Balance at 31st Mar., 2024 / 31st Mar., 2023	5.43	17.87
Less: Assets pertaining to discontinued operations and other adjustments (Refer Note 5)	-	-
Balance at 31st Mar., 2024 / 31st Mar., 2023	5.43	17.87

7.1 Intangible assets under development
Current year

₹ In Lakhs

Particulars	As at 1st Apr., 2023	Additions	Amounts Capitalised	Amounts written off	As at 31st Mar., 2024
Intangible asset under development	-	-	-	-	-

Previous year

Particulars	As at	Additions	Amounts Capitalised	Amounts written off	As at
	1st Apr., 2022				31st Mar., 2023
Intangible asset under development	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
8. Non Current Investments
8A. Investments in Subsidiaries

Particulars	₹ In Lakhs			
	As at		As at	
	31st Mar., 2024		31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
a) Equity Instruments (at cost less impairment)				
1. Equity shares of ₹ 100 each in Volkart Fleming Shipping and Services Limited	50,385	6.82	50,385	6.82
2. Equity shares of ₹ 10 each in Forbes Campbell Finance Limited	38,64,131	1,781.78	38,64,131	1,781.78
3. Equity component in 0.1% Optionally Convertible Redeemable Debentures of Forbes Campbell Finance Limited	-	1,686.26	-	1,686.26
4. Equity shares of ₹ 10 each in Forbes Technosys Limited (Refer Note 49) [Provision for impairment in value ₹ 73.00 Lakhs; (Previous year ₹ 73.00 Lakhs)]	7,29,996	-	7,29,996	-
5. Equity shares of ₹ 10 each in Campbell Properties & Hospitality Services Limited	4,87,500	180.00	4,87,500	180.00
6. Equity component in Financial Guarantee given to Forbes Technosys Limited (Refer Note 49) [Provision for impairment in value ₹ 350.78 Lakhs; (Previous year ₹ 350.78 Lakhs)]	-	-	-	-
7. 10% Optionally Redeemable compulsorily Convertible, Non cumulative Preference Shares of ₹ 10 each in Forbes Technosys Limited (Refer Note 49) [Provision for impairment in value ₹ 60.00 Lakhs; (Previous year ₹ 60.00 Lakhs)]	-	-	-	-
8. Equity shares of ₹ 10 each in Forbes Precision Tools & Machine Parts Ltd. (Refer Note 52)	-	-	50,000	5.00
9. Equity shares of Euro 1 each in EFL Mauritius Limited	15,001	-	15,001	-
10. Equity shares of CHF 1,000 each in Forbes Lux International AG (Refer Note 54)	33,500	-	33,500	-
b) Preference Shares (at amortised cost)				
1. Preference Shares of Euro 1 each fully paid up in EFL Mauritius Limited	-	-	-	-
2. FTL-6% Non-Cum. Non-Convertible Redeemable Preference Shares (Refer Note 49)	-	0.00	-	-
Total		<u>3,654.87</u>		<u>3,659.86</u>

8B. Investments in associates

Particulars	₹ In Lakhs			
	As at		As at	
	31st Mar., 2024		31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
Equity Instruments (at cost less impairment)				
1. Equity shares of ₹ 10 each in Neuvo Consultancy Services Limited	58,849	5.88	58,849	5.88
Total		<u>5.88</u>		<u>5.88</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
8C. Other investments
Non Current

Particulars	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Qty	Amount	Qty	Amount
<i>₹ In Lakhs</i>				
Quoted Investments (all fully paid)				
Equity Instruments (at fair value through OCI)				
1. Equity shares of ₹ 10 each in Eureka Forbes Limited	12,00,000	5,483.40	12,00,000	5,120.40
TOTAL AGGREGATE QUOTED INVESTMENTS (A)		<u>5,483.40</u>		<u>5,120.40</u>
Unquoted Investments (all fully paid)				
Equity Instruments (at fair value through Profit or Loss)				
1. Equity shares of ₹ 10 each in New India Co-operative Bank Limited	5,500	0.05	5,500	0.05
2. Equity shares of ₹ 500 each in Tuticorin Chamber of Commerce [Provision for impairment in value ₹ 0.05 Lakhs; (Previous year ₹ 0.05 Lakhs)]	10	0.00 *	10	0.00*
3. Equity Shares of ₹ 10 each in Simar Port Private Limited	1,000	0.10	1,000	0.10
4. Equity shares of ₹ 10 each in The Svadeshi Mills Company Limited [Provision for impairment in value ₹150.33 Lakhs; (Previous year ₹150.33 Lakhs)] (Refer Note 42)	4,20,170	0.00 *	4,20,170	0.00 *
5. Equity shares of SGD 1 each in Forbes Container Lines Pte. Limited [Provision for impairment in value ₹ 271.26 Lakhs; (Previous year ₹271.26 Lakhs)] (Refer Note 1 below)	8,64,960	0.00 *	8,64,960	0.00 *
6. Equity shares of USD 1 each in Edumetry Inc. USA [Provision for impairment in value ₹ 35.48 Lakhs; (Previous year ₹ 35.48 Lakhs)] (Refer Note 2 below)	2,500	0.00 *	2,500	0.00 *
7. Equity shares of ₹ 25 each in Zoroastrian Co-operative Bank Limited	100	0.03	100	0.03
TOTAL AGGREGATE UNQUOTED INVESTMENTS (B)		<u>0.18</u>		<u>0.18</u>
Total (A + B)		<u>5,483.58</u>		<u>5,120.58</u>

* Amount is below the rounding off norm adopted by the Company.

Notes:

- Forbes Container Line Pte. Ltd., Singapore ("FCLPL"), a foreign subsidiary of the Company has been ordered to be wound by the High Court of Republic of Singapore on 19th August, 2016. An official liquidator has been appointed by the court. The Company has made full provision for investments made and loans given to FCLPL. Accordingly, this entity is no longer a related party for the Company and not consolidated in these financial statements.
- Edumetry Inc., USA, a foreign joint venture of the Company has been dissolved vide Certificate of Dissolution dated 28th October, 2015 issued by the State of Delaware. Consequently, the Company does not have any significant influence or control over Edumetry Inc. as on date. Accordingly, this entity is no longer a related party for the Company and not consolidated in these financial statements. The Company has made full provision for these investments in earlier years.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
8D. Investments in Joint Ventures

Particulars	₹ In Lakhs			
	As at		As at	
	31st Mar., 2024		31st Mar., 2023	
	Qty	Amount	Qty	Amount
Equity Instruments (at cost less impairment)				
1. Equity shares of ₹ 10 each in Forbes Concept Hospitality Services Private Limited (Refer Note 51 E)	-	-	26,25,000	-
2. Equity Investment in Forbes Macsa Private Limited (Refer Note 53)	10,00,000	100.00	5,000	0.50
3. Share application money in Forbes Macsa Private Limited	-	-	-	249.50
Preference Shares				
1. Preference Shares in Forbes Macsa Private Limited (Refer Note 53)	15,00,000	150.00	-	-
Total		<u>250.00</u>		<u>250.00</u>

8E. Category-wise investments – as per Ind AS 109 classification

Particulars	₹ In Lakhs	
	As at	As at
	31st Mar., 2024	31st Mar., 2023
Financial assets carried at fair value through profit or loss		
Equity Instruments	0.18	0.18
Financial assets carried at fair value through OCI		
Equity Instruments	5,483.40	5,120.40
	<u>5,483.58</u>	<u>5,120.58</u>
Financial assets carried at cost less impairment		
Equity components in preference shares / debentures	1,686.26	1,686.26
Equity shares (Unquoted)	2,224.49	2,229.48
	<u>3,910.75</u>	<u>3,915.74</u>
Total	<u>9,394.33</u>	<u>9,036.32</u>
Note:		
Aggregate amount of unquoted investments (net of impairment)	3,910.93	3,915.92
Aggregate amount of impairment in value of investments	940.90	940.90

8. Current Investments
8F. Investments in Mutual Funds

Particulars	₹ In Lakhs			
	As at		As at	
	31st Mar., 2024		31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments				
HDFC Mutual Fund	11,652.515	547.43	11,228.399	492.25
ICICI Prudential Mutual Fund	4,10,487.498	1,454.67	2,01,614.658	666.65
SBI Mutual Fund	38,245.198	1,432.54	7,430.233	259.77
TOTAL INVESTMENTS		<u>3,434.64</u>		<u>1,418.67</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
9. Trade receivables

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Trade receivables		
a) Trade receivables from contract with customers – billed	584.06	1,057.05
b) Trade receivables from contract with customers – related parties	3,996.64	3,431.88
c) Less: Loss allowance	3,910.46	3,801.84
Total	670.24	687.09
Break-up of security details		
a) Secured, considered good	25.95	31.49
b) Unsecured, considered good	644.29	655.60
c) Doubtful	3,910.46	3,801.84
	4,580.70	4,488.93
Less: Allowance for doubtful debts (expected credit loss allowance)*	3,910.46	3,801.84
Total	670.24	687.09

Note:

* Provision for doubtful debts includes provision on receivables from Forbes Technosys Ltd. ₹ 101.47 Lakhs, and pursuant to the merger and demerger of EFL, from LIAG ₹ 3,223.84 Lakhs.

9.1 Trade receivables

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Debts due by private companies in which a director is a director / member (₹ in Lakhs) (Refer Note 39)	1.75	1.81
Less : Allowance for doubtful debts (expected credit loss allowance)	-	-
Net Debts	1.75	1.81

For trade receivables from related parties (Refer Note 39).

The average credit period on sales is approximately 50 days (Previous year 50 days).

Ageing for trade receivables for the year ended 31st March, 2024

	Unbilled	Not due	Outstanding for the following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
Considered good	-	309.21	46.38	8.97	187.31	42.80	75.57	670.25
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	188.85	10.15	3,266.86	0.00	444.60	3,910.46
Disputed trade receivables								
Considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	-	309.21	235.23	19.13	3,454.17	42.80	520.17	4,580.70
Less: Allowance for losses								3,910.46
Total	-	309.21	46.38	8.97	187.31	42.80	75.57	670.24

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Ageing for trade receivables for the year ended 31st March, 2023

	<i>Outstanding for the following periods from the due date</i>							
	<i>Unbilled</i>	<i>Not due</i>	<i>Less than 6 months</i>	<i>6 months - 1 year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>More than 3 years</i>	<i>Total</i>
<i>Undisputed trade receivables</i>								
<i>Considered good</i>	-	2,172.31	705.61	5.28	15.79	3.93	20.96	2,923.88
<i>which have significant increase in credit risk</i>	-	-	-	-	-	-	-	-
<i>credit impaired</i>	-	-	67.03	24.23	3,246.04	67.89	448.52	3,853.71
<i>Disputed trade receivables</i>								
<i>Considered good</i>	-	-	-	-	-	-	-	-
<i>which have significant increase in credit risk</i>	-	-	-	-	-	-	-	-
<i>credit impaired</i>	-	-	-	-	-	-	207.50	207.50
Total	-	2,172.31	772.65	29.51	3,261.83	71.82	676.98	6,985.09
<i>Less: Allowance for losses</i>								4,061.21
Total	-	2,172.31	705.61	5.28	15.79	3.93	20.96	2,923.88
<i>Less: pertaining to discontinued operations</i>	-	1,711.86	520.15	4.78	-	-	-	2,236.79
Total	-	460.45	185.46	0.50	15.79	3.93	20.96	687.09

Movement in the allowance for doubtful debts

Particulars	₹ In Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Opening balance	3,801.84	3,803.24
Impairment losses recognised on receivables	103.60	314.89
Impairment losses recognised on composite scheme arrangement	5.02	(248.06)
Amounts written off during the year as uncollectible	-	(29.42)
Amounts recovered during the year	-	(38.81)
Balance at end of the year	3,910.46	3,801.84

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

Trade receivables of ₹ 3,910.46 Lakhs (*Previous year ₹ 3,801.84 Lakhs*) were impaired. The individually impaired receivables were mainly due to unexpected difficult economic situations.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
10. Loans
10A. Non Current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Advances to related parties		
- Secured, considered good	-	-
- Unsecured, considered good	-	-
- Unsecured, considered doubtful	14,989.91	14,518.59
Less : Allowance for bad and doubtful advances	14,989.91	14,518.59
sub total (a)	<u>-</u>	<u>-</u>
b) Loans to related parties		
- Secured, considered good	-	-
- Unsecured, considered doubtful	29,891.92	28,874.01
Less : Allowance for doubtful loans	29,891.92	28,874.01
sub total (b)	<u>-</u>	<u>-</u>
c) Loans to others		
- Secured, considered good	-	-
- Unsecured, considered doubtful	4,391.78	4,391.78
Less : Allowance for bad and doubtful loans	4,391.78	4,391.78
sub total (c)	<u>-</u>	<u>-</u>
Total (a+b+c)	<u>-</u>	<u>-</u>

10B. Current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Loans to related parties		
- Secured, considered good	-	-
- Unsecured, considered doubtful (Refer Notes 31B and 49)	6,450.73	6,468.92
Less : Allowance for bad and doubtful loans	6,450.73	6,468.92
Total (a)	<u>-</u>	<u>-</u>
b) Loans and advances to employees		
- Secured, considered good	-	-
- Unsecured, considered good	1.82	10.33
Total (b)	<u>1.82</u>	<u>10.33</u>
c) Loans to others		
- Unsecured, considered doubtful (Refer Notes 8 and 44)	375.00	375.00
Less : Allowance for bad and doubtful loans	375.00	375.00
Total (c)	<u>-</u>	<u>-</u>
Total (a+b+c)	<u>1.82</u>	<u>10.33</u>

Note: The above loans are carried at amortised cost.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Movement in the allowance for bad and doubtful loans and advances and Other financial assets

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balance at beginning of the year	62,793.39	54,974.49
Amounts provided for / (reversed) during the year	1,728.63	419.19
Impairment losses recognised on composite scheme arrangement	-	7,399.71
Balance at end of the year	64,522.02	62,793.39

Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013):

	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
	Amount outstanding	Amount outstanding
a) amounts repayable on demand		
- Other related parties*	36,342.65	35,342.93
	36,342.65	35,342.93

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	36,342.65	100%

* The above mentioned loans to related parties are fully provided as on 31st March, 2024 and 31st March, 2023.

11. Other financial assets
11A. Non current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Security deposits		
- Unsecured, considered good	45.51	42.83
- Doubtful	2.89	2.89
Less : Allowance for bad and doubtful deposits	2.89	2.89
Total (a)	45.51	42.83
b) Balance held as margin money with banks with remaining maturity period of more than 12 months		
- Unsecured, considered good	57.46	-
Total (b)	57.46	-
c) Accruals:		
i) Inter Corporate Deposits to related parties and Advances to related parties	7,978.21	7,722.03
Less : Allowance for doubtful interest	7,978.21	7,722.03
Total (c)	-	-
Total (a+b+c)	102.97	42.83

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
11B. Current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Accruals:		
i) Interest accrued on deposits with bank	27.00	22.15
ii) Interest accrued on loans, considered doubtful (Refer Note 39 and Note 49)	126.78	126.78
Less : Allowance for doubtful interest	126.78	126.78
Total (a)	27.00	22.15
b) Contractually reimbursable expenses from related parties		
Receivable from Related Parties	466.65	-
- Unsecured, considered good	71.70	221.01
- Doubtful (Refer Note 39 and Note 49)	314.79	313.38
Less : Allowance for doubtful debts	314.79	313.38
Total (b)	538.35	221.01
c) Other current receivables		
- Unsecured, considered good	4.73	0.36
Total (c)	4.73	0.36
Total (a+b+c)	570.08	243.51

12. Inventories

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Inventories (lower of cost and net realisable value)		
Raw materials including packing materials [In transit ₹ 118.50 Lakhs; (Previous year ₹ 2.07 Lakhs)]	349.12	248.81
Work-in-progress	0.01	0.01
Finished goods [In transit ₹ Nil; (Previous year ₹ Nil)]	116.78	73.73
Stock-in-trade [In transit ₹ Nil; (Previous year ₹ Nil)]	-	9.01
Stores and spares	-	-
Real estate work-in-progress (Refer Note 48)	11,678.46	14,605.56
Total	12,144.37	14,937.12

Note:

The cost of inventories recognized as an expense/(Gain) includes (₹ Nil); (Previous year ₹ 11.59 Lakhs)).

13. 13A. Cash and cash equivalents

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balances with Banks		
a) In Current Accounts	584.15	756.18
b) In EEFC Account [USD 1.04 Lakhs; (Previous year USD Nil) and EUR Nil; (Previous year EUR Nil)]	86.44	-
c) In deposit accounts (with original maturity upto 3 months)	1,149.88	2,536.59
	1,820.47	3,292.77
Cash on hand	-	-
Total	1,820.47	3,292.77

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
13B. Other Bank balances

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Earmarked balance with the banks:		
- Unpaid dividends	63.88	64.75
b) In deposit accounts with original maturity of more than 3 months but less than 12 months, deposited under lien.	15.17	1,375.29
c) Balances held as margin money / under lien with remaining maturity of less than 12 months	1,129.31	338.66 *
Total	1,208.37	1,778.70

Note:

* Includes ₹ 116.79 Lakhs FD lien marked for FTL Bank Guarantees.

14. Other assets
14A. Non Current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Prepaid expenses	46.53	60.59
b) Balances with government authorities		
- Unsecured, considered good	92.25	92.28
- Doubtful	31.02	30.99
Less : Allowance for doubtful balances	31.02	30.99
	92.25	92.28
c) Advance wealth tax	49.94	49.94
Total	188.72	202.81

14B. Current

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Advances for supply of goods and services		
- Unsecured, considered good	202.79	135.72
- Doubtful	18.15	13.88
Less : Allowance for doubtful advances	18.15	13.88
	202.79	135.72
b) Advance to HDFC Life - Leave Encashment	345.42	34.33
c) Provision for Gratuity/Provision for Gratuity Fund with LIC	463.59	(9.89)
d) Prepaid expenses	858.08	974.82
e) Balances with government authorities	54.02	8.28
f) Others	0.33	-
Total	1,924.23	1,143.26

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
15. Equity share capital

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Authorised Share capital :		
4,30,50,000 fully paid equity shares of ₹ 10 each (Previous year 4,30,50,000)	<u>4,305.00</u>	<u>4,305.00</u>
Issued, subscribed and paid-up share capital:		
1,28,98,616 fully paid equity shares of ₹ 10 each (Previous year 1,28,98,616)	<u>1,289.86</u>	<u>1,289.86</u>
	<u>1,289.86</u>	<u>1,289.86</u>

Notes:
1 Fully paid equity shares

Particulars	Share Capital ₹ in Lakhs	
	Number of shares	₹ in Lakhs
Balance as at the year end	<u>1,28,98,616</u>	<u>1,289.86</u>

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is 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 shareholders.

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

Particulars	Fully paid ordinary shares	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Shapoorji Pallonji and Company Private Limited, the holding company	<u>93,59,293</u>	<u>93,59,293</u>
Forbes Campbell Finance Limited, subsidiary of the company	<u>1,66,398</u>	<u>1,66,398</u>
Total	<u>95,25,691</u>	<u>95,25,691</u>

3

Particulars	As at 31st Mar., 2024		As at 31st Mar., 2023		% Change during the year
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	
Fully paid equity shares					
Shapoorji Pallonji and Company Private Limited	<u>93,59,293</u>	<u>72.56</u>	<u>93,59,293</u>	<u>72.56</u>	-
India Discovery Fund Limited	<u>11,48,255</u>	<u>8.90</u>	<u>11,48,255</u>	<u>8.90</u>	-
Total	<u>1,05,07,548</u>	<u>81.46</u>	<u>1,05,07,548</u>	<u>81.46</u>	-

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

5 Details of shareholding of promoters

Particulars	As at 31st Mar., 2024		As at 31st Mar., 2023		% Change during the year
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	
Shapoorji Pallonji and Company Private Limited	<u>93,59,293</u>	<u>72.56</u>	<u>93,59,293</u>	<u>72.56</u>	-
Forbes Campbell Finance Limited	<u>1,66,398</u>	<u>1.29</u>	<u>1,66,398</u>	<u>1.29</u>	-
Total	<u>95,25,691</u>	<u>73.85</u>	<u>95,25,691</u>	<u>73.85</u>	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
16. Other equity

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) General reserve		
Balance at beginning of the year	39,954.45	39,954.45
Less: Impact of demerger (Refer Note 52)	5,810.21	-
Less: Impact of investment in FPTL w/off (Refer Note 52)	5.00	-
Balance as at the year end	34,139.24	39,954.45
b) Capital reserve		
Balance at beginning of the year	(93,902.99)	(93,902.99)
Balance at end of the year	(93,902.99)	(93,902.99)
c) Retained earnings		
Balance at beginning of the year	72,064.10	56,589.04
Less: Inter divisional P&L March	-	-
Balance at beginning of the year	72,064.10	56,589.04
Less: Impact of demerger (Refer Note 52)	(4,989.56)	2,273.07
Profit for the year	2,033.19	21,586.08
Payment of dividends on equity shares	-	(8,384.10)
Balance at end of the year	69,107.73	72,064.10
d) Other comprehensive income		
Balance at beginning of year	1,279.75	(28.16)
Add: Impact of demerger (Refer Note 52)	5.67	-
Add: OCI current	275.31	1,307.91
Balance at end of the year	1,560.73	1,279.75
Total	10,904.71	19,395.31

Description of Reserves :

Retained Earnings: Retained earnings represent the amount of accumulated earnings of the Company

Securities premium reserve: The amount received in excess of the par value of equity shares has been classified as securities premium.

General reserve: The Company created a General Reserve in earlier years pursuant to the provisions of the Companies Act, 1956 where in certain percentage of profits was required to be transferred to General Reserve before declaring dividends. As per Companies Act 2013, the requirements to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Company.

Capital Redemption Reserve: As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

Other Comprehensive income: This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other comprehensive Income, net of amounts reclassified, If any , to Retained Earnings when those instruments are disposed off.

Capital Reserve: During merger, the excess of net assets acquired, over the cost of consideration paid is treated as capital reserve.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
17. Other financial liabilities
17A. Non Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Security deposits	398.22	255.39
Total	398.22	255.39

17B. Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Unpaid dividends	63.88	64.75
b) Others :-		
- Security deposits	143.76	349.67
- Other Payables	395.60	47.76
- Deposits and other charges payable to society	704.39	683.88
- Payable due to Scheme of Arrangement (Refer Note 52)	881.93	-
Total	2,189.56	1,146.06

18. Provisions
18A. Non current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Employee benefits		
Gratuity (Refer Note 34)	-	-
Other post retirement benefits (Refer Note 34)	167.07	182.58
b) Other Provisions (Refer Note 1 below)	637.29	569.78
Total (a+b)	804.36	752.36

18B. Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Employee benefits		
Compensated absences	-	-
Gratuity (Refer Note 34)	0.11	-
Other post retirement benefits (Refer Note 34)	31.37	33.01
Total	31.48	33.01

Note : 1
Other Provisions

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balance at the beginning of the year	569.78	265.49
Add: Provisions made during the year	67.51	304.29
Balance at the end of the year	637.29	569.78

This provision represent the Company's best estimate of the future outflow of economic benefits that will be required for certain indirect tax and legal matters. The outflow would depend on settlement / conclusion of respective matters / cessation of expected events with respective authorities.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
19. Deferred tax balances

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

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Deferred tax assets	1,465.86	2,322.45
Deferred tax liabilities	-	(629.18)
Net	1,465.86	1,693.27

Current Year (2023-24)

Particulars	₹ in Lakhs				
	Opening balance	Transferred to Resulting Company on composit scheme of arrangement (Refer Note 52)	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:					
a) Property, plant and equipment	(630.37)	(378.89)	16.01	-	(235.47)
b) Right of Use Assets	(133.69)	(9.33)	9.04	-	(115.32)
c) Lease Liability	135.62	7.75	(1.41)	-	126.45
d) Allowances for doubtful debts and advances	274.60	75.25	(3.06)	-	196.29
e) Defined benefit obligation	9.58	6.94	(15.27)	15.27	2.64
f) Provisions and liabilities to be allowed on payment basis	91.10	63.83	139.35	-	166.62
g) Tax losses	8.63	-	565.43	-	574.06
h) Long Term Capital Loss	614.87	-	(242.33)	(42.28)	330.26
i) Profits from Real Estate Business (Refer Note 48 below)	1,088.49	-	(668.16)	-	420.33
Total	1,458.83	(234.44)	(200.41)	(27.01)	1,465.85

Previous Year (2022-23)

Particulars	₹ in Lakhs			
	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
a) Property, plant and equipment	(618.65)	(11.72)	-	(630.37)
b) Right of Use Assets	(10.53)	(123.16)	-	(133.69)
c) Lease Liability	6.42	129.20	-	135.62
d) Allowances for doubtful debts and advances	239.56	35.04	-	274.60
e) Defined benefit obligation	41.61	(25.81)	(6.22)	9.58
f) Provisions and liabilities to be allowed on payment basis	80.00	6.07	5.03	91.10
g) Tax losses	122.83	(114.20)	-	8.63
h) Long Term Capital Loss	1,393.05	(606.48)	(171.70)	614.87
i) Profits from Real Estate Business (Refer Note 48 below)	918.90	169.59	-	1,088.49
Total	2,173.19	(541.47)	(172.89)	1,458.83
<i>Pertaining to discontinued operations (Refer Note 52)</i>	-	-	-	234.44
Total	2,173.19	(541.47)	(172.89)	1,693.27

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
20. Other liabilities
Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Advances from customers [includes ₹ 15,899.32 Lakhs; (Previous year ₹ 22,680.64 Lakhs) towards installments received from customers towards real estate development projects in progress] (Refer Note 48)	16,471.54	23,000.11
b) Statutory remittances	142.35	112.53
c) Others		
- Payable to Employees	495.76	248.66
- Others	31.54	31.65
- Advance for land sale	-	-
Total	17,141.19	23,392.95

21. Borrowings
Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Current maturities of long term borrowings	-	-
Secured - at amortised cost		
Loans repayable on demand		
From banks		
i) Cash credit from consortium of banks - Secured against pari passu charge by way of hypothecation of all stocks including raw materials, stock-in-process, finished goods, stores and spares, goods in transit, trade receivables and other current assets, except receivables of project Vicinia.	-	-
Total	-	-

22. Trade payables
22A. Trade payables - Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Outstanding dues of micro and small enterprises	139.89	-
Outstanding dues of other than micro and small enterprises	2,778.45	1,957.00
Total	2,918.34	1,957.00

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

Particulars	Outstanding for the following periods from the due date					Total
	Not due	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
Micro enterprises and small enterprises	139.89	-	-	-	-	139.89
Others	1,982.73	476.47	242.70	2.67	73.88	2,778.45
Disputed trade receivables						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	2,122.62	476.47	242.70	2.67	73.88	2,918.34

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Ageing of Trade Payables for the year ended 31st March, 2023

Particulars	Not due	Outstanding for the following periods from the due date				Total
		6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<i>Undisputed trade payables</i>						
Micro enterprises and small enterprises	678.20	0.46	0.02	-	-	678.67
Others	1,303.06	1,734.53	0.52	7.72	65.71	3,111.53
<i>Disputed trade receivables</i>						
Micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	1,981.25	1,734.97	0.54	7.72	65.71	3,790.20
<i>Less: pertaining to discontinued operations (Refer Note 52)</i>	<i>1,833.20</i>					<i>1,833.20</i>
Total	148.05	1,734.97	0.54	7.72	65.71	1,957.00

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

Particulars	₹ in Lakhs	
	31st Mar., 2024	31st Mar., 2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	135.15	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.74	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

23. Income tax assets and liabilities

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Tax assets		
Tax refund receivable (net)	542.90	640.86
	542.90	640.86
Tax liabilities		
Income tax payable (net)	-	57.34
	-	57.34
Net Asset	542.90	583.52
Movement during the year		
Balance at the beginning of the year	587.83	951.85
Add: Taxes paid (including tax deducted at source / self assessment tax)	194.93	361.24
Less: Refund received (net of taxes paid / adjusted)	(223.32)	(403.80)
Less: Current tax payable for the year	-	(269.66)
Less: Short prov for tax for earlier year	(16.55)	(51.80)
Balance at the year end of the year	542.90	587.83
Less: Pertaining to discontinued operations (Refer Note 52)		4.31
	542.90	583.52

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
24. Revenue from operations

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

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
a) Income from real estate contracts	7,542.21	199.34
b) Sales		
Sale of products		
i) Finished Goods	3,037.65	2,373.14
ii) Traded Good	-	8.31
	<u>3,037.65</u>	<u>2,381.45</u>
Sale of services		
i) Service income	70.18	64.09
	<u>70.18</u>	<u>64.09</u>
c) Other operating revenues		
i) Rent and amenities	1,679.81	1,555.33
ii) Others	15.30	42.50
	<u>1,695.11</u>	<u>1,597.83</u>
Total	<u><u>12,345.15</u></u>	<u><u>4,242.71</u></u>

25. Other Income

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
i) Bank deposits	193.71	157.41
ii) Inter-corporate deposit	1.85	3.36
iii) Customers and others	0.38	(0.08)
Total (a)	<u>195.94</u>	<u>160.69</u>
b) Dividend Income		
i) from long-term investments	-	0.00
Total (b)	<u>-</u>	<u>0.00</u>
c) Other Non-Operating Income		
i) Credit balances / excess provision written back	3.58	1.43
ii) Interest on Income Tax	15.63	20.55
iii) Miscellaneous income	35.45	32.42
Total (c)	<u>54.66</u>	<u>54.39</u>

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
d) Other gains and losses		
i) Gain on disposal of property, plant and equipment	1,805.04	20,980.14
ii) Gain on disposal of current investments	48.20	106.38
iii) Net foreign exchange gains	9.28	-
iv) Guarantee Commission (including notional income recognised)	-	0.24
v) Unrealised gain/loss	167.81	45.15
Total (d)	<u>2,030.32</u>	<u>21,131.90</u>
Total (a + b + c + d)	<u><u>2,280.93</u></u>	<u><u>21,346.98</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
26. Real estate development costs

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
i) Material and Contractual Payments	3,415.52	2,470.30
ii) Fees for technical services / design and drawings	20.68	19.13
iii) Project Management Consultancy Fees	55.46	146.81
iv) Fees-filing with Statutory Authorities	24.00	16.90
v) Operation and maintenance expenses	35.72	110.06
Total	3,551.38	2,763.20

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

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Opening stock of raw materials including packing materials	248.81	325.70
Purchases	2,056.71	1,475.35
	2,305.52	1,801.05
Less: Closing stock of raw materials including packing materials	349.13	248.81
	1,956.40	1,552.24

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

B. Changes in inventories of finished goods, work-in-progress and stock-in-trade.
a) Inventories at the end of the year:

i) Finished goods	116.78	73.73
ii) Work-in-progress	0.01	0.01
iii) Stock-in-trade	0.00	9.01
iv) Real estate development work-in-progress	11,678.46	14,605.56
	11,795.25	14,688.30

b) Inventories at the beginning of the year:

i) Finished goods	73.73	50.80
ii) Work-in-progress	0.01	3.81
iii) Stock-in-trade	9.01	0.15
iv) Real estate development work-in-progress	14,605.56	11,973.79
	14,688.30	12,028.54
Net increase (b)-(a)	2,893.05	(2,659.76)

28. Employee benefits expense

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
i) Salaries and Wages (Refer Note 34 II D)	1,378.18	1,168.78
ii) Contribution to provident and other funds (Refer Note 34)	10.82	54.47
iii) Staff Welfare Expenses	36.86	51.19
Total	1,425.86	1,274.43

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
29. Finance costs

Particulars	<i>₹ in Lakhs</i>	
	Year ended 31st Mar., 2024	<i>Year ended 31st Mar., 2023</i>
(a) Interest costs :-		
i) Interest on bank overdrafts and loans	-	323.94
ii) Interest expenses on lease liabilities	48.42	44.87
iii) Delayed payment of taxes	0.18	0.06
iv) Other interest expense	59.93	-
	108.53	368.86
(b) Other borrowing costs	-	118.97
Total	108.53	487.84

30. Depreciation and amortisation expense

Particulars	<i>₹ in Lakhs</i>	
	Year ended 31st Mar., 2024	<i>Year ended 31st Mar., 2023</i>
i) Depreciation on property, plant and equipment (Refer Note 5)	49.63	44.68
ii) Depreciation of investment properties (Refer Note 6)	60.53	61.28
iii) Depreciation Right-of-use assets (Refer Note 43)	35.90	32.82
iv) Amortisation of intangible assets (Refer Note 7)	12.44	34.44
Total	158.49	173.22

31. A. Other expenses

Particulars	<i>₹ in Lakhs</i>	
	Year ended 31st Mar., 2024	<i>Year ended 31st Mar., 2023</i>
Consumption of stores and spare parts	53.85	33.06
Processing charges	0.05	5.27
Power and fuel	36.64	58.67
Service charges	17.92	13.16
Rent and hire charges	2.70	638.50
Repairs and maintenance to :		
i) Buildings	221.85	220.50
ii) Plant and machinery	3.33	2.97
iii) Others	19.58	47.79
	244.76	271.26
Insurance	6.59	14.53
Rates and taxes	128.72	97.88
Selling expenses, commission and brokerage	53.75	204.22
Freight and outward charges	19.49	17.52
Advertisement and sales promotion	25.63	105.86
Printing and Stationery	18.70	9.36
Communication	4.57	14.67
Legal and professional charges	347.61	296.28
Travelling and conveyance	99.93	70.37
Trade receivables written off	-	4.37
Less: Provision held	-	4.37
	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Particulars		₹ in Lakhs	
		Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Advances written off	2.19		-
Less: Provision held	0.50		-
		1.69	-
Provision for doubtful trade receivables		5.11	8.34
Provision for doubtful loans and advances		6.88	54.92
Directors sitting Fees and commission		272.00	110.50
Corporate social responsibility expenditure (Refer Note 2 below)		52.54	71.85
Net loss on Foreign currency transactions and translations		1.90	12.03
Security Expenses		73.73	78.19
Bank Charges		17.34	9.30
Miscellaneous expenses		145.05	185.09
Auditors remuneration			
To Statutory Auditors			
i) For audit	26.00		26.00
ii) For limited review	9.00		19.00
iii) For other services	1.10		23.62
iv) For reimbursement of expenses	2.63		0.90
		38.73	69.52
Total		1,675.88	2,450.33

Note 1: Included in other expenses are the below:

Direct operating expenses arising from investment property that generated rental income during the year	268.83	646.80
Direct operating expenses arising from investment property that did not generate rental income during the year	21.98	18.56
Total	290.81	665.36

Note 2: Details of Corporate social responsibility expenditure:

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

Amount required to be spent as per section 135 of the Act.	43.19	28.05
Amount spent during the year:		
(i) Constructions/ Acquisition of an asset	1.82	18.71
(ii) For the purposes other than (i) above	-	-
Total	1.82	18.71
Agreements entered for construction / acquisition of assets	-	-
Contribution for activities promoting educational facilities	1.82	18.71
Accrual towards unspent obligations in relation to other than ongoing projects	41.37	9.34

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Year	Balance as at 1st April, 2023		Amount required to be spent during the year	Amount Spent during the year		Balance as at 31st March, 2024	
	With the Company	In Separate CSR unspent account		From the Company's Bank Account	From Separate CSR unspent account	With the Company	In Separate CSR unspent account
2024	-	9.34	43.19	1.82	9.34	-	* 41.37
2023	-	18.01	28.05	18.71	18.01	-	9.34

* ₹ 41.37 Lakhs has been transferred to a separate CSR unspent account on 26th April, 2024.

Company has made CSR Expenses provision towards unspent obligations in relation to other than ongoing projects ₹ 41.37 Lakhs, which is planned to spend in next financial year.

B. Exceptional items

	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Investments written off	-	145.23
Provision for disputed matters relates to Property Tax (Refer Note 51F)	(559.05)	-
Provision for doubtful loans and advances (FTL) (Refer Note 39)	(60.00)	(723.47)
Previous year provision reversed	133.44	3,504.69
Sale consideration of Forbes Concept Hospitality Services Pvt Ltd. (Refer Note 51E)	0.05	-
Provision for doubtful trade receivables	-	(1.49)
Provision for doubtful Contractually reimbursable expenses to related parties	-	(19.56)
Total	(485.56)	2,905.40

32. Income taxes
32.1 Income tax recognised in profit or loss

	₹ in Lakhs	
Particulars	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
For Continuing operations		
Current tax		
In respect of the current year	-	269.66
(Excess) / short provision for tax of earlier years	16.55	51.80
	16.55	321.46
Deferred tax		
In respect of the current year	200.41	541.47
	200.41	541.47
Total income tax expense recognised in the current year relating to continuing Operations	216.95	862.03

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

	Year ended 31st Mar., 2024	₹ in Lakhs Year ended 31st Mar., 2023
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from total operations	2,250.14	22,449.03
Pertains to discontinued operations	-	2,273.07
Profit before tax from total operations	2,250.14	24,722.10
Income tax expense calculated at 25.168% (2022-23: 25.168%)	566.32	6,222.06
Effect of expense that is non deductible in determining taxable profit	43.41	165.52
Effect of tax incentives and concession	(120.00)	(26.14)
Effects of Ind AS adjustments due to notional gains/ loss recognised during the year	(5.43)	(5.48)
Impact of Long Term Capital Gain	(204.26)	-
Impact of Capital Loss	-	(1,756.32)
Changes in the estimate related to prior years	16.55	51.80
Recognition of previously unrecognised tax losses	(74.26)	(3,815.34)
Derecognition of the previously recognised DTA	-	27.61
Others	(5.38)	(1.66)
Income tax expense recognised in the Statement of Profit and Loss	216.95	862.03

32.2 Income tax recognised in other comprehensive income
Others
Deferred tax

Net fair value gain on investments in equity shares at FVTOCI

(27.01)	(172.90)
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Total income tax expense recognised in other comprehensive income

(27.01)	(172.90)
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33. Earnings per share

Particulars	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Profit for the year (After exceptional items) (₹ in Lakhs) from continuing operations (A)	2,033.19	21,855.47
Profit for the year (After exceptional items) (₹ in Lakhs) from discontinued operations (B)	-	2,003.69
Profit for the year (Before exceptional items) (₹ in Lakhs) (C)	2,518.75	18,950.08
Weighted average number of equity shares for the purposes of basic/ diluted earnings per share (Quantity in Lakhs) (D)	128.99	128.99
Basic and Diluted Earnings per equity share (After exceptional items) from continuing operations E=(A/D) (₹)	15.77	169.44
Basic and Diluted Earnings per equity share (After exceptional items) from discontinued operations F=(B/D) (₹)	-	15.53
Basic and Diluted Earnings per equity share (After exceptional items) from continuing and discontinued operations G=(E+F) (₹)	15.77	184.97

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued**34. Employee Benefits :****Brief description of the Plans:**

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

Gratuity

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

The gratuity plan is a funded plan and the Company had obtained insurance policies with Life Insurance Corporation of India (LIC) and makes a contribution to LIC for amounts notified by LIC. The Company accounts for gratuity benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the Projected Unit Credit method.

The Company's Gratuity Plan is administered by an insurer and the Investments are made in various schemes of the trust. The Company funds the plan on a periodical basis.

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

Provident Fund

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the provident fund managed by the trust set up by the Company which are charged to the Statement of Profit and Loss as incurred.

A large portion of provident fund trust assets consists of government and corporate bonds, although the Company also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

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

Post retirement medical and non-compete fees

Under the post-retirement medical and non-compete fees, eligible whole-time directors and on their demise, their spouses are entitled to medical benefits subject to certain limits and fixed monthly payment as non-compete fee. The Company accounts for these benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the Projected Unit Credit method.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

Longevity risk

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

Salary risk

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

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

Particulars	Year ended	
	31st Mar., 2024	31st Mar., 2023
Employer's contribution to Regional Provident Fund Office	8.35	66.04
Employer's contribution to Superannuation Fund	9.96	47.69
Employer's contribution to Employees' State Insurance Corporation and other funds	4.81	43.08

Included in Contribution to Provident and Other Funds (Refer Note 28)

II. Disclosures for defined benefit plans based on actuarial valuation reports :-
A. Change in Defined Benefit Obligation
₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	Year ended		Year ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Present Value of Defined Benefit Obligation as at beginning of the year	746.44	745.13	215.59	240.60
Interest Cost	16.78	49.70	15.02	16.54
Current Service Cost	16.53	42.56	-	-
Liability Transferred Out for employees left	(513.34)	-	-	-
Benefits Paid	(122.97)	(132.20)	(31.62)	(31.15)
Remeasurement of defined benefit obligation	75.35	41.25	(0.56)	(10.40)
Present Value of Defined Benefit Obligation as at the end of the year	218.79	746.44	198.43	215.59

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
B. Changes in the Fair Value of Assets
₹ in Lakhs

Particulars	Gratuity (Funded)	
	Year ended	
	31st Mar., 2024	31st Mar., 2023
Fair Value of Plan Assets as at beginning of the year	706.02	579.82
Interest Income	51.61	38.85
Contributions from employer	55.83	203.00
Benefits Paid	(122.97)	(132.20)
Return on Plan Assets, excluding Interest Income	(8.21)	16.55
Fair Value of Plan Assets as at the end of the year	682.28	706.02

C. Amount recognised in the Balance Sheet
₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	Year ended		Year ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Present Value of Defined Benefit Obligation as at the end of the year	218.79	746.44	198.43	215.59
Fair Value of Plan Assets as at end of the year	682.28	706.02	-	-
Net Asset / Liability recognised in the Balance Sheet (Refer Note 18B and 14B)	(463.49)	40.42	198.43	215.59
Recognised under:				
Non - current provision (Refer Note 18A)	-	-	167.07	182.58
Current provision / asset (Refer Note 18B and 14B)	(463.49)	40.42	31.36	33.01

D. Expenses recognised in Statement of Profit and Loss
₹ in Lakhs

Particulars	Gratuity (Funded) *		Others (Post Retirement medical and non compete fees) (Non funded) #	
	Year ended		Year ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Current Service Cost	16.53	42.56	-	-
Net interest	(34.83)	10.85	15.02	16.54
Total Expenses recognised in the Statement of Profit and Loss	(18.30)	53.41	15.02	16.54

* Included in Contribution to Provident and Other Funds (Refer Note 28)

included in Salaries and Wages (Refer Note 28)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
E. Expenses Recognized in the Other Comprehensive Income (OCI) for the Year
₹ in Lakhs

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
	Actuarial (Gains)/Losses on Obligation for the Year - Due to changes in financial assumptions	1.23	(12.40)	1.14
Actuarial (Gains)/Losses on Obligation for the Year - Due to experience adjustment	71.06	46.26	12.63	5.08
Return on Plan Assets, excluding Interest Income	8.21	(16.55)	-	-
Actuarial (Gains)/Losses on Obligation for the Year - Due to changes in demographic assumptions	3.06	7.39	-	(9.89)
Net (Income)/Expense For the year Recognized in OCI	83.56	24.70	13.77	(10.40)

F. Principal actuarial assumptions used:

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at		As at	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Discount Rate (per annum)	7.18%	7.31%	7.20%	7.49% & 7.46%
Salary escalation rate	4.50%	4.50%	0.00%	0.00%
Rate of employee turnover	17.24%	17.24%	0.00%	20.87%

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

Particulars	Gratuity (Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at	As at	As at	As at
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Opening Net Liability	40.42	165.31	215.59	240.60
Expenses Recognized in Statement of Profit or Loss	(18.30)	53.41	15.02	16.54
Expenses Recognized in OCI	83.56	24.70	13.77	(10.40)
Benefit Paid Directly by the Employer	-	-	(31.62)	(31.15)
Employer's Contribution	(55.83)	(203.00)	-	-
Liability Transferred Out for employees left	(513.34)	-	-	-
Net Asset Recognized in the Balance Sheet	(463.49)	40.42	212.77	215.59

H. Category of Assets
₹ in Lakhs

Particulars	Gratuity	
	As at	As at
	31st Mar., 2024	31st Mar., 2023
Insurance fund	682.28	706.02
Total	682.28	706.02

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
I. Other Details

Particulars	Gratuity		Others (Post Retirement medical and non compete fees)	
	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023
Number of Active Members	67	511	-	-
Per Month Salary for Active Members (₹ in Lakhs)	30.61	96.87	-	-
Weighted Average Duration of the Projected Benefit Obligation	3	4	-	-
Average Expected Future Service (Years)	4	4	-	-
Projected Benefit Obligation (PBO) (₹ in Lakhs)	218.79	746.44	198.43	215.59
Prescribed Contribution For Next Year (12 Months) (₹ in Lakhs)	-	96.87	-	-

J. Cash Flow Projection: From the Fund

₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the Year ended 31st Mar., 2024	Estimated for the Year ended 31st Mar., 2023	Estimated for the Year ended 31st Mar., 2024	Estimated for the Year ended 31st Mar., 2023
	Gratuity		Other Post Employment Benefits	
1st Following Year	59.15	213.31	31.37	33.01
2nd Following Year	29.56	138.21	31.37	33.01
3rd Following Year	74.78	118.68	31.37	33.01
4th Following Year	22.04	132.87	31.37	33.01
5th Following Year	9.77	74.56	31.37	33.01
Sum of Years 6 To 10	41.27	160.69	156.83	165.07
Sum of Years 11 and above	14.61	81.49	-	-

K. Sensitivity Analysis

₹ in Lakhs

	As at 31st Mar., 2024	As at 31st Mar., 2023
	Gratuity	
Impact of +1% Change in Rate of Discounting	(4.46)	(17.52)
Impact of -1% Change in Rate of Discounting	4.75	18.76
Impact of +1% Change in Rate of Salary Increase	4.83	19.10
Impact of -1% Change in Rate of Salary Increase	(4.61)	(18.15)
Impact of +1% Change in Rate of Employee Turnover	0.39	1.44
Impact of -1% Change in Rate of Employee Turnover	(0.43)	(1.58)

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
L. Provident Fund

The Company has established 'Forbes & Company Ltd. Employees Provident Fund' in respect of all the employees to which both the employee and employer make contribution equal to 12% of the employees' basic salary respectively. The Company's contribution to the provident fund for all employees, are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is required to be provided for by the Company. In accordance with the recent actuarial valuation, there is no deficiency in the interest cost as the present value of expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest.

₹ in Lakhs

Particulars	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Company's contribution to the provident fund	28.51	100.91

Assumptions used in determining the present value obligation of the interest rate guarantee are as follows:

Particulars	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Approach used	Deterministic	<i>Deterministic</i>
Increase in compensation levels	4.50%	<i>4.50%</i>
Discount Rate	7.18%	<i>7.31%</i>
Attrition Rate	17.24%	<i>17.24%</i>
Reinvestment Period on Maturity	5 years	<i>5 years</i>
Expected Guaranteed Interest Rate	8.25%	<i>8.15%</i>
Average Expected Future Service	4 years	<i>4 years</i>
Average Term to Maturity	4 years	<i>4 years</i>
Mortality Rate	Indian Individual AMT (2012-15)	<i>Indian Assured Lives Mortality (2006-08) Ultimate</i>

Particulars	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Plan assets as year end, at fair value	3,918.00	<i>3,777.31</i>
Present value of benefit obligation at year end	3,933.12	<i>3,554.00</i>

M. The liability for Compensated absences (Non – Funded) as at year end is ₹ Nil (*Previous year ₹ Nil*) (Refer Note 18B).

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
35. Financial Instruments
35.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

	₹ in Lakhs	
	<u>31st Mar., 2024</u>	<u>31st Mar., 2023</u>
The capital components of the Company are as given below:		
Total Equity	12,194.57	20,685.17
Short Term Borrowings	-	-
Long Term Borrowings	-	-
Current Maturities of Long Term Borrowings	-	-
Lease Liabilities	503.12	508.75
Total Debt	503.12	508.75
Cash and Cash equivalents	1,820.47	3,292.77
Bank balances other than above	1,208.37	1,778.70
Balance held as margin money with banks with remaining maturity period of more than 12 months	57.46	-
Net Debt	(2,583.18)	(4,562.72)
Debt Equity ratio	0.04	0.02
Debt Equity Ratio = Total Debt / Total Equity		

35.2 Financial risk management objectives

The Management monitors and manages the financial risks to the operations of the Company. These risks include market risk, credit risk and liquidity risk.

Ratios	Numerator	Denominator	31st Mar., 2024	31st Mar., 2023	Variation (%)	Reason for variance
Current Ratio	Current assets	Current liabilities	0.98	0.88	10%	Current liabilities reduced due to cash flow from sale of Chennai land, increase in Investment in mutual funds.
Debt-Equity Ratio	Total debt	Total equity	0.04	0.02	68%	Due to demerger of Precision Tools Business, Net worth/Reserve of the Company is reduced.
Debt Service Coverage Ratio	Earning for debt	Debt service	15.79	2.73	479%	The company has repaid the outstanding loan liability in previous year. However Company does not have any liability except notional lease liability.
Return on Equity Ratio	Net profit after tax	Average shareholders equity.	14%	205%	-191%	Major variation in profit after tax on account of profit on sale of Chandivali land in previous year.
Inventory turnover ratio	COGS	Average inventory	5.12	4.29	83%	Major variation is on account of product mix in current year as compared with last year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Ratios	Numerator	Denominator	31st Mar., 2024	31st Mar., 2023	Variation (%)	Reason for variance
Trade Receivables turnover ratio	Credit sales	Average trade receivable	18.19	5.32	242%	This is increased mainly on account of partial revenue recognition of Vicinia Project & increased in sales of Coding and Industrial Automation Business(CIAB) during year.
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.87	0.62	39%	During the year CIAB sales increased equally, purchases is higher however creditor is not increased proportionately.
Net capital turnover ratio	Credit sales	working capital	-24.11	-1.38	1643%	Major variance due to improved working capital i.e. Investment in mutual fund have increased & revenue recognised for Vicinia Projects
Net profit ratio	Net profit after tax	Revenue from operations	19%	593%	-574%	Major variation in profit after tax on account of revenue recognised for Vicinia Projects in current year. Last year earning increased on account of sale of land.
Return on Capital employed	Earnings before interest and tax	Capital employed	23%	97%	-74%	Last year Earnings before interest and tax increased on account of sale of land. Revenue recognised for Vicinia Projects in current year.
Return on investment	Earnings before interest and tax	Closing total assets	8%	38%	-30%	Last year Earnings before interest and tax increased on account of sale of land. Revenue recognised for Vicinia Projects in current year.

35.3 Market Risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (Refer Note 35.6). The Company enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk.

35.4 Credit risk management
Trade receivables

Trade receivables are generally unsecured and are derived from revenue earned from customers. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Investments in subsidiaries, associates and joint ventures

The Company had invested in various subsidiaries, associates and joint ventures. The approved future business plans and cash flow projections of these entities are evaluated by the management of the Company on an ongoing basis and based on this evaluation the recoverability of the investments is considered to be good. (Also refer Note 8)

Other Financial assets

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are mutual funds and banks with high credit-ratings assigned by credit-rating agencies.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

In addition, the Company is exposed to credit risk in relation to the financial guarantees by way of Corporate Guarantee/ Fixed Deposit as a security given to banks on behalf of subsidiaries by the Company. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on is ₹Nil as at 31st March, 2024 (*Previous year as at 31st March, 2023 is ₹ 69.33 Lakhs*). Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

35.5 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Company manages liquidity risk by banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

The Company has the following undrawn credit lines available as at the end of the reporting period.

	₹ in Lakhs	
	31st Mar., 2024	31st Mar., 2023
- Expiring within one year	400.00	1,050.00
- Expiring beyond one year	-	-
	400.00	1,050.00

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the earliest date on which the Company can be required to pay. The tables include both principal and interest cash flows.

Maturities of Financial Liabilities as at the Balance Sheet date	₹ in Lakhs			
	31st Mar., 2024			
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above
Borrowings (includes interest)	-	-	-	-
Trade Payables	2,918.34	-	-	-
Other Financial Liabilities	2,189.56	398.22	-	-
Lease liability	9.58	29.65	46.74	417.16
	5,117.48	427.87	46.74	417.16

<i>Maturities of Financial Liabilities as at the Balance Sheet date</i>	₹ in Lakhs			
	<i>31st Mar., 2023</i>			
	<i>Upto 1 year</i>	<i>1 to 3 years</i>	<i>3 to 5 years</i>	<i>5 years & above</i>
<i>Borrowings (includes interest)</i>	-	-	-	-
<i>Trade Payables</i>	1,957.00	-	-	-
<i>Other Financial Liabilities</i>	1,146.06	255.39	-	-
<i>Lease liability</i>	6.62	22.52	37.69	441.92
	3,109.68	277.91	37.69	441.92

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
35.6 Derivatives Instruments and unhedged Foreign Currency (FC) exposure

The Company is exposed to Currency Risk arising from its trade exposures and capital/Loan receipt/payments denominated, in other than the Functional Currency. The Company has a Foreign Exchange Risk Management policy within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function. The Company has defined strategies for addressing the risks for each category of exposures (e.g. for exports , for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

a) Particulars of unhedged foreign currency exposures as at the reporting date

Currencies	As at 31st Mar., 2024						As at 31st Mar., 2023					
	Advances from customers		Loans and advances to related party		Trade receivables		Advances from customers		Loans and advances to related party		Trade receivables	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	0.14	11.39	-	-	0.02	1.97	-	0.11	-	-	0.02	1.94
GBP	-	-	-	-	-	-	-	-	-	-	-	-
CHF	-	-	564.68	52,195.75	-	-	-	-	564.68	50,728.19	-	-
EUR	0.01	0.11	40.39	3,633.43	-	-	0.01	0.71	40.39	3,610.28	-	-

Currencies	As at 31st Mar., 2024				As at 31st Mar., 2023			
	Advances to vendors		Trade payables		Advances to vendors		Trade payables	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	0.10	7.92	0.61	51.13	0.02	1.85	0.38	31.27
EUR	-	-	0.84	75.56	-	-	0.35	31.65
CHF	-	-	-	-	-	-	-	-
AUD	-	-	6.97	378.65	-	-	-	-
AED	0.29	6.48	-	-	-	-	-	-

Currencies	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Current Account Balances		Current Account Balances	
	FC in Lakhs	₹ In Lakhs	FC in Lakhs	₹ In Lakhs
USD	1.04	89.16	-	-
EUR	-	-	-	-

Of the above, the Company is mainly exposed to USD, and EUR. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
(b) Sensitivity
As at 31st Mar., 2024

₹ in Lakhs

Currencies	Increase/ Decrease	Total Assets in FC	Total Liabilities in FC	Impact on exchange rate	Impact on Profit or Loss for the year
USD	Increase by 5%	1.16	0.75	4.17	1.71
USD	Decrease by 5%	1.16	0.75	(4.17)	(1.71)
GBP	Increase by 5%	-	-	5.26	-
GBP	Decrease by 5%	-	-	(5.26)	-
AUD	Increase by 5%	-	6.97	2.72	(18.96)
AUD	Decrease by 5%	-	6.97	(2.72)	18.96
AED	Increase by 5%	0.29	-	1.13	0.33
AED	Decrease by 5%	(0.29)	-	(1.13)	0.33
EUR	Increase by 5%	40.39	0.85	4.50	177.93
EUR	Decrease by 5%	40.39	0.85	(4.50)	(177.93)
CHF	Increase by 5%	564.68	-	4.62	2,608.82
CHF	Decrease by 5%	564.68	-	(4.62)	(2,608.82)

As at 31st Mar., 2023

₹ in Lakhs

Currencies	Increase/ Decrease	Total Assets in FC	Total Liabilities in FC	Impact on exchange rate	Impact on Profit or Loss for the year
USD	Increase by 5%	0.04	0.38	4.11	(1.40)
USD	Decrease by 5%	0.04	0.38	(4.11)	1.40
GBP	Increase by 5%	-	-	5.08	-
GBP	Decrease by 5%	-	-	(5.08)	-
AUD	Increase by 5%	-	-	2.75	-
AUD	Decrease by 5%	-	-	(2.75)	-
AED	Increase by 5%	-	-	1.12	-
AED	Decrease by 5%	-	-	(1.12)	-
EUR	Increase by 5%	40.39	0.35	4.47	178.98
EUR	Decrease by 5%	40.39	0.35	(4.47)	(178.98)
CHF	Increase by 5%	564.68	-	4.49	2,535.41
CHF	Decrease by 5%	564.68	-	(4.49)	(2,535.41)

35.7 Fair Value Disclosures
a) Categories of Financial Instruments:

₹ in Lakhs

	31st Mar., 2024			31st Mar., 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments *	0.18	5,483.40	-	0.18	5,120.40	-
Loans	-	-	1.82	-	-	10.33
Cash and Bank Balances	-	-	3,028.84	-	-	5,071.47
Trade Receivables	-	-	670.24	-	-	687.09
Other Financial Assets	-	-	673.05	-	-	286.34
	0.18	5,483.40	4,373.95	0.18	5,120.40	6,055.23
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade Payables	-	-	2,918.34	-	-	1,957.00
Other Financial Liabilities	-	-	2,587.78	-	-	1,401.45
Lease liability	-	-	503.12	-	-	508.75
	-	-	6,009.24	-	-	3,867.20

* Excludes investments in equity instruments of ₹ 3,910.75 Lakhs (Previous year ₹ 3,915.74 Lakhs) carried at cost less impairment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
b) Fair Value Hierarchy and Method of Valuation

Except as detailed in the following table, the Company considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

Financial Assets	31st Mar., 2024				
	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTOCI Investments					
Investments in Equity Instruments Measured at FVTPL	5,483.40	5,483.40	-	-	5,483.40
Investments in Equity Instruments	0.18	-	-	0.18	0.18

₹ in Lakhs

Financial Assets	31st Mar., 2023				
	Carrying Value	Level 1	Level 2	Level 3	Total
Measured at FVTOCI Investments					
Investments in Equity Instruments Measured at FVTPL	5,120.40	5,120.40	-	-	5,120.40
Investments in Equity Instruments	0.18	-	-	0.18	0.18

There are no transfers between level 1, level 2 and level 3 during the year.

c) Fair value measurements using significant unobservable inputs

The following table presents there is no changes in level 1 items for the years ended 31st March, 2024.

	Equity Instruments	Optionally Convertible Debentures	Total
As at 31st Mar., 2023	5,120.58	-	5,120.58
Additions during the year	-	-	-
Fair value Gains / Losses recognised in profit or loss	363.00	-	363.00
Issue / (Redemption) during the year	-	-	-
As at 31st Mar., 2024	5,483.58	-	5,483.58

₹ in Lakhs

	Equity Instruments	Optionally Convertible Debentures	Total
As at 31st Mar., 2022	0.18	-	0.18
Additions during the year	-	-	-
Fair value Gains / Losses recognised in profit or loss	5,120.40	-	5,120.40
Issue / (Redemption) during the year	-	-	-
As at 31st Mar., 2023	5,120.58	-	5,120.58

₹ in Lakhs

d) Valuation Process

The Company engages external valuation consultants to fair value financial instruments measured at FVTPL. The main level 3 inputs used for unlisted equity securities, preference shares and debentures are as follows:

The current market borrowing rates of the Company are compared with relevant market matrices as at the reporting dates to arrive at the discounting rates.

e) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Company consider that the carrying amounts of financial assets and financial liabilities recognised in Note (a) above approximate their fair values.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
36. Operating lease arrangements
36.1(i) The Company as lessor

The Company has entered into operating lease arrangements, consisting of surplus space in buildings to others. The normal tenure of the arrangement is upto five years. The rental income from the assets given on lease of ₹ 1,679.81 Lakhs (*Previous year ₹ 1,555.34 Lakhs*) has been disclosed as “Rent and amenities” under Revenue from operations in Note 24 to the Statement of Profit and Loss.

36.1(ii) Non-cancellable operating lease receivables

Particulars	₹ in Lakhs		
	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2022
Not later than 1 year	646.73	472.77	616.23
1 - 2 years	512.61	474.25	323.47
2 to 3 years	407.74	-	-
3 to 4 years	43.76	-	-
4 to 5 years	-	-	-
Above 5 years	-	-	-
Total	1,610.85	947.02	939.70

37. Commitments

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance paid aggregating ₹ Nil; (<i>Previous year ₹ 221.74 Lakhs</i>))	-	317.59
Total	-	317.59

b) Other Commitments

The Company has outstanding bank guarantees of ₹ 236.87 Lakhs (*Previous Year ₹ 156.36 Lakhs*).

The Company has outstanding performance guarantees of ₹ Nil (*Previous Year ₹ 211.56 Lakhs*).

38. Contingencies and other commitments

(To the extent not provided for)

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
(a) Claims against the Company not acknowledged as debts		
1 Taxes in dispute:-		
i) Excise demand [Advance paid against the demand ₹ Nil; (<i>Previous year ₹ Nil</i>)]	1.63	2,724.52
ii) Sales tax [Advance paid against the demand ₹ 55.06 Lakhs; (<i>Previous year ₹ 55.06 Lakhs</i>)]	603.41	400.12
iii) Income-tax [Advance paid against the demand ₹ 83.70 Lakhs; (<i>Previous year ₹ 83.70 Lakhs</i>)]	4,329.14	4,329.14
iv) Service-tax (Advance paid ₹ 92.25 Lakhs) (<i>Previous year ₹ 92.25 Lakhs</i>)	3,424.49	3,424.49
v) Customs duty [Advance paid ₹ Nil; (<i>Previous year ₹ Nil</i>)]	87.84	187.84
vi) GST demand	402.01	-
vii) Property tax demand (Refer Note 51 F)	475.29	-
2 Customer claims	2,785.59	3,070.31
3 Other legal matters	215.40	232.21
(b) Other commitments :-		
i) Guarantee on behalf of related parties (Secured by exclusive charge on certain investment properties) *	-	69.33

* Excludes guarantees of ₹ Nil (*Previous year ₹ Nil*) which were taken against loans that have been repaid during the year.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Current Year
(b) transactions/ balances with above mentioned related parties

₹ in Lakhs

	Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Total	
Balances								
1	Trade Payables and Capital Creditors	232.15	32.27	331.15	176.02	22.41	-	794.00
2	Payable Pursuant to the Scheme of arrangement	-	-	881.93	-	-	-	881.93
3	Interest accrued on investment / loan	-	8,104.99	-	-	-	-	8,104.99
4	Trade Receivables	1.75	3,309.88	571.97	10.70	102.34	-	3,996.64
5	Advance for Supply of Goods and Services and Prepaid Exps.	-	14,989.91	-	-	-	-	14,989.91
6	Contractually reimbursable expenses	-	249.65	50.03	-	-	-	299.68
7	Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	62,999.29	-	-	-	-	62,999.29
8	Deposits Payable	-	0.09	50.03	-	-	-	50.12
9	Deposits Receivable	-	36,342.65	-	-	-	-	36,342.65
Transactions								
Purchases / Services								
10	Real estate development expenses	1,822.07	-	-	605.75	-	-	2,427.82
11	Fixed Assets/ Goods & Materials	-	-	-	-	371.36	-	371.36
Sales / Services								
12	Goods and Materials	-	-	437.59	-	495.11	-	932.71
Expenses								
13	Rent	-	0.08	-	-	-	-	0.08
14	Travelling and conveyance expenses	-	0.32	19.30	-	-	-	19.62
15	Legal and professional charges	14.26	-	-	-	-	-	14.26
16	Repairs and Maintenance	8.32	-	-	-	-	-	8.32
17	Selling expenses, commission and brokerage	-	-	19.80	50.72	-	-	70.52
18	Provision for doubtful loans and advances / Trade receivable	-	61.41	-	-	-	-	61.41
19	Remuneration	-	-	-	-	-	367.79	367.79
Income								
20	Rent and amenities	11.53	0.15	136.39	-	35.77	-	183.85
21	Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposits	-	-	1.39	-	0.46	-	1.85
22	Miscellaneous Income	-	1.20	-	-	-	-	1.20
Other Receipts / Payments								
23	Other Reimbursements (Receipt)	-	0.67	84.62	-	3.51	-	88.80
24	Other Reimbursements (Payment)	-	1.81	9.48	57.67	-	-	68.95
Finance								
25	Deposit Given	-	100.00	75.00	-	-	-	175.00
26	Repayment of Deposits Given	-	40.00	75.00	-	-	-	115.00
27	Purchase / Subscriptions to Investments	-	-	-	-	249.50	-	249.50
28	Sale of Investments	-	-	0.02	-	-	-	0.02

For details of investments in subsidiaries, associates and joint ventures Refer Note 8

Terms and conditions:-

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

39. Related party disclosures (contd.)

Current Year

(b) transactions/ balances with above mentioned related parties

₹ in Lakhs

	A	B	B	B	B	B	B	B	B	B	C	C	C
	Shapoorji Pallonji and Company Private Ltd.	EFL Mauritius Ltd.	Forbes Lux International AG	Lux International AG	Forbes Campbell Finance Ltd.	Forbes Technosys Ltd.	Campbell Properties & Hospitality Services Ltd.	Volkart Fleming Shipping & Services Ltd.	Afcons Infrastructure Ltd.	Floral Finance Private Ltd.	Forvol International Services Ltd.		
Balances													
1 Trade Payables and Capital Creditors	232.15	-	-	***	***	-	***	-	-	-	-	***	-
2 Interest accrued on investment / loan	-	-	7,978.21	-	-	***	-	-	-	-	-	-	-
3 Trade Receivables	***	-	-	3,210.27	-	***	-	-	***	-	-	-	-
4 Advance for Supply of Goods and Services and Prepaid Exps.	-	***	14,600.99	-	-	-	-	-	-	-	-	-	-
5 Contrarily reimbursable expenses	-	-	-	-	-	249.65	-	-	-	-	-	-	-
6 Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	***	52,411.12	***	-	6,988.98	-	-	-	-	-	-	-
7 Deposits Payable	-	-	-	-	-	***	-	-	-	-	-	-	***
8 Deposits Receivable	-	-	29,831.92	-	-	6,510.73	-	-	-	-	-	-	-
Transactions													
Purchases / Services													
9 Real estate development expenses	1,822.07	-	-	-	-	-	-	-	-	-	-	-	-
10 Fixed Assets/ Goods & Materials	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales / Services													
11 Goods and Materials	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses													
12 Rent	-	-	-	-	0.08	-	-	-	-	-	-	-	-
13 Travelling and conveyance expenses	-	-	-	-	-	-	***	-	-	-	-	-	19.30
14 Legal and professional charges	14.26	-	-	-	-	-	-	-	-	-	-	-	-
15 Repairs and Maintenance	8.32	-	-	-	-	-	-	-	-	-	-	-	-
16 Selling expenses, commission and brokerage	-	-	-	-	-	-	-	-	-	-	-	-	19.80
17 Provision for doubtful loans and advances / Trade receivable	-	-	-	-	-	61.41	-	-	-	-	-	-	-
18 Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	-
Income													
19 Rent and amenities	***	-	-	-	-	***	-	-	-	-	-	-	***
20 Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposit	-	-	-	-	-	-	-	-	-	-	-	-	-
21 Miscellaneous Income	-	-	-	-	***	1.20	-	-	-	-	-	-	-
Other Receipts / Payments													
22 Other Reimbursements (Receipt)	-	-	-	-	-	***	-	***	-	-	-	-	***
23 Other Reimbursements (Payment)	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance													
24 Purchase / Subscriptions to Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
25 Sale of Investments	-	-	-	-	-	-	-	-	-	0.02	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

39. Related party disclosures (contd.)

Current Year

(b) transactions/ balances with above mentioned related parties

	₹ in Lakhs									
	C	C	C	C	C	C	C	C	C	C
	Gokak Textiles Ltd.	Gossip Properties Pvt Ltd.	Next Gen Publishing Ltd.	Palkar Real Estates Pvt. Ltd.	Relationship Properties Private Ltd.	Shapoorji Pallonji Infrastructure Capital Co. Pvt. Ltd.	Shapoorji Pallonji Energy Pvt. Ltd.	HPCL Shapoorji Energy Private Ltd.	Coventry Properties Pvt Ltd.	SD corporation Pvt Ltd.
Balances										
1 Trade Payables and Capital Creditors	-	-	-	-	-	-	-	-	-	-
2 Interest accrued on investment / loan	-	-	-	-	-	-	-	-	-	-
3 Trade Receivables	-	***	***	-	***	-	-	***	***	***
4 Advance for Supply of Goods and Services and Prepaid Exps.	-	-	-	43.24	-	-	-	-	-	-
5 Contrarily reimbursable expenses	***	-	-	-	-	-	-	-	-	-
6 Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	-	-	-	-	-	-	-	-	-
7 Deposits Payable	-	-	-	-	-	***	48.25	-	-	-
8 Deposits Receivable	-	-	-	-	-	-	-	-	-	-
Transactions										
Purchases / Services										
9 Real estate development expenses	-	-	-	-	-	-	-	-	-	-
10 Fixed Assets/ Goods & Materials	-	-	-	-	-	-	-	-	-	-
Sales / Services										
11 Goods and Materials	-	-	-	-	-	-	-	-	-	-
Expenses										
12 Rent	-	-	-	-	-	-	-	-	-	-
13 Travelling and conveyance expenses	-	-	-	-	-	-	-	-	-	-
14 Legal and professional charges	-	-	-	-	-	-	-	-	-	-
15 Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
16 Selling expenses, commission and brokerage	-	-	-	-	-	-	-	-	-	-
17 Provision for doubtful loans and advances /	-	-	-	-	-	-	-	-	-	-
18 Trade receivable Remuneration	-	-	-	-	-	-	-	-	-	-
Income										
19 Rent and amenities	-	-	-	-	-	-	120.69	-	-	-
20 Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposit	-	-	-	-	-	***	-	-	-	-
21 Miscellaneous Income	-	-	-	-	-	-	-	-	-	-
Other Receipts / Payments										
22 Other Reimbursements (Receipt)	-	-	-	83.60	-	-	-	-	-	-
23 Other Reimbursements (Payment)	-	-	-	9.48	-	-	-	-	-	-
Finance										
24 Purchase / Subscriptions to Investments	-	-	-	-	-	-	-	-	-	-
25 Sale of Investments	-	-	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Parties in F :
Key Managerial Personnel Remuneration

Particulars	₹ in Lakhs	
	31st Mar., 2024	<i>31st Mar., 2023</i>
Short-term employee benefits	357.34	309.00
Post-employment benefits *	8.95	8.13
Long-term employee benefits	1.50	1.50
	367.79	<i>318.63</i>

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

Directors Sitting Fees:

Name	₹ in Lakhs	
	31st Mar., 2024	<i>31st Mar., 2023</i>
D. Sivanandhan	7.00	10.00
Shapoor P. Mistry	0.50	0.50
Jai L. Mavani	3.50	5.00
Rani Jadhav	3.50	5.50
Nikhil Bhatia	7.50	10.50
Total	22.00	<i>31.50</i>

Parties in G
Contribution to Post Employment Benefit Plan:

Particulars	₹ in Lakhs	
	31st Mar., 2024	<i>31st Mar., 2023</i>
Forbes & Company Limited Employees Provident Fund	28.51	100.91
	28.51	<i>100.91</i>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
39. Related party disclosures (contd.)

Previous Year

(b) transactions/ balances with above mentioned related parties

₹ in Lakhs

	Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Total
Balances							
1	Trade Payables and Capital Creditors	335.38	32.62	16.73	450.46	-	835.18
2	Interest accrued on investment / loan	-	7,848.81	-	-	-	7,848.81
3	Trade Receivables	1.58	3,325.23	94.37	10.70	-	3,431.88
4	Advance for Supply of Goods and Services and Prepaid Exps.	31.25	14,518.59	-	-	-	14,549.84
5	Contractually reimbursable expenses	-	248.29	221.01	-	-	469.30
6	Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	61,265.60	-	-	18.19	61,283.79
7	Deposits Payable	-	-	49.25	-	-	49.25
8	Deposits Receivable	-	35,324.74	-	-	18.19	35,342.93
Transactions							
Purchases / Services							
9	Real estate development expenses	2,049.84	-	-	646.03	-	2,695.87
Sales / Services							
10	Fixed Assets / Investments /Business	-	-	-	-	2.28	2.28
Expenses							
11	Rent	-	7.20	-	-	-	7.20
12	Travelling and conveyance expenses	-	10.45	90.96	-	-	101.41
13	Legal and professional charges	93.01	-	-	-	-	93.01
14	Repairs and Maintenance	100.49	-	4.17	-	-	104.65
15	Selling expenses, commission and brokerage	-	-	139.10	110.50	-	249.60
16	Impairment in Investment in subsidiary Company, Loan and interest accrued thereon / Capital reduction	-	401.00	-	-	-	401.00
17	Provision for doubtful loans and advances / Trade receivable	-	21.05	-	-	18.19	39.24
18	Trade receivables / advances written off / Loss on Capital reduction	-	13,167.00	-	-	-	13,167.00
19	Remuneration	-	-	-	-	318.63	318.63
20	Miscellaneous expenses and security expenses	-	23.31	-	-	-	23.31
21	Dividend paid	6,083.54	108.16	-	-	-	6,191.70
Income							
22	Rent and amenities	11.07	18.80	114.91	-	5.48	150.26
23	Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposits	-	2.35	-	-	1.01	3.36
24	Consideration for share cancelled/ extinguished	-	1.32	-	-	-	1.32
25	Guarantee Commission	-	0.24	-	-	-	0.24
26	Reversal of Prov. for dim. In value of investments	-	13,167.00	-	-	-	13,167.00
27	Miscellaneous Income	-	7.35	-	-	-	7.35
Other Receipts / Payments							
28	Other Reimbursements (Receipt)	-	5.20	75.85	-	2.68	83.74
29	Other Reimbursements (Payment)	-	1.90	129.89	65.48	-	197.27
Finance							
30	Deposit Given	-	3,835.00	-	-	-	3,835.00
31	Repayment of Deposits Given	-	650.00	-	-	-	650.00
32	Purchase / Subscriptions to Investments	-	5.00	-	-	-	5.00
33	Share Application Money Paid	-	-	-	-	250.00	250.00

For details of investments in subsidiaries, associates and joint ventures Refer Note 8

Terms and conditions:-

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
**39. Related party disclosures (contd.)
Previous Year**
(b) transactions/ balances with above mentioned related parties

	₹ in Lakhs											
	A	B	B	B	B	B	B	B	B	B	C	
	Shapoorji Pallonji and Company Private Ltd.	EFL Mauritius Ltd.	Forbes Facility Services Private Ltd.	Forbes Lux International AG	Lux International AG	Forbes Campbell Finance Ltd.	Forbes Technosys Ltd.	Shapoorji Pallonji Forbes Shipping Ltd.	Campbell Properties & Hospitality Services Ltd.	Forbes Precession Tools & Machine Parts Ltd.	Volkart Fleming Shipping & Services Ltd.	Afcoss Infrastructure Ltd.
Balances												
1 Trade Payables and Capital Creditors	335.38	-	-	-	***	-	-	-	***	-	-	-
2 Interest accrued on investment / loan	***	-	-	7,722.03	-	-	***	-	-	-	-	***
3 Trade Receivables	***	***	-	3,223.84	-	-	-	-	-	-	-	-
4 Advance for Supply of Goods and Services and Prepaid Exps.	-	-	-	14,132.15	-	-	-	-	-	***	-	-
5 Contractually reimbursable expenses	-	-	-	-	-	-	248.23	-	-	-	-	-
6 Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	***	-	50,728.19	***	-	6,927.13	-	-	-	-	-
7 Deposits Payable	-	-	-	-	-	-	-	-	-	-	-	-
8 Deposits Receivable	-	-	-	28,874.01	-	-	6,450.73	-	-	-	-	-
Transactions												
9 Purchases / Services	2,049.84	-	-	-	-	-	-	-	-	-	-	-
10 Real estate development expenses	-	-	-	-	-	-	-	-	-	-	-	-
11 Sales / Services	-	-	-	-	-	-	-	-	-	-	-	-
12 Fixed Assets / Investments /Business Expenses	-	-	-	-	-	7.20	-	-	10.45	-	-	-
13 Rent	-	-	-	-	-	-	-	-	-	-	-	-
14 Travelling and conveyance expenses	93.01	-	-	-	-	-	-	-	-	-	-	-
15 Legal and professional charges	100.49	-	-	-	-	-	-	-	-	-	-	-
16 Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
17 Selling expenses, commission and brokerage	-	-	-	-	-	-	401.00	-	-	-	-	-
18 Impairment in Investment in subsidiary Company, Loan and interest accrued thereon	-	-	-	-	-	-	21.05	-	-	-	-	-
19 Provision for doubtful loans and advances / Trade receivable	-	-	-	-	-	-	13,167.00	-	-	-	-	-
20 Trade receivables / advances written off / Loss on Capital reduction	-	-	7.77	-	-	-	15.54	-	-	-	-	-
21 Remuneration	6,083.54	-	-	-	-	***	-	-	-	-	-	-
22 Miscellaneous expenses and security expenses	-	-	-	-	-	-	-	-	-	-	-	-
23 Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Income	***	-	-	-	-	-	***	***	-	-	-	-
22 Rent and amenities	-	-	-	-	-	2.35	-	-	-	-	-	-
23 Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposit	-	-	-	-	-	-	-	-	-	-	-	-
24 Consideration for share cancelled/ extinguished	-	-	-	-	-	-	1.32	-	-	-	-	-
25 Guarantee Commission	-	-	-	-	-	-	0.24	-	-	-	-	-
26 Reversal of Prov. for dem. In value of investments	-	-	-	-	-	-	13,167.00	-	-	-	-	-
27 Miscellaneous Income	-	-	-	-	-	***	6.00	1.35	-	-	***	-
28 Other Receipts / Payments	-	-	-	-	-	-	***	-	-	-	***	-
29 Other Reimbursements (Receipt)	-	-	-	-	-	-	***	-	-	***	-	-
30 Other Reimbursements (Payment)	-	-	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-	-	-
30 Deposit Given	-	-	-	-	-	650.00	3,185.00	-	-	-	-	-
31 Repayment of Deposits Given	-	-	-	-	-	650.00	-	-	-	-	-	-
32 Purchase / Subscriptions to Investments	-	-	-	-	-	-	-	-	-	5.00	-	-
33 Share Application Money Paid	-	-	-	-	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

 39. Related party disclosures (contd.)
 Previous Year

(b) transactions/ balances with above mentioned related parties

	₹ in Lakhs										
	Forvol International Services Ltd.	Gokak Textiles Ltd.	Gossip Properties Pvt Ltd.	Next Gen Publishing Ltd.	Paikar Real Estates Pvt. Ltd.	Relationship Properties Private Ltd.	Shapoorji Pallonji Infrastructure Capital Co. Pvt. Ltd.	Shapoorji Pallonji Energy Pvt. Ltd.	Sterling And Wilson Renewable Energy Ltd.	United Motors (India) Private Ltd.	HPCL Shapoorji Energy Private Ltd.
1	***	-	-	-	***	-	-	-	-	-	-
2	-	-	***	***	-	***	-	-	-	-	***
3	-	-	-	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-	-	-	-
5	-	***	-	-	214.22	-	-	-	-	-	-
6	-	-	-	-	-	-	-	-	-	-	-
7	-	-	-	-	-	-	***	48.25	-	-	-
8	-	-	-	-	-	-	-	-	-	-	-
9	-	-	-	-	-	-	-	-	-	-	-
10	-	-	-	-	-	-	-	-	-	-	-
11	-	-	-	-	-	-	-	-	-	-	-
12	90.96	-	-	-	-	-	-	-	-	-	-
13	-	-	-	-	-	-	-	-	-	-	-
14	-	-	-	-	-	-	-	***	-	-	-
15	139.10	-	-	-	-	-	-	-	-	-	-
16	-	-	-	-	-	-	-	-	-	-	-
17	-	-	-	-	-	-	-	-	-	-	-
18	-	-	-	-	-	-	-	-	-	-	-
19	-	-	-	-	-	-	-	-	-	-	-
20	-	-	-	-	-	-	-	-	-	-	-
21	-	-	-	-	-	-	-	-	-	-	-
22	***	-	-	-	-	-	***	110.98	-	-	-
23	-	-	-	-	-	-	-	-	-	-	-
24	-	-	-	-	-	-	-	-	-	-	-
25	-	-	-	-	-	-	-	-	-	-	-
26	-	-	-	-	-	-	-	-	-	-	-
27	-	-	-	-	-	-	-	-	-	-	-
28	***	-	-	-	72.68	-	-	-	-	***	-
29	-	-	-	-	129.89	-	-	-	-	-	-
30	-	-	-	-	-	-	-	-	-	-	-
31	-	-	-	-	-	-	-	-	-	-	-
32	-	-	-	-	-	-	-	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

 39. Related party disclosures (contd.)
 Previous Year

(b) transactions/ balances with above mentioned related parties

	₹ in Lakhs											
	C	C	C	C	C	C	C	D	E	E	F	
	Covenry Properties Pvt Ltd.	S D corporation Pvt Ltd.	Sd SIP Nagar Redevelopment Pvt Ltd.	Shapoorji Pallonji Development Manager Pvt. Ltd.	Shapoorji Pallonji Infrastructure Pvt Ltd.	Shapoorji Pallonji Real estate Pvt Ltd.	Stone Steel Prefab	Neuro Consultancy Service Ltd.	Forbes Macsa Pvt Ltd (Joint Venture)	Forbes Concept Hospitality Services Private Ltd (Joint venture of Eureka Forbes Ltd.)	Managing Director, Mr. M.C. Tahilyani	
1	Balances	-	-	-	-	-	-	450.46	-	-	-	-
2	Trade Payables and Capital Creditors	-	-	-	-	-	-	****	-	-	-	-
3	Interest accrued on investment / loan	****	****	****	****	****	****	****	-	-	-	-
4	Trade Receivables	-	-	-	-	-	-	-	-	-	-	-
5	Advance for Supply of Goods and Services and Prepaid Exps.	-	-	-	-	-	-	-	-	-	-	-
6	Contractually reimbursable expenses	-	-	-	-	-	-	-	-	-	-	-
7	Provision for Doubtful Trade Receivables.	-	-	-	-	-	-	-	-	-	-	-
8	Financial Assets and Deposits (including interest accrued thereon)	-	-	-	-	-	-	-	-	-	-	-
9	Deposits Payable	-	-	-	-	-	-	-	-	-	-	-
10	Deposits Receivable	-	-	-	-	-	-	-	-	-	-	-
11	Transactions	-	-	-	-	-	-	-	-	-	-	-
12	Purchases / Services	-	-	-	-	-	-	-	-	-	-	-
13	Real estate development expenses	-	-	-	-	-	-	646.03	-	-	-	-
14	Sales / Services	-	-	-	-	-	-	-	2.28	-	-	-
15	Fixed Assets / Investments /Business Expenses	-	-	-	-	-	-	-	-	-	-	-
16	Rent	-	-	-	-	-	-	-	-	-	-	-
17	Travelling and conveyance expenses	-	-	-	-	-	-	-	-	-	-	-
18	Legal and professional charges	-	-	-	-	-	-	-	-	-	-	-
19	Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-	-
20	Selling expenses, commission and brokerage	-	-	-	-	-	-	110.50	-	-	-	-
21	Impairment in Investment in subsidiary Company, Loan and interest accrued thereon	-	-	-	-	-	-	-	-	18.19	-	-
22	Provision for doubtful loans and advances / Trade receivable	-	-	-	-	-	-	-	-	-	-	-
23	Trade receivables / advances written off/ Loss on Capital reduction	-	-	-	-	-	-	-	-	-	-	-
24	Remuneration	-	-	-	-	-	-	-	-	-	-	-
25	Miscellaneous expenses and security expenses	-	-	-	-	-	-	-	-	-	-	-
26	Dividend paid	-	-	-	-	-	-	-	-	-	-	-
27	Income	-	-	-	-	-	-	-	-	-	-	-
28	Rent and amenities	-	-	-	-	-	-	-	-	-	-	-
29	Gain on fair value / interest of long-term investments in a subsidiary company / Interest on Inter Corporate Deposit	-	-	-	-	-	-	-	-	1.01	-	-
30	Consideration for share cancelled/ extinguished	-	-	-	-	-	-	-	-	-	-	-
31	Guarantee Commission	-	-	-	-	-	-	-	-	-	-	-
32	Reversal of Prov. for dem. In value of investments	-	-	-	-	-	-	-	-	-	-	-
33	Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-
34	Other Receipts / Payments	-	-	-	-	-	-	-	-	-	-	-
35	Other Reimbursements (Receipt)	-	-	-	-	-	-	-	-	-	-	-
36	Other Reimbursements (Payment)	-	-	-	-	-	-	65.48	****	-	-	-
37	Finance	-	-	-	-	-	-	-	-	-	-	-
38	Deposit Given	-	-	-	-	-	-	-	-	-	-	-
39	Repayment of Deposits Given	-	-	-	-	-	-	-	-	-	-	-
40	Purchase / Subscriptions to Investments	-	-	-	-	-	-	-	-	-	-	-
41	Share Application Money Paid	-	-	-	-	-	-	-	-	-	-	250.00

*** Amounts are below the threshold adopted by the Company (i.e. less than 10% of the respective category of transactions).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued**40. Segment reporting**

The Chief Operating Decision maker of the Company examines Company's performance both from a product and from a geographic perspective. From a product perspective, the management has identified the reportable segments Engineering and Real Estate at standalone level.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

Details of product categories included in each segment comprises:

Coding and Industrial Automation Segment includes manufacture/ trading in conventional and Automatic Marking Systems and Industrial Automation Business. The Company caters to the needs of domestic and export markets.

Real Estate includes income from renting out investment properties and revenue from real estate development project.

Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.

Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities not identifiable to any specific segment.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
(a) Information about reportable segments for the year:

Particulars	Coding and Industrial Automation		Real Estate		Total		Elimination		Total	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Segment Revenue										
Inter segment revenue	3,108.13	2,449.31	9,237.02	1,793.40	12,345.15	4,242.71	-	(1.78)	12,345.15	4,242.71
Revenue from operations	3,108.13	2,449.31	9,237.02	1,793.40	12,345.15	4,242.71	-	(1.78)	12,345.15	4,242.71
Segment Results	(23.15)	(137.76)	3,904.91	21,038.78	3,881.76	20,901.02	-	-	3,881.76	20,901.02
Exceptional items allocated to segments	-	-	(559.05)	(1.49)	(559.05)	(1.49)	-	-	(559.05)	(1.49)
Segment Results - (including exceptional items relating to segment)	(23.15)	(137.76)	3,345.86	21,037.29	3,322.71	20,899.53	-	-	3,322.71	20,899.53
Add: Unallocated income - Refer Note below									452.63	357.57
Add/Less: Unallocated expenses									(1,490.15)	(1,227.12)
Add/Less: Exceptional items other than related to segments (net)									73.49	2,906.88
Profit before tax and finance costs									2,358.68	22,936.86
Less: Finance costs									108.53	487.84
Profit / (loss) before tax from continuing operations									2,250.15	22,449.02
Profit / (loss) before tax from discontinuing operations									-	2,273.07
Profit / (loss) before tax									2,250.15	24,722.09
Provision for taxation:									216.96	593.55
Tax expense (Current & deferred) continuing operations									-	269.38
Tax expense (Current & deferred) discontinuing operations										
Profit / (loss) after tax									2,033.19	23,859.16
Capital employed:										
Segment assets	1,415.00	761.08	15,542.00	18,823.99					16,957.00	19,585.07
Assets pertaining to discontinued operations									-	14,815.00
Unallocated corporate assets									19,223.36	18,419.86
Total assets									36,180.36	52,819.93
Segment liabilities	1,472.96	316.23	20,139.15	26,438.00					21,612.11	26,734.23
Liabilities pertaining to discontinued operations									-	4,021.00
Unallocated corporate liabilities									2,374.15	1,360.14
Total liabilities	(57.96)	444.83	(4,597.15)	(7,614.01)					23,986.26	32,135.37
Capital employed									12,194.10	20,684.56
Cost incurred to acquire segment assets including adjustments on account of capital work-in-progress										14.87
Unallocated cost incurred to acquire assets including adjustments on account of capital work-in-progress									-	-
Total capital expenditure (including investment properties)										14.87
Segment depreciation / amortisation	25.68	20.81	113.26	111.85					138.94	132.66
Unallocated corporate depreciation / amortisation									19.56	40.56
Total depreciation / amortisation									158.50	173.22
Non-cash segment expenses other than depreciation										11.59
Unallocated non-cash expenses other than depreciation and impairment									274.08	188.72
Total non-cash expenses other than depreciation and impairment									285.67	173.75

Note:
Other income allocable to respective segments has been considered as part of Segment Results.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
(b) Information about geographical segment for the year

	Within india		Outside india		Total	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Revenue	12,307.87	1,528.27	37.28	2,714.44	12,345.15	4,242.71
Total Non-current Assets (excluding Financial Assets, Tax Assets and Post Employment Benefits)	2,896.71	3,061.10	-	-	2,896.71	3,061.10
Cost incurred to acquire segment assets including adjustments on account of capital work-in-progress	-	14.87	-	-	-	14.87

(c) Information about major customers

No single customers contributed 10% or more to the Company's revenue for the year ended 31st March, 2024 and 31st March, 2023.

41. Additional disclosure as required by Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

S.No.	Name	Balance as at 31st Mar., 2024	Maximum amount outstanding during the period	₹ in Lakhs
				No. of shares of the Company held by the loanees as at 31st Mar., 2024
	Loans and advances in the nature of loans to Subsidiaries, Associates and companies in which Directors are interested:			
1.	Svadeshi Mills Company Limited (carrying no interest)	* 4,391.78	4,391.78	-
		* 4,391.78	4,391.78	-
2.	Edumetry Inc. (carrying no interest)	* 72.53	72.53	-
		* 72.53	72.53	-
3.	Forbes Container Lines Pte. Limited (carrying no interest)	* 302.47	302.47	-
		* 302.47	302.47	-
4.	Forbes Technosys Limited (including interest accrued) (carrying interest)	* 6,637.51	6,637.51	-
		* 6,577.51	6,577.51	-

Note: * Provided as doubtful

The above excludes loans to employees.

Figures in italics are in respect of the previous years.

42. In the matter of Svadeshi Mills Company Limited (Svadeshi), the Hon'ble High Court, Bombay vide order dated October 9, 2023 has allowed the Interim Application (IA) filed by Grand View Estate Private Limited (GVEPL) granting permanent stay on the winding up of Svadeshi along with directions to Official Liquidator (OL) to handover entire undertaking of Svadeshi including all its properties, assets, books of accounts etc., to GVEPL. OL has been discharged as the liquidator of Svadeshi except for carrying out certain directions. Directors have been appointed on the Board of Svadeshi. ROC has been directed to restore status of Svadeshi as active.

The Company as a shareholder of Svadeshi has secured the funding availed by GVEPL for revival of Svadeshi by way of exclusive pledge of entire equity shares of the Company and its wholly-owned subsidiary Forbes Campbel Finance Limited (FCFL) in Svadeshi, assignment of secured debt due to the Company from Svadeshi together with the underlying security and hypothecation of receivables due to the Company from Svadeshi.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
43. Leases
Lessee accounting

(i) Amounts recognized in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	31st Mar., 2024	31st Mar., 2023
Right-of-use assets		
Office premises	450.05	485.95
Land	7.49	7.50
Total	457.54	493.45

Particulars	31st Mar., 2024	31st Mar., 2023
Lease liabilities		
Non-current	493.54	508.75
Current	9.58	-
Total	503.12	508.75

 Additions to right-of-use asset during the current financial year were ₹ Nil (*Previous year ₹ 535.17 Lakhs*)

(ii) Right-of-use assets for the year ended 31st March, 2024 and 31st March, 2023.

Particulars	Office Premises		Land	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Cost or Deemed cost				
Balance at 1st April, 2023/ 1st April, 2022	518.64	33.45	2.51	19.04
Additions	-	535.17	-	-
Disposals	-	-	-	-
Less: Pertaining to discontinued operations	-	49.98	-	16.53
Balance at 31st March, 2024/ 31st March, 2023	518.64	518.64	2.51	2.51
Accumulated depreciation				
Balance at 1st April, 2023/ 1st April, 2022	32.69	10.26	(4.98)	1.08
Depreciation expense for the year	35.90	45.46	-	0.31
Disposals	-	-	-	-
Less: Pertaining to discontinued operations	-	23.03	-	6.37
Balance at 31st March, 2024/ 31st March, 2023	68.59	32.69	(4.98)	(4.98)
Carrying Amount				
Balance at 31st March, 2024/ 31st March, 2023	450.05	485.95	7.49	7.50

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

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

Particulars	31st Mar., 2024	<i>31st Mar., 2023</i>
Depreciation charge of right-of-use assets		
Office Premises	35.90	45.46
Land	-	0.31
Total	35.90	45.77
Interest expense on lease liability (included in finance cost)	48.42	44.87
Expense relating to short term leases (Included in Other Expenses)	-	-
Expense relating to low value assets that are not shown above as short term leases (Included in Other Expenses)	-	-
Total	84.33	90.64

The total cash outflow for leases in year ended 31st March, 2024 was ₹ 54.04 Lakhs (*Previous year ₹ 69.99 Lakhs*).

(iv) Critical judgements in determining the lease term

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

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

1. If there is significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
2. If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate)
3. Otherwise, the Company considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise it. The assessment of reasonably certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within control of lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was a decrease in lease liabilities and right-of-use assets by ₹ Nil and ₹ Nil respectively (*Previous year ₹ Nil and ₹ Nil respectively*).

Lessor accounting as a lessor

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases (Refer note 36) as a results of the adoption of Ind AS 116.

Maturity profile of Lease liabilities

Lease Liabilities	₹ in Lakhs	
	As at 31st March, 2024	<i>As at 31st March, 2023</i>
Before 3 months	2.03	1.33
3 – 6 months	2.08	1.36
6 – 12 months	5.47	3.93
1 – 3 years	29.65	22.52
3 – 5 years	46.74	37.69
Above 5 years	417.16	441.92
Total	503.13	508.75

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
44. Particulars of loan given / Investments made / guarantees given, as required by clause (4) of Section 186 of the Companies Act, 2013

₹ in Lakhs

Name	During the year		Closing balance	Period	Rate of Interest (%)	Purpose
	Given	Returned				
A Loans given						
1 Svadeshi Mills Company Limited	-	-	4,391.78 *	N.A.	N.A.	General corporate purpose
	-	-	<i>4,391.78</i> *	<i>N.A.</i>	<i>N.A.</i>	
2 Edumetry Inc. USA	-	-	72.53 *	N.A.	N.A.	General corporate purpose
	-	-	<i>72.53</i> *	<i>N.A.</i>	<i>N.A.</i>	
3 Forbes Container Lines Pte Limited	-	-	302.47 *	On Demand	12%	General corporate purpose
	-	-	<i>302.47</i> *	<i>On Demand</i>	<i>12%</i>	
4 Forbes Technosys Limited	100.00	40.00	6,510.73	On Demand	11.00%	General corporate purpose
	-	-	<i>6,450.73</i>	<i>On Demand</i>	<i>11.00%</i>	
5 Forbes Precision Tools and Machine Parts Limited	75.00	75.00	-	On Demand	11.00%	General corporate purpose
	-	-	-	<i>N.A.</i>	<i>N.A.</i>	
C Guarantees given						
1 Forbes Technosys Limited	-	69.33	-	Continuing for working capital and 3 years for General Corporate Purpose	N.A.	Working Capital and General corporate purpose
	-	<i>2,714.67</i>	<i>69.33</i>		<i>N.A.</i>	

Note:

* Provided as doubtful

Figures in italics are in respect of the previous years.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
45. Net debt reconciliation

	As at 31st Mar., 2024	₹ in Lakhs As at 31st Mar., 2023
Short Term Borrowings	-	-
Long Term Borrowings	-	-
Current Maturities of Long Term Borrowings	-	-
Lease Liability	(503.12)	(508.75)
Total debt	(503.12)	(508.75)
Cash and Cash equivalents	1,820.47	3,292.77
Net debt	1,317.35	2,784.02

	Other assets		Liabilities from financing activities		
	Cash and cash equivalents	Long term borrowing including current maturity	Short term borrowing	Lease Liability	Total
Net debt as at 1st April, 2023	3,292.77	-	-	(508.75)	2,784.02
Cash flows	(1,472.30)	-	-	5.63	(1,466.67)
Interest expense	-	-	-	(48.42)	(48.42)
Interest paid	-	-	-	-	-
Non cash movements for acquisitions and disposals	-	-	-	48.42	48.42
Net debt as at 31st March, 2024	1,820.47	-	-	(503.12)	1,317.35

	Other assets		Liabilities from financing activities		
	Cash and cash equivalents	Long term borrowing including current maturity	Short term borrowing	Lease Liability	Total
Net debt as at 1st April, 2022	611.08	(7,834.42)	(2,343.24)	(26.18)	(9,592.76)
Cash flows	2,681.69	7,834.42	2,343.24	(482.57)	12,376.78
Interest expense	-	(483.74)	(98.31)	(48.20)	(630.25)
Interest paid *	-	483.74	98.31	-	582.05
Non cash movements for acquisitions and disposals	-	-	-	48.20	48.20
Net debt as at 31st March, 2023	3,292.77	-	-	(508.75)	2,784.02

* The interest paid during the year includes ₹ Nil (Previous year ₹ Nil) in respect of interest costs capitalised for the property, plant and equipment in accordance with Ind AS 23 and interest expense on loans for real estate development activities amounting to ₹ Nil (Previous year ₹ 52.75 Lakhs).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
46. Offsetting financial assets and financial liabilities

	Gross amounts (Financial Assets -Trade Receivables)	Gross amounts set off in the Balance Sheet (Financial Liabilities - Rebates/ Discounts)	Net amounts presented in Balance Sheet (Net Financial Assets - Trade Receivables)
31st Mar., 2024	4,580.70	-	4,580.70
Total	4,580.70	-	4,580.70
<i>31st Mar., 2023</i>	<i>4,488.93</i>	<i>-</i>	<i>4,488.93</i>
Total	4,488.93	-	4,488.93

₹ in Lakhs

The Company gives rebates/ discounts mainly for Coding and Industrial Automation segment. Under the terms of contract, the amounts payable by the Company are offset against receivables from customers and only the net amount is settled (i.e. after adjustment towards rebates/ discounts). The relevant amounts have therefore been presented net in the Balance Sheet.

47. Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	₹ in Lakhs	
		As at 31st Mar., 2024	As at 31st Mar., 2023
Current			
Floating charge			
Financial Assets			
- Investments	8F	3,434.64	-
- Trade receivables	9	595.02	687.09
- Cash and cash equivalents	13A	1,820.47	-
- Bank balances other than above	13B	1,208.37	-
- Loans	10B	1.82	-
- Other financial assets	11B	570.08	-
- Other current assets	14B	1,924.23	-
- Asset classified as held for sale	51	3.85	-
		9,558.48	687.09
Non-financial assets			
- Inventories	12	465.92	331.56
Total current assets pledged as security		10,024.40	1,018.65
Non-current			
Specific charge			
- Leasehold land	5	-	10.13
- Freehold buildings	5	-	3,553.47
- Plant & Machinery	5	-	4,918.88
- Furniture & fixtures	5	-	24.44
- Office equipments	5	-	3.35
- Vehicle		-	-
- Investment properties	6	-	-
- Capital work-in-progress	5.1	-	-
Total non-currents assets pledged as security		-	8,510.26
Total assets pledged as security		10,024.40	9,528.91

First Charge on entire current assets of the Company, both present and future on Pari-Passu basis with other lender except on Receivables / stock pertaining to Real Estate Project Vicinia.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

48. Ind AS 115 'Revenue from Contracts with Customers', a new accounting standard notified by the Ministry of Corporate Affairs (MCA) on 28th March, 2018 was effective from accounting period beginning on or after 1st April, 2018 and replaced the existing revenue recognition standards. The application of Ind AS 115 had a significant bearing on the Company's accounting for recognition of revenue from real estate development projects. Considering the terms of the contract, receipt of Occupancy Certificate for Phase II of the real estate development project, issuance of possession letters and transfer of control of the real estate units to the customers, the Company has recognized revenue of ₹ 7,557.00 Lakhs for the year ended 31st March 2024 and ₹ 238.00 Lakhs for the year ended 31st March 2023.

49. The board of directors of Forbes Technosys Limited (FTL) have pursuant to provisions of Section 230 to 232 applied to the National Company Law Tribunal (NCLT) for merger of Forbes Campbell Service Limited ("FCSL") and FTL for a consideration of ₹ 3.00 Lakhs effective 1st October, 2021 and also proposed for reduction in the share capital of FTL. The NCLT, in its order dated 16th September 2022 ('the Order') approved the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Service Limited ('FCSL') into FTL and reduction of share capital of FTL. The appointed date of the Scheme was 1st October 2021, and the scheme has been effective from 29th September, 2022 i.e., the last date on which the certified copy of the order was filed with the Registrar of Companies. Pursuant to the scheme, the Company has written off the investment of ₹13,183.00 Lakhs and provision created for the investment amounting to ₹ 13,183.00 Lakhs is reversed in the year ended 31st March 2023.

The Company has made provision for doubtful trade & contractual receivable amounting to ₹ 3.00 Lakhs for the quarter ended 31st March 2023 and ₹ 22.00 Lakhs for the year ended 31st March 2023 with respect to FTL.

The Company has made a provision for doubtful debts on loans & advances given to the following companies: -

a) Forbes Technosys Limited (FTL) - In view of continuing losses in FTL, the Company has made a provision for obligation of bank guarantees of ₹114.00 Lakhs for the quarter ended 31st December, 2023. The Company had given ₹ 60.00 Lakhs (Net) Lakhs as an Inter Corporate Deposit for Settlement of Bank Guarantees obligations. The net amount of ₹ 54.00 Lakhs has been reversed in the quarter ended 31st March, 2024 in view of FTL has completed its Bank Guarantee obligations. The provision for obligation of Bank guarantees and loan and advances of FTL for the year ended 31st March, 2023 was ₹ 401.00 Lakhs.

b) Forbes Concept Hospitality Services Private Limited (FCHSPL): The Company has made a provision for loans and advances amounting to ₹ 18.00 Lakhs for the quarter ended 31st March, 2023 as the recoverability of loan was doubtful.

Accordingly, the total provision for the loans and advances of ₹ 60.00 Lakhs has been provided as at 31st March, 2024 was ₹ 419.00 Lakhs for 31st March, 2023.

50. Forbes Technosys Limited (FTL), a subsidiary, is facing serious challenges in terms of operations and due to continuing losses and withdrawal of support from its operational creditors to provide further credit on outstanding dues and non-receipt of its dues by its trade receivables, a corporate insolvency resolution process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 has been initiated by the FTL voluntarily vide application filed before the NCLT on 20th February, 2024. The hearing of the said application is awaited.

51. A) The Board of Directors of the Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali. Accordingly, the net carrying value aggregating ₹2,315.70 Lakhs [including ₹ 2,277.08 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during quarter ended 31st March, 2022], has been reflected as asset held for sale as on 31st March, 2022.

Pursuant to the Board of Directors meeting dated 24th March, 2022, the Company has entered into a new Agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an aggregate consideration of ₹ 23,500.00 Lakhs, which was executed on 24th March, 2022 and the completion of the said transaction was subject to fulfilment of conditions precedent.

The transaction for sale of Chandivali land with Equinix got concluded on 28th June 2022 post completion of the conditions precedent and the Company received entire consideration of ₹ 23,500.00 Lakhs during the year ended 31st March, 2023. The difference between the net disposal proceeds and the carrying amount of the land amounting to ₹ 20,684.00 Lakhs has been recognized as gain on disposal for the year ended 31st March, 2023 and reflected in other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the year ended 31st March, 2023.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

- B)** The Board of Directors of the Company, in their meeting held on 26th May 2023, approved for sale of approximately 0.53 acres of land at Chennai for an aggregate consideration of ₹ 15 Crores. The transaction got concluded on 1st June, 2023 by executing sale deed in favour of the buyer. Accordingly, the difference between the net disposal proceeds and the carrying amount of the land amounting to ₹ 1,447.00 Lakhs has been recognized as gain on disposal during the quarter ended 30th June, 2023 and the year ended 31st March, 2024 and reflected in other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30th June, 2023 and the year ended 31st March, 2024.
- C)** The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for the sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly-owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet was executed on 23rd February, 2022 and agreement for sale was executed on 20th May, 2022. The transaction was completed on 1st July, 2022 a sales consideration of ₹ 4,200.00 Lakhs. The Company has received the consideration of ₹ 3,960.00 Lakhs after deduction of ₹ 240.00 Lakhs for the legal disputes with multiple customers. The difference between the net disposal proceeds and the carrying amount of investment and provision made on account of the obligations undertaken by the company under the agreement for sale the net amount of ₹ 3,202.00 Lakhs was recognized as gain on disposal for the year ended 31st March, 2023 and reflected in Exceptional items in these financial results.
- The capital gains tax impact of the aforesaid transaction was appropriately considered in the year ended 31st March, 2023. Additionally, as per the terms of the agreement to sale, the Company has taken over current receivables and payable balances of FFSPL to/ from related parties aggregating ₹ 122.00 Lakhs and ₹ 237.00 Lakhs respectively and receivable from non-related party amounting to ₹ 114.00 lakhs is received by the Company from FFSPL.
- During the quarter ended 31st December 2023, the Company has received an amount of ₹ 74.00 Lakhs and ₹ 41.00 Lakhs in the month of January, 2024 on settlement of legal disputes between FFSPL and customers against the previously withheld amount of ₹ 240.00 Lakhs. The provision made earlier on account of legal disputes is reversed to the extent of ₹ 115.00 Lakhs and recognized as gain in the profit & loss account.
- D)** The Board of Directors of the Company, at their meeting held on 30th May 2022, have approved the sale of the entire shareholding in SPFSL. The Company has sold 3,75,000 equity shares of ₹ 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of ₹ 10 each of SPFSL to M/s G.S Enterprises, a related party for an aggregate purchase consideration of ₹ 2,900.00 Lakhs during the year ended 31st March, 2023. The net carrying value of the investments in SPFSL as at the date of sale was ₹ 2,756.00 Lakhs and consequently, the Company has recognized an exceptional gain of ₹ 144.00 Lakhs for the year ended 31st March, 2023.
- E)** The Company was holding 50% shareholding in Forbes Concept Hospitality Services Private Limited (FCHSPL), a Joint Venture of the Company. The Board of Directors of the Company at their meeting held on 3rd August, 2023 has approved sale of its 60% shareholding in FCHSPL, to Metamix Technologies Private Limited and balance 40% shareholding to Floral Finance Private limited for a consideration of ₹ 0.03 Lakh and ₹ 0.02 Lakh respectively. Pursuant to the said sale of the entire shareholding in FCHSPL, it has ceased to be a Joint Venture of the Company effective from 3rd August, 2023.
- The Company has made provision for doubtful debts amounting to ₹ 18.00 Lakhs in earlier years with respect to Forbes Concept Hospitality Services Private Limited (FCHSPL). The Company has received the said loan & advances from FCHSPL and accordingly the provision made in earlier years is now reversed and recognized as a gain in profit & loss account during the quarter ended 31st December, 2023 and year ended 31st March, 2024.
- F)** The Company has made a provision of ₹ 559.00 Lakhs of property tax against the demand raised by MCGM for payment of additional property tax of ₹ 1,034.00 Lakhs (including penalties) for the retrospective period from April, 2010 to March, 2023. The balance amount of ₹ 475.29 Lakhs which is in the nature of penalties are shown as contingent liability. The MCGM has changed the subzone of property from 0014 to 0027 for determination of property tax. The property valuation in Subzone 0027 is much higher compared to the subzone 0014. The subject property is historically valued in Subzone 0014 for property tax. The Company has disputed the entire demand notice.
- G)** The Indian Parliament has approved the Code on Social Security, 2020 (“the code”) which, inter alia, deals with employees benefits during employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.

52. Scheme of Arrangement

The Board of Directors of the Company (FCL or the “Demerged Company) and Forbes Precision Tools and Machine Parts Limited (“FPTL” or the “Resulting Company”) in their respective meetings held on 26th September 2022, approved the Scheme of Arrangement (“Scheme”) between the Company and FPTL, as well as their respective shareholders, in accordance with Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions and rules. This Scheme entails the demerger of the “Precision Tools business” from the Company into FPTL, with an appointed date of 1st April, 2023.

The Honorable National Company Law Tribunal (“NCLT”) of the Mumbai bench approved the scheme via Order No. C.P.(CAA)/303/MB-V/2023 dated 9th February, 2024. The certified true copy of the order was received on 22nd February, 2024 and filed with the Registrar of the Company on 1st March 2024. The Scheme became effective / operative from the effective date of 1st March, 2024, with this, the Precision Tools business of FCL being transferred to and vested in FPTL with effect from the appointed date i.e., 1st April, 2023.

Upon the coming into effect of the Scheme, the existing investment in shares capital of FPTL, amounting to ₹ 5.00 lakhs divided into 50,000 shares of ₹ 10 each, fully paid up, prior to the Scheme becoming effective, shall stand cancelled without any further application, act, instrument, or deed, as an integral part of this Scheme, with adjustments done through General reserve of the Company. As per the Composite Scheme of Arrangement, the Resulting Company has issued four fully paid-up equity shares of ₹ 10/- each for every one fully paid-up equity share of ₹ 10/- each held by the equity shareholders of the Demerged Company (FCL) as of the Record Date, which was 7th March, 2024. The shareholders of the Company (FCL) are entitled to receive 4 shares of FPTL against each share held by them. The record date for allotment was fixed as 7th March, 2024, and the issuance and allotment of equity shares took place on 13th March, 2024. From the appointed date, the precision tools business of FCL, including all its assets and liabilities is transferred and vested to FPTL in accordance with this Scheme. FPTL is in process of listing of its shares with BSE Limited.

From the appointed date, the precision tools business of FCL, including all its assets and liabilities is transferred and vested to FPTL in accordance with this Scheme, Consequently, the deferred tax liability related to those assets and liabilities will be remeasured and will result in a direct charge of ₹ 234.44 Lakhs to the opening balance of retained earnings of FPTL.

Pursuant to the demerger, the book value of assets and liabilities transferred under the scheme of arrangement as on appointed date are listed below:

Particulars	₹ in Lakhs
I. ASSETS	
1. Non-Current Assets	
(a) Property, plant and equipment	8,414.02
(b) Right-of-use assets	37.07
(c) Capital work-in-progress	182.80
(d) Other intangible assets	97.49
(e) Other financial asset	81.64
(f) Current tax assets (net)	4.31
(g) Other non-current assets	230.26
Total	9,047.59
2. Current Assets	
(a) Inventories	3,115.25
(b) Financial assets	-
(i) Trade receivables	2,236.80
(ii) Cash and cash equivalents	366.83
(iii) Loans	0.28
(b) Other current assets	282.79
Total	6,001.95
TOTAL ASSETS	15,049.53
II. LIABILITIES	
1. Non-current Liabilities	
(a) Financial liabilities	
(i) Borrowings	1,012.95
(ii) Lease liability	18.87
(b) Deferred tax liabilities (net)	234.44
Total	1,266.26
2. Current Liabilities	
(a) Financial liabilities	
(i) Borrowings	243.25
(ii) Lease liability	11.94
(iii) Trade payables	1,833.20
(iv) Other financial liabilities	131.16
(b) Other current liabilities	742.03
(c) Provisions	27.58
Total	2,989.17
TOTAL LIABILITIES	4,255.43
NETWORTH	10,794.10

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Further, the net impact of certain assets and liabilities transferred from the Company to FPTL is resulting in net payable of ₹ 881.93 Lakhs to Forbes Precision Tools Limited (FPTL). Details of which are as follows:

₹ in Lakhs

Shown as payable on account of HDFC Life – Leave encashment	346.38	This amount, pertaining to the employees transferred, was payable to FPTL through Company by HDFC Life Insurance Company Limited which has been paid on 16th April, 2024 to the leave encashment policy of the FPTL with HDFC Life Insurance Company Limited.
Shown as payable on account of Gratuity fund with LIC.	535.55	This amount would be transferred from LIC – Forbes Gratuity account to the FPTL Gratuity account by LIC
	881.93	

53. The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on 5th December, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on 9th December, 2022.
54. Forbes Lux International AG (FLIAG), a subsidiary of the Company, along with its subsidiary Lux International AG (LIAG) and step-down subsidiaries, has been facing with a severe liquidity crisis for the past several years. Given the ongoing losses and financial difficulties, the management of FLIAG, LIAG, and Lux Schweiz AG submitted an application on 11th April, 2023, seeking a provisional debt restructuring moratorium from the Bülach District Court in Wallisellen, Switzerland. By an order dated 17th April, 2023, the court granted a provisional moratorium, which will be in effect for four months, until 17th August, 2023, to facilitate the restructuring of these companies. A Provisional Administrator was appointed to assess the prospects for this restructuring. The Provisional Administrator submitted the final report to the Court on 2nd August, 2023. Based on the Administrator's final report, the Court determined that FLIAG, being a pure holding company that hasn't generated any income for a considerable period and has ceased its operational activities, is not viable. Similarly, Lux Schweiz AG has also discontinued its operational activities and income generation, leading to the decision to initiate bankruptcy proceedings for these companies. As for LIAG, the court has granted an extension of the moratorium period until 1st December, 2023. Consequently, FLIAG and Lux Schweiz have been declared bankrupt by an order dated 14th August, 2023.

Subsequently, following due process, the bankruptcy officials issued a publication on 8th September, 2023, announcing the closure of the bankruptcy proceedings due to lack of assets unless a creditor requests implementation within a specified 10-day period. Since no opposition was filed with the Bankruptcy Officer during the stipulated timeline, Forbes Lux International AG, in Liquidation and Lux Schweiz AG, in Liquidation were liquidated and dissolved. In the context of FLIAG's bankruptcy proceedings, Lux International AG, in Liquidation (LIAG), a subsidiary of FLIAG, has been disposed of by the bankruptcy official. Consequently, FLIAG and its subsidiaries are no longer considered subsidiaries of the Company.

55. As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained evolved during the year and continues to evolve.

In Forbes & Copmany Limited, the audit trail is implemented at the application level across all tables and fields to facilitate the maintenance of financial records and relevant transactions. However, the global standard ERP used by the Company has not been enabled with the feature of an audit trail log at the database layer due to its existing design. We are currently collaborating with the vendor to address this issue. In the meantime, the Company ensures that direct write access to the database is granted only through an approved change management process, maintaining the security and integrity of our data.

56. Additional Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013

- i. Details of benami property held

There are not any proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at 31st March, 2024.

- ii. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial Institution or other lender who has powers to declare a company as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

are approved or in an earlier period and the default has continued for the whole or part of the current year.

iii. Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

iv. The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

v. (a) The company has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) during the year to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or,
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) during the year with the understanding (whether recorded in writing or otherwise) that the company shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi. Undisclosed income

The company does not have any transaction that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), during the year.

vii. Details of crypto currency or virtual currency
The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

viii. Valuation of PP&E, intangible asset and investment property. The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

57. Other regulatory information

i. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

ii. Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken.

iii. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

The Group has five CICs which are part of the Group

- SP Finance Private Limited,
- SC Finance and Investments Private Limited,
- Hermes Commerce Private Limited,
- Renaissance Commerce Private Limited and
- Shapoorji Pallonji Energy Private Limited (formerly known as Shapoorji Pallonji Oil and Gas Private Limited).

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

58. Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.

59. The financial statements were approved by the Board of Directors of the Company at their respective meetings held on 29th May, 2024.

Signature to Notes 1 to 59

In terms of our report of even date

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

Pritesh Jhaveri
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 1423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

CONSOLIDATED
FINANCIAL STATEMENTS FORMING PART
OF ANNUAL REPORT OF
FORBES & COMPANY LIMITED
FOR THE YEAR ENDED MARCH 31, 2024

INDEPENDENT AUDITOR'S REPORT

To the Members of Forbes & Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of **FORBES & COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit/(loss) in its associates and its joint-ventures, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity, for the year then ended, and notes to Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements" or "Statements").

In our opinion and to the best of our information and according to the explanations given to us, *Except for the possible effects of the matter specified under "Basis for qualified opinion" section of our report, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2024 of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.*

Basis for Qualified Opinion

We reproduce hereunder, to be read together with Note No 58 (a) to this Statement, the 'Basis for Adverse Opinion' issued by the independent auditors of a subsidiary viz. 'Forbes Technosys Limited' (FTL) vide their audit report dated May 22, 2024, on the standalone financial statements of FTL and which forms the basis for qualified opinion in our audit report on the accompanying Statement of the Group:

"Basis for Adverse Opinion

- a) *We draw attention to Note 34(a) of the financial statements which states that the Company has incurred a net loss of Rs. 46.32 lakhs during the current year and the Company's current liabilities exceeded its current assets by Rs. 11,011.11 lakhs as at March 31, 2024. The Company has accumulated losses of Rs. 18,322.65 lakhs and its net-worth has been fully eroded as at March 31, 2024. Further, the Company has filed an application to National Company Law Tribunal - Mumbai Bench on February 20, 2024 to initiate Corporate Insolvency and Resolution Process (CIRP) under the Insolvency and Bankruptcy Code*

2016 for the reasons stated therein. Considering the above, and in the absence of necessary and adequate evidence with respect to the Company's ability to continue as a going concern, we believe that the management's use of the going concern basis of accounting in the financial statements is inappropriate. Consequently, this could result in the Company not providing for adjustments, if any, that may be required to the carrying values of assets and liabilities, and its consequential impact on the accompanying financial statements is not ascertained.

- b) *We draw attention to Note 34(b) of the financial statements which indicates that the Company is in the process of negotiating settlements with and obtaining balance confirmations, from its outstanding trade payables (other than related parties) of Rs. 1,693.43 lakhs and trade receivables of Rs. 308.22 lakhs as at March 31, 2024, which has not been completed as of the date of this Report. In view of the uncertainty associated with the such process and in the absence of balance confirmations from material vendors and customers, we have not been able to obtain sufficient appropriate audit evidence regarding these balances and are unable to ascertain the adjustments that may be required to these balances."*

The FTL whose total assets of Rs. 786 Lakhs (2% of the total consolidated total assets of the company), total Loss after tax of Rs. (166) lakhs (-6% of the total consolidated profit of the company) total comprehensive income of Rs. (166) Lakhs (-6% of total consolidated comprehensive income of the company), cash outflow of Rs. 63 lakhs (4% of total consolidated cash flow of the company), as at March 31, 2024, included in the statements are based on the audited financial of FTL. In addition, the FTL auditor mentioned in the reproduced para above that FTL's net worth has been fully eroded as at March 31, 2024.

In view of the above, we are unable to comment on the consequential impact in respect of the aforesaid matters on the accompanying statements for the year ended 31 March 2024.

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("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 Group, its associates and joint ventures 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 Statement under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our *qualified opinion*.

Emphasis of Matter

- a) We draw attention to note No. 54.1 to the statement that based on the guidance from Ind-AS 110, the Company's management did not include consolidation of Ind AS standalone financial statements of material Foreign Direct Subsidiary viz. Forbes Lux International AG (FLIAG) & Consolidated financial statements of material step-down foreign subsidiary viz. 'Lux International AG' (LIAG), as the "control" is not established as per facts and circumstances mentioned by the company basis that the FLIAG went into bankruptcy and further, it has been liquidated & dissolved, in addition as part of the process of FLIAG liquidation, the LIAG were disposed off. The management feels that the Group does not have the ability to use its power to affect the investor's returns from its involvement with the investee.

Further, the financial statements have been presented considering the liquidation and dissolution of FLIAG and disposed of the LIAG, as a discontinued operation on the face of Profit and loss accounts in the current and comparative reporting periods. The figures for discontinued operations are based on the standalone financial statements of FLIAG and the consolidated financial statements of LIAG, both certified by management up to June 30, 2023 & submitted to the bankruptcy official/District Court of Buelach, Wallisellen, Switzerland for the liquidation of FLIAG, the conclusion regarding these matters remains unchanged, however, there has been no material transaction from July 1, 2023, to August 14, 2023 (the date of bankruptcy).

- b) We draw attention to Note 53 of the financial statements in respect of the Scheme of Arrangement approved by the Board of Directors of the Company in their meeting dated 26th

September 2022, between Forbes & Company Limited (FCL) and Forbes Precision Tools and Machine Parts Limited (FPTL) and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the rules framed thereunder.

This Scheme is a 'Scheme of Arrangement' involving the demerger of the "Precision Tools Business" of the company's into FPTL. The FPTL was incorporated on 30th August 2022 as a wholly-owned subsidiary of the Company. The Honourable National Company Law Tribunal (NCLT) of the Mumbai bench approved the scheme via Order No. C.P.(CAA)/303/M8-V/2023 dated 9th February 2024. The certified true copy of the order was received on 22nd February 2024 and filed with the Registrar of the Company on 1st March 2024. The Scheme became effective/operative from the effective date of March 1, 2024, with this, the Precision Tools business of FCL being transferred to and vested in FPTL with effect from the appointed date i.e., April 1, 2023.

Our opinion is not modified in respect of these emphases of matters.

Key Audit Matters

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

S. No.	Key Audit Matter (KAM)	Auditor's Response
1	<p>Revenue Recognition:</p> <p>Revenue recognition for Real Estate Development Activities (Refer Notes 26 and 51 to the Consolidated financial statements)</p> <p>Revenue recognition for real estate development activities is considered a key audit matter in view of the involvement of management judgment in establishing the timing of the transfer of control to the customer, the enforceable right to payment for performance completed to date and related disclosures.</p>	<p>Our audit procedures over the recognition of revenue for Real Estate Development activities included the following:</p> <ul style="list-style-type: none"> Obtaining an understanding and evaluating the design and testing of the effectiveness of key internal financial controls in respect of revenue recognition for real estate development activities; Obtaining an understanding of the group and its associates and joint ventures accounting policy on revenue recognition for real estate development activities and assessing compliance of the policy with principles enunciated under Ind-AS 115; Obtaining a listing of contracts with customers from the Management; On a sample basis, evaluating completeness and accuracy of the list of contracts as mentioned above;

S. No.	Key Audit Matter (KAM)	Auditor's Response
	<p>In respect of real estate development projects, Revenue is recognized upon transfer of control of residential units to customers for an amount that reflects the consideration the group and its associates and joint ventures expects to receive in exchange for those units. The point of revenue recognition is normally based on the terms as included in the intimation for the unit handover to the customer on completion of the project, after which the contract becomes non-cancellable by the parties.</p> <p>The group and its associates and joint ventures records revenue at a point in time upon transfer of control of residential units to the customers as per requirements of Ind-AS 115 involves significant judgment by the Management.</p>	<ul style="list-style-type: none"> • Examining the mathematical accuracy in respect of the amount recognized as revenue in respect of these customer contracts; • Examining the terms of sales agreements, agreement value and other relevant details to validate revenue recognition during the year; • Obtaining evidence regarding the transfer of control considering criteria as per Ind-AS 115 and evaluating the enforceability of payment for work completed to date for validating the timing of the transfer of control to the customer; and • Evaluated the adequacy and appropriateness of the disclosures made in the Consolidated financial statements by the management with respect to revenue from the Real Estate Development Activities. <p>Based on the above audit procedures performed, we did not come across any significant exceptions with regard to revenue recognition in respect of real estate development activities.</p>
2	<p>Assessment of Provisions and Contingent Liabilities (Refer Notes 18A, 18B and 38 to the Consolidated financial statements)</p> <p>The group and its associates and joint ventures undergoes assessment proceedings and related litigations with direct and indirect tax authorities and with certain other parties. There is a high level of management judgment required in estimating the probable outflow of economic resources and the level of provisioning and/or the disclosures required.</p> <p>The judgment of the management is supported by advice from independent tax and legal consultants, as considered necessary by the management. Any unexpected adverse outcomes could significantly impact the group and its associates and joint ventures reported profit and financial position.</p> <p>We considered this area as a key audit matter due to the associated uncertainty of the ultimate outcome and significant management judgment involved in the assessment.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the current status of the direct and indirect tax assessments/ litigations & disputes with other parties; • Reading recent orders and/ or communication received from the tax authorities and with certain other parties and management responses to such communication; • Where relevant, read the most recent available independent tax/legal advice obtained by management and evaluate the grounds presented therein; • Obtaining written confirmations from the Company's legal/ tax consultants (internal/ external) to confirm the status of the assessments as well as have discussions with them as and when required; • Assessing the adequacy of disclosure in the Consolidated financial statements. <p>Based on the above procedures, we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.</p>

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

The Group Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the Board's report and management discussion and analysis included in the annual report but does not include the Consolidated Financial Statements and our report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed,

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

Management's & Board of Directors' 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 and presentation of these Consolidated Financial Statements in terms of the requirements of the Act, that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Cash Flows and Consolidated Statement of Changes in Equity of the Group including its associates and joint-ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective management and Board of Directors of the companies included its associates and joint-ventures in the Consolidated Financial Statements are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements / Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group including its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concerned and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group including its associates and joint-ventures are responsible for overseeing the financial reporting process of each Company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- A. 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.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statement and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 including its associates and joint-ventures to cease to continue as a going concern.
- E. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group including its associates and joint-ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the

consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 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 financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in 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.

Other Matters

We did not audit the financial statements of 4 subsidiaries whose financial statements reflect total assets of Rs. 8,471 Lakhs as at March 31, 2024, total revenue of Rs. 98 Lakhs & Rs. 246 Lakhs, Net profit of Rs. 203 Lakhs & Rs. 18 Lakhs and total comprehensive income (comprising of loss and other comprehensive income) of Rs. (1,000) Lakhs & Rs. 156 Lakhs and net cash outflows of Rs. (265) Lakhs & Rs (212) Lakhs for the quarter and year then ended on that date respectively, as considered in the Consolidated Financial Statements.

The Statements also include the Group's share of loss of Rs. (205) Lakhs & Rs. (98) Lakhs and total comprehensive income (comprising of profit and other comprehensive income) of Rs. (205) Lakhs & Rs. (98) Lakhs for the quarter and year ended March 31, 2024 as considered in the Consolidated Financial Statements of 2 joint venture & 2 Associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management,

and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies is based solely on the reports of the other auditors.

We did not audit the financial statements/financial information of 1 subsidiary whose financial statements/financial information reflect total assets of Rs. 97 lakhs as at March 31, 2024, total revenue of Rs. 0 lakhs & Rs.0 lakhs, Net loss of Rs. (6) lakhs & Rs. (16) Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (6) lakhs & Rs. (16) Lakhs and net cash outflows of Rs. (10) Lakhs & Rs. (22) Lakhs for the quarter and year then ended March 31, 2024 respectively, as considered in the Consolidated Financial Statements. This financial statements/financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report is based solely on such unaudited financial statements certified by management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion is not modified in respect of all these other matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143 (11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order with respect to the matters specified in paragraphs 3(xx) 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.
2. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of other auditors on financial statements (Consolidated / Consolidated) of such companies as were audited by them and as mentioned in the 'Other Matters' paragraph above, we report, to the extent applicable, that:
 - a) *Except for the matter described in the basis for Qualified Opinion paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.*
 - b) *Except for the matter described in the basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.*
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other

comprehensive income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- d) *Except for the matter described in the basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act.*
- e) The matters described in the Basis for Qualified Opinion paragraph may have an adverse effect on the functioning of the Group. The auditor of Forbes Technosys Limited, a subsidiary of the company, reported on the functioning of the said subsidiary in their audit report under section 143 (3) (e), which we are reproducing as further *“The matter described in the 'Basis of Adverse opinion' section of this report, in our opinion, may have an adverse effect on the functioning of the Company”*.
- f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of subsidiary companies including associates and joint-ventures which are companies incorporated in India, none of the directors of the subsidiary companies, associates and joint-ventures which are companies incorporated in India, are disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are stated in the Basis of Qualified opinion paragraph.
- h) With respect to the adequacy of internal financial controls over the financial reporting of the Group including its associates and joint ventures which are companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in **“Annexure B”**. Our report expresses a modified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting.
- i) With respect to the matter to be included in the Auditor’s report under section 197(16) of the Act: In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture incorporated in India which were not audited by us, remuneration paid during the current year by the Holding Company, subsidiary companies, associate companies and joint venture to its directors, is in accordance with the provisions of Section 197 of the Act. The remuneration paid to the director by the Holding company is in excess of the limit laid down under Section 197 of the Act, where request approval is taken in the general meeting. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- j) With respect to the other matters to be included in the auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2024, on the Consolidated Financial position of the Group including its associates and joint ventures (refer note 18A, 18B & 38 to the Consolidated Financial Statements);
 - ii. The Group including its associates and joint ventures did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group including its associates and joint-ventures, which are companies incorporated in India.
 - iv. (a) The management of the Group including associates and joint-ventures companies incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management of the Group including associates and joint-ventures companies incorporated in India whose financial

statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies 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;

- (c) Based on our audit procedure conducted that are considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of such subsidiaries, associates and joint ventures 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 provided under (a) and (b) above, contain any material misstatement.
- v. The Group including its associates and joint-ventures incorporated in India have not declared or paid any dividend during the year ended 31st March 2024, hence reporting under rule 11 (f) is not applicable to that extent.
- vi. Based on examination which included test checks of the Holding Company and as communicated by the respective auditor of four subsidiaries, two joint ventures and two associates which are companies incorporated in India whose financial statements

have been audited under the Act, the Holding Company and these subsidiaries and joint ventures have used accounting software for maintaining its books of account and consolidation which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we and the respective auditors of the above referred subsidiaries and joint ventures did not come across any instance of the audit trail feature being tampered with.

The Holding Company and as communicated by the respective auditor of four subsidiaries, two joint ventures, the feature of the recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting software used for maintaining the books of account.

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

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm’s Registration No.: 0109983W
by the hand of

CA Parthiv S Desai

Partner
Membership No.: (F) 042624

Mumbai, May 29, 2024

UDIN- 24042624BKFRST6276

Annexure A to the independent auditor’s report on the Consolidated Financial Statements of Forbes & Company Limited for the year ended 31st March, 2024

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

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in Auditor’s report, based on the information and explanations provided, we would like to report the following regarding companies that are incorporated in India and included in the Consolidated Financial Statements. Our reporting under this clause is based on the CARO report we issued for the Company and based on other reports issued by other auditors of respective subsidiaries, associate & joint ventures included in the consolidated financial statements of the Company, where reporting under the Companies (Auditor’s Report) Order, 2020 (CARO) is required. We would like to highlight the qualifications or adverse remarks in the CARO reports as mentioned below.

Sr. No.	Name of the Entity	CIN	Holding Company / subsidiary	Clause number of the CARO report
1.	Forbes & Company Limited	L17110MH1919PLC000628	Holding Company	Clause (i) (c)
				Clause (iii) (a)&(f)
				Clause (vii) (b)
2.	Forbes Technosys Limited	U29290MH1991PLC062425	Subsidiary Company	Clause (ii) (a)
				Clause (xvii)
				Clause (xix)
3.	Forbes Campbell Finance Limited	U51103MH1977PLC259702	Subsidiary Company	Clause (i) (c)
				Clause (vii) (a)&(b)
4.	Nuevo Consultancy Services Private Limited	U70200MH2003PTC139672	Associate	Clause (iii) (a), (e), (f)
				Clause (vii) (a), (b)
				Clause (xvii)
5.	Forbes Macsa Private Limited	U29308MH2022PTC394922	Joint Venture	Clause (xvii)

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm’s Registration No.: 0109983W
by the hand of

CA Parthiv S Desai

Partner
Membership No.: (F) 042624

Mumbai, May 29, 2024

UDIN- 24042624BKFRST6276

Annexure B to the independent auditor's report on the Consolidated Financial Statements of Forbes & Company Limited for the year ended 31st March, 2024

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

Report on the Internal Financial Controls Over Financial Report under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the consolidated financial statements of **FORBES & COMPANY LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries, (Holding Company and its subsidiaries together referred to as "the Group"), including its associates and joint ventures, which are companies incorporated in India, as of March 31, 2024, in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Board of Directors Responsibility for Internal Financial Controls

The respective Company's Management and Board of Directors of the Holding company and its subsidiary companies, associates and joint-ventures, 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 respective companies considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's including its associates and joint-ventures, which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

Because of the matters described in the Qualified Opinion paragraph below and after considering the audit evidence of the other auditors in terms of their reports referred to in the Other Matters paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to the consolidated financial statements of the Holding 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

In our opinion and According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2024: -

- (a) *The group's internal control system towards assessment of Forbes Technosys Limited's (subsidiary of the holding company) ability to continue as a going concern, as explained in note 58(a) to the accompanying financial statements was not operating effectively due to uncertainties in the judgments and assumptions made by the subsidiary's management in such determination, which could result in the group not providing for adjustments, if any, that may be required to the carrying values of assets and liabilities, and its consequential impact on the accompanying financial statements.*
- (b) *The group's internal control system towards determining the carrying value of trade payables and trade receivables with respect to one of the subsidiary viz. Forbes Technosys Limited was not operating effectively, as explained in note 58 to the accompanying financial statements, which could result in the group not providing for adjustments, if any, that may be required to these balances, and its consequential impact on the accompanying financial statements.*

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the group's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, *except for the possible effects of the material weaknesses described in note 58(a) of the financial statement on the achievement of the objectives of the control criteria*, the group has maintained an adequate and effective internal financial control system over financial reporting as at March 31, 2024, based on the internal financial control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (hereinafter referred as "the guidance note") issued by the Institute of Chartered Accountants of India (hereinafter referred as "ICAI").

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Standalone Financial Statements insofar as it relates to four subsidiaries two joint ventures & two Associates which are the companies incorporated in India, is solely based on the corresponding report of the other auditors.

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

SHARP & TANNAN ASSOCIATES

Chartered Accountants
Firm's Registration No.: 0109983W
by the hand of

CA Parthiv S Desai

Partner
Membership No.: (F) 042624

Mumbai, May 29, 2024

UDIN- 24042624BKFRST6276

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	As at 31st Mar., 2024 ₹ in Lakhs	As at 31st Mar., 2023 ₹ in Lakhs
Assets			
1 Non-current assets			
Property, Plant and Equipment	4	159.35	182.05
Right-of-use assets	5	458.06	494.45
Investment Properties	6	2,119.65	2,176.85
Other Intangible assets	7	5.44	19.34
Financial Assets:			
i) Investments			
a) Investments in associates	9A	804.00	1,096.55
b) Investments in joint ventures	9B	1,421.03	1,340.20
c) Other Investments	9C	11,409.43	10,654.40
		13,634.46	13,091.15
ii) Loans	10A	-	-
iii) Other financial assets	13A	467.81	388.44
		14,102.27	13,479.59
Tax assets			
i) Deferred tax assets (net)	21A	1,465.96	1,693.33
ii) Income tax assets (net)	25	674.35	1,031.87
		2,140.31	2,725.20
Other non-current assets	14A	188.72	201.70
Total Non-current assets		19,173.80	19,279.18
2 Current assets			
Inventories	11	12,145.76	15,002.27
Financial Assets:			
i) Investments	9D	3,434.64	1,418.67
ii) Trade receivables	8	984.75	783.72
iii) Cash and cash equivalents	12A	1,969.52	3,676.17
iv) Bank balances other than (iii) above	12B	1,477.46	1,896.14
v) Loans	10B	1.82	10.33
vi) Other financial assets	13B	740.25	303.46
		8,608.44	8,088.49
Other current assets	14B	2,133.30	1,361.74
		10,741.74	9,450.23
Assets classified as held for sale	15A	3.85	8.11
Assets pertaining to discontinued operations	15B	-	26,369.78
Total Current assets		22,891.35	50,830.39
Total Assets		42,065.15	70,109.57

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2024

Particulars	Note No.	As at 31st Mar., 2024 ₹ in Lakhs	As at 31st Mar., 2023 ₹ in Lakhs
Equity and Liabilities			
Equity			
Equity share capital	16	1,289.86	1,289.86
Other equity	17	6,563.08	15,016.56
Equity attributable to owners of the Company		7,852.94	16,306.42
Perpetual Loan		6,175.00	6,175.00
Non-controlling interests		-	-
Total Equity		14,027.94	22,481.42
Liabilities			
1 Non-current liabilities			
Financial liabilities:			
i) Borrowings	19	7.25	4.30
ii) Lease liability	50	493.58	509.32
iii) Other financial liabilities	20A	398.22	254.49
		899.05	768.11
Provisions	18A	807.35	785.17
Deferred tax liabilities (net)	21B	0.01	0.01
Total Non-current liabilities		1,706.41	1,553.29
2 Current liabilities			
Financial liabilities:			
i) Borrowings	23	399.24	372.17
ii) Trade payables	24		
a) total outstanding dues of micro enterprises and small enterprises; and		1,171.43	1,092.35
b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,475.40	2,798.56
iii) Lease liability	50	10.12	1.19
iv) Other financial liabilities	20B	3,969.22	2,567.95
		9,025.41	6,832.22
Provisions	18B	42.38	66.26
Current tax liabilities (net)	25	16.81	73.46
Other current liabilities	22	17,246.20	23,538.79
Liabilities pertaining to discontinued operations	15C	-	15,564.13
Total Current Liabilities		26,330.80	46,074.86
Total Liabilities		28,037.21	47,628.15
Total Equity and Liabilities		42,065.15	70,109.57
Material Accounting Policies	2-3		
The accompanying notes form an integral part of the financial statements	4-76		

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

PRITESH JHAVERI
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 01423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	Year Ended 31st Mar., 2024 ₹ in Lakhs	<i>Year Ended 31st Mar., 2023 ₹ in Lakhs</i>
I Revenue from operations	26	12,589.52	4,673.98
II Other income	27	2,523.09	21,566.39
III Total Income (I + II)		15,112.61	26,240.37
IV Expenses:			
Real estate development costs	28	3,551.38	2,763.20
Cost of materials consumed	29A	1,963.49	1,636.99
Purchases of stock-in-trade		122.22	36.26
Changes in inventories of finished goods, work-in-progress and stock-in-trade	29B	2,928.66	(2,614.54)
Employee benefits expense	30	1,495.88	1,491.41
Finance costs	31	160.40	982.61
Depreciation, amortisation and impairment expense	32	164.48	590.54
Other expenses	33	2,076.31	4,293.16
Total expenses (IV)		12,462.82	9,179.63
V Profit before exceptional items, share of net profit of investment accounted for using equity method and tax (III - IV)		2,649.79	17,060.74
VI Add: Share of profit of joint ventures and associates accounted for using equity method		(212.24)	295.51
VII Profit before exceptional items and tax (V + VI)		2,437.55	17,356.25
VIII Exceptional items - Income /(Expense)	34	(299.58)	1,201.90
IX Profit before tax for the year (VII + VIII)		2,137.97	18,558.15
X Tax expense/ (credit):			
(a) Current tax [(includes ₹ 21.3 lakhs (previous year ₹ 51.80 lakhs) in respect of short provision for prior years)]	35	44.57	181.88
(b) Deferred tax	35	200.36	460.89
		244.93	642.77
XI Profit after tax for the year (IX - X)		1,893.04	17,915.38
XII Discontinued operations			
Profit/(Loss) before tax from discontinued operations		(2,209.81)	3,423.12
Tax expense		(128.99)	(2,156.44)
Profit/(Loss) for the year from discontinued operations		(2,338.80)	1,266.68
Profit/(Loss) for the year (XI + XII)		(445.76)	19,182.06

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Note No.	Year Ended 31st Mar., 2024 ₹ in Lakhs	Year Ended 31st Mar., 2023 ₹ in Lakhs
XIII Other Comprehensive Income			
A (i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of the defined benefit plans		(60.68)	7.30
(b) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		(0.04)	0.06
(c) Equity instruments through other comprehensive income		755.03	1,765.51
(ii) Tax on items that will not be reclassified to Statement of Profits and Loss			
(a) Income Tax relating to the above items		(27.01)	(172.90)
		<u>667.30</u>	<u>1,599.97</u>
B (i) Items that may be reclassified to Statement of Profit and Loss			
(a) Exchange differences in translating the financial statements of foreign operations		(1,105.03)	(4,821.73)
(b) Gain on Disposal of Foreign subsidiary		3,697.63	-
		<u>2,592.60</u>	<u>(4,821.73)</u>
Total Other Comprehensive Income/(Loss)		<u>3,259.90</u>	<u>(3,221.76)</u>
XIV Total Comprehensive Income for the year (XII + XIII)		<u>2,814.14</u>	<u>15,960.30</u>
XV Profit/(Loss) for the year attributable to:			
- Owners of the Company		(445.76)	19,195.30
- Non-controlling interests		-	(13.24)
		<u>(445.76)</u>	<u>19,182.06</u>
XVI Other Comprehensive Income/(Loss) for the year attributable to:			
- Owners of the Company		3,259.90	(3,220.75)
- Non-controlling interests		-	(1.01)
		<u>3,259.90</u>	<u>(3,221.76)</u>
XVII Total Comprehensive Income/(Loss) for the year attributable to:			
- Owners of the Company		2,814.14	15,974.55
- Non-controlling interests		-	(14.25)
		<u>2,814.14</u>	<u>15,960.30</u>
XVIII Earning per equity share			
Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing operations	36	14.87	140.92
Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - discontinued operations	36	(18.37)	9.85
Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing and discontinued operations	36	(3.50)	150.77
Material Accounting Policies	2-3		
The accompanying notes form an integral part of the financial statements	4-76		

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

PRITESH JHAVERI
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 01423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Year Ended 31st Mar., 2024 ₹ in Lakhs	Year Ended 31st Mar., 2023 ₹ in Lakhs
Cash flows from operating activities		
Profit/(Loss) before tax from continuing and discontinued operations	(71.84)	21,981.27
Adjustments for -		
Depreciation and amortisation expense (Continued and Discontinued Operations)	547.99	2,776.03
Post acquisition share of (profit) of Associate and Joint Venture (using Equity Method)	212.24	(295.51)
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
i) Bank deposits	(213.25)	(169.46)
ii) Interest income from financial assets and others at amortised cost	(1.85)	(3.49)
iii) Customers and others		-
Interest on Income Tax	(33.74)	(36.72)
Finance costs	483.17	1,762.52
(Gain) on disposal of property, plant and equipment	(1,797.92)	(21,000.75)
(Gain) on disposal/ fair valuation of current investments	(216.01)	(106.38)
Provision/ write offs (net) for trade receivables and advances	250.67	1,666.55
Credit balances / excess provision written back	(193.53)	(300.49)
Net foreign exchange (gain)/loss including effect of exchange difference on consolidation of foreign entities	(1,091.49)	(4,879.61)
	(2,053.72)	(20,587.31)
Exceptional items:		
- Loss on sale of Investment	-	896.92
- Provision for disputed matters	559.06	-
- Gain/ Loss on sale of subsidiary	2,887.67	(2,987.04)
- Provision for slow-moving damaged or obsolete inventories	28.26	96.97
- Invocation of Bank guarantee	71.27	-
- Employees' Full & Final Settlement written back	(241.77)	-
- Reversal of Provision	(133.44)	-
- Gain/ Loss on sale of associate	(0.05)	(98.72)
- Provision for impairment of certain intangible assets and intangible assets under development - continuing operations	-	500.00
-Provision for loan and interest thereon	-	18.19
-Provison for settlement of disputed Value Added Tax (VAT)	16.25	371.78
	3,187.25	(1,201.90)
	1,133.53	(21,789.21)
Operating profit before working capital changes	1,061.69	192.06

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Year Ended 31st Mar., 2024 ₹ in Lakhs	<i>Year Ended 31st Mar., 2023 ₹ in Lakhs</i>
Changes in working capital:		
Movements in working capital:		
(Increase)/Decrease in trade and other receivables	(518.85)	1,037.48
(Increase)/Decrease in inventories	3,818.82	(1,090.69)
(Increase)/Decrease in other loans and advances	8.51	(27.97)
(Increase)/Decrease in other financial assets	(493.31)	(42.12)
(Increase)/Decrease in other assets	(1,024.28)	658.36
Increase/ (Decrease) in trade and other payables	1,127.80	(1,072.25)
Increase/ (Decrease) in other financial liabilities	924.44	81.31
Increase/ (Decrease) in provisions	(827.50)	(375.27)
Increase/ (Decrease) in other liabilities	(6,131.37)	6,251.88
	(3,115.74)	5,420.73
Cash generated from operations	(2,054.05)	5,612.79
Income taxes paid (net of refunds)	47.94	(155.26)
(a) Net cash flow generated from operating activities	(2,006.11)	5,457.53
Cash flows from investing activities:		
Payments for property, plant and equipment including assets held for sale (net of capital creditors and including capital advances, capital work-in-progress, investment properties and intangible assets)	(54.36)	(1,519.66)
Proceeds from disposal of property, plant and equipment (including investment properties and intangible assets)	1,896.01	19,531.54
Payments for acquisition of investment	-	(3,645.31)
Payments for acquisition of investment in Joint Venture		
- Equity Investment in Joint Ventures	-	(0.50)
- Share application money in Joint Ventures	-	(249.50)
Purchase of current investments	(2,801.20)	(1,418.67)
Proceeds from sale of current investments	1,001.24	106.38
Proceeds from sale of investments		
- in Subsidiaries	-	3,659.10
Proceeds from sale of investments in associate and joint venture	115.49	2,900.00
Proceeds from sale of investments in others	-	3,630.28
Bank balances not considered as cash and cash equivalents	417.16	(1,550.64)
Interest received	210.25	151.50
(b) Net cash flow generated from/(used in) investing activities	784.59	21,594.52
Cash flows from financing activities:		
Repayment of borrowings	-	(12,761.22)
Proceeds from Perpetual Loan	-	6,175.00
Net increase/ (decrease) in Cash credit facilities, Buyers Credit, Overdraft facility and Loans repayable on demand	17.58	(7,363.05)
Finance costs paid	(412.50)	(1,483.82)
Payment of Lease Liabilities	(179.19)	(612.21)
Outflow on invocation of bank guarantee	(71.27)	-
Dividend paid on equity shares	(0.87)	(8,235.43)
(c) Net cash flow generated from/ (used) in financing activities	(646.25)	(24,280.73)
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)	(1,867.77)	2,771.32

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Year Ended 31st Mar., 2024 ₹ in Lakhs	Year Ended 31st Mar., 2023 ₹ in Lakhs
(e) Cash and cash equivalents as at the commencement of the year	4,557.15	1,821.77
(f) Cash and cash equivalents on disposal of subsidiaries and demerger of business (net)	(719.86)	(35.94)
(g) Cash and cash equivalents held under assets pertaining to discontinued business	-	-
(h) Cash and cash equivalents as at the end of the year (d + e + f + g) (refer Note 13A)	<u>1,969.52</u>	<u>4,557.15</u>

Reconciliation of cash and cash equivalents as per the cash flow statements
Cash and cash equivalents as per above comprise of the following

	31st Mar., 2024 ₹ in Lakhs	31st Mar., 2023 ₹ in Lakhs
Balances with Banks		
- In current accounts	723.11	971.69
- In EEFC accounts	86.44	-
Deposits accounts (with original maturity upto 3 months)	1,159.88	2,704.43
Cash on hand	0.09	0.05
Cash and cash equivalents	<u>1,969.52</u>	<u>3,676.17</u>
Cash and cash equivalents held under assets pertaining to discontinued business (Refer Note 16B)	-	880.98
Balances as per statement of cash flows	<u>1,969.52</u>	<u>4,557.15</u>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" setout in Indian Accounting Standard - 7 on Statement of Cash Flows.
- Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.
- Other bank balances (Refer Note 13B) at the end of the year includes: (i) earmarked balances towards unpaid dividends ₹ 63.88 Lakhs (Previous Year ₹ 64.75 Lakhs) and (ii) margin money deposits ₹ 45.89 Lakhs (Previous Year ₹ 448.27 Lakhs) includes as security against license for import of goods under EPCG Scheme and hence are not available for immediate use by the Group.

Material Accounting Policies 2-3

The accompanying notes form an integral part of the financial statements 4-76

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

PRITESH JHAVERI
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M.C. TAHILYANI
Chairman
DIN : 01423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024
a. Equity share capital

Particulars	₹ in Lakhs	
	Amount	
Balance as at 1st Apr., 2022	1,289.86	
Changes in equity share capital during the year	-	
Balance as at 31st Mar., 2023	1,289.86	
Changes in equity share capital during the year	-	
Balance as at 31st Mar., 2024	1,289.86	

b. Perpetual loan

Particulars	₹ in Lakhs	
	Amount	
Balance as at 1st Apr., 2022	-	
Changes in equity share capital during the year	6,175.00	
Balance as at 31st Mar., 2023	6,175.00	
Changes in equity share capital during the year	-	
Balance as at 31st Mar., 2024	6,175.00	

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

c. Other equity

Particulars	Equity component of compound financial instruments	Treasury Shares	Reserves and surplus						Items of other comprehensive income				Atributable to owners of the Company	Non-controlling interests	Total		
			Capital reserve	Capital reserve on merger*	Capital contribution reserve	Securities premium reserve	Capital Redemption Reserve	General reserve	Capital reserve for bargain purchase business combinations	Retained Earnings	Sub-total	Equity instrument through other comprehensive income				Foreign currency translation reserve	Sub-total
Balance as at 1st Apr, 2022	8.94	(32.55)	386.13	-	493.54	161.76	25.00	42,849.28	1,221.43	(49,334.71)	(4,397.57)	9,601.42	2,173.41	11,774.83	7,353.65	(20.25)	7,333.40
Profit/ (Loss) for the year	-	-	-	-	-	-	-	-	-	19,195.30	19,195.30	-	-	-	19,195.30	(13.24)	19,182.06
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	7.36	7.36	7.36	1,592.61	(4,820.72)	(3,228.11)	(3,220.75)	(1.01)	(3,221.76)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	19,202.66	19,202.66	1,592.61	(4,820.72)	(3,228.11)	15,974.55	(14.25)	15,960.30
Effect of Loss of Control	-	-	-	-	-	-	-	-	(0.23)	-	(0.23)	-	-	-	-	34.50	34.50
Effect of Demerger of Health, Hygiene and Safety business	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.23)	-	(0.23)
Others adjustment	-	-	-	-	-	-	-	-	(35.53)	(35.53)	(35.53)	-	-	-	(35.53)	-	(35.53)
Interim Dividend	-	-	-	-	-	-	-	-	(8,275.88)	(8,275.88)	(8,275.88)	-	-	-	(8,275.88)	-	(8,275.88)
Balance as at 31st March, 2023	8.94	(32.55)	386.13	-	493.54	161.76	25.00	42,849.28	1,221.20	(38,643.46)	6,493.45	11,194.03	2,647.31	8,546.72	15,016.56	-	15,016.56
Profit/ (Loss) for the year	-	-	-	-	-	-	-	-	-	(445.76)	(445.76)	-	-	-	(445.76)	-	(445.76)
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-	-	-	(60.72)	(60.72)	(60.72)	728.02	2,592.60	3,320.62	3,259.90	-	3,259.90
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	(506.48)	(506.48)	728.02	2,592.60	3,320.62	2,814.14	-	2,814.14
Adjustment on loss of control over subsidiary	-	-	-	-	(493.54)	-	-	-	-	(493.54)	-	-	-	-	(493.54)	-	(493.54)
Effect of Demerger	-	-	-	-	-	-	-	(5,815.21)	-	(4,964.54)	(10,779.75)	5.67	-	5.67	(10,774.08)	-	(10,774.08)
Balance as at 31st March, 2024	8.94	(32.55)	386.13	-	-	161.76	25.00	37,034.07	1,221.20	(44,114.48)	(5,286.32)	11,927.72	(54.71)	11,873.01	6,563.08	-	6,563.08

* Amount is below the rounding off norm adopted by the Group.

Material Accounting Policies

2-3

The accompanying notes form an integral part of the financial statements

4-76

In terms of our report of even date

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

For and on behalf of the Board of Directors
 M.C. TAHILYANI
Chairman
 DIN : 01423084

Parthiv S. Desai
Partner
 Membership Number: (F) 042624

 JAI L. MAVANI
Director
 DIN : 05260191

 NIRMAL JAGAWAT
Chief Financial Officer

 RAVINDER PREM
Whole-time Director
 DIN : 07771465

 Place: Mumbai
 Date: 29th May, 2024

 Place: Mumbai
 Date: 29th May, 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
1. CORPORATE INFORMATION

Forbes & Company Limited ("the Company" is one of the oldest companies of the world. The Company traces its origin to the year 1767 when John Forbes of Aberdeenshire, Scotland started his business in India. Over the years, the Management of the Company moved from the Forbes Family to the Campbells to the Tata Group and now finally to the well known Shapoorji Pallonji Group. Its parent and ultimate holding company is Shapoorji Pallonji and Company Private Limited. The principal activities of the Company and its subsidiaries ("the Group") includes manufacturing and trading of engineering products, real estate development projects and leasing of premises and IT Enabled Services and Products. The address and registered office and principal place of business are disclosed in the Annual Report.

2. MATERIAL ACCOUNTING POLICIES
2. (i) Statement of Compliance with Ind AS

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

2. (ii) Basis of Preparation and Presentation of Consolidated Financial Statements

The consolidated financial statements have been prepared on a historical cost basis except for the following:

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value;
- assets held for sale - measured at fair value less cost to sell or their carrying amount whichever is lower;

- defined benefit plans - plan asset measured at fair value

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

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

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

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/activities of the Group and the normal time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for Coding and Automation business, IT enabled services and products and 48 months for real estate business for the purpose of classification of its assets and liabilities as current and non current .

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Subsidiaries:

The list of subsidiary companies which are included in the consolidated financial statements and the Group's holdings therein are as under:

Sr No.	Name of the Company	Refer Footnote No.	Incorporated In	Percentage of Holding and Voting power either directly or indirectly through subsidiary (%)	
				As at 31st Mar., 2024	As at 31st Mar., 2023
1	- Forbes Lux International AG	1	Switzerland	-	100.00
	- Lux International AG		Switzerland	-	100.00
	- Lux del Paraguay S.A.		Paraguay	-	80.00
	- Lux Schweiz AG		Switzerland	-	100.00
	- Lux International Services and Logistics GmbH (formerly Lux Service GmbH)		Germany	-	100.00
	- Lux Osterreich GmbH		Austria	-	100.00
	- Lux Hungária Kereskedelmi Kft.		Hungary	-	100.00
	- Lux Welity Polska Sp z o o		Poland	-	100.00
	- Lux Professional Paraguay S.A.(formerly Lux Aqua Paraguay S.A)		Paraguay	-	100.00
	2		EFL Mauritius Limited		Mauritius
3	Forbes Campbell Finance Limited and its subsidiaries:		India	100.00	100.00
4	Forbes Technosys Limited		India	100.00	100.00
5	Volkart Fleming Shipping and Services Limited		India	100.00	100.00
6	Campbell Properties & Hospitality Services Limited		India	100.00	100.00
7	Forbes Precision Tools And Machine Parts Limited (Incorporated on 30th August,2022)	2	India	-	100.00

Footnotes:

- Forbes Lux International AG (FLIAG) was dissolved following a bankruptcy process managed by the bankruptcy official. During this process, FLIAG's subsidiary were also disposed off/ liquidated. As a result, FLIAG and its subsidiaries have not been included in the consolidated financial statements of the Company.
- During the year, the Company engaged in a Scheme of Arrangement known as the "Scheme" that resulted in the demerger of the Precision Tools business of the Company (the "Demerged Company") into a Forbes Precision Tools and Machine Parts Limited (FPTL) (the "Resulting Company"). This demerger was approved by the National Company Law Tribunal (NCLT), Mumbai Bench on 9th February 2024, and the certified copy of the order was received on 20th February 2024. The Precision tools business is demerged from the effective date i.e. 1st March 2024 into FPTL. FPTL is ceased to be subsidiary of the Company.

The financial statements of the following companies which are in the nature of Joint ventures have been considered in the consolidated financial statements.

Sr No.	Name of the Company	Refer Footnote No.	Incorporated In	Percentage of Holding and Voting power either directly or indirectly through subsidiary (%)	
				As at 31st Mar., 2024	As at 31st Mar., 2023
1	Forbes Concept Hospitality Services Private Limited	1	India	-	50.00
2	Forbes Bumi Armada Limited.	2	India	51.00	51.00
3	Forbes Macsa Private Limited (Incorporated on 09th December, 2022)	1	India	50.00	50.00

Footnotes:

- Joint ventures of Forbes and Company Limited.
- Joint venture of Forbes Campbell Finance Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The financial statements of the following associates are considered in the consolidated financial statements.

Sr No.	Name of the Entity	Incorporated In	Percentage of Holding and Voting power either directly or indirectly through subsidiary (%)	
			As at 31st Mar., 2024	As at 31st Mar., 2023
1	Nuevo Consultancy Services Private Limited	India	49.00	49.00
2	Dhan Gaming Solution (India) Private Limited	India	49.00	49.00

2. (iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- 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 Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed

of during the year are included in the Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

The Group combines the financial statements of the Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The excess of cost of investment in the subsidiary over the Group's portion of equity of the subsidiary, at the date on which investment is made, is recognised in the consolidated financial statements as Goodwill on Consolidation.

The excess of Group's portion of equity of the subsidiary over the cost of the investments by the Group, at the date on which investments is made, is treated as Capital Reserve on Consolidation.

Non-controlling Interests in the net assets of the subsidiaries consist of :

- (i) The amount of equity attributable to non-controlling interest at the date on which investment is made; and

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

(ii) The non-controlling interest's share of movements in the equity since the date the parent-subsi-diary relationship came into existence. The losses applicable to the non-controlling interest in a consolidated subsidiary may exceed the non-controlling interest in the equity of subsidiary. The excess, and any further losses applicable to the non-controlling interest, are adjusted against the controlling interest except to the extent that the non-controlling interest has a binding obligation to, and is able to, make good the losses.

Figures pertaining to the subsidiaries have been reclassified wherever necessary to bring them in line with the Company's financial statements.

Changes in the Group's ownership interests in existing subsidiaries :

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as transactions with equity owners of the Group. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2. (iv) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of

the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquired business and the equity interests issued by the Group and fair value of any asset/ liability resulting from contingent consideration arrangement in exchange of control of the acquired business. Acquisition-related costs are generally recognised in Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date ; and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional

amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

The Goodwill/ Capital Reserve is determined separately for each subsidiary company and such amounts are not set off between different entities.

2. (v) The financial statements of the Company, its subsidiaries, Joint ventures and associates used in the consolidation are drawn upto the same reporting date i.e. 31st March, 2024. Necessary material adjustments have been made, for the effects of significant transactions and other events between the reporting dates of such financial statements and these consolidated financial statements.

Foreign Subsidiaries

The consolidated financial statements includes one subsidiary incorporated outside India whose financial statements have been drawn up in accordance with the generally accepted accounting practices (GAAP) as applicable in those countries. These financial statements have been re-stated in Indian Rupees (presentation currency) and the resultant exchange gain /loss on conversion has been accounted in total comprehensive income and foreign currency translation reserve. In the opinion of the Management, based on the analysis of the significant transactions at subsidiaries, no material adjustments are required to be made to comply with Group accounting policies.

2. (vi) **Investments in associates and joint ventures**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. When necessary, adjustments are made to the financial statements of associates and joint ventures to bring their accounting policies into line with the Group's accounting policies. All intra Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment

in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities. When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
2. (vii) Property, Plant and Equipment (including Investment Properties)

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

Subsequent expenditures related to an item of property, plant and equipment are added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Group and cost can be reliably measured.

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

Sr. No.	Class of assets	Estimated useful life
a	Building including investment properties	10 - 60 years
b	Plant and Equipment	10 - 15 years
c	Furniture and Fixtures	3-10 years
d	Vehicles	4 years
e	Office equipment, Data processing equipments:- - Owned - Leased	3-6 years Office equipments 5 years and Data processing equipments 3 to 5 years. Lower of lease term and useful life as stated above
f	Buildings on leasehold land (including Investment Properties)	Lower of the useful life in the range of 30 - 60 years and the lease term building useful life is based on technical certification
g	Temporary structures (included in building)	4 years

Property, plant and equipment individually costing ₹ 5,000 and less are depreciated fully in the year of purchase.

2. (viii) Capital work-in-progress

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

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

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

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

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

2. (ix) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs and where applicable borrowing cost. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model, other than those that meet the criteria to be classified as held for sale shall be measured in accordance with Ind AS 105.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The estimated useful life of lease hold land is equivalent to the lease term.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss in the period in which the property is derecognised.

2. (x) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of an intangible asset comprises its purchase price (net of any trade discounts and rebates), implementation cost for internal use (including software coding, installation, testing and certain data conversion) and any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred, unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

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

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

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

Indirect development costs for products are charged to Statement of Profit and Loss in the year in which incurred. Development expenditure on an individual project is recognized as an intangible asset when the Group can demonstrate the technical feasibility of completing the

intangible asset so that it will be available for use or sales, its intention to complete and its ability to use or sell the asset, how the asset will generate economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development.

Intangible assets internally generated

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- its intention to complete and its ability and intention to use or sell that asset
- how the asset will generate future economic benefits
- the availability of resources to complete the asset
- the ability to measure reliably the expenditure during the development. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of the expected future benefit. Amortisation expense is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

An intangible asset is derecognised 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 intangible asset is determined as the difference between sales proceeds and the carrying amount of the assets and is recognised in Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The estimated useful lives of intangible assets are as under:

Sr. No.	Class of assets	Estimated useful life
a	Software acquired	5 years
b	Product related software and related technologies	3 - 7 years
c	Operational software	3 years

2. (xi) Intangible assets under development

Expenditure on development eligible for capitalisation is carried as intangible assets under development where such assets are not yet ready for their intended use.

2. (xii) Inventories

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

Real estate development work-in-progress :-

Cost of real estate business is charged to the Statement of Profit and Loss for the revenue recognised during the year and the balance cost is carried forward as “Real Estate Work in Progress” under Note 11 Inventories.

Real estate development work-in-progress cost includes construction and development cost, allocated interest and other overheads related to projects under construction and is valued at lower of cost and net realizable value

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.

2. (xiii) Deemed cost for property, plant and equipment, investment properties and intangible assets

The Group has elected to continue with the carrying value of all of its property, plant and equipment, investment properties and intangibles assets recognised as of 1st April, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2. (xiv) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except trade receivables which is measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Financial assets

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

Classification

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

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

All other financial assets are subsequently measured at fair value.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss. Interest income is recognised in the Statement of Profit and Loss and is included in "Other income".

Investments in equity instruments at FVOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables, financial guarantees not designated as FVTPL and fair

value through other comprehensive income and other contractual rights to receive cash or other financial asset.

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

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

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

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

Derecognition of financial assets

A financial asset is derecognised only when

- The contractual rights to the cash flows from the financial asset expire, or
- The Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.
- The Group has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the Group with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

- The Group is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows.
- The Group has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Group is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents (as defined in Ind AS 7 Statement of Cash Flows) during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

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

Foreign exchange gains and losses

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

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

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

Equity instruments

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

Compound financial instruments

The component parts of compound financial instruments (preference shares) issued by the Group are classified separately as financial liabilities and equity in accordance

with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the preference shares, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the preference shares are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the preference shares using the effective interest method.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Borrowings are initially recognised at fair value, net of transaction costs incurred.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Derecognition of financial liabilities

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

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately.

Offsetting financial instruments

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse

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

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

2. (xv) Borrowing Cost

Borrowing costs includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

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

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

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

2. (xvi) Foreign Currency Transactions and Translation

In preparing the financial statements of each entity, transactions in currencies other than the that entity's functional currency viz. Indian Rupee (₹) are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange difference on monetary items in respective entities is recognised in the Statement of Profit and Loss in the period in which they arise. At the end of each reporting period, 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 translated at the rates prevailing at the date when the fair value was

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to the Statement of Profit and Loss.

2. (xvii) Impairment of Assets

The Group assesses at end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separate identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of asset (cash-generating unit). If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised. Non financial asset other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2. (xviii) Earnings Per Share

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

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

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

2. (xix) Revenue Recognition

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

The Group applies the five approach for recognition of revenue :

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

A. Revenue from real estate contracts

In respect of real estate development projects undertaken by the Group, the control of real estate units is said to be satisfied over time, if any one of the following criteria is met:

- a) the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

- b) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- c) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date

In all other cases, where the above criterias for satisfaction of performance obligation and recognising revenue over time are not met, revenue would be recognised when control of the real estate units has been transferred and there is no unfulfilled obligation which could affect the customers acceptance of the real estate units. Considering the terms of the contract, revenue is recognised at a point in time when:

- The Company has transferred to the customer all significant risk and rewards of ownership and the Company retains no effective control of the real estate unit to a degree usually associated with ownership;
- The Company has handed over possession of the real estate unit to the customer or deemed possession based on the contract with the customer;
- No significant uncertainty exists regarding the amount of consideration that will be derived from the sale of the real estate unit;
- It is not unreasonable to expect ultimate collection of revenue from customer

Revenue is measured as the fair value of consideration which the Company expects to be entitled to in exchange of transferring the property to the customer (excluding amounts collected on behalf of third parties e.g. taxes). Revenue is recognized with respect to executed sales contracts on transfer of control of the real estate units to the customers.

B. Sale of goods:

Revenue from the sale of goods is recognised when control of the products has been transferred based on agreed terms and there is no unfulfilled obligation which could affect the customers acceptance of the products.

Further the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Sales are recognised, net of estimated returns, trade discounts, taxes, incentives and rebates as applicable.

A refund liability (included in other current liabilities) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

In relation to certain contracts where installation services are provided by the group, same is accounted as a separate performance obligation. Payment of the transaction price is due immediately when the customer purchases the goods/services except in certain cases where a credit term is agreed between group and customers.

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. An estimate is made for goods that will be returned and a liability has been recognised for this amount as refund liability (included in other current liabilities). An asset has also been recorded (included in other current assets) for the corresponding inventory that is estimated to return to the group using a best estimate based on accumulated experience.

Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as provision.

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

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

- b) The Company recognises the incremental costs of obtaining a contract as an expense when incurred
- c) No information on remaining performance obligations as of the year end that have an expected original term of one year or less was reported.

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

Group's obligation to repair or replace faulty products under the standard warranty terms is recognised as provision.

C. Sale of services:

- a) Charter hire earnings are recognized as the service is performed and accrued on time basis as per terms stated in pool agreement.
- b) Income from other services is recognised as and when the services are performed as per the terms of agreement with the respective parties. For fixed price contracts, revenue is recognised based on actual service provided to the end of the reporting period as a proportion of the total services to be provided.
- c) Commission income is recognised as per terms of agreement with respective party and in the period in which services are rendered.

Unbilled revenue with respect to Maintenance Contract is recognised to the extent not billed at the year end and unbilled revenue from sale of customised software is recognised to the extent of stage of completion of development.

D. 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 amortised cost and at the effective interest rate applicable.

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

E. Export Incentives:

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

2. (xx) Employee Benefits
a) Short-term employee benefits

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

b) Other long-term employee benefits

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

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

c) Post-employment obligations

The Group operates the following post-employment schemes:

- Defined Contribution plans such as superannuation and employee state insurance scheme.
- Defined Benefit plans such as gratuity, provident fund, post-retirement medical benefits and non-compete fees (eligible whole-time directors and on their demise their

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

spouses are entitled to medical benefits subject to certain limits and fixed monthly payment as non-compete fee).

Defined Contribution Plans

The Group's contribution to superannuation fund, pension, provident fund (in case of certain employees) and employee state insurance scheme are considered as defined contribution plans, as the Group does not carry any further obligations apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made.

In case of Superannuation, contributions are made to the Life Insurance Corporation of India (LIC).

Defined Benefit Plans

In case of Provident fund (in case of certain employees), contributions are made to a Trust administered by the Group. The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity, post-retirement medical benefits and non-compete fees plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

Eligible employees receive benefits from a provident fund which is defined benefit plan. Both the employees and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Group contributes a part of the contributions to Employees Provident Fund. The rate at which the annual interest is payable to the beneficiaries by the Trust is being determined by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the Trust and the notified interest rate. Any obligation in this respect is measured on the basis of an independent actuarial valuation. The remaining portion is contributed to the Government administered pension fund in respect of which the Group has no further obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments are available.

The present value of the defined benefit obligation in respect of gratuity, post-retirement medical benefits and non-compete fees plans is determined by discounting the estimated future cash outflows by

reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

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

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

2. (xxi) Taxes on Income

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

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

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

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

2. (xxii) Lease Accounting

As a lessee:

From 1 April 2019, leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non lease components. The Group allocates the consideration in the contracts to the lease and non-lease components based on their relative standalone prices. However, the Group has elected not to separate lease and non-lease components and instead account for these as a single lease components.

Assets and liabilities arising from a lease are initially measured on present value basis. Lease liabilities include

the net present value of the following lease payments:

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

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

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third party financing received by the lessee as a starting point, adjusted to reflect changes in financing condition since third party financing received
- use a build-up approach that starts with the risk-free interest rate adjusted for credit risk for leases, which does not have recent third party financing, and
- make adjustments specific to the leases, e.g. term, security, currency etc.

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

Lease payments are allocated between principal and finance cost. Finance cost is charged to Statement of Profit and Loss over the lease period so as to produce a constant

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

periodical rate of interest on the remaining balance of the liability for each period.

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

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

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

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

As a lessor:

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

2. (xxiii) Segment Reporting

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

2. (xxiv) Provisions and Contingent Liabilities

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.

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

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

Onerous Contracts

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

Warranties

Provisions for the expected cost of warranty obligations under local sale of good legislations are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Group's obligation.

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

2. (xxv) Goodwill On Consolidation

Goodwill comprises the portion of a purchase price for an acquisition that exceeds the Group's share of the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

Goodwill arising from the acquisition of associate companies and joint ventures is included in the value of the Group's holdings in the associate and joint ventures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Goodwill is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments. Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Any impairment loss for goodwill is recognised directly in the Statement of Profit and Loss, and is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the Statement Profit and Loss on disposal.

2. (xxvi) Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. These are recognised in the Statement of Profit and Loss on a systematic basis over the period in line with the related costs.

2. (xxvii) Cash and Cash Equivalents

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

2. (xxviii) Non-Current Assets Held For Sale

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

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

Current assets are not depreciated or amortised while they are classified as held for sale.

2. (xxix) Principles of business combinations

The acquisition method of accounting under Ind AS is used to account for business combinations by the Group from the date of transition to Ind AS i.e. 1st April, 2015. Prior to the date of transition to Ind AS, business acquisitions have been accounted based on previous GAAP.

2. (xxx) Dividend

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

2. (xxxi) Discontinued Operations

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of or is classified as held for sale and represents:

- a. A separate major line of business or geographical area of operations or
- b. Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or
- c. Is a subsidiary acquired exclusively with a view to resale

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss.

The Company re-presents the aforesaid disclosures in respect of discontinued operations for all prior periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (refer Note 3.2 below), that the directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

3.2 Key sources of estimation uncertainty
3.2.1 Real Estate Development:

The determination of the period over which revenue from real estate development activities should be recognized, the timing of transfer of control to the customer; and determination of whether the Group has an enforceable right to payment as per requirements of Ind AS 115 involves significant judgement.

3.2.2 Contingent Liabilities and Provisions

Contingent Liabilities and Provisions are liabilities of uncertain timing or amount and therefore in making a reliable estimate of

the quantum and timing of outflow of liabilities, judgement is applied and re-evaluated at each reporting date.

3.2.3 Useful life and residual value of Property, Plant and Equipment, Intangible Assets and Investment Properties

As described in Notes 2.7, 2.9 and 2.10, the Group reviews the estimated useful life and residual values of property, plant and equipment, intangibles and investment properties at each reporting date.

3.2.4 Fair value measurement and valuation process

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The management of the Group determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where such inputs are not available, the Group engages third party qualified valuers to perform the valuation.

3.2.5 Impairment of Goodwill on consolidation

Determining whether goodwill is impaired requires an estimation of fair value/ value in use of cash-generating units to which goodwill has been allocated. Such valuation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.

3.2.6 Impairment of Trade Receivables

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

3.2.7 Defined Benefit Obligations

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

3.2.8 Deferred Tax Asset

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The Group recognises Minimum Alternate Tax credit under the Income Tax Act, 1961 as an asset only when and to the extent there is convincing evidence that the Group will be liable to pay normal income tax during the specified period.

3.2.9 Refund Liabilities

Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. An estimate is made for goods that will be returned and a liability has been recognised for this amount as refund liability (included in other current liabilities). An asset has also been recorded (included in other current assets) for the corresponding inventory that is estimated to return to the group using a best estimate based on accumulated experience.

3.3 ADOPTION OF NEW AND AMENDED ACCOUNTING STANDARDS**(i) New and amended standards adopted by the Group**

Ministry of Corporate Affairs (MCA), vide notification dated 31st March, 2023, has made the following amendments to Ind AS which are effective 1st April, 2023:

- a. Amendments to Ind AS 1, Presentation of Financial Statements where the companies are now required to disclose material accounting policies rather than their significant accounting policies.
- b. Amendments to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors where the definition of 'change in account estimate' has been replaced by revised definition of 'accounting estimate'.
- c. Amendments to Ind AS 12, Income Taxes where the scope of Initial Recognition Exemption (IRE) has been narrowed down.

Based on preliminary assessment, the Group does not expect these amendments to have any significant impact on its consolidated financial statements.

(ii) New amendments issued but not effective

Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
4. Property, Plant and Equipment (own, unless otherwise stated)
₹ in Lakhs

Particulars	Buildings	Plant and Equipment (Owned)	Furniture and Fixtures	Vehicles	Office Equipments	Data Processing Equipments	Total
Cost or Deemed cost							
<i>Balance as at 1st Apr., 2022</i>	4,936.44	9,137.47	1,289.57	71.49	267.39	1,028.96	16,731.32
<i>Less: Assets pertaining to discontinued operations</i>	(4,918.69)	(9,059.52)	(1,187.84)	(36.02)	(55.54)	(219.08)	(15,476.69)
<i>Balance as at 1st Apr., 2022</i>	17.75	77.95	101.73	35.47	211.85	809.88	1,254.63
<i>Additions</i>	109.80	332.43	-	-	15.55	19.66	477.44
<i>Disposals</i>	(0.25)	(259.51)	(2.20)	-	(12.52)	(29.23)	(303.71)
Balance as at 31st Mar., 2023	127.30	150.87	99.53	35.47	214.88	800.31	1,428.36
Additions	-	0.45	8.14	-	2.81	-	11.40
Disposals	-	-	(24.22)	-	(2.85)	(11.09)	(38.16)
Balance as at 31st Mar., 2024	127.30	151.32	83.45	35.47	214.84	789.22	1,401.60
Accumulated depreciation and Impairment							
<i>Balance as at 1st Apr., 2022</i>	819.25	4,041.53	879.93	23.90	249.05	829.98	6,843.64
<i>Less: Assets pertaining to discontinued operations</i>	(769.15)	(3,682.27)	(785.04)	(26.76)	(49.16)	(37.04)	(5,349.42)
<i>Balance as at 1st Apr., 2022</i>	50.10	359.26	94.89	(2.86)	199.89	792.94	1,494.22
<i>Depreciation expense</i>	11.57	7.55	1.95	11.15	6.21	9.44	47.87
<i>Disposals</i>	(0.25)	(256.70)	(2.20)	-	(9.33)	(27.30)	(295.78)
Balance as at 31st Mar., 2023	61.42	110.11	94.64	8.29	196.77	775.08	1,246.31
Depreciation expense	14.65	12.77	2.11	11.15	4.67	6.39	51.74
Disposals/adjustments	(17.65)	-	(24.22)	-	(2.85)	(11.08)	(55.80)
Balance as at 31st Mar., 2024	58.42	122.88	72.53	19.44	198.59	770.39	1,242.25
Carrying Amount							
Balance as at 31st Mar., 2024	68.88	28.44	10.92	16.03	16.25	18.83	159.35
<i>Balance as at 31st Mar., 2023</i>	65.88	40.76	4.89	27.18	18.11	25.23	182.05

4.1 Title deeds of immovable properties not held in the name of the Group :
i) In case of the Company, title deeds of properties are as follows:

Relevant line item in the Balance Sheet	Description of property	Gross carrying value (Rs. in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or their relative or employee	Period held - indicate range, where appropriate (years)	Reason for not being held in the name of the Company
Property, plant and equipment and Investment Property	Land and building in Mumbai and Delhi	19.08	Gokak Patel Volkart Limited	No	15	Administrative procedures for change of name from Gokak Patel Volkart Limited, 2nd erstwhile name of the Company has not been carried out.
Property, plant and equipment and Investment Property	Land, factory building and office premises at Mumbai, Thane, Ahmedabad, Bangalore and Chennai	1,624.96	Forbes Gokak Limited	No	8-60	Administrative procedures for change of name from Forbes Gokak Limited, the 3rd erstwhile name of the Company has not been carried out.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
5. Right-of-use assets
₹ in Lakhs

Particulars	Premises	Land	Vehicles	Total
Cost or Deemed Cost				
<i>Balance as at 1st Apr., 2022</i>	2,430.63	19.04	991.30	3,440.97
<i>Less: Assets pertaining to discontinued operations</i>	(2,399.54)	(10.16)	(991.30)	(3,401.00)
<i>Balance as at 1st Apr., 2022</i>	31.09	8.88	-	39.97
<i>Additions</i>	535.17	-	-	535.17
<i>Disposals</i>	-	-	-	-
Balance as at 31st Mar., 2023	566.26	8.88	-	575.14
Additions	-	-	-	-
Disposals	-	-	-	-
Balance as at 31st Mar., 2024	566.26	8.88	-	575.14
Accumulated depreciation				
<i>Balance as at 1st Apr., 2022</i>	1,206.88	1.08	569.19	1,777.15
<i>Less: Assets pertaining to discontinued operations</i>	(1,157.38)	-	(569.19)	(1,726.57)
<i>Balance as at 1st Apr., 2022</i>	49.50	1.08	-	50.58
<i>Depreciation expense for the year</i>	29.80	0.31	-	30.11
<i>Disposals</i>	-	-	-	-
Balance as at 31st Mar., 2023	79.30	1.39	-	80.69
Depreciation expense for the year	36.39	-	-	36.39
Disposals	-	-	-	-
Balance as at 31st Mar., 2024	115.69	1.39	-	117.08
Carrying amount				
Balance as at 31st Mar., 2024	450.57	7.49	-	458.06
<i>Balance as at 31st Mar., 2023</i>	486.96	7.49	-	494.45

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
6. Investment Properties (Own, unless otherwise stated)
₹ in Lakhs

Particulars	As at 31st Mar., 2024	As at 31st Mar., 2023
Completed investment properties	2,119.65	2,176.85
Total	2,119.65	2,176.85

Cost or Deemed Cost		₹ in Lakhs
Balance as at 1st Apr., 2023/1st Apr., 2022	2,644.68	2,669.38
Additions	16.60	-
Property classified as held for sale	3.85	(8.11)
Disposal	(19.01)	(16.59)
Balance as at 31st Mar., 2024/31st Mar., 2023	2,646.12	2,644.68
Accumulated depreciation and impairment		₹ in Lakhs
Balance as at 1st Apr., 2023/1st Apr., 2022	467.83	409.70
Depreciation expense	62.45	61.51
Disposal	(3.81)	(3.38)
Balance as at 31st Mar., 2024/31st Mar., 2023	526.47	467.83

Carrying amount		₹ in Lakhs
Balance as at 31st Mar., 2024/31st Mar., 2023	2,119.65	2,176.85

All of the Group's investment properties are held under freehold interests.

Amount recognised in the Consolidated Statement of Profit and Loss for investment properties :

₹ in Lakhs

Description of assets	Year ended March 31, 2024	Year ended March 31, 2023
Direct operating expenses:		
- that generated rental income	269.31	698.41
- that did not generate rental income	21.98	18.84

Notes:

- Investment properties (Cost) include: (i) Jointly owned Residential Premises including land aggregating ₹ 1,551.52 Lakhs (Previous Year ₹ 1,551.52 Lakhs); (ii) Shares in Co-operative Housing Societies, Association of apartment owners and in a Company ₹ 0.17 Lakh (Previous Year ₹ 0.17 Lakh).
- Investment properties includes the rights in respect of the land and building at Fort, Mumbai with net carrying value of ₹ 192.91 Lakhs (Previous year ₹ 231.50 Lakhs) of which ₹ 30.11 Lakhs (Previous year ₹ 36.13 Lakhs) has been disclosed under property, plant and equipment (Refer Note 4). The Company has received approval for lease for the period 25th Septmeber, 2006 to 24th September, 2036 for 30 years u/s 92(K) of BMC Act, 1888.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
c. Fair value measurement of the Group's investment properties

The fair value of the Group's investment properties as at 31st March, 2024 and *31st March, 2023* have been arrived at on the basis of a valuation carried out as on the respective dates by V.S.Modi, independent valuer not related to the Group. V.S. Modi is registered with the authority which governs the valuers in India, and have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties as well as other lettings of similar properties in the neighbourhood. In estimating the fair value of the properties, the highest and best use of the properties is their current use. Thus, the significant unobservable inputs are recent transaction price, taking into account the differences in location, and individual factors, such as frontage and size, between the comparables and the properties. Details of the Group's investment properties and information about the fair value hierarchy as at 31st March, 2024 and *31st March, 2023* are as follows:

₹ in Lakhs

Particulars	Level 3	
	As at 31st Mar., 2024	As at <i>31st Mar., 2023</i>
Andhra Pradesh - Land	28.51	28.51
Delhi - Building	1,141.70	1,075.25
Gujarat - Land and Building	592.51	568.11
Kerala - Building	226.25	205.00
Maharashtra - Land and Building	64,587.01	63,580.74
Tamil Nadu - Land and Building	-	79.04
West Bengal - Building	766.86	686.83
Office Units located in India- Pune City	190.00	173.00
Karnataka - Building	190.00	170.00
Total	67,722.84	66,566.48

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
7 Other Intangible assets
₹ in Lakhs

Particulars	Product Development Expenditure	Computer Software (Acquired)	Computer Software (Internally Generated)	Other Intangible Assets	Total
Cost or Deemed cost					
<i>Balance as at 1st Apr., 2022</i>	3,945.27	620.45	11,428.57	432.94	16,427.23
<i>Less: Assets pertaining to discontinued operations</i>	(3,945.27)	(209.25)	-	(432.94)	(4,587.46)
<i>Balance as at 1st Apr., 2022</i>	-	411.20	11,428.57	-	11,839.77
<i>Additions</i>	-	-	-	-	-
<i>Disposal</i>	-	-	-	-	-
Balance as at 31st Mar., 2023	-	411.20	11,428.57	-	11,839.77
Additions	-	-	-	-	-
Disposal	-	(22.67)	-	-	(22.67)
Balance as at 31st Mar., 2024	-	388.53	11,428.57	-	11,817.10

Accumulated amortisation and Impairment					
<i>Balance as at 1st Apr., 2022</i>	3,253.58	495.73	10,510.49	156.25	14,416.05
<i>Less: Assets pertaining to discontinued operations</i>	(3,253.58)	(136.84)	-	(156.25)	(3,546.67)
<i>Balance as at 1st Apr., 2022</i>	-	358.89	10,510.49	-	10,869.38
<i>Amortisation expense</i>	-	34.44	416.61	-	451.05
<i>Disposal</i>	-	-	-	-	-
<i>Impairment</i>	-	-	500.00	-	500.00
Balance as at 31st Mar., 2023	-	393.33	11,427.10	-	11,820.43
Amortisation expense	-	12.43	1.47	-	13.90
Disposal	-	(22.67)	-	-	(22.67)
Impairment	-	-	-	-	-
Balance as at 31st Mar., 2024	-	383.09	11,428.57	-	11,811.66

Carrying Amount					
Balance as at 31st Mar., 2024	-	5.44	-	-	5.44
<i>Balance as at 31st Mar., 2023</i>	-	17.87	1.47	-	19.34

Notes:

- 1 Carrying amount of internally developed product related softwares and related technologies for one of the subsidiary, Forbes Technosys Limited, is as follows:

₹ in Lakhs

Particular	As at 31st Mar.,2024	As at 31st Mar.,2023
Cheque truncation system	-	-
Other computer softwares	-	1.47
	-	1.47

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

- 2 During the previous year, based on Forbes Technosys Limited (FTL) management's assessment about the of development, expected time and cost required to complete and expected revenues from the projects, FTL has concluded that following projects were impaired. Impairment expense of ₹ 500.00 lakhs in respect of assets related to continuing operations is presented as an exceptional item in the Statement of Profit and Loss. .

Particulars	₹ in Lakhs	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Related to Continuing operations		
Intangible assets		500.00
Intangible assets under development		-
Total Disclosed as exceptional items	-	500.00
Total impairment expenses for the year	-	500.00

8. Trade receivables

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Trade receivables		
a) Considered good - Secured	25.95	31.49
b) Considered good - Unsecured	958.80	752.23
c) Credit impaired	3,851.03	3,976.13
Less : Allowance for doubtful debts (expected credit loss allowances)	3,851.03	3,976.13
	-	-
Total	984.75	783.72

There are no balances having significant increase in credit risk.

i)	Debts due by private companies in which a director is a director / member (₹ in Lakhs) (refer Note 48)	1.75	1.81
	Less : Allowance for doubtful debts (expected credit loss allowance)	-	-
	Net Debts	1.75	1.81

- ii) The Group applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of lifetime expected loss provision for all trade receivables. The Group has computed expected credit losses based on provision matrix which uses historical credit loss experience of the Group. Forward looking information has been incorporated into the determination of expected credit losses.

The Group has written off / provided for receivable where non-recoverability is established. Group believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour.

iii) Movement in expected credit allowance

	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balance at beginning of the year	3,976.13	2,804.12
Impairment losses recognised on receivables net of utilisation	185.56	1,545.79
Impairment losses recognised on composite scheme arrangement	5.02	(248.06)
Amounts written off during the year as uncollectible	(3,539.52)	(86.91)
Amounts recovered during the year	-	(38.81)
Adjustment on loss of control over subsidiary (refer note 54)	3,223.84	-
Balance at end of the year	3,851.03	3,976.13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

8. Trade receivables

Ageing of Gross Trade Receivables as on 31st March, 2024

₹ in Lakhs

	Unbilled	Not due	Outstanding for the following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
Considered good	-	309.21	63.53	21.25	250.15	117.50	223.11	984.75
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	187.09	10.15	3,266.86	40.00	346.75	3,850.85
Disputed trade receivables	-	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	0.18	-	0.18
Total	-	309.21	250.62	31.40	3,517.01	157.68	569.86	4,835.78

Ageing of Gross Trade Receivables as on 31st March, 2023

	Unbilled	Not due	Outstanding for the following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables								
Considered good	-	460.45	185.60	61.53	19.91	35.28	20.95	783.72
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	65.54	24.23	22.20	46.87	3,817.29	3,976.13
Disputed trade receivables	-	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	-	460.45	251.14	85.76	42.11	82.15	3,838.24	4,759.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
9 Non Current Investments
9A. Investments in associates

Particulars	₹ in Lakhs			
	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
1. Equity shares of ₹ 10 each in Neuvo Consultancy Services Limited	58,849	5.88	58,849	5.88
Post acquisition share in profits		<u>798.12</u>		<u>1,090.67</u>
		<u>804.00</u>		<u>1,096.55</u>
TOTAL INVESTMENTS		<u>804.00</u>		<u>1,096.55</u>

9B. Investments in joint ventures

Particulars	₹ in Lakhs			
	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
Equity instrument (at cost less impairment)				
1. Equity shares of ₹ 10 each in Forbes Bumi Armada Limited	28,05,000	280.56	28,05,000	280.56
Post acquisition share in profits		<u>1,011.38</u>		<u>816.36</u>
		<u>1,291.94</u>		<u>1,096.92</u>
2. Equity shares of ₹ 10 each fully paid up in Forbes Concept Hospitality Services Private Limited (refer note 67)	-	-	26,25,000	262.50
Post acquisition share in (Losses)		<u>-</u>		<u>(262.50)</u>
		<u>-</u>		<u>-</u>
3. Equity Investment in Forbes Macsa Private Limited	10,00,000	100.00	5,000	0.50
Preference Shares in Forbes Macsa Private Limited	15,00,000	150.00		-
Share application money in Forbes Macsa Private Limited		-		249.50
Post acquisition share in (Losses)		<u>(120.91)</u>		<u>(6.72)</u>
		<u>129.09</u>		<u>243.28</u>
TOTAL INVESTMENTS		<u>1,421.03</u>		<u>1,340.20</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
9C. Other investments
₹ in Lakhs

Particulars	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Qty	Amount	Qty	Amount
Quoted Investments (all fully paid)				
Investments in Equity Instruments - measured at FVOCI				
Equity shares of ₹ 10 each Eureka Forbes Limited	24,95,970	11,405.33	24,95,970	10,650.30
		<u>11,405.33</u>		<u>10,650.30</u>
Investments in Equity Instruments - measured at FVTPL				
Equity shares of ₹ 10 each in New India Co-operative Bank Limited	5,500	0.05	5,500	0.05
Equity shares of ₹ 500 each in Tuticorin Chamber of Commerce [Provision for impairment in value ₹ 0.05 Lakhs; (Previous Year ₹ 0.05 Lakhs)]	10	-	10	-
Equity Shares of ₹ 10 each in Simar Port Private Limited	1,000	0.10	1,000	0.10
Equity shares of ₹ 10 each in The Svadeshi Mills Company Limited [Provision for impairment in value ₹ 285.26 Lakhs (Previous Year ₹ 285.26 Lakhs)] (refer Note 69)	17,69,430	-	17,69,430	-
Equity Share of SGD 1 each in Forbes Container Lines Pte. Limited [Provision for impairment in value ₹ 271.26 Lakhs (Previous Year ₹ 271.26 Lakhs)] (refer Note 1 below)	8,64,960	-	8,64,960	-
Equity shares of ₹ 25 each in Zoroastrian Co-operative Bank Limited	100	0.03	100	0.03
Equity shares of USD 1 each in Edumetry Inc. USA [Provision for impairment in value ₹ 35.48 Lakhs (Previous Year ₹ 35.48 Lakhs)] (refer Note 2 below)	2,500	-	2,500	-
Equity shares of ₹ 10 each in Forbes Edumetry Ltd (Refer Note 4 below) [Provision for impairment in value ₹ 144.36 Lakhs; (Previous Year ₹ 144.36 Lakhs)]	16,56,000	-	16,56,000	-
		<u>0.18</u>		<u>0.18</u>
Investments in Equity Instruments (at amortised cost)				
Equity shares of ₹ 10 each in Carmel Properties Private Limited (refer Note 3 below)	1,125	0.03	1,125	0.03
		<u>0.03</u>		<u>0.03</u>
Investment in Debentures (at amortised cost)				
Irredeemable debentures of ₹ 100 each in Carmel Properties Private Limited (refer Note 3 below)	3,089	3.89	3,089	3.89
		<u>3.89</u>		<u>3.89</u>
TOTAL INVESTMENTS		<u><u>11,409.43</u></u>		<u><u>10,654.40</u></u>

* Amount is below rounding off norm adopted by the Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Note:

1. Forbes Container Lines Pte. Limited., Singapore (“FCLPL”), a foreign subsidiary of the Company has been ordered to be wound by the High Court of Republic of Singapore on 19th August, 2016. An official liquidator has been appointed by the court. The Company has made full provision for investments made and loans given to FCLPL. Accordingly, this entity is no longer a related party for the Group and not consolidated in these financial statements.
2. Edumetry Inc., USA , a foreign joint venture of the Group has been dissolved vide Certificate of Dissolution dated 28th October, 2015 issued by the State of Delaware. Consequently, the Group does not have any significant influence or control over Edumetry Inc. as on date. Accordingly, this entity is no longer a related party for the Group and not consolidated in these financial statements. The group has made full provision for these investments in earlier years.
3. The market value of Carmel Properties, a residential flat at Mumbai, as at 31st March, 2024 is ₹ 1,050.93 Lakhs, (*Previous Year ₹ 1,017.83 Lakhs*) as per valuation report issued by V. S. Modi Associates, Chartered Engineers, Government Approved Valuers, Mumbai.
4. Forbes Edumetry Limited, a subsidiary, has initiated voluntary winding up under section 500 and other applicable sections of the Companies Act, 1956. Consequently, the Company does not have any significant influence or control over Forbes Edumetry Limited and therefore it is being reclassified from subsidiary to other investment. Further, Investments made in Forbes Edumetry Limited are fully provided.

9D. Current Investments

Particulars	₹ in Lakhs			
	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Qty	Amount	Qty	Amount
Unquoted Investments (all fully paid)				
Investments in Mutual Funds at FVTPL				
Units of HDFC Mutual Fund	11,652.515	547.43	11,228.40	492.25
Units of ICICI Prudential Mutual Fund	4,10,487.498	1,454.67	2,01,614.66	666.65
Units of SBI Mutual Fund	38,245.198	1,432.54	7,430.23	259.77
TOTAL INVESTMENTS		3,434.64		1,418.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
9E. Category-wise investments – as per Ind AS 109 classification
₹ in Lakhs

Particulars	As at 31st Mar., 2024	As at 31st Mar., 2023
Financial assets carried at fair value through Other Comprehensive Income (FVOCI)		
Equity Instruments	11,405.33	10,650.30
	11,405.33	10,650.30
Financial assets carried at fair value through profit or loss (FVTPL)		
Equity Instruments	0.18	0.18
Mutual Funds	3,434.64	1,418.67
	3,434.82	1,418.85
Financial assets carried at amortised cost		
Debentures	3.89	3.89
Equity Instruments	0.03	0.03
	3.92	3.92
Financial assets carried at cost less impairment		
Equity Instruments	2,225.03	2,436.75
	2,225.03	2,436.75
Total	17,069.10	14,509.82

Footnotes:

Aggregate amount of quoted non current investments (net of impairment) and market value thereof	11,405.33	10,650.30
Aggregate amount of unquoted non current investments (net of impairment) and market value thereof	2,229.13	2,440.85
Aggregate amount of impairment in value of investments	736.41	736.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
10. Loans

(unsecured considered good unless otherwise stated)

10A. Non Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Advances to related parties		
Unsecured, Credit impaired	14,600.99	-
Less : Loss Allowance	14,600.99	-
	-	-
b) Loans to related parties		
Unsecured, Credit impaired	29,831.91	-
Less : Loss Allowance	29,831.91	-
	-	-
c) Loans to Others		
Secured, Credit impaired	4,391.78	4,391.78
Less : Loss Allowance	4,391.78	4,391.78
	-	-
Unsecured, Credit impaired	39.54	39.54
Less : Loss Allowance	39.54	39.54
	-	-
	-	-
	-	-
Total	-	-

10B. Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Loans to Others		
Unsecured, Credit impaired	375.00	375.00
Less : Loss Allowance	375.00	375.00
	-	-
b) Loans to Employees		
Unsecured, Considered good	1.82	10.33
Total	1.82	10.33

10C. Movement in the allowance for bad and doubtful loans

	₹ in Lakhs	
	As at 31st Mar., 2024	Year Ended 31st Mar., 2023
Balance at beginning of the year	4,806.32	4,806.32
Impairment losses/ (reversal) recognised on receivables	-	-
Adjustment on loss of control over subsidiary (refer note 54)	43,006.16	-
Effect for exchange rate difference	1,426.74	-
Amounts Utilised/ Reversed/ Others	-	-
Balance at end of the year	49,239.22	4,806.32

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
11. Inventories

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Inventories (lower of cost and net realisable value)		
Raw materials, Packing materials and Components [In transit ₹ 118.50 Lakhs; (Previous year ₹ 2.07 Lakhs)]	349.55	249.14
Work-in-progress	0.01	0.01
Finished goods [includes in transit Nil (Previous Year Nil)]	117.19	74.15
Stock-in-trade [includes in transit Nil (Previous Year Nil)]	0.55	73.41
Real estate development work-in-progress (Refer Note 51)	11,678.46	14,605.56
Total	12,145.76	15,002.27

The cost of inventories recognised as an expense includes ₹ 28.26 Lakhs (Previous Year ₹ 96.97 Lakhs) in respect of write-downs of inventory to net realisable value.

12.
12A. Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balances with Banks		
a) In current accounts	723.11	971.69
b) In EEFC Account [USD 1.04 Lakhs; (Previous year USD Nil) and EUR Nil; (Previous year EUR Nil)]	86.44	-
c) Deposits accounts (with original maturity upto 3 months)	1,159.88	2,704.43
	1,969.43	3,676.12
Cash on hand	0.09	0.05
	0.09	0.05
Total	1,969.52	3,676.17

12B. Bank balances

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) In deposit accounts with more than 3 months but less than 12 months	1,367.69	1,383.12
b) Balances held as margin money / under lien with remaining maturity of less than 12 months	45.89	448.27
c) Earmarked balance with the banks:		
- Unpaid dividends	63.88	64.75
Total	1,477.46	1,896.14

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
13. Other financial assets
13A. Non current

(unsecured considered good unless otherwise stated)

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Security deposits		
Considered good - Unsecured	410.35	369.62
Credit impaired	5.70	6.15
Less : Loss Allowance	5.70	6.15
	<u>410.35</u>	<u>369.62</u>
b) Balance held with banks as margin money deposits with remaining maturity of more than 12 months	57.46	18.82
c) Interest on Inter Corporate Deposits to related parties and Advances to related parties		
Credit impaired	7,978.21	-
Less: Loss allowance	7,978.21	-
	<u>-</u>	<u>-</u>
Total	<u><u>467.81</u></u>	<u><u>388.44</u></u>

13B. Current

(unsecured considered good unless otherwise stated)

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Security deposits		
Considered good - Unsecured	116.94	5.23
Credit impaired	34.82	34.82
Less : Loss Allowance	34.82	34.82
	<u>116.94</u>	<u>5.23</u>
b) Interest accrued on deposits with bank/ inter corporate deposits	27.00	22.15
c) Contractually reimbursable expenses from related parties	538.35	222.49
d) Other current receivables	4.73	0.36
e) Earnest Money Deposits	53.23	53.23
Credit impaired	21.04	21.04
Less : Loss Allowance	21.04	21.04
	<u>53.23</u>	<u>53.23</u>
Total	<u><u>740.25</u></u>	<u><u>303.46</u></u>

13C Movement in the allowance for other financial assets

	₹ in Lakhs	
	As at 31st Mar., 2024	Year Ended 31st Mar., 2023
Balance at beginning of the year	62.01	25.95
Impairment losses recognised on receivables	-	36.06
Adjustment on loss of control over subsidiary (refer note 54)	7,722.03	-
Effect for exchange rate difference	256.18	-
Amounts Utilised/ Reversed	(0.45)	-
Balance at end of the year	<u><u>8,039.77</u></u>	<u><u>62.01</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
14. Other assets
14A. Non Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Prepaid expenses	46.53	59.58
b) Balances with statutory/ government authorities		
Considered good - unsecured	92.25	92.18
Credit impaired	31.02	30.99
Less: Loss allowance	31.02	30.99
	<u>92.25</u>	<u>92.18</u>
c) Advance wealth tax	49.94	49.94
Total	<u><u>188.72</u></u>	<u><u>201.70</u></u>

14B. Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Balances with statutory / government authorities	78.25	46.69
b) Advance to employees	-	3.29
c) Advances for supply of goods and services		
Considered good - unsecured	219.08	135.72
Credit impaired	38.16	33.88
Less: Loss allowance	38.16	33.88
	<u>219.08</u>	<u>135.72</u>
d) Others (refer Note 1 below)	176.07	190.53
Less: Loss allowance	14.48	14.48
	<u>161.59</u>	<u>176.05</u>
e) Prepaid expenses	865.04	975.55
f) Provision for Gratuity/Provision for Gratuity Fund with LIC - Debit balance Group level	463.59	(9.89)
h) Advance to HDFC Life - Leave Encashment	345.42	34.33
i) Others	0.33	-
Total	<u><u>2,133.30</u></u>	<u><u>1,361.74</u></u>

Notes:

- 1 Includes ₹ 175.20 lakhs (Previous year ₹ 175.20 lakhs) recoverable from one customer against bank guarantee invoked by the customer on alleged delay/non performance of service. However, the delay/nonperformance was on account of Covid-19 restriction on travel. Forbes Technosys Limited, a subsidiary of the Group, is in the process of arbitration proceedings as per legal advice.

14C Movement in the allowance for other assets

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Balance at beginning of the year	79.35	64.87
Impairment losses/ (reversal) recognised on other assets	4.31	14.48
Amounts Utilised/ Reversed	-	-
Balance at end of the year	<u><u>83.66</u></u>	<u><u>79.35</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
15A Asset classified as held for sale

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Freehold Land and building [Refer Note 59]	3.85	8.11
Total	3.85	8.11

15B Assets pertaining to discontinued operations

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Property, Plant and Equipment	-	9,105.74
Right-of-use assets	-	1,619.25
Capital work-in-progress	-	182.80
Other Intangible assets	-	721.52
Trade receivables	-	5,870.96
Loans	-	0.28
Other financial assets	-	81.64
Deferred tax assets (net)	-	161.46
Income tax assets (net)	-	4.31
Other assets	-	1,493.80
Inventories	-	6,144.28
Cash and cash equivalents	-	880.98
Bank balances other than Cash and cash equivalents	-	102.76
Total	-	26,369.78

Refer Note 53 and 54.

15C Liabilities pertaining to discontinued operations

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Borrowings	-	4,751.35
Lease liability	-	1,555.65
Trade payables	-	3,269.13
Provisions	-	767.13
Other financial liabilities	-	1,199.44
Other liabilities	-	2,567.50
Deferred tax liability (net)	-	1,309.56
Current tax liabilities (net)	-	144.37
Total	-	15,564.13

Refer Note 53 and 54.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
16. Equity Share Capital

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Authorised Share capital :		
4,30,50,000 fully paid equity shares of ₹ 10 each (Previous year 4,30,50,000 fully paid equity shares of ₹ 10 each)	4,305.00	<i>4,305.00</i>
Issued, subscribed and paid-up share capital:		
1,28,98,616 fully paid equity shares of ₹ 10 each (Previous year 1,28,98,616 fully paid equity shares of ₹ 10 each)	1,289.86	<i>1,289.86</i>
	1,289.86	<i>1,289.86</i>

16.1 Fully paid equity shares

Particulars	Number of shares	Share Capital ₹ in Lakhs
Balance as at the year end	1,28,98,616	1,289.86

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any, proposed by the Board of Directors is 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 shareholders.

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

Particulars	Fully paid ordinary shares	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Shapoorji Pallonji and Company Private Limited, the holding company	93,59,293	<i>93,59,293</i>
Total	93,59,293	<i>93,59,293</i>

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

Particulars	As at 31st Mar., 2024	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
Shapoorji Pallonji and Company Private Limited	93,59,293	72.56
India Discovery Fund Limited	11,48,255	8.90
Total	1,05,07,548	81.46

Particulars	As at 31st Mar., 2023	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
Shapoorji Pallonji and Company Private Limited	<i>93,59,293</i>	<i>72.56</i>
India Discovery Fund Limited	<i>11,48,255</i>	<i>8.90</i>
Total	<i>1,05,07,548</i>	<i>81.46</i>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

16.5 Details of shareholding of promoters

Name of the promoter	As at 31st Mar., 2024	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
Shapoorji Pallonji and Company Private Limited	93,59,293	72.56
Total	93,59,293	72.56
<i>As at 31st Mar., 2023</i>		
Name of the promoter	<i>Number of shares held</i>	<i>% holding in the class of shares</i>
Fully paid equity shares		
Shapoorji Pallonji and Company Private Limited	93,59,293	72.56
Total	93,59,293	72.56

There is no change in shareholding pattern of the promoters

17. Other equity

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	<i>As at 31st Mar., 2023</i>
a) Capital reserve		
Balance at beginning of the year	386.13	386.13
Balance as at the year end	386.13	386.13
b) Capital contribution reserve		
Balance at beginning of year	493.54	493.54
Less: Adjustment on loss of control over subsidiary (Refer Note 54)	(493.54)	-
Balance at end of the year	-	493.54
c) Securities premium reserve		
Balance at beginning of year	161.76	161.76
Balance at end of the year	161.76	161.76
d) General reserve		
Balance as at the year end	42,849.28	42,849.28
Less: Impact of demerger (Refer Note 53)	(5,815.21)	-
Balance at end of the year	37,034.07	42,849.28

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
e) Foreign currency translation reserve		
Balance at beginning of year	(2,647.31)	2,173.41
Exchange differences in translating the financial statements of foreign operations	2,592.60	(4,820.72)
Balance as at the year end	<u>(54.71)</u>	<u>(2,647.31)</u>
f) Capital reserve for bargain purchase business combinations		
Balance at beginning of year	1,221.20	1,221.43
Demerger Impact - Reversal of Reserves of outgoing entities	-	(0.23)
Balance at end of the year	<u>1,221.20</u>	<u>1,221.20</u>
g) Capital reserve on Merger*		
Balance at beginning of year	-	-
Balance at end of the year	<u>-</u>	<u>-</u>
h) Capital redemption reserve		
Balance at beginning of year	25.00	25.00
Balance as at the year end	<u>25.00</u>	<u>25.00</u>
i) Reserve for equity instruments through other comprehensive income		
Balance at beginning of year	11,194.03	9,601.42
Less: Impact of demerger (Refer Note 53)	5.67	-
Fair value gain on investments in equity instruments at FVOCI (net of tax)	728.02	1,592.61
Balance as at the year end	<u>11,927.72</u>	<u>11,194.03</u>
j) Retained earnings		
Balance at beginning of year	(38,643.46)	(49,534.71)
Profit/(Loss) attributable to owners of the Company	(445.76)	19,195.30
Other comprehensive income (net of tax)	(60.72)	7.36
Payment of dividends on equity shares	-	(8,275.88)
Transfer to Non-controlling interest	-	(35.53)
Less: Impact of demerger (Refer Note 53)	(4,964.54)	-
Balance at end of the year	<u>(44,114.48)</u>	<u>(38,643.46)</u>
k) Equity component of preference shares		
Balance at beginning of year	8.94	8.94
Balance at end of the year	<u>8.94</u>	<u>8.94</u>
l) Treasury shares		
Balance as at the year end (1,66,398 equity shares of Forbes & Company Limited held by a subsidiary)	(32.55)	(32.55)
Total	<u><u>6,563.08</u></u>	<u><u>15,016.56</u></u>

* Amount is below the rounding off norm adopted by Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Description of nature and purpose of reserves**(i) Capital reserve**

The Group recognises profit or loss on purchase, sale, issue or cancellation of Group's own equity instruments to capital reserve. Grants received from the Government in the nature of promoter's contribution towards fixed capital investment are recognised as capital reserve and treated as part of total equity.

(ii) Capital contribution reserve

Capital contribution reserve represents the difference of value on account of foreign currency conversion on account of capital contribution as per local laws of foreign entity and treated as part of total equity.

(iii) Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(iv) Capital Reserve on account of merger

Capital Reserve on account of merger represents the difference between the share capital of transferee company and the recorded investment of transferor company as on appointed date and shown separately under the Statement of changes in equity.

(v) General reserve

The Group created a General Reserve in earlier years pursuant to the provision of the Companies Act wherein certain percentage of profits were required to be transferred to General Reserve before declaring dividend. As per Companies Act, 2013 the requirement to transfer profits to General Reserve is not mandatory. General Reserve is a free reserve available to the Group.

(vi) Foreign currency translation reserve

Exchange differences relating to the translation of the results and net assets of Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. ₹) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Gain and losses on derivatives that are designated as hedging instruments for hedges of net investments in foreign operations are included in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of foreign operations.

(vii) Capital reserve for bargain purchase business combinations

The holding company's interest in the pre acquisition reserves and profits (or losses) is adjusted against cost of control to arrive at goodwill or capital reserve on consolidation.

(viii) Capital redemption reserve

As per the provisions of Companies Act, Capital redemption reserve is created out of the free reserve for the amount equivalent to the paid up capital of shares bought back by the Group and for redemption of preference share capital.

(ix) Reserve for equity instruments through other comprehensive income

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

(x) Equity component of preference shares

The reserve represents the Equity component of preference share issued by the Group, being the difference between the fair value of the financial instrument and its carrying value, adjusted for amortisation of interest cost upto the date of transition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
18. Provisions
18A. Non current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Employee benefits		
Compensated absences	-	8.49
Gratuity (refer Note 42)	-	21.33
Other post retirement benefits (refer Note 42)	167.07	182.58
	<u>167.07</u>	<u>212.40</u>
b) Other provisions		
For Warranty (refer Note 40)	3.00	3.00
Other provisions (refer Note 40)	637.28	569.77
	<u>640.28</u>	<u>572.77</u>
Total	<u><u>807.35</u></u>	<u><u>785.17</u></u>

Note: Other provisions comprises provision for contingencies and other provisions which represents the present value of the Group's best estimate of the future outflow of economic benefits that will be required for certain indirect tax and legal matters. The outflow would depend on settlement / conclusion of respective matters / cessation of expected events with respective authorities. The movement of provision for contingencies is depicted under Note 40.

18B. Current

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
a) Employee benefits		
Compensated absences	-	3.64
Gratuity (refer Note 42)	0.11	18.71
Other post retirement benefits (refer Note 42)	31.37	33.01
	<u>31.48</u>	<u>55.36</u>
b) Other provisions		
For Warranty (refer Note 40)	10.90	10.90
	<u>10.90</u>	<u>10.90</u>
Total	<u><u>42.38</u></u>	<u><u>66.26</u></u>

19. Non-current Borrowings

Particulars	Non-current portion	
	As at 31st Mar., 2024	As at 31st Mar., 2023
(i) Liability component of Redeemable Preference Share Capital (Refer Note 55)	7.25	4.30
	<u>-</u>	<u>-</u>
Total Non-current borrowings	<u><u>7.25</u></u>	<u><u>4.30</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
20. Other financial liabilities
20A. Non Current

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
a) Security deposits	398.22	254.49
Total	398.22	254.49

20B. Current

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
a) Interest accrued but not due on borrowings	1,706.63	1,706.63
b) Unpaid dividends **	63.88	64.75
c) Others :-		
- Security deposits/ Trade deposits	220.47	68.61
- Deposits and other charges payable to society	704.39	683.88
- Payable due to Scheme of Arrangement (Refer note 53)	881.93	-
- Other liabilities	391.92	44.08
Total	2,198.71	796.57
	3,969.22	2,567.95

21. Deferred tax
21A. Deferred tax assets

The following is the analysis of deferred tax assets presented in the balance sheet:

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
Deferred tax assets (refer Note 41)	1,465.96	1,693.33
Total	1,465.96	1,693.33

21B. Deferred tax liabilities

The following is the analysis of deferred tax (liabilities) presented in the balance sheet:

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
Deferred tax liabilities (refer Note 41)	(0.01)	(0.01)
Total	(0.01)	(0.01)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
22. Other liabilities
Current

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
a) Income received in advance	-	36.82
b) Advances from customers [includes ₹ 15,899.32 Lakhs (Previous Year ₹ 22,680.64 Lakhs) towards installments received from customers towards real estate development projects in progress] (Refer Note 51)	16,477.44	23,014.22
c) Statutory remittances	241.40	215.18
d) Others		
- Payable to employees	495.76	248.66
- Other payables	31.60	23.91
Total	17,246.20	23,538.79

23. Current Borrowings

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
A - Unsecured - at amortised cost		
a) Loans from related parties (refer Note 48) (refer footnotes 1)	399.24	372.17
Total	399.24	372.17

Footnote:

- Fixed rate ICD from Shapoorji Pallonji Development Managers Private Limited repayable on demand. The effective rate of interest is 15.0% p.a (Previous year 15.0% p.a).

24. Trade payables
Current

Particulars	₹ in Lakhs	
	<i>As at</i> 31st Mar., 2024	<i>As at</i> 31st Mar., 2023
Trade payables		
- Others	3,475.40	2,798.56
- Micro and small enterprises	1,171.43	1,092.35
Total	4,646.83	3,890.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

Particulars	As at 31st Mar., 2024	<i>As at 31st Mar., 2023</i>
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	725.03	665.32
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.74	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	10.86	84.21
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	14.63	288.75
Interest due and payable towards suppliers registered under MSMED Act, for payments already made		
Further interest remaining due and payable for earlier years	441.66	427.03

The figure of MSME creditors is updated based on the information available to the Group.

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

	Unbilled	Not due	Outstanding for the following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	139.89	34.19	291.24	25.60	680.51	1,171.43
Others	-	1,982.73	593.79	291.00	83.91	523.97	3,475.40
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	2,122.62	627.98	582.24	109.51	1,204.48	4,646.83

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Ageing of Trade Payables for the year ended 31st March, 2023

	<i>Unbilled</i>	<i>Not due</i>	<i>Outstanding for the following periods from the due date</i>				<i>Total</i>
			<i>Less than 1 year</i>	<i>1-2 years</i>	<i>2-3 years</i>	<i>More than 3 years</i>	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	291.73	33.70	214.17	459.43	999.03
Others	-	148.53	1,984.57	119.37	277.23	268.86	2,798.56
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	80.33	12.99	93.32
Total	-	148.53	2,276.30	153.07	571.73	741.28	3,890.91

25. Current tax assets and liabilities

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Income tax assets (net)		
Tax refund receivable	674.35	1,031.87
	674.35	1,031.87
Current tax liabilities (net)		
Income tax payable	16.81	73.46
	16.81	73.46
Net Asset	657.54	958.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
26. Revenue from operations

The following is an analysis of the Group's revenue for the year

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	Year Ended 31st Mar., 2023
a) Income from real estate contracts (refer Note 51)	7,542.21	199.34
b) Sale of products	3,053.87	2,543.03
c) Sale of services		
i) Annual Maintenance and support service charges	163.82	206.80
	163.82	206.80
d) Other operating revenues		
i) Rent and amenities	1,814.32	1,682.31
ii) Others (mainly includes scrap sales, interest on instalments and income from renting of products)	15.30	42.50
	1,829.62	1,724.81
Total	12,589.52	4,673.98

27. Other income

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	Year Ended 31st Mar., 2023
a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
(i) Bank deposits	213.25	167.63
(ii) Interest income from financial assets and others at amortised cost	1.85	1.01
(iii) Customers and others	0.41	(0.05)
	215.51	168.59
b) Other Non-Operating Income		
(i) Credit balances / excess provision written back	193.53	195.97
(ii) Interest on Income Tax	33.74	36.72
(iii) Miscellaneous income	44.16	49.05
	271.43	281.74
c) Other gains and losses		
(i) Gain on disposal of property, plant and equipment	1,805.04	20,979.91
(ii) Gain on disposal of current investments	48.20	106.38
(iii) Net foreign exchange gains/ (loss)	15.10	(15.38)
(iv) Guarantee Commission	-	-
(vii) Net gain arising on financial assets mandatorily measured at FVTPL	167.81	45.15
	2,036.15	21,116.06
Total	2,523.09	21,566.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
28. Real estate development costs

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Real estate development costs		
i) Material and contractual payments	3,415.52	2,470.30
ii) Fees for technical services / design and drawings	20.68	19.13
iii) Project management consultancy fees	55.46	146.81
iv) Fees-filing with statutory authorities	24.00	16.90
v) Operation and maintenance expenses	35.72	110.06
Total	3,551.38	2,763.20

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

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Opening Stock of of raw materials including packing materials	249.14	350.37
Purchases	2,063.90	1,535.76
	2,313.04	1,886.13
Less: Closing stock of raw materials including packing materials	349.55	249.14
	1,963.49	1,636.99
	1,963.49	1,636.99

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

B. Changes in inventories of finished goods, work-in-progress and stock-in-trade.
a) Inventories at the end of the year:

i) Finished goods	117.19	138.55
ii) Work-in-progress	0.01	0.01
iii) Stock-in-trade	0.55	9.01
iv) Real estate development work-in-progress	11,678.46	14,605.56
	11,796.21	14,753.13

b) Inventories at the beginning of the year:

i) Finished goods	138.55	51.21
ii) Work-in-progress	0.01	3.81
iii) Stock-in-trade	9.01	206.75
iv) Real estate development work-in-progress	14,605.56	11,973.79
	14,753.13	12,235.56

c) Less: Disclosed as an exceptional item

Write down of Inventory to net realisable value (refer note 56)	28.26	96.97
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Net increase (b-a-c)

	2,928.66	(2,614.54)
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
30. Employee benefits expense
₹ in Lakhs

Particulars	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
i) Salaries and wages	1,420.04	1,369.89
ii) Contribution to provident and other funds	38.48	68.74
iii) Staff welfare expenses	37.36	52.78
Total	1,495.88	1,491.41

31. Finance costs
₹ in Lakhs

Particulars	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
(a) Interest Cost		
(i) Interest on borrowings	30.08	492.35
(ii) Interest expense on lease liabilities	48.53	44.40
(iii) Interest Expense on delayed payment of taxes	0.18	0.06
(iv) Other interest expense	74.56	321.24
(v) Interest on preference shares classified as borrowings	2.95	4.05
(b) Other borrowing costs	4.10	120.51
Total	160.40	982.61

32. Depreciation, amortisation and impairment expense
₹ in Lakhs

Particulars	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
i) Depreciation of property, plant and equipment (refer Note 4)	51.74	47.87
ii) Depreciation of Right of use assets (refer Note 5)	36.39	30.11
iii) Depreciation of investment properties (refer Note 6)	62.45	61.51
iv) Amortisation of intangible assets (refer Note 7)	13.90	451.05
Total	164.48	590.54

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
33. Other expenses

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Consumption of stores and spare parts	53.85	33.06
Processing charges (including contract labour charges)	36.73	150.53
Power and fuel	43.88	69.65
Rent and hire charges	2.97	639.04
Repairs to :		
a) Buildings	230.83	260.97
b) Plant and machinery	3.33	2.97
c) Others	20.55	48.83
	254.71	312.77
Insurance	7.65	21.63
Rates and taxes	144.15	112.82
Selling expenses, sales promotion, commission and brokerage	53.75	208.38
Printing and stationery	19.53	12.09
Communication	9.16	21.38
Advertisement	25.63	105.86
Legal and professional charges	432.11	387.49
Travelling and conveyance	103.41	67.79
Trade receivables / advances written off	19.45	4.37
Less: Provision held	0.50	4.37
	18.95	-
Provision for doubtful trade receivables, loans and advances (net)	189.87	1,557.52
Managed assets service provider's charges	18.30	42.06
Service Charges	17.92	13.16
Freight and outward charges	19.49	19.92
Corporate social responsibility expenditure (Refer Note 33.1)	52.54	71.85
Directors sitting Fees and commission	272.00	110.50
Other miscellaneous expenses	259.12	264.56
Auditor remuneration		
To statutory auditors		
i) For audit services	27.22	26.97
ii) For limited review	9.00	19.00
iii) For other services	1.17	23.69
iv) For reimbursement of expenses	3.20	1.44
	40.59	71.10
Total	2,076.31	4,293.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
33.1 Details of Corporate social responsibility expenditure:

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

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Amount required to be spent as per section 135 of the Act.	43.19	28.05
Amount spent/commitments during the year:		
i) Construction/acquisition of an asset	1.82	18.71
ii) Purpose other than (i) above	-	-
	1.82	18.71
Agreements entered for construction / acquisition of assets	-	-
Contribution for activities promoting educational facilities	18.71	18.71
Accrual towards unspent obligations in relation to ongoing projects	41.37	9.34

Year	Balance as at 1st April, 2023		Amount required to be spent during the year	Amount spent during the year		Balance as at 31st March, 2024	
	With the Company	In Separate CSR unspent Amount		From the Company's Bank Account	From Separate CSR unspent Amount	With the Company	In Separate CSR unspent Amount
2024	-	9.34	43.19	1.82	9.34	-	*41.37
2023	-	18.01	28.05	18.71	18.01	-	9.34

₹ 41.37 Lakhs has been transferred to a separate CSR unspent account on 26th April, 2024.

The Company has made CSR Expenses provision towards unspent obligations in relation to other than ongoing projects ₹ 41.37 Lakhs, which is planned to spend in next financial year.

34. Exceptional items

Particulars	₹ in Lakhs	
	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
a) Expected inflow/ (outflow) for disputed matter (Refer Note 68)	(559.06)	-
b) Provision for impairment of certain intangible assets and intangible assets under development - continuing operations (Refer Note 7)	-	(500.00)
c) Provision for slow-moving, damaged or obsolete inventories (Refer Note 56)	(28.26)	(96.97)
d) Invocation of bank guarantee (Refer Note 71)	(71.27)	-
e) Employees' Full & Final Settlement written back (Refer Note 70)	241.77	-
f) Gain on Loss of Control (Refer Note 54)	-	2,987.04
g) Previous year provision reversed (Refer Note 62 and 67)	133.44	-
h) Loss on cessation of Joint Venture (Refer Note 67 and 64)	0.05	98.72
i) Provision for sales tax (Refer Note 63)	(16.25)	(371.78)
j) Loss on sale of investments (refer Note 65)	-	(896.92)
k) Provision for Loan to FCHSPL inclusive of interest thereon (refer Note 67)	-	(18.19)
Total	(299.58)	1,201.90

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
35. Income taxes
35.1 Income tax recognised in Statement of Profit and Loss

Particulars	₹ in Lakhs	
	Year ended 31st Mar., 2024	Year ended 31st Mar., 2023
Tax Expense - Continued Operations		
In respect of the current year	23.27	130.08
In respect of prior years	21.30	51.80
Current Tax Expense	44.57	181.88
Deferred tax	200.36	460.89
Total (A)	244.93	642.77
Tax Expense - Discontinued Operations		
Current tax	122.79	460.34
Deferred tax	6.20	1,696.10
Total (B)	128.99	2,156.44
Total income tax expense recognised in the current year (A+B)	373.92	2,799.21

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

Profit/ (Loss) before tax from continuing operations	2,137.97	18,558.15
Profit/ (Loss) before tax from discontinued operations	(2,209.81)	3,423.12
Profit/ (Loss) before tax for the year	(71.84)	21,981.27
Income tax expense calculated at corporate tax rate at 25.17 % (Previous Year: 25.17 %)	(18.08)	5,532.69
Effect of recognition of tax effect of previously unrecognised tax losses	(74.26)	(3,815.34)
Effect of amounts that are not deductible (taxable) in determining taxable profit	28.09	(9,754.85)
Effect of tax incentives and concessions	(125.76)	(26.14)
Tax not payable for loss making subsidiaries	699.62	9,182.30
Effect of different tax rates in companies	0.73	2,704.84
Effects of entities consolidated using equity method	53.43	(74.30)
Adjustments in respect of current income tax of previous year	21.30	51.80
Impact of Long Term Capital Gain	(204.26)	-
Exclusion of Long term Capital Loss on Capital Reduction	-	(1,047.82)
Effects of Ind AS adjustments	(5.43)	(5.48)
Others	(1.47)	51.51
Income tax expense recognised in Statement of Profit and Loss	373.92	2,799.21

35.2 Income tax recognised in other comprehensive income
Arising on income and expenses recognised in other comprehensive income:

Re-measurement of defined benefit plans	(27.01)	(172.90)
Total income tax expense recognised in other comprehensive income	(27.01)	(172.90)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
36. Earnings per share

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

Particulars	Year Ended 31st Mar., 2024	Year Ended 31st Mar., 2023
Profit/(Loss) for the year from continuing operations (A) (₹ in Lakhs)	1,893.04	<i>17,928.62</i>
Weighted average number of equity shares (Net of 1,66,398 equity shares held by a subsidiary) (Quantity in Lakhs) (B)	127.32	<i>127.32</i>
Basic/ Diluted Earnings/ (Loss) per share (A/B) (₹)	14.87	<i>140.92</i>
Profit/(Loss) for the year from discontinued operations (A) (₹ in Lakhs)	(2,338.80)	<i>1,266.68</i>
Weighted average number of equity shares (Net of 1,66,398 equity shares held by a subsidiary) (Quantity in Lakhs) (B)	127.32	<i>127.32</i>
Basic/ Diluted Earnings/ (Loss) per share (A/B) (₹)	(18.37)	<i>9.85</i>
Profit/(Loss) for the year attributable to owners of the Group (A) (₹ in Lakhs)	(445.76)	<i>19,195.30</i>
Weighted average number of equity shares (Net of 1,66,398 equity shares held by a subsidiary) (Quantity in Lakhs) (B)	127.32	<i>127.32</i>
Basic/ Diluted earnings/ (Loss) per share attributable to owners of the Group (A/B) (₹)	(3.50)	<i>150.77</i>

37. Leases
(a) Operating lease: Group as lessor
The Company as lessor

The Group has entered into operating lease arrangements, consisting of surplus space in buildings to others. The normal tenure of the arrangement is upto five years. The group has also deployed certain Data processing equipments (Queue Management Kiosks (QMS), Pass Book Kiosks (PBK) and (TS Scanners) at various sites under cancellable operating lease. The rental income from the assets given on lease of ₹ 1,814.32 Lakhs (*Previous Year ₹ 1,682.31 Lakhs*) has been disclosed as "Rent and amenities" under Revenue from operations in Note 26 to the Statement of Profit and Loss.

Non-cancellable operating lease receivables

Period	As at 31st Mar., 2024 ₹ in Lakhs	As at 31st Mar., 2023 ₹ in Lakhs
Not later than 1 year	646.73	<i>472.77</i>
1 - 2 years	512.61	<i>474.25</i>
2 to 3 years	407.74	<i>-</i>
3 to 4 years	43.76	<i>-</i>
4 to 5 years	-	<i>-</i>
Above 5 years	-	<i>-</i>
TOTAL	1,610.84	<i>947.02</i>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
38 Contingent liabilities:

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
(a) Claims against the Group not acknowledged as debts		
1 Taxes in dispute:-		
(i) Excise demand	1.63	2,724.52
(ii) Sales tax and Goods and Service Tax	613.50	2,882.28
(iii) Income-tax *	4,650.59	4,650.59
(iv) Service-tax	3,424.49	3,424.49
(v) Customs duty	87.84	187.84
(vi) GST demand	402.01	-
(viii) Property tax demand	475.29	-
2 Customer claims	2,785.59	3,070.31
3 Other legal matters **	700.10	293.86

* In calculating the tax expense for the current year, certain subsidiaries in the Group have considered taxability of certain income and allowability of certain expenditure for tax purpose based on the orders/judgments passed in further appeals in its own assessment of earlier years. Based on the same, no additional provision is envisaged necessary as on 31st March 2024 in respect of earlier years and current year.

** During the year, the Forbes Technosys Limited, a subsidiary of the Group, has received a demand notice from one of its creditors for ₹ 492.51 lakhs (including interest for delayed payments) under the Insolvency and Bankruptcy Code, 2016 against which the subsidiary has accounted a liability of ₹ 339.01 lakhs (including interest provision for delayed payments). The balance claim of the party has been disputed by the subsidiary which has been included under the contingent liability.

(b) Share in contingent liability and commitments of Joint Ventures and associates:

- 1 The Contingent Liabilities as on 31st March, 2024 is ₹ 33.65 Lakhs (Previous Year ₹ 87.16 Lakhs).
- 2 Corporate Guarantees issued as on 31st March, 2024 is ₹ 2,866.5 Lakhs (Previous Year ₹ 1,739.50 Lakhs).
- 3 Nuevo Consultancy Services Private Limited, an associate of the Group, has granted security by way of hypothecation of development management fee accruing to the associate in favour of Debenture Trustee towards NCD issued to Grand View Estates Private Limited of Rs 38,000 lakhs and Relationship Properties Private limited of Rs 25,000 Lakhs.

Notes:

- 1 In respect of items mentioned above, till the matters are finally decided, the timing of outflow of economic benefits cannot be ascertained.
- 2 The Group has evaluated the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir and Others v/s The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated 20th March, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management which is supported by legal advice, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
39 Other Commitments

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Nil (*Previous Year ₹ 317.59 Lakhs*) (net of advances).
- (b) The group has issued performance guarantee of Nil (*Previous Year ₹ 4,568.26 Lakhs*).
- (c) The group has outstanding bank guarantees of ₹ 236.87 Lakhs (*Previous Year ₹ 156.36 Lakhs*).

40 Details of Provisions

The Group has made provisions for various contractual obligations and disputed liabilities based on its assessment of the amount it estimates to incur to meet such obligations, details of which are given below:

₹ in Lakhs

Particulars	As at 31st Mar., 2023	Additions	Provision used	Provision reversed	As at 31st Mar., 2024
Provision for warranty (refer Note 1 below)	13.90	-	-	-	13.90
	<i>21.17</i>	-	-	<i>(7.27)</i>	<i>13.90</i>
Other Provision (refer Note 2 below)	569.77	67.51	-	-	637.28
	<i>265.49</i>	<i>304.28</i>	-	-	<i>569.77</i>
Total	583.67	67.51	-	-	651.18
Previous Year	<i>286.66</i>	<i>304.28</i>	-	<i>(7.27)</i>	<i>583.67</i>

Note:

- The Group gives warranty on certain products, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Warranty provisions are made for expected future outflows where no reimbursements are expected and estimated based on using historical information on the nature, frequency and average cost of warranty claims.
- Other provisions include provision for contingencies as disclosed above which represent the Group's best estimate of the future outflow of economic benefits that will be required for certain indirect tax and legal matters. The outflow would depend on settlement / conclusion of respective matters / cessation of expected events with respective authorities.

Figures in italics relate to the previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
41A. Deferred tax Assets

The following is the movement of deferred tax assets presented in the Balance Sheet:

Current Year (2023-24)
₹ in Lakhs

Particulars		Opening balance	Transferred to assets pertaining to discontinued operations	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:						
a)	Property, plant and equipment	(251.43)	-	16.00	-	(235.43)
b)	Right of Use Assets	(124.36)	-	9.04	-	(115.32)
c)	Lease Liability	127.87	-	(1.41)	-	126.46
d)	Allowances for doubtful debts and advances	199.35	-	(3.06)	-	196.29
e)	Defined benefit obligation	2.64	-	(15.27)	15.27	2.64
f)	Provisions and liabilities to be allowed on payment basis	27.27	-	139.40	-	166.67
g)	Tax losses	8.62	-	565.43	-	574.05
h)	Long Term Capital Loss	614.87	-	(242.33)	(42.28)	330.26
i)	Profits from Real Estate Business (Refer Note 51 below)	1,088.50	-	(668.16)	-	420.34
Total		1,693.33	-	(200.36)	(27.01)	1,465.96

Previous Year (2022-23)
₹ in Lakhs

Particulars		Opening balance	Transferred to assets pertaining to discontinued operations	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax (liabilities)/assets in relation to:						
a)	Property, plant and equipment	(618.61)	367.19	(0.01)	-	(251.43)
b)	Right of Use Assets	(10.53)	9.33	(123.16)	-	(124.36)
c)	Lease Liability	6.42	(7.75)	129.20	-	127.87
d)	Allowances for doubtful debts and advances	239.56	(75.25)	35.04	-	199.35
e)	Defined benefit obligation	-	34.67	(25.81)	(6.22)	2.64
f)	Provisions and liabilities to be allowed on payment basis	122.17	(105.99)	6.07	5.02	27.27
g)	Tax losses	2,490.13	(2,436.18)	(45.33)	-	8.62
h)	Long Term Capital Loss	-	1,393.05	(606.48)	(171.70)	614.87
i)	Profits from Real Estate Business (Refer Note 51 below)	918.91	-	169.59	-	1,088.50
j)	Others	616.67	(616.67)	-	-	-
Total		3,764.72	(1,437.60)	(460.89)	(172.90)	1,693.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
41B. Deferred tax Liabilities

The following is the movement of deferred tax liabilities presented in the Balance Sheet:

Current Year (2023-24)

		₹ in Lakhs				
Particulars		Opening balance	Transferred to Liabilities pertaining to discontinued operations	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax liabilities in relation to:						
a)	Property, plant and equipment	(0.01)	-	-	-	(0.01)
	Total	(0.01)	-	-	-	(0.01)

Previous Year (2022-23)

		₹ in Lakhs				
Particulars		Opening balance	Transferred to Liabilities pertaining to discontinued operations	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Closing balance
Deferred tax liabilities in relation to:						
a)	Property, plant and equipment	(0.01)	-	-	-	(0.01)
b)	Others (includes tax losses)	(767.77)	767.77	-	-	-
	Total	(767.78)	767.77	-	-	(0.01)

Note:

41C. Unrecognised deductible temporary differences, unused tax losses and unused tax credits

- In respect of EFL Mauritius Limited, at 31st March 2024, the Company had accumulated tax losses amounting to ₹ 72.49 Lakhs (*Previous Year ₹ 67.18 Lakhs*) and is therefore not liable to income tax. The accumulated tax losses are available for net off against taxable income arising in the forthcoming five years only.
- In respect of Forbes Technosys Limited, the entity has unabsorbed depreciation amounting to ₹ 9,148.50 Lakhs (*Previous year 1,516.55 Lakhs*) and has accumulated tax losses amounting to ₹ 14,520.84 Lakhs (*Previous year ₹ 14,159.87 Lakhs*) is therefore not liable to income tax.

In respect of Forbes Technosys Limited (FTL), the entity has restricted the recognition of deferred tax assets on account of unabsorbed depreciation and brought forward business loss and certain other assets to set off the deferred tax liabilities on account of temporary difference arising on property, plant and equipment and intangible assets. FTL did not have any deferred tax liability as on March 31, 2024, accordingly, FTL has not recognised any deferred tax assets. Unabsorbed depreciation and forward business losses on which deferred tax assets has not been recognised (in the absence of virtual certainty of taxable income) were ₹ 23,669.33 Lakhs as on March 31, 2024 (*Previous Year: ₹ 15,676.42 Lakhs*).

- In respect of Forbes Campbell Finance Limited, the entity has unabsorbed depreciation amounting to ₹ Nil Lakhs (*Previous year ₹ Nil Lakhs*) and has accumulated tax losses amounting to ₹ 1,319.58 Lakhs (*Previous year ₹ 2,000.91 Lakhs*). The tax loss amounting to ₹ 110.21 lakhs will expire in AY 2029-30 and tax loss amounting to ₹ 1209.37 lakhs will expire in AY 2030-31.
- In respect of Volkart Fleming Shipping & Services Limited, the entity has tax losses amounting to ₹ 237.73 Lakhs (*Previous year ₹ Nil Lakhs*). The tax loss will expire in AY 2030-31.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

41D. Certain subsidiaries, associates and joint ventures of the group (excluding those covered under discontinued operations) have undistributed earnings as at 31st March, 2024 of ₹ 2,028.55 Lakhs (Previous Year ₹ 2,070.97 Lakhs) which, if paid out as dividends or Group's interests in them if sold outright, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognised as the Company entity is able to control the timing of distributions from these subsidiaries, associates and joint ventures. These entities are not expected to distribute dividends out of their reserves in the foreseeable future. Certain subsidiaries, joint ventures and associates of the group are currently in accumulated deficit, the set-off of those temporary differences is not available against temporary differences of other entities in the group. Also, certain entities who have suffered losses during the year ended 31st March 2024 which would have restrictions for dividend distribution have been excluded from the aforesaid undistributed earnings calculation.

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

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

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

The Group operates a defined benefit gratuity plan for employees of certain subsidiaries. The gratuity liability is funded and in some cases, it is unfunded. The Group's liability is determined on the basis of an actuarial valuation. Remeasurements of the net defined benefit liability as per the actuarial valuation report, which comprise actuarial gains and losses are recognised in OCI.

In case of Forbes & Company Limited, the group has obtained insurance policy with the Life Insurance Corporation of India (LIC) and makes an annual contribution to LIC for amounts notified by LIC. The group accounts for gratuity benefits payable in future based on the calculation performed annually by a qualified actuary using the projected unit credit method at the end of the year. Actuarial Gains and Losses are recognized in OCI.

The Group's Gratuity Plan is administered by an insurer and in certain cases the Investments are made in various schemes of the trust. The Group funds the plan on a periodical basis.

The eligible employees of the Group are entitled to receive post-employment benefits in respect of provident fund, in which both the employees and the Group make monthly contributions at a specified percentage of the employees' eligible salary. The contributions are made to the Government / provident fund managed by the trust set up by the Group which are charged to the Statement of Profit and Loss as incurred.

A large portion of assets managed by the group consists of government and corporate bonds, although the Group also invests in equities, cash and mutual funds. The plan asset mix is in compliance with the requirements of the regulations in case of Provident fund.

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

Under the post-retirement medical and non-compete fees, eligible whole-time directors and on their demise, their spouses are entitled to medical benefits subject to certain limits and fixed monthly payment as non-compete fee. The Group accounts for these benefits payable in future based on an independent external actuarial valuation carried out at the end of the year using the Projected Unit Credit method.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. Plan investment is a mix of investments in government securities, and other debt instruments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Interest risk

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

Longevity risk

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

Salary risk

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

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

Particulars	Year Ended	
	31st Mar., 2024	31st Mar., 2023
Employer's contribution to Provident Fund (excluding contribution to trust)	9.58	70.96
Employer's contribution to Pension Fund	2.01	3.34
Employer's contribution to Superannuation Fund	9.96	47.69
Employer's contribution to ESIC and other funds	4.81	43.08

Included in Contribution to Provident and Other Funds (refer Note 30)

II. Disclosures for defined benefit plans based on actuarial valuation reports as on 31st March, 2024.
A. Change in Defined Benefit Obligation
₹ in Lakhs

Particulars	Gratuity (funded)		Gratuity (non-funded)		Others (Post Retirement medical and non compete fees) (non funded)	
	Year Ended		Year Ended		Year Ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Present Value of Defined Benefit Obligation as at beginning of the year	746.44	745.13	27.17	48.87	215.59	240.60
Interest Cost	16.79	49.70	-	2.98	15.03	16.54
Current Service Cost	16.53	42.56	1.91	3.03	-	-
Liability Transferred Out for employees left	(513.34)	-	-	-	-	-
Benefits Paid	(122.97)	(132.20)	(29.08)	(16.75)	(31.62)	(31.15)
Remeasurement of defined benefit obligation	75.35	41.25	-	(1.62)	(0.56)	(10.40)
Gratuity Liability of resigned employees transferred to trade payables	-	-	-	(9.34)	-	-
Present Value of Defined Benefit Obligation as at the end of the year	218.80	746.44	-	27.17	198.44	215.59

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
B. Changes in the Fair Value of Assets
₹ in Lakhs

Particulars	Gratuity (Funded)	
	Year Ended	
	31st Mar., 2024	31st Mar., 2023
Fair Value of Plan Assets as at beginning of the year	706.02	579.82
Return on Plan Assets (excluding interest income/ expense)	(8.21)	16.55
Interest income	51.61	38.85
Contributions from employer	55.83	203.00
Benefits Paid	(122.97)	(132.20)
Fair Value of Plan Assets as at the end of the year	682.28	706.02

C. Amount recognised in the Balance Sheet
₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non-Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	Year Ended		Year Ended		Year Ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Present Value of Defined Benefit Obligation as at the end of the year	218.80	746.44	-	27.17	198.44	215.59
Fair Value of Plan Assets as at end of the year	682.28	706.02	-	-	-	-
Net Liability/(Asset) recognised in the Balance Sheet	(463.48)	40.42	-	27.17	198.44	215.59
Total Liability/(Asset)	(463.48)	67.59			198.44	215.59
Non-Current Liability (Refer note 18A)	-	21.33			167.07	182.58
Current Liability (Refer note 18B)	0.11	18.71			31.37	33.01
Current Assets (Refer 14B)	463.59	(9.89)				
Liability pertainint to discontinued operations (Refer note 15C)	-	17.66			-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
D. Expenses recognised in Statement of Profit and Loss

₹ in Lakhs

Particulars	Gratuity (Funded) * \$		Gratuity (Non-Funded) *		Others (Post Retirement medical and non compete fees) (Non funded) **	
	Year Ended		Year Ended		Year Ended	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Current Service Cost	16.53	42.56	1.91	3.03	-	-
Net interest	(34.83)	10.85	-	2.98	15.03	16.54
Total Expenses / (Income) recognised in the Statement of Profit And Loss*	(18.30)	53.41	1.91	6.01	15.03	16.54

*Included in Contribution to Provident and Other Funds (refer Note 30).

**Included in Salaries and Wages (refer Note 30).

\$ For the year ended 31st March, 2023, ₹ 256.66 Lakhs is toward Contribution to Provident and Other Funds pertaining to discontinued operations.

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

₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Non-Funded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Actuarial (Gains)/Losses on Obligation For the Year - Due to changes in demographic assumptions	3.06	7.39	-	-	-	(9.89)
Actuarial (Gains)/Losses on Obligation For the Year - Due to changes in financial assumptions	1.23	(12.40)	-	(0.98)	1.14	(5.59)
Actuarial (Gains)/Losses on Obligation For the Year - Due to experience adjustment	71.06	46.26	-	(0.64)	12.63	5.08
Return on Plan Assets, excluding Interest Income	8.21	(16.55)	-	-	-	-
Net (Income)/Expense For the Year Recognized in OCI	83.56	24.70	-	(1.62)	13.77	(10.40)

Other Comprehensive income includes Expenses Recognized amounting to ₹ 36.65 Lakhs towards Compensated absences (Non – Funded) (Previous year ₹ 19.98 Lakhs).

F. Principal actuarial assumptions used:

Particulars	Gratuity		Others (Post Retirement medical and non compete fees)	
	As at		As at	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Discount Rate (per annum)	7.18%	7.31%	7.20%	7.49% & 7.46%
Salary escalation rate	4.50%	4.50%	0.00%	0.00%
Rate of employee turnover	17.24%	17.24%	0.00%	20.87%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
G. Movements in the present value of defined benefit obligation are as follows:
₹ in Lakhs

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Others (Post Retirement medical and non compete fees) (Non funded)	
	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023
Opening Net Liability	40.42	165.31	27.17	48.87	215.59	240.60
Expenses Recognized in Statement of Profit or Loss	(18.30)	53.41	1.91	6.01	15.03	16.54
Expenses Recognized in OCI	83.56	24.70	-	(1.62)	13.77	(10.40)
(Benefit Paid Directly by the Employer)	-	-	(29.08)	(16.75)	(31.62)	(31.15)
(Employer's Contribution)	(55.83)	(203.00)	-	-	-	-
Liability Transferred Out for employees left	(513.34)	-	-	-	-	-
Gratuity Liability of resigned employees transferred to trade payables	-	-	-	(9.34)	-	-
Net Liability/(Asset) Recognized in the Balance Sheet	(463.49)	40.42	-	27.17	212.77	215.59

H. Category of Assets
₹ in Lakhs

Particulars	As at	As at
	31st Mar., 2024	31st Mar., 2023
	Gratuity (Funded)	<i>Gratuity (Funded)</i>
Insurance fund	682.28	706.02
Total	682.28	706.02

I. Cash Flow Projection: From the Fund
₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	Estimated for the year ended 31st Mar., 2024	Estimated for the year ended 31st Mar., 2023	Estimated for the year ended 31st Mar., 2024	Estimated for the year ended 31st Mar., 2023
	Gratuity		Others (Post Retirement medical and non compete fees) (Non funded)	
1st Following Year	59.15	213.31	31.37	33.01
2nd Following Year	29.56	138.21	31.37	33.01
3rd Following Year	74.78	118.68	31.37	33.01
4th Following Year	22.04	132.87	31.37	33.01
5th Following Year	9.77	74.56	31.37	33.01
Sum of Years 6 and above	55.88	242.18	156.83	166.07

J. Sensitivity Analysis
₹ in Lakhs

Projected Benefits Payable in Future Years From the Date of Reporting	As at 31st Mar., 2024	As at 31st Mar., 2023
Impact of +1% Change in Rate of Discounting	(4.46)	(18.27)
Impact of -1% Change in Rate of Discounting	4.75	19.56
Impact of +1% Change in Rate of Salary Increase	4.83	19.91
Impact of -1% Change in Rate of Salary Increase	(4.61)	(18.92)
Impact of +1% Change in Rate of Employee Turnover	0.39	1.50
Impact of -1% Change in Rate of Employee Turnover	(0.43)	(1.64)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

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

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

K. Provident Fund

The Group has established 'Forbes & Company Ltd. Employees Provident Fund' in respect of all the employees to which both the employee and employer make contribution equal to 12% of the employees' basic salary respectively. The Groups's contribution to the provident fund for all employees, are charged to the Statement of Profit and Loss. In case of any liability arising due to shortfall between the return from its investments and the administered interest rate, the same is required to be provided for by the Group. In accordance with the recent actuarial valuation, there is no deficiency in the interest cost as the present value of expected future earnings of the fund is greater than the expected amount to be credited to the individual members based on the expected guaranteed rate of interest.

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Employer's contribution to the provident fund trust	28.51	<i>100.91</i>

The details of Group's provident fund and planned assets position as at year end is given below:

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Present value of Defined Benefit Obligation as at year end	3,918.00	<i>3,777.31</i>
Planned assets as at year end	3,933.12	<i>3,554.00</i>

Assumptions used in determining the present value obligation of the interest rate guarantee are as follows:

Particulars	₹ in Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Approach used	Deterministic	<i>Deterministic</i>
Increase in compensation levels	4.50%	<i>4.50%</i>
Discount Rate	7.18%	<i>7.31%</i>
Attrition Rate *	17.24%	<i>17.24%</i>
Reinvestment Period on Maturity	5 years	<i>5 years</i>
Expected Guaranteed Interest Rate	8.25%	<i>8.15%</i>
Average Expected Future Service	4 years	<i>4 years</i>
Average Term to Maturity	4 years	<i>4 years</i>
Mortality Rate	Indian Individual AMT (2012-15)	<i>Indian Assured Lives Mortality (2006-08) Ultimate</i>

L. The liability for Compensated absences (Non – Funded) as at year end is Nil (Previous Year ₹ 12.13 Lakhs) (refer Note 18A and 18B).

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
43 Financial Instruments
43.1 Capital Management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt (borrowings offset by cash and bank balances) and total equity of the Group.

The Group determines the amount of capital required on the basis of annual as well as long term operating plans and other strategic investment plans. The funding requirements are met through non convertible debt securities or other long-term /short-term borrowings. The Group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Group.

	As at	₹ in Lakhs
	31st Mar., 2024	<i>As at</i> 31st Mar., 2023
The capital components of the Group are as given below:		
Total Equity	14,027.94	<i>22,481.42</i>
Short Term Borrowings (includes current maturities of long term borrowings)	399.24	<i>372.17</i>
Long Term Borrowings (includes accrued interest)	1,713.88	<i>1,710.93</i>
Current maturities of long term borrowings	-	<i>-</i>
Lease Liability	503.70	<i>510.51</i>
Total Debt	2,616.82	<i>2,593.61</i>
Cash and Cash equivalents	1,969.52	<i>3,676.17</i>
Bank balances other than above	1,477.46	<i>1,896.14</i>
Balance held as margin money with banks with remaining maturity period of more than 12 months	57.46	<i>18.82</i>
Net Debt	(887.62)	<i>(2,997.52)</i>
Debt Equity ratio	0.19	<i>0.12</i>
Debt Equity Ratio = Total Debt / Total Equity		

43.2 Financial risk management objectives

The Group monitors and manages the financial risks to the operations of the Group. These risks include market risk, credit risk and liquidity risk.

43.3 Market Risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates (refer Note 43.7) and interest rates (refer Note 43.6). The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

43.4 Credit risk management
Trade receivables

Trade receivables are generally unsecured and are derived from revenue earned from customers. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Historical experience of collecting receivables of the Group is supported by low level of past default and hence the credit risk is perceived to be low.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Other financial assets

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are mutual funds and banks with high credit-ratings assigned by credit-rating agencies.

43.5 Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

The Group manages liquidity risk by banking facilities and by continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities. The below table sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

The Group has undrawn credit lines available as at the end of the reporting period of ₹ 400 Lakhs (*Previous Year ₹ 1,301 Lakhs*).

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the earliest date on which the Group can be required to pay. The tables include principal and interest cash flows. The amounts reflected are gross and undiscounted.

Maturities of Financial Liabilities as at the Balance Sheet date	₹ in Lakhs		
	As at 31st Mar., 2024		
	Upto 1 year	1 to 5 years	5 years and above
Borrowings (includes interest)	2,105.87	-	10.00
Trade Payables	4,646.83	-	-
Other Financial Liabilities	2,262.59	398.22	-
Lease Liabilities (undiscounted values)	10.12	76.42	417.16
	9,025.41	474.64	427.16

Maturities of Financial Liabilities as at the Balance Sheet date	₹ in Lakhs		
	As at 31st Mar., 2023		
	Upto 1 year	1 to 5 years	5 years and above
Borrowings (includes interest)	2,078.80	-	10.00
Trade Payables	3,890.91	-	-
Other Financial Liabilities	861.32	254.49	-
Lease Liabilities (undiscounted values)	8.28	60.21	441.92
	6,839.31	314.70	451.92

43.6 Interest Rate Risk and Sensitivity Analysis

Interest rate risk results from changes in prevailing market interest rates, which can cause a change in the fair value of fixed-rate instruments and changes in the interest payments of the variable-rate instruments.

The Group is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates.

The sensitivity analysis below have been determined based on the exposure to interest rates for borrowings at the end of the reporting period. For floating rate borrowings the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

If interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's.

- Profit for the year ended 31st March, 2024 would decrease/increase by Nil Lakhs respectively. This is mainly attributable to the Group's exposure to borrowings at floating interest rates.
- Profit for the year ended 31st March, 2023 would decrease/increase by Nil Lakhs respectively. This is mainly attributable to the Group's exposure to borrowings at floating interest rates.

43.7 Derivatives Instruments and unhedged Foreign Currency (FC) exposure

The Group is exposed to Currency Risk arising from its trade exposures and capital/loan receipt/payments denominated, in other than the Functional Currency. The Group has a Foreign Exchange Risk Management policy within which the treasury has to perform and also lays down the checks and controls to ensure the continuing success of the treasury function. The Group has defined strategies for addressing the risks for each category of exposures (e.g. for exports, for imports, for loans, etc.). The centralised treasury function aggregates the foreign exchange exposure and takes prudent measures to hedge the exposure based on prevalent macro-economic conditions.

Particulars of unhedged foreign currency exposures as at the reporting date

Currencies	As at 31st Mar., 2024				As at 31st Mar., 2023			
	Advances from customers and Other Liabilities		Trade receivables		Advances from customers and Other Liabilities		Trade receivables	
	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs
USD	0.14	11.39	0.02	1.97	* -	0.11	0.02	1.94
GBP	-	-	-	-	-	-	-	-
EUR	0.01	0.11	-	-	0.01	0.71	-	-

Currencies	As at 31st Mar., 2024				As at 31st Mar., 2023			
	Advances to vendors		Trade payables		Advances to vendors		Trade payables	
	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs	FC (Amount in Lakhs)	₹ in Lakhs
USD	0.10	7.92	0.61	51.13	0.02	1.85	0.38	31.27
EUR	-	-	0.84	75.56	-	-	0.35	31.65
AUD	-	-	6.97	378.65	-	-	-	-
AED	0.29	6.48	-	-	-	-	-	-

* Amount is below rounding off norm adopted by the Group.

Currencies	As at 31st Mar., 2024		As at 31st Mar., 2023	
	Cash and Bank Balances		Cash and Bank Balances	
	FC (Amount in Lakhs)	₹ In Lakhs	FC (Amount in Lakhs)	₹ In Lakhs
USD	1.04	89.16	-	-
EUR	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Of the above, the Company is mainly exposed to USD, and EUR. Hence the following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

As on 31st March, 2024

Currencies	Increase/Decrease	Total Assets in FC (in Lakhs)	Total Liabilities in FC (in Lakhs)	Impact on exchange rate	Impact on Profit or Loss for the year (₹ in Lakhs)
USD	Increase by 5%	1.16	0.75	4.17	1.71
USD	Decrease by 5%	1.16	0.75	(4.17)	(1.71)
GBP	Increase by 5%	-	-	5.26	-
GBP	Decrease by 5%	-	-	(5.26)	-
AUD	Increase by 5%	-	6.97	2.72	(18.96)
AUD	Decrease by 5%	-	6.97	(2.72)	18.96
AED	Increase by 5%	0.29	-	1.13	0.33
AED	Decrease by 5%	(0.29)	-	(1.13)	(0.33)
EUR	Increase by 5%	40.39	0.85	4.50	177.93
EUR	Decrease by 5%	40.39	0.85	(4.50)	(177.93)

As on 31st March, 2023

Currencies	Increase/Decrease	Total Assets in FC (in Lakhs)	Total Liabilities in FC (in Lakhs)	Impact on exchange rate	Impact on Profit or Loss for the year (₹ in Lakhs)
USD	Increase by 5%	0.04	0.38	4.11	(1.40)
USD	Decrease by 5%	0.04	0.38	(4.11)	1.40
GBP	Increase by 5%	-	-	5.08	-
GBP	Decrease by 5%	-	-	(5.08)	-
AUD	Increase by 5%	-	-	2.75	-
AUD	Decrease by 5%	-	-	(2.75)	-
AED	Increase by 5%	-	-	1.12	-
AED	Decrease by 5%	-	-	(1.12)	-
EUR	Increase by 5%	40.39	0.35	4.47	178.98
EUR	Decrease by 5%	40.39	0.35	(4.47)	(178.98)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
43.8 Fair Value Disclosures
₹ in Lakhs

a)	Categories of Financial Instruments:	As at 31st Mar., 2024			As at 31st Mar., 2023		
		FVTPL **	FVOCI ***	Amortised Cost	FVTPL **	FVOCI ***	Amortised Cost
	Financial Assets						
	Investments *	3,434.82	11,405.33	3.92	1,418.85	10,650.30	3.92
	Loans	-	-	1.82	-	-	10.33
	Cash and Bank Balances	-	-	3,446.98	-	-	5,572.31
	Trade Receivables	-	-	984.75	-	-	783.72
	Other Financial Assets	-	-	1,208.06	-	-	691.90
		3,434.82	11,405.33	5,645.53	1,418.85	10,650.30	7,062.18
	Financial liabilities						
	Borrowings	-	-	406.49	-	-	376.47
	Trade Payables	-	-	4,646.83	-	-	3,890.91
	Other Financial Liabilities	-	-	4,367.44	-	-	2,822.44
	Lease Liabilities	-	-	503.70	-	-	510.51
		-	-	9,924.46	-	-	7,600.33

* Excludes investment in equity shares of Associates and Joint ventures amounting to ₹ 2,225.03 lakhs (Previous Year ₹ 2,436.75 lakhs) accounted using equity method/ carried at cost less impairment.

** Mandatorily measured at fair value in accordance with Ind AS 109.

*** Investments in equity instruments designated as such upon initial recognition in accordance with paragraph 5.7.5 of Ind AS 109.

These investments in equity instruments are not held for trading. Instead, they are held for medium or long term strategic purpose. Upon the application of IND AS 109, the Group has chosen to designate these investments in equity instruments at FVTOCI as it is believed that this provides a more meaningful presentation for medium or long term strategic investment than reflecting changes in fair value immediately in profit and loss account.

b) Fair Value Hierarchy and Method of Valuation

Except as detailed in the following table, the Group considers that the carrying amounts of financial instruments recognised in the financial statements approximate their fair values.

₹ in Lakhs

Financial Assets	As at 31st Mar., 2024				
	Carrying value	Level 1	Level 2	Level 3	Total
Measured at FVTPL					
Investments					
Investments in Equity Instruments	0.18	-	-	0.18	0.18
Investments in Mutual Funds	3,434.64	-	3,434.64	-	3,434.64
Measured at FVOCI					
Investments					
Investments in Equity Instruments	11,405.33	11,405.33	-	-	11,405.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
₹ in Lakhs

<i>Financial Assets</i>	<i>As at 31st Mar., 2023</i>				
	<i>Carrying value</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
<i>Measured at FVTPL</i>					
<i>Investments</i>					
<i>Investments in Equity Instruments</i>	0.18	-	-	0.18	0.18
<i>Investments in Mutual Funds</i>	1,418.67	-	1,418.67	-	1,418.67
<i>Measured at FVOCI</i>					
<i>Investments</i>					
<i>Investments in Equity Instruments</i>	10,650.30	10,650.30	-	-	10,650.30

Note:

There are no transfers between level 1, level 2 and level 3 during the year.

c) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the period ended 31st March, 2024 and 31st March, 2023.

₹ in Lakhs

	Total
As at 31st March, 2022	0.18
Purchases made during the year	-
Sales made during the year	-
As at 31st March, 2023	0.18
Purchases made during the year	-
Sales made during the year	-
As at 31st March, 2024	0.18

Description of significant unobservable inputs to valuations for level 3 items

Significant unobservable Inputs	Relationship of unobservable Inputs to fair value
Long term revenue growth rates taking into accounts managements experience and knowledge of market conditions of the specific industries	A slight increase in the long term revenue growth rates used in isolation would result in increase in fair value
Long term pre tax operating margin taking into account managements experience and knowledge of market conditions of the specific industries	A significant increase in the long term pre tax operating margin used in isolation would result in increase in fair value
Weighted average cost of capital (WACC), determined using a Capital Asset pricing Model	A slight increase in the WACC used in isolation would result in decrease in Fair value

d) Valuation Process

The main level 3 inputs used for unlisted financial instruments are as follows:

- the use of quoted market prices or dealer quotes for similar instruments.
- All of the resulting fair value estimates are included in level 1 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.
- The Fair value of financial Instrument that are not traded in an active market is determined using valuation technique. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

e) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Group consider that the carrying amounts of financial assets and financial liabilities recognised in Note (a) above approximate their fair values.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued**44. Segment reporting**

The Chief Operating Decision maker of the Group examines the Group's performance from a product portfolio and the industries in which they operate and has identified three reportable segments at group level.

The Group has identified business segments as its primary segment and geographical segment as its secondary segment. Business segments are primarily Coding and Industrial Automation, Real Estate, IT Enabled Services and Products and others.

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis considering the product portfolio and reportable segments when evaluated from the group perspective. Accordingly, certain amounts considered as unallocated by individual subsidiaries of the group have been classified for the purposes of the consolidated segment disclosure based on the product portfolio and industry of the respective subsidiary as this would be more relevant to the users of the financial statements.

Details of product categories included in each segment comprises:

Coding and Industrial Automation Segment includes manufacture/ trading in conventional and automation marking system and industrial automation business.

Real Estate includes income from renting out investment properties and revenue from real estate development project.

IT Enabled Services and Products includes trading of point of sale machine, manufacturing of different types of kiosks.

Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.

Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

(a) Information about primary business segments for the year:

Particulars	₹ in Lakhs													
	Coding and Industrial Automation		Real estate		IT Enabled Services and Products		Others		Total		Elimination		Total	
	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023
Segment Revenue	3,108.13	2,449.30	9,371.52	1,920.39	109.87	304.29	-	-	12,589.52	4,673.98	-	-	12,589.52	4,673.98
Inter segment revenue	-	-	1.45	22.80	-	7.77	-	7.77	1.45	38.34	(1.45)	(38.34)	-	-
Revenue from operations	3,108.13	2,449.30	9,372.97	1,943.19	109.87	312.06	-	7.77	12,590.97	4,712.32	(1.45)	(38.34)	12,589.52	4,673.98
Segment Results (including exceptional items)	(22.75)	(124.90)	3,426.57	*20,807.02	6** 11.73	6** (3,011.31)	-	-	3,415.55	17,670.81	-	-	3,415.55	17,670.81
Add: Unallocated income (net of unallocated expenses)														
Add: Share of profit of joint ventures														
Add: Exceptional items other than related to segments (net) (\$\$\$)														
Profit before tax and finance costs														
Less: Finance costs														
Profit/(Loss) before tax continuing operations														
(Loss) before tax from discontinued operations														
Profit/(Loss) for the year before tax														
Provision for taxation:														
Tax expense (current & deferred) continuing operations														
Tax expense (current & deferred) discontinued operations														
Profit/(Loss) for the year														
Capital employed														
Segment assets	1,415.15	761.09	16,145.60	19,312.02	786.09	1,054.47	-	17.84	18,346.84	21,145.42			18,346.84	21,145.42
Assets pertaining to discontinued operations														
Unallocated corporate assets														
Total assets	1,415.15	761.09	16,145.60	19,312.02	786.09	1,054.47	-	17.84	18,346.84	21,145.42			42,065.15	70,109.57
Segment liabilities	1,472.21	316.46	20,239.13	26,526.27	3,938.64	4,228.10	-	-	25,649.98	31,070.83			25,649.98	31,070.83
Liabilities pertaining to discontinued operations														
Unallocated corporate liabilities														
Total liabilities	1,472.21	316.46	20,239.13	26,526.27	3,938.64	4,228.10	-	-	25,649.98	31,070.83			2,387.23	993.19
Capital employed	(57.06)	444.63	(4,093.53)	(7,214.25)	(3,152.55)	(3,173.63)	-	17.84	(7,303.14)	(9,925.41)			28,037.21	47,628.15
													14,027.94	22,481.42

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Particulars	Coding and Industrial Automation		Real estate		IT Enabled Services and Products		Others		Total		Elimination		Total	
	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023	As at 31st Mar., 2024	As at 31st Mar., 2023
	Cost incurred to acquire segment assets including adjustments on account of capital work-in-progress	-	14.87	9.65	-	-	-	-	-	9.65	14.87	-	-	9.65
Unallocated cost incurred to acquire assets including adjustments on account of capital work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total capital expenditure	-	14.87	9.65	-	-	-	-	-	9.65	14.87	-	-	11.40	19.22
Segment depreciation / amortisation	25.68	20.81	116.62	111.85	2.68	419.78	-	-	144.98	552.44	-	-	144.98	552.44
Unallocated corporate depreciation / amortisation	-	-	-	-	-	-	-	-	-	-	-	-	19.50	38.10
Total depreciation / amortisation	25.68	20.81	116.62	111.85	2.68	419.78	-	-	144.98	552.44	-	-	164.48	590.54
Non-cash segment expenses other than depreciation (including exceptional items)	11.50	(17.17)	559.25	5.28	70.47	2,440.86	-	-	641.22	2,428.97	-	-	641.22	2,428.97
Unallocated non-cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-	139.23	225.99
Total non-cash expenses other than depreciation	11.50	(17.17)	559.25	5.28	70.47	2,440.86	-	-	641.22	2,428.97	-	-	780.45	2,654.96

\$ Includes Provision for disputed matters related to Property Tax of Rs. 559.05 lakhs for year ended 31st March, 2024.

Includes a non-cash change of impairment of intangible assets and intangible assets under development of Rs. 500 Lakhs for year ended 31st March, 2023.

* Includes Provision for Sales Tax for Rs. 16.25 Lakhs for the year ended 31st March, 2024 and Rs. 371.78 Lakhs for year ended 31st March, 2023.

% Includes Employees' full and final settlement written back of Rs. 241.77 Lakhs for year ended 31st March 2024.

& Includes provision for slow-moving damaged or obsolete inventories of Rs. 28.26 Lakhs for quarter and year ended 31st March, 2024 and Rs. 96.97 Lakhs for the year ended 31st March, 2023.

+ Includes Invocation of bank guarantee for Rs. 71.28 Lakhs for year ended 31st March, 2024.

\$\$\$ Includes gain on sale on FFSP of Rs. 298.704 lakhs for year ended 31st March, 2023 reclassified to unallocated exceptional items from erstwhile "Home Care Products and services" segment on account of discontinued operations.

(b) Geographical information	Within India		Outside India		Total	
	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023	31st Mar., 2024	31st Mar., 2023
Revenue	12,552.24	1,959.54	37.28	2,714.44	12,589.52	4,673.98
Non-Current Asset (excluding financial assets and tax assets)	2,833.79	2,961.36	97.43	113.03	2,931.22	3,074.39
Cost incurred to acquire segment assets including adjustments on account of capital work-in-progress	11.40	19.22	-	-	11.40	19.22

(c) Information about major customer

No single customer contributed 10% or more to the group's revenue for the year ended 31st March, 2024 and 31st March, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

45. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates / Joint Ventures

Name of the Company	Particulars							
	Net Assets, i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount ₹ in Lakhs	As % of consolidated profit or loss	Amount ₹ in Lakhs	As % of consolidated other comprehensive income	Amount ₹ in Lakhs	As % of total comprehensive income	Amount ₹ in Lakhs
Forbes & Company Limited	86.93	12,194.57	(456.12)	2,033.19	8.45	275.31	82.03	2,308.50
Subsidiaries								
Indian								
1 Volkart Fleming Shipping & Services Limited	2.04	285.57	12.30	(54.85)	-	-	(1.95)	(54.85)
2 Forbes Campbell Finance Limited	50.62	7,101.54	(2.09)	9.30	4.24	138.27	5.24	147.57
3 Forbes Technosys Limited	(78.24)	(10,976.03)	10.39	(46.32)	-	-	(1.65)	(46.32)
4 Campbell Properties & Hospitality Services Limited	1.38	193.33	(0.07)	0.32	-	-	0.01	0.32
Foreign								
1 EFL Mauritius Limited	(2.14)	(300.16)	3.61	(16.09)	(0.05)	(1.78)	(0.64)	(17.87)
2 Lux International AG (LIAG) Group	-	-	76.91	(342.83)	(32.87)	(1,071.55)	(50.26)	(1,414.38)
3 Forbes Lux International AG (FLIAG) Group	-	-	1,281.27	(5,711.41)	(0.97)	(31.70)	(204.08)	(5,743.11)
Joint Ventures								
Indian								
1 Forbes Bumi Armada Limited	9.21	1,291.94	(43.73)	194.93	-	0.04	6.93	194.97
2 Forbes Concept Hospitality Services Private Limited	-	-	0.03	(0.15)	-	-	(0.01)	(0.15)
3 Forbes Macsa Private Limited	1.63	229.09	25.60	(114.10)	-	(0.08)	(4.06)	(114.18)
Associates								
Indian								
1 Nuevo Consultancy Services Private Limited (including Dhan Gaming Solution (India) Private Limited)	5.73	804.00	65.63	(292.55)	-	-	(10.40)	(292.55)
Adjustment/ elimination on consolidation	22.84	3,204.09	(873.73)	3,894.80	121.20	3,951.39	278.84	7,846.19
Non-controlling Interest in all subsidiaries	-	-	-	-	-	-	-	-
Total	100.00	14,027.94	100.00	(445.76)	100.00	3,259.90	100.00	2,814.14

* Percentage is below the rounding off norm adopted by Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

45. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates / Joint Ventures

Particulars	Previous Year	Net Assets, i.e., total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount ₹ in Lakhs	As % of consolidated profit or loss	Amount ₹ in Lakhs	As % of consolidated other comprehensive income	Amount ₹ in Lakhs	As % of total comprehensive income	Amount ₹ in Lakhs
Forbes & Company Limited		92.01	20,685.17	124.38	23,859.16	(40.60)	1,307.91	157.69	25,167.07
Subsidiaries									
Indian									
1 Forbes Facility Services Private Limited		-	-	0.31	59.11	-	-	0.37	59.11
2 Volkart Fleming Shipping & Services Limited		1.03	230.72	(0.14)	(26.87)	-	-	(0.17)	(26.87)
3 Forbes Campbell Finance Limited		30.93	6,953.96	(4.50)	(863.55)	(18.02)	580.41	(1.77)	(283.14)
4 Forbes Technosys Limited		(48.62)	(10,929.71)	(17.65)	(3,386.58)	(0.05)	1.62	(21.21)	(3,384.96)
5 Campbell Properties & Hospitality Services Limited		0.86	193.02	0.02	4.15	-	-	0.03	4.15
6 Forbes Precision Tools And Machine Parts Limited		0.02	3.83	(0.01)	(1.18)	-	-	(0.01)	(1.18)
Foreign									
1 EFL Mauritius Limited		(1.26)	(282.28)	(0.15)	(29.11)	0.53	(16.98)	(0.29)	(46.09)
2 Lux International AG (LIAG) Group		(5.29)	(1,190.36)	(24.78)	(4,754.27)	9.87	(317.85)	(31.78)	(5,072.12)
3 Forbes Lux International AG (FLIAG) Group		(204.03)	(45,869.14)	(171.34)	(32,865.91)	26.65	(858.50)	(211.30)	(33,724.41)
Joint Ventures									
Indian									
1 Forbes Bumi Armada Limited		4.88	1,096.92	0.81	155.91	-	0.06	0.98	155.97
2 Forbes Concept Hospitality Services Private Limited		-	-	-	(0.88)	-	-	(0.01)	(0.88)
3 Forbes Macsa Private Limited		1.11	250.00	(0.03)	(6.61)	-	(0.11)	(0.04)	(6.72)
Associates									
Indian									
1 Nuevo Consultancy Services Private Limited (including Dhan Gaming Solution (India) Private Limited)		4.88	1,096.55	0.53	101.64	-	-	0.64	101.64
Adjustment/ elimination on consolidation		223.48	50,242.72	192.60	36,950.29	121.59	(3,917.31)	206.95	33,032.98
Non-controlling interest in all subsidiaries		-	-	(0.05)	(13.24)	0.03	(1.01)	(0.08)	(14.25)
Total		100.00	22,481.42	100.00	19,182.06	100.00	(3,221.76)	100.00	15,960.30

* Percentage is below the rounding off norm adopted by Group.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
46. Net debt reconciliation

Particulars	₹ in Lakhs	
	As at 31st March 2024	As at 31st March 2023
Short Term Borrowings	(399.24)	(372.17)
Long Term Borrowings (includes accrued interest)	(1,713.88)	(1,710.93)
Current Maturities of Long Term Borrowings	-	-
Lease Liabilities	(503.70)	(510.51)
Lease Liabilities [pertaining to discontinued operations]	-	(1,555.65)
Borrowings [pertaining to discontinued operations] (includes accrued interest)	-	(4,756.59)
Total debt	(2,616.82)	(8,905.85)
Cash and Cash equivalents	1,969.52	3,676.17
Cash and Cash equivalents [pertaining to discontinued operations]	-	880.98
Net debt	(647.30)	(4,348.70)

Particulars	₹ in Lakhs			
	Other assets Cash and cash equivalents	Debt Total Debt (Excluding Lease Liabilities)	Lease Liabilities	Total
Net debt as at 1st April, 2023	4,557.15	(6,839.69)	(2,066.16)	(4,348.70)
Cash flows	(2,587.63)	(17.58)	179.19	(2,426.02)
Foreign exchange adjustments	-	-	(109.98)	(109.98)
Interest expense	-	(415.45)	(67.72)	(483.17)
Interest paid *	-	412.50	-	412.50
Other adjustments (mainly including effect of deconsolidation) (Refer 53 and 54)	-	4,747.10	1,560.97	6,308.07
Net debt as at 31st March, 2024	1,969.52	(2,113.12)	(503.70)	(647.30)

Particulars	₹ in Lakhs			
	Other assets Cash and cash equivalents	Debt Total Debt (Excluding Lease Liabilities)	Lease Liabilities	Total
Net debt as at 1st April, 2022	1,821.77	(28,719.89)	(1,796.98)	(28,695.10)
Cash flows	2,735.38	20,124.27	612.21	23,471.86
Foreign exchange adjustments	-	-	103.45	103.45
Interest expense	-	(1,646.90)	(115.62)	(1,762.52)
Interest paid	-	767.26	-	767.26
Other adjustments (mainly including effect of deconsolidation) (Refer 53 and 54)	-	2,635.57	(869.22)	1,766.35
Net debt as at 31st March, 2023	4,557.15	(6,839.69)	(2,066.16)	(4,348.70)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

47. Offsetting financial assets and financial liabilities

Particulars	Gross amounts	Gross amounts set off in the Balance Sheet	Net amounts presented in Balance Sheet
	(Financial Assets - Trade Receivables)	(Financial Liabilities - Rebates/ Discounts)	(Net Financial Assets - Trade Receivables)
31st March, 2024	4,835.78	-	4,835.78
Total	4,835.78	-	4,835.78
<i>31st March, 2023</i>	<i>4,759.85</i>	<i>-</i>	<i>4,759.85</i>
<i>Total</i>	<i>4,759.85</i>	<i>-</i>	<i>4,759.85</i>

The Group gives rebates/ discounts for certain segments. Under the terms of contract, the amounts payable by the Group are offset against receivables from customers and only the net amount is settled (i.e. after adjustment towards rebates/ discounts). The relevant amounts have therefore been presented net in the Balance Sheet.

48. Related Party Disclosures

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

 (A) **Holding Company**

Shapoorji Pallonji & Company Private Limited

 (B) **Fellow Subsidiaries/ Enterprises under common control :(where there are transactions in the current/ previous year)**

Afcons Infrastructure Limited

Floral Finance Private Limited

Forbes Precision Tools & Machine Parts Limited

Forvol International Services Limited

Gokak Textiles Limited

Gossip Properties Private Limited

Next Gen Publishing Limited

Relationship Properties Private Limited

Shapoorji Pallonji Infrastructure Capital Company Private Limited

Shapoorji Infrastructure Private Limited

Shapoorji Pallonji Energy Private Limited

Shapoorji Pallonji Development Managers Private Limited

Paikar Real Estates Private Limited

Stonesteel Prefab Infra Private Limited

Shapoorji Pallonji Real Estate Private Limited

ESPI Holdings Mauritius Ltd

Sterling and Wilson Solar Limited

United Motors (India) Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

(C) Associate Companies:

Nuevo Consultancy Services Private Limited
Dhan Gaming Solution (India) Private Limited
Shapoorji Pallonji Forbes Shipping Limited (w.e.f 1st March, 2022 upto 30th May, 2022)

(D) Joint Ventures :

Forbes MACSA Private Limited
Forbes Bumi Armada Limited
Forbes Concept Hospitality Services Private Limited (upto 3rd August, 2023)

(E) Joint Ventures/ Associates of Holding Company / Fellow Subsidiaries :(where there are transactions)

HPCL Shapoorji Energy Private Limited
SD Corporation Private Limited
SD SVP Nagar Redevelopment Private Limited
Coventry Properties Private Limited

(F) Key Management Personnel :

Managing Director of Forbes & Company Limited, Mr. Mahesh Tahilyani (upto 31st March, 2024)
Chief Financial Officer of Forbes & Company Limited, Nirmal Jagawat
Company Secretary of Forbes & Company Limited, Ms. Rupa Khanna (upto 31st March, 2024)
Company Secretary of Forbes & Company Limited, Mr. Pritesh Jhaveri (w.e.f. 1st April, 2024)
Whole-time Director of Forbes & Company Limited, Mr. Ravinder Prem (w.e.f. 1st April, 2024)

Non Executive Directors of Forbes & Company Limited

Shapoor P.Mistry	Chairman (upto 31st March, 2024)
Jai L. Mavani	Non-Executive Director
D. Sivanandhan	Independent Director
Rani Jadhav	Independent Director
Nikhil Bhatia	Independent Director

(G) Post employment benefit plan

Forbes & Company Limited Employees Provident Fund

(H) Other Related Parties (Erstwhile subsidiaries - refer note 54)

Forbes Lux International AG
Lux International AG

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Current Year
(b) transactions/ balances with above mentioned related parties
₹ In Lakhs

	Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Parties in H above	Total
Balances								
1	Trade Payables and Capital Creditors	343.71	331.16	176.02	22.41	-	31.52	904.82
2	Advances received from customer	0.02	-	-	-	-	-	0.02
3	Interest accrued	1,706.63	199.24	-	-	-	7,978.21	9,884.08
4	Advance for Supply of Goods and Services and Prepaid Exps.	-	-	-	-	-	14,600.99	14,600.99
5	Deposit Receivable	-	-	-	-	-	29,831.92	29,831.92
6	Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	-	-	-	-	55,621.39	55,621.39
7	Trade Receivables	5.32	531.89	10.70	102.34	41.49	3,210.27	3,902.01
8	Contractually reimbursable expense	-	50.03	-	-	-	-	50.03
9	Preference Shares classified as compound financial instrument	10.00	-	-	-	-	-	10.00
10	Payable pursuant to scheme of arrangement	-	881.93	-	-	-	-	881.93
11	Deposits Payable	-	250.03	-	-	-	-	250.03
12	Perpetual Loan - Instruments entirely equity in nature	6,175.00	-	-	-	-	-	6,175.00
Transactions								
Purchases / Services								
13	Purchase of Fixed Assets/ Goods and Materials	-	-	-	371.36	-	-	371.36
14	Real Estate Development Expenses	1,822.07	-	605.75	-	-	-	2,427.82
Sales / Services								
15	Goods and Materials	-	437.59	-	495.11	-	-	932.70
Expenses								
16	Repairs and Other Expenses	8.32	-	-	-	-	-	8.32
17	Travelling and conveyance expenses	-	19.30	-	-	-	-	19.30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
Current Year
(b) transactions/ balances with above mentioned related parties
₹ In Lakhs

		Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Parties in H above	Total
18	Legal and professional charges	17.15	-	-	-	-	-	-	17.15
19	Interest Paid	-	30.08	-	-	-	-	-	30.08
20	Brokerage and Commission Charges	-	20.36	-	-	-	-	-	20.36
21	Remuneration	-	-	-	-	-	367.79	-	367.79
22	Miscellaneous expenses	0.33	-	-	-	-	-	-	0.33
23	Selling & Distribution Expenses	-	-	50.72	-	-	-	-	50.72
	Income								
24	Rent and Other Service Charges	16.67	139.66	-	35.77	-	-	-	192.10
25	Interest Received	-	1.08	-	-	-	-	-	1.08
	Other Receipts								
26	Other Reimbursements (Receipts)	-	84.62	-	3.51	-	-	-	88.13
27	Other Reimbursements (Payments)	-	9.48	57.67	-	-	-	-	67.15
	Finance								
28	Deposit Given	-	75.00	-	-	-	-	-	75.00
29	Repayment of Deposits Given	-	75.00	-	-	-	-	-	75.00
30	Purchase / Subscriptions to Investments	-	-	-	249.50	-	-	-	249.50
31	Sale of Investment	-	0.02	-	-	-	-	-	0.02

For details of investments in associates and joint ventures refer Notes 9A and 9B

Terms and conditions:-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
48. Related Party Disclosures (Contd.)
Current Year
(b) transactions/ balances with above mentioned related parties
₹ In Lakhs

	A	B	B	B	B	B	B	B	B	B
	Shapoorji Pallonji and Company Private Limited	Afcons Infrastructure Limited	Floral Finance Private Limited	Forbes Precision Tools & Machine Parts Limited	Forvol International Services Limited	Gokak Textiles Limited	Gossip Properties Private Limited	Next Gen Publishing Limited	Relationship Properties Private Limited	Shapoorji Pallonji Infrastructure Capital Company Private Limited
Balances										
1. Trade Payables and Capital Creditors	343.71	-	-	330.38	***	-	-	-	-	-
2. Advances received from customer	0.02	-	-	-	-	-	-	-	-	-
3. Interest accrued	1,706.63	-	-	-	-	-	-	-	-	-
4. Advance for Supply of Goods and Services and Prepaid Exps.	-	-	-	-	-	-	-	-	-	-
5. Deposit Receivable	-	-	-	-	-	-	-	-	-	-
6. Provision for Doubtful Trade Receivables, Financial Assets and Deposits (including interest accrued thereon)	-	-	-	-	-	-	-	-	-	-
7. Trade Receivables	***	***	-	478.52	-	-	***	***	***	***
8. Contractually reimbursable expense	-	-	-	-	-	6.79	-	-	-	-
9. Preference Shares classified as compound financial instrument	10.00	-	-	-	-	-	-	-	-	-
10. Payable pursuant to scheme of arrangement	-	-	-	881.93	-	-	-	-	-	-
11. Deposits Payable	-	-	-	-	***	-	-	-	-	***
12. Perpetual Loan - Instruments entirely equity in nature	6,175.00	-	-	-	-	-	-	-	-	-
Transactions										
Purchases / Services										
13. Purchase of Fixed Assets/ Goods and Materials	-	-	-	-	-	-	-	-	-	-
14. Real Estate Development Expenses	1,822.07	-	-	-	-	-	-	-	-	-
Sales / Services										
15. Goods and Materials	-	-	-	437.59	-	-	-	-	-	-
Expenses										
16. Repairs and Other Expenses	8.32	-	-	-	-	-	-	-	-	-
17. Travelling and conveyance expenses	-	-	-	-	19.30	-	-	-	-	-
18. Legal and professional charges	17.15	-	-	-	-	-	-	-	-	-
19. Interest Paid	-	-	-	-	-	-	-	-	-	-
20. Brokerage and Commission Charges	-	-	-	-	20.36	-	-	-	-	-
21. Remuneration	-	-	-	-	-	-	-	-	-	-
22. Miscellaneous expenses	0.33	-	-	-	-	-	-	-	-	-
23. Selling & Distribution Expenses	-	-	-	-	-	-	-	-	-	-
Income										
24. Rent and Other Service Charges	***	-	-	***	***	-	-	-	-	***
25. Interest Received	-	-	-	1.08	-	-	-	-	-	-
Other Receipts										
26. Other Reimbursements (Receipts)	-	-	-	-	***	-	-	-	-	-
27. Other Reimbursements (Payments)	-	-	-	-	-	-	-	-	-	-
Finance										
28. Deposit Given	-	-	-	75.00	-	-	-	-	-	-
29. Repayment of Deposits Given	-	-	-	75.00	-	-	-	-	-	-
30. Purchase / Subscriptions to Investments	-	-	-	-	-	-	-	-	-	-
31. Sale of Investment	-	-	0.02	-	-	-	-	-	-	-

*** Amounts are below the threshold adopted by the Company (i.e. less than 10% of the respective category of transactions).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

₹ In Lakhs

B	B	B	B	B	B	C	D	E	E	E	E	F	H	H
Shapoorji Infrastructure Private Limited	Shapoorji Pallonji Energy Private Limited	Shapoorji Pallonji Development Managers Private Limited	Paikar Real Estates Private Limited	Stonesteel Prefab Private Limited	Shapoorji Pallonji Real Estate Private Limited	Neuvo Consultancy Service Limited	Forbes MACSA Private Limited	Coventry Properties Private Limited	SD SVP Nagar Redevelopment Private Limited	SD Corporation Private Limited	HPCL Shapoorji Energy Private Limited	Mr. Mahesh Tahilyani	Forbes Lux International AG	Lux International AG
-	-	-	-	-	-	176.02	***	-	-	-	-	-	-	31.52
-	-	***	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	7,978.21	-
-	-	-	-	-	-	-	-	-	-	-	-	-	14,600.99	-
-	-	-	-	-	-	-	-	-	-	-	-	-	29,831.92	-
-	-	-	-	-	-	-	-	-	-	-	-	-	52,411.12	3,210.27
***	***	***	43.24	***	***	***	***	***	***	***	***	-	-	3,210.27
-	48.25	200.00	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	371.36	-	-	-	-	-	-	-
-	-	-	-	-	-	605.75	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	495.11	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	30.08	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	367.79	-	-
-	-	-	-	-	-	50.72	-	-	-	-	-	-	-	-
-	123.01	-	-	-	-	-	35.77	-	-	-	-	-	-	-
-	-	-	83.60	-	-	-	***	-	-	-	-	-	-	-
-	-	-	9.48	-	-	57.67	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	249.50	-	-	-	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
**48. Related Party Disclosures
Key Managerial Personnel Remuneration**

Particulars	₹ in Lakhs	
	31st Mar., 2024	31st Mar., 2023
Short-term employee benefits	357.34	309.00
Post-employment benefits *	8.95	8.13
Long-term employee benefits	1.50	1.50
	367.79	318.63

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

Directors Sitting Fees:

Name	₹ in Lakhs	
	31st Mar., 2024	31st Mar., 2023
D. Sivanandhan	7.00	10.00
Shapoor P. Mistry	0.50	0.50
Jai L. Mavani	3.50	5.00
Rani Jadhav	3.50	5.50
Nikhil Bhatia	7.50	10.50
Total	22.00	31.50

Parties in G

Contribution to Post Employment Benefit Plan:

Name	₹ in Lakhs	
	31st Mar., 2024	31st Mar., 2023
Forbes & Company Limited Employees Provident Fund	28.51	100.91
	28.51	100.91

Previous Year
(b) transactions / balances with above mentioned related parties

	₹ In Lakhs						
	Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Total
Balances							
1 Trade Payables and Capital Creditors	448.12	16.73	450.46	-	-	-	915.32
2 Advances received from customer	0.02	-	-	-	-	-	0.02
3 Interest accrued	1,711.18	172.17	-	-	-	-	1,883.36
4 Trade Receivables	1.87	69.25	10.70	-	25.43	-	107.25
5 Contractually reimbursable expense	-	221.01	-	-	-	-	221.01
6 Preference Shares classified as compound financial instrument	10.00	-	-	-	-	-	10.00
7 Provision for Doubtful Loans and Advances	-	-	-	18.19	-	-	18.19
8 Provision for Doubtful Trade Receivables	-	-	-	-	-	-	0.01
9 Deposits Payable	-	414.56	-	-	-	-	414.55

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
₹ In Lakhs

	Parties in A above	Parties in B above	Parties in C above	Parties in D above	Parties in E above	Parties in F above	Total
10 Deposits Receivable	-	-	-	18.19	-	-	18.19
11 Perpetual Loan - Instruments entirely equity in nature	6,175.00	-	-	-	-	-	6,175.00
12 Advance for Supply of Goods and Services and prepaid expenses	31.25	-	-	-	-	-	31.25
Transactions							
Purchases / Services							
13 Real Estate Development Expenses	2,049.84	-	646.03	-	-	-	2,695.87
Sales / Services							
14 Fixed Assets / Investments/ Business	-	-	-	2.28	-	-	2.28
Expenses							
15 Repairs and Other Expenses	100.49	4.17	-	-	-	-	104.66
16 Travelling and conveyance expenses	-	90.96	-	-	-	-	90.96
17 Legal and professional charges	96.66	-	-	-	-	-	96.66
18 Dividend Paid	6,083.54	-	-	-	-	-	6,083.54
19 Interest Paid	27.99	30.00	55.69	-	-	-	113.68
20 Remuneration	-	-	-	-	-	318.63	318.63
21 Miscellaneous expenses	0.25	-	-	-	-	-	0.25
22 Selling & Distribution Expenses	-	139.10	110.50	-	-	-	249.60
Income							
23 Rent and Other Service Charges	13.78	116.97	14.55	5.73	-	-	151.03
24 Profit on sale / Diminution in the value of Investments / Sale of Assets	-	-	-	1.01	-	-	1.01
25 Miscellaneous Income	-	-	1.35	-	-	-	1.35
Other Receipts							
26 Other Reimbursements (Receipts)	-	75.85	-	2.68	-	-	78.53
27 Other Reimbursements (Payments)	-	129.89	65.53	-	-	-	195.41
Finance							
28 Repayment of Deposits Taken	1,000.00	-	2,200.00	-	-	-	3,200.00
29 Share application money paid	-	-	-	250.00	-	-	250.00

For details of investments in associates and joint ventures refer Notes 9A and 9B

Terms and conditions:-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
48. Related Party Disclosures (Contd.)
Previous Year
(b) transactions/ balances with above mentioned related parties
₹ In Lakhs

	A	B	B	B	B	B	B	B	B	B	B
	Shapoorji Pallonji and Company Private Limited	Afcons Infrastructure Limited	Forvol International Services Limited	ESPI Holdings Mauritius Ltd	Gokak Textiles Limited	Gossip Properties Private Limited	Next Gen Publishing Limited	Relationship Properties Private Limited	Shapoorji Pallonji Infrastructure Capital Company Private Limited	Shapoorji Infrastructure Private Limited	Shapoorji Pallonji Energy Private Limited
Balances											
1 Trade Payables and Capital Creditors	448.12	-	***	-	-	-	-	-	-	-	-
2 Advances received from customer	0.02	-	-	-	-	-	-	-	-	-	-
3 Interest accrued	1,711.18	-	-	-	-	-	-	-	-	-	-
4 Trade Receivables	***	15.86	-	-	-	***	***	***	***	***	***
5 Contractually reimbursable expense	-	-	-	-	***	-	-	-	-	-	-
6 Preference Shares classified as compound financial instrument	10.00	-	-	-	-	-	-	-	-	-	-
7 Provision for Doubtful Loans and Advances	-	-	-	-	-	-	-	-	-	-	-
8 Provision for Doubtful Trade Receivables	-	-	-	-	-	-	-	-	-	-	-
9 Deposits Payable	-	-	-	165.31	-	-	-	-	***	-	48.25
10 Deposits Receivable	-	-	-	-	-	-	-	-	-	-	-
11 Perpetual Loan - Instruments entirely equity in nature	6,175.00	-	-	-	-	-	-	-	-	-	-
12 Advance for Supply of Goods and Services and prepaid expenses	31.25	-	-	-	-	-	-	-	-	-	-
Transactions											
Purchases / Services											
13 Real Estate Development Expenses	2,049.84	-	-	-	-	-	-	-	-	-	-
Sales / Services											
14 Fixed Assets / Investments/ Business	-	-	-	-	-	-	-	-	-	-	-
Expenses											
15 Repairs and Other Expenses	100.49	-	-	-	-	-	-	-	-	-	-
16 Travelling and conveyance expenses	-	-	90.96	-	-	-	-	-	-	-	-
17 Legal and professional charges	96.66	-	-	-	-	-	-	-	-	-	-
18 Dividend Paid	6,083.54	-	-	-	-	-	-	-	-	-	-
19 Interest Paid	27.99	-	-	-	-	-	-	-	-	-	-
20 Remuneration	-	-	-	-	-	-	-	-	-	-	-
21 Miscellaneous expenses	0.25	-	-	-	-	-	-	-	-	-	-
22 Selling & Distribution Expenses	-	-	139.10	-	-	-	-	-	-	-	-
Income											
23 Rent and Other Service Charges	***	-	***	-	-	-	-	-	***	-	113.04
24 Profit on sale / Diminution in the value of Investments / Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
25 Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-
Other Receipts											
26 Other Reimbursements (Receipts)	-	-	***	-	-	-	-	-	-	-	-
27 Other Reimbursements (Payments)	-	-	-	-	-	-	-	-	-	-	-
Finance											
28 Repayment of Deposits Taken	1,000.00	-	-	-	-	-	-	-	-	-	-
29 Share application money paid	-	-	-	-	-	-	-	-	-	-	-

*** Amounts are below the threshold adopted by the Company (i.e. less than 10% of the respective category of transactions).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
₹ In Lakhs

B	B	B	B	B	B	B	B	C	C	D	D	E	E	F
<i>Sterling and Wilson Solar Limited</i>	<i>Shapoorji Pallonji Development Managers Private Limited</i>	<i>Paikar Real Estates Private Limited</i>	<i>United Motors (India) Private Limited</i>	<i>Conventry Properties Private Limited</i>	<i>Sd SVP Nagar Redevelopment Private Limited</i>	<i>Stonesteel Prefab Private Limited</i>	<i>Shapoorji Pallonji Real Estate Private Limited</i>	<i>Neuvo Consultancy Service Limited</i>	<i>Shapoorji Pallonji Forbes Shipping Limited</i>	<i>Forbes MACSA Private Limited</i>	<i>Forbes Concept Hospitality Services Pvt Ltd</i>	<i>SD Corporation Private Limited</i>	<i>HPCL Shapoorji Energy Private Limited</i>	<i>Managing Director, Mr. Mahesh Tahilyani</i>
-	-	***	-	-	-	-	-	450.46	-	-	-	-	-	-
-	***	-	-	-	-	-	-	-	-	-	-	-	-	-
-	***	-	-	***	14.79	15.12	***	***	-	-	-	25.23	***	-
-	-	214.22	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	18.19	-	-	-
-	200.00	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	18.19	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	646.03	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	2.28	-	-	-	-
***	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	30.00	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	55.69	-	-	-	-	318.63
-	-	-	-	-	-	-	-	110.50	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	***	***	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	1.01	-	-	-
-	-	-	-	-	-	-	-	-	1.35	-	-	-	-	-
-	-	72.68	***	-	-	-	-	-	-	-	***	-	-	-
-	-	129.89	-	-	-	-	-	65.48	***	-	-	-	-	-
-	-	-	-	-	-	-	-	-	2,200.00	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	250.00	-	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
49. Summarised financial information for the joint venture or associate is as below:
A. Associates

		₹ in Lakhs		
Sl. No	Particulars	Country of Incorporation	31st March, 2024	31st March, 2023
1	Nuevo Consultancy Services Private Limited (including Dhan Gaming Solution (India) Private Limited)	India		
	<u>Summarised Balance Sheet</u>			
	Non Current assets		492.62	307.22
	Current assets		6,928.87	10,576.79
	Total Assets		7,421.49	10,884.01
	Non Current liabilities		524.83	525.62
	Current liabilities		4,655.53	7,520.21
	Total Liabilities		5,180.36	8,045.83
	Net Assets		2,241.13	2,838.18
	Less: Perpetual Loan		600.00	600.00
	Net Assets		1,641.13	2,238.18
	% Holding		49%	49%
	Carrying value of investments		804.00	1,096.55
	<u>Summarised Statement of Profit & Loss</u>			
	Revenue from operations		1,843.83	1,749.42
	Profit/(loss) from continuing operations		(597.05)	207.44
	Post-tax profit/(loss) from discontinued operations		-	-
	Other comprehensive income		-	-
	Total comprehensive income		(597.05)	207.44
	Dividends received from Associate		-	-
	<u>Additional summarised financial information</u>			
	Cash and cash equivalents included in current assets		6.01	70.14
	Current financial liabilities (excluding trade and other payables and provisions) included in current liabilities		2,966.73	6,535.31
	Non-Current financial liabilities (excluding trade and other payables and provisions) included in non current liabilities		450.00	450.00
	Depreciation and amortisation		4.81	1.75
	Interest income		936.05	931.98
	Interest expense		648.34	662.47
	Income tax Expense/(income)		-	0.17

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
B. Joint Venture
₹ in Lakhs

Sl. No	Particulars	Country of Incorporation	31st March, 2024	31st March, 2023
1	Forbes Bumi Armada Limited	India		
	<u>Summarised Balance Sheet</u>			
	Non Current assets		143.08	169.87
	Current assets		3,913.98	3,086.09
	Total Assets		4,057.06	3,255.96
	Non Current liabilities		8.12	5.88
	Current liabilities		1,515.83	1,099.26
	Total Liabilities		1,523.95	1,105.14
	Net Assets		2,533.11	2,150.82
	Less: Perpetual Loan		-	-
	Net Assets		2,533.11	2,150.82
	% Holding		51%	51%
	Carrying value of investments		1,291.94	1,096.92
	<u>Summarised Statement of Profit & Loss</u>			
	Revenue from operations		6,836.91	5,777.27
	Profit/(loss) from continuing operations		382.21	305.71
	Post-tax profit/(loss) from discontinued operations		-	-
	Other comprehensive income		0.07	0.12
	Total comprehensive income		382.28	305.83
	Dividends received from Associate		-	-
	<u>Additional summarised financial information</u>			
	Cash and cash equivalents included in current assets		11.54	26.93
	Current financial liabilities (excluding trade and other payables and provisions) included in current liabilities		1,122.40	942.39
	Non-Current financial liabilities (excluding trade and other payables and provisions) included in non current liabilities		-	-
	Depreciation and amortisation		12.45	29.88
	Interest income		5.73	3.87
	Interest expense		0.23	2.54
	Income tax Expense/(income)		100.20	94.36

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Sl. No	Particulars	Country of Incorporation	₹ in Lakhs	
			31st March, 2024	31st March, 2023
2	Forbes Concept and Hospitality Services Private Limited	India		
	<u>Summarised Balance Sheet</u>			
	Non Current assets		-	11.56
	Current assets		-	7.15
	Total Assets		-	18.71
	Non Current liabilities		-	-
	Current liabilities		-	19.42
	Total Liabilities		-	19.42
	Net Assets		-	(0.71)
	Less: Perpetual Loan		-	-
	Net Assets		-	(0.71)
	% Holding			50%
	Carrying value of investments		-	-
	<u>Summarised Statement of Profit & Loss</u>			
	Revenue from operations		-	-
	Profit/(loss) from continuing operations		(0.30)	(1.76)
	Post-tax profit/(loss) from discontinued operations		-	-
	Other comprehensive income		-	-
	Total comprehensive income		(0.30)	(1.76)
	Dividends received from Associate		-	-
	<u>Additional summarised financial information</u>			
	Cash and cash equivalents included in current assets		-	3.09
	Current financial liabilities (excluding trade and other payables and provisions) included in current liabilities		-	19.42
	Non-Current financial liabilities (excluding trade and other payables and provisions) included in non current liabilities		-	-
	Depreciation and amortisation		-	-
	Interest income		0.31	1.05
	Interest expense		0.46	1.34
	Income tax Expense/(income)		-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
₹ in Lakhs

Sl. No	Particulars	Country of Incorporation	31st March, 2024	31st March, 2023
3	Forbes Macsa Private Limited	India		
	<u>Summarised Balance Sheet</u>			
	Non Current assets		35.52	34.01
	Current assets		383.80	491.83
	Total Assets		419.32	525.84
	Non Current liabilities		4.41	15.44
	Current liabilities		156.71	23.85
	Total Liabilities		161.12	39.29
	Net Assets		258.20	486.55
	Less: Perpetual Loan			
	Net Assets		258.20	486.55
	% Holding		50%	50%
	Carrying value of investments		129.09	243.28
	<u>Summarised Statement of Profit & Loss</u>			
	Revenue from operations		564.47	-
	Profit/(loss) from continuing operations		(228.21)	(13.23)
	Post-tax profit/(loss) from discontinued operations		-	-
	Other comprehensive income		(0.16)	(0.22)
	Total comprehensive income		(228.37)	(13.45)
	Dividends received from Associate		-	-
	<u>Additional summarised financial information</u>			
	Cash and cash equivalents included in current assets		266.47	482.36
	Current financial liabilities (excluding trade and other payables and provisions) included in current liabilities		25.04	12.91
	Non-Current financial liabilities (excluding trade and other payables and provisions) included in non current liabilities		-	13.17
	Depreciation and amortisation		26.85	1.22
	Interest income		18.00	-
	Interest expense		3.47	-
	Income tax Expense/(income)		-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
50. Leases
i) Amounts recognized in Balance Sheet

The balance sheet shows the following amounts relating to leases:

Particulars	31st Mar., 2024	<i>31st Mar., 2023</i>
Right-of-use assets	458.06	494.45
Right-of-use assets pertaining to discontinued operations	-	1,619.25
Total	458.06	2,113.70
Particulars	31st Mar., 2024	<i>31st Mar., 2023</i>
Lease liabilities		
Non-current	493.58	509.32
Current	10.12	1.19
Lease liabilities pertaining to discontinued operations	-	1,555.65
Total	503.70	2,066.16

Additions to right-of-use asset during the year were ₹ 28.61 Lakhs (*Previous year ₹ 845.86 Lakhs*)

ii) Amounts recognized in Statement of Profit and Loss.

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

Particulars	31st Mar., 2024	<i>31st Mar., 2023</i>
Depreciation charge of right-of-use assets - Continuing Operations	36.39	510.63
Depreciation charge of right-of-use assets - Discontinued operations	112.03	12.83
Total	148.42	523.46
Interest expense on lease liability (included in finance cost)- Continuing Operations and Discontinued operations	67.72	112.60
Expense relating to short term leases (Included in Other Expenses)- Continuing Operations and Discontinued operations	2.97	705.94
Expense relating to low value assets that are not shown above as short term leases (Included in Other Expenses) - Continuing Operations and Discontinued operations	-	-
Total	219.11	1,342.00

The total cash outflow for leases in year ended 31st March, 2024 was ₹ 179.19 Lakhs (*Previous Year ₹ 612.21 Lakhs*) for continued and discontinued operations.

(iii) Critical judgements in determining the lease term

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

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

1. If there is significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

2. If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate)
3. Otherwise, the Group considers the other factors including historical lease duration and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise it. The assessment of reasonably certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within control of lessee.

Lessor accounting as a lessor

The Group did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a results of the adoption of Ind AS 116.

Maturity profile of Lease liabilities as of 31st March, 2024 and 31st March, 2023 is as below:

Lease Liabilities	₹ in Lakhs	
	As at 31st March, 2024	<i>As at 31st March, 2023</i>
Before 3 months	2.03	<i>1.33</i>
3 – 6 months	2.08	<i>1.36</i>
6 – 12 months	6.01	<i>5.59</i>
1 – 3 years	29.68	<i>22.52</i>
3 – 5 years	46.74	<i>37.69</i>
Above 5 years	417.16	<i>441.92</i>
Total	503.70	<i>510.41</i>

51. Ind AS 115 'Revenue from Contracts with Customers'

Ind AS 115 'Revenue from Contracts with Customers', a new accounting standard notified by the Ministry of Corporate Affairs (MCA) on 28th March, 2018 was effective from accounting period beginning on or after 1st April, 2018 and replaced the existing revenue recognition standards. The application of Ind AS 115 had a significant bearing on the Groups's accounting for recognition of revenue from real estate development projects. Considering the terms of the contract, receipt of Occupancy Certificate for Phase II of the real estate development project, issuance of possession letters and transfer of control of the real estate units to the customers, the Group has recognized revenue of ₹ 7,557.00 Lakhs for the year ended 31st March 2024 and ₹ 238.00 Lakhs for the year ended 31st March 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued
52 Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	(₹ in Lakhs)	
		As at 31st Mar., 2024	As at 31st Mar., 2023
Current			
Floating charge			
Financial Assets			
Investments	9	3,434.64	
Trade receivables	8	595.02	687.09
Cash and cash equivalents	12A	1,820.47	-
Bank balances other than above	12B	1,208.37	-
Loans	10B	1.82	-
Other financial assets	13B	570.08	-
Other current assets	14B	1,924.23	-
Asset classified as held for sale	15B	3.83	-
		<u>9,558.46</u>	<u>687.09</u>
Non-financial assets			
Inventories	11	465.92	331.56
Total current assets pledged as security		<u>10,024.38</u>	<u>1,018.65</u>
Non-current			
Specific charge			
Leasehold Land	4	-	10.13
Buildings	4	-	3,553.47
Plant and Equipment (Owned)	4	-	4,918.88
Furniture and Fixtures	4	-	24.44
Office Equipments	4	-	3.35
Total non-currents assets pledged as security		<u>-</u>	<u>8,510.27</u>
Total assets pledged as security		<u>10,024.38</u>	<u>9,528.92</u>

First Charge on entire current assets of the Company, both present and future on Pari-Passu basis with other lender except on Receivables / stock pertaining to Real Estate Project Vicinia.

53 Scheme of Arrangement

The Board of Directors of the Company (FCL or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") in their respective meetings held on 26th September 2022, approved the Scheme of Arrangement ("Scheme") between the Company and FPTL, as well as their respective shareholders, in accordance with Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions and rules. This Scheme entails the demerger of the "Precision Tools business" from the Company into FPTL, with an appointed date of 1st April, 2023.

The Honorable National Company Law Tribunal ("NCLT") of the Mumbai bench approved the scheme via Order No. C.P.(CAA)/303/MB-V/2023 dated 9th February, 2024. The certified true copy of the order was received on 22nd February, 2024 and filed with the Registrar of the Company on 1st March 2024. The Scheme became effective / operative from the effective date of 1st March, 2024, with this, the Precision Tools business of FCL being transferred to and vested in FPTL with effect from the appointed date i.e., 1st April, 2023.

Upon the coming into effect of the Scheme, the existing investment in shares capital of FPTL, amounting to ₹ 5.00 lakhs divided into 50,000 shares of ₹ 10 each, fully paid up, prior to the Scheme becoming effective, shall stand cancelled without any further application, act, instrument, or deed, as an integral part of this Scheme, with adjustments done through General reserve of the Company. As per the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Composite Scheme of Arrangement, the Resulting Company has issued four fully paid-up equity shares of ₹ 10/- each for every one fully paid-up equity share of ₹ 10/- each held by the equity shareholders of the Demerged Company (FCL) as of the Record Date, which was 7th March, 2024. The shareholders of the Company (FCL) are entitled to receive 4 shares of FPTL against each share held by them. The record date for allotment was fixed as 7th March, 2024, and the issuance and allotment of equity shares took place on 13th March, 2024. From the appointed date, the precision tools business of FCL, including all its assets and liabilities is transferred and vested to FPTL in accordance with this Scheme. FPTL is in process of listing of its shares with BSE Limited.

From the appointed date, the precision tools business of FCL, including all its assets and liabilities is transferred and vested to FPTL in accordance with this Scheme.

The summary of results of the aforesaid discontinued operations, as included in the consolidated financials statements, are as follows: -

Particulars	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Revenue (Including Other Income)	-	20,590.77
Expenses	-	(18,318.85)
Profit/ (Loss) before tax and Exceptional items from discontinued operations	-	2,271.92
Exceptional Items income/(expense)	-	-
Profit/ (Loss) before tax from discontinued operations	-	2,271.92
Tax expense	-	(269.38)
Profit/ (Loss) after tax from discontinued operations	-	2,002.54

Pursuant to the demerger, the book value of assets and liabilities transferred under the scheme of arrangement as on appointed date are listed below:

Assets/ (Liability)	Amount (₹ in Lakhs)
<u>Assets</u>	
<u>Non Current Assets</u>	
Property, Plant and Equipment	8,414.02
Right-of-use assets	30.48
Capital work-in-progress	182.80
Other Intangible assets	73.20
Other financial assets	81.64
Income tax assets (net)	4.31
Other non-current assets	230.33
<u>Current Assets</u>	
Inventories	3,115.23
Trade receivables	2,236.80
Cash and cash equivalents	338.16
Bank balances other than above	33.68
Loans	0.28
Other current assets	282.80
Total Assets	15,023.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Assets/ (Liability)	Amount (₹ in Lakhs)
<u>Liabilities</u>	
<u>Non Current Liabilities</u>	
Borrowings	1,012.95
Lease liability	18.56
Deferred tax liabilities (net)	234.44
<u>Current Liabilities</u>	
Borrowings	243.25
Trade payables	1,835.89
Lease liability	3.03
Other financial liabilities	131.17
Provisions	27.58
Other current liabilities	742.78
Total Liabilities	4,249.65
Net Worth	10,774.08

Further, the net impact of certain assets and liabilities transferred from the Company to FPTL is resulting in net payable of ₹ 881.93 Lakhs to Forbes Precision Tools Limited (FPTL). Details of which are as follows:

		Amount (₹ in Lakhs)
Shown as payable on account of HDFC Life – Leave encashment	346.38	This amount, pertaining to the employees transferred, was payable to FPTL through Company by HDFC Life Insurance Company Limited which has been paid on 16th April, 2024 to the leave encashment policy of the FPTL with HDFC Life Insurance Company Limited.
Shown as payable on account of Gratuity fund with LIC.	535.55	This amount would be transferred from LIC – Forbes Gratuity account to the FPTL Gratuity account by LIC
Total	881.93	

54 Business Combinations and Disposal and Deconsolidation of Subsidiaries
54.1 Liquidation and Dissolution of Forbes Lux International AG (FLIAG) and its subsidiaries

Forbes Lux International AG (FLIAG), a subsidiary of the company, along with its subsidiary Lux International AG (LIAG) and step-down subsidiaries, has been facing with a severe liquidity crisis for the past several years. Given the ongoing losses and financial difficulties, the management of FLIAG, LIAG, and Lux Schweiz AG submitted an application on April 11, 2023, seeking a provisional debt restructuring moratorium from the Bülach District Court in Wallisellen, Switzerland. By an order dated April 17, 2023, the court granted a provisional moratorium, which will be in effect for four months, until August 17, 2023, to facilitate the restructuring of these companies. A Provisional Administrator was appointed to assess the prospects for this restructuring. The Provisional Administrator submitted the final report to the Court on August 2, 2023. Based on the Administrator's final report, the Court determined that FLIAG, being a pure holding company that hasn't generated any income for a considerable period and has ceased its operational activities, is not viable. Similarly, Lux Schweiz AG has also discontinued its operational activities and income generation, leading to the decision to initiate bankruptcy proceedings for these companies. As for LIAG, the court has granted an extension of the moratorium period until December 1, 2023. Consequently, FLIAG and Lux Schweiz have been declared bankrupt by an order dated August 14, 2023.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Subsequently, following due process, the bankruptcy officials issued a publication on September 8, 2023, announcing the closure of the bankruptcy proceedings due to lack of assets unless a creditor requests implementation within a specified 10-day period. Since no opposition was filed with the Bankruptcy Officer during the stipulated timeline, Forbes Lux International AG, in Liquidation and Lux Schweiz AG, in Liquidation were liquidated and dissolved. In the context of FLIAG's bankruptcy proceedings, Lux International AG, in Liquidation (LIAG), a subsidiary of FLIAG, has been disposed of by the bankruptcy official. Consequently, FLIAG and its subsidiaries are no longer considered subsidiaries of the Company.

Accordingly, the Company did not include the consolidation of Ind AS standalone financial statements of the foreign direct Subsidiary, Forbes Lux International AG (FLIAG), and the consolidated financial statements of the step-down foreign subsidiary, Lux International AG (LIAG). This decision was made based on the guidance from Ind-AS 110, as the "control" is not established according to the facts and circumstances mentioned above. The company does not have the ability to use its power to affect the investor's returns from its involvement with the investee".

Further, the financial statements have been presented considering the liquidation and dissolution of FLIAG and disposed off the LIAG, as a discontinued operation on the face of Profit and loss accounts in the current and comparative reporting periods. The figures for discontinued operations are based on the standalone financial statements of FLIAG and the consolidated financial statements of LIAG, both certified by management up to June 30, 2023 and submitted to the bankruptcy official /District Court of Buelach, Wallisellen, Switzerland for the liquidation of FLIAG.

The summary of results of the aforesaid discontinued operations, as included in the consolidated financials statements, are as follows: -

Particulars	Year Ended 31st Mar., 2024	<i>Year Ended 31st Mar., 2023</i>
Revenue (Including Other Income)	9,885.01	<i>21,135.40</i>
Expenses	(9,207.14)	<i>(20,053.64)</i>
Profit/ (Loss) before tax and Exceptional items from discontinued operations	677.87	<i>1,081.76</i>
Exceptional Items income/(expense)	(2,887.69)	<i>-</i>
Profit/ (Loss) before tax from discontinued operations	(2,209.82)	<i>1,081.76</i>
Tax expense	(128.99)	<i>(1,867.05)</i>
Profit/ (Loss) after tax from discontinued operations	(2,338.81)	<i>(785.29)</i>

The assets and liabilities derecognised on the liquidation/ dissolution of FLIAG and its subsidiaries are as follows:

Assets/ (Liability)	Amount (Rs in Lakhs)
<u>Assets</u>	
<u>Non Current Assets</u>	
Property, Plant and Equipment	613.06
Right-of-use assets	1,463.52
Other Intangible assets	488.84
Trade receivables	806.99
Deferred tax assets (net)	394.11
Other non-current assets	5.36
<u>Current Assets</u>	
Inventories	2,038.48
Trade receivables	2,904.46
Cash and cash equivalents	381.70
Bank balances other than above	70.60
Other current assets	1,243.11
Total Assets	10,410.23

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Assets/ (Liability)	Amount (Rs in Lakhs)
<u>Liabilities</u>	
<u>Non Current Liabilities</u>	
Borrowings	891.31
Lease liability	1,068.17
Other financial liabilities	370.88
Provisions	323.51
Deferred tax liabilities (net)	1,334.22
<u>Current Liabilities</u>	
Borrowings	2,594.35
Trade payables	1,614.55
Lease liability	457.22
Other financial liabilities	75.96
Provisions	210.01
Current tax liabilities (net)	25.92
Other current liabilities	1,760.53
Total Liabilities	10,726.63
Net Assets/ (Liability)	(316.40)

Foot note:

Forbes Lux International AG (FLIAG) was dissolved following a bankruptcy process managed by the bankruptcy official. During this process, FLIAG's subsidiaries were also disposed of/liquidated. As a result, FLIAG and its subsidiaries have not been included in the consolidated financial statements of the company. All investments and advances made to FLIAG have been fully impaired /provided for in the books of the company. The advances recoverable from FLIAG, already impaired / provided for, will be written off in the Company's financial statements after necessary regulatory compliances.

54 Business Combinations and Disposal and Deconsolidation of Subsidiaries

54.2 The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23rd February, 2022 and agreement for sale executed on 20th May, 2022. The transaction has been completed on 1st July 2022 a sales consideration of ₹ 4,200 Lakhs.

The assets and liabilities derecognised as at the date of sale are as follows:

Particulars	Forbes Facility Services Private Limited (₹ in Lakhs)
Assets	
Property, plant and equipment	307.99
Right of use assets	92.65
Other Non-Current financial asset	173.94
Other non-current assets	1.23
Income Tax Assets (Net)	1,404.33
Inventories	210.61
Trade receivables	3,316.22
Cash and cash equivalents	35.94
Bank balance other than Cash and cash equivalents	5.94
Other current financials assets	18.16
Other current assets	50.91
Total Assets (A)	5,617.92

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

Particulars	Forbes Facility Services Private Limited (₹ in Lakhs)
Liabilities	
Non current Lease liabilities	60.22
Non Current Provisions	9.73
Short Term Borrowings	1,460.30
Trade Payables	1,305.83
Current Lease liabilities	54.06
Current Provisions	485.99
Other current financial liabilities	660.62
Other current liabilities	368.17
Total Liabilities (B)	4,404.92
Net Assets (A-B)	1,213.00
Sale consideration	4,200.00
Gain recognised on Loss of Control (D-A+C)	2,987.00

During the quarter ended 31st December 2023, the Company has received an amount of ₹ 74.00 Lakhs and ₹ 41.00 Lakhs in the month of January, 2024 on settlement of legal disputes between FFSP and customers against the previously withheld amount of ₹ 240.00 Lakhs. The provision made earlier on account of legal disputes is reversed to the extent of ₹ 115.00 Lakhs and recognized as gain in the profit & loss account.

54.3 The Board of Directors of Forbes Technosys Limited, a subsidiary of the Group ("FTL"), in its meeting held on 27th December, 2021, after considering the rationale and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification and re-enactment thereof for the time being in force) read with the Companies (Compromises, Arrangements and Amalgamations) Rules 2016, enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approval of the shareholders of the Company and the sanction of the jurisdictional National Company Law Tribunal and such other competent authority as may be applicable, approved the Composite Scheme of Arrangement between Forbes Campbell Service Limited ("FCSL") and FTL and their respective shareholders ('the Scheme'). The Scheme was, subsequently, approved by the shareholders of the FTL.

The Scheme inter-alia proposes for amalgamation of FCSL into FTL and reduction of share capital of FTL before the said amalgamation. Subject to the requisite approvals, through the above-mentioned Scheme, FTL has proposed to proportionately reduce capital by cancelling –

- a) 9,39,48,228 equity shares of ₹ 10 each out of the existing 9,48,97,200 equity shares of ₹ 10 each fully paid up for a consideration of ₹ 0.001 for each equity share so cancelled.
- b) 6,13,80,000 "10% Optionally Convertible Redeemable Preference Shares" (OCRPS) of ₹ 10 each out of the existing 6,20,00,000 OCRPS of ₹ 10 each fully paid up for a consideration of ₹ 0.001 for each OCRPS so cancelled.
- c) 99,00,000 "0.10% Non-Convertible Redeemable Preference shares" (NCRPS) of ₹ 10 each out of the existing 1,00,00,000 NCRPS of ₹ 10 each fully paid up for a consideration of ₹ 0.001 for each NCRPS so cancelled.

The Scheme proposes that a consideration of ₹ 3 Lakhs "6% Non-cumulative Non-Convertible Redeemable Preference Shares" (NCRPS) of ₹ 10 each of FTL shall be issued and allotted to the Equity Shareholders of the FCSL in proportion to their holding in FCSL as on the Record Date for Amalgamation.

Subsequently, The NCLT, in its order dated 16th September, 2022 ('the order') approved the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Services Limited ('FCSL') into FTL and reduction of share capital of FTL ('the scheme'). Pursuant to the order, the Appointed Date of the Scheme is fixed at 1st October 2022 and the Scheme become effective from 29th September 2022 i.e., the last date on which the certified copy of the order was filed with the Registrar of Companies by both the companies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

The amalgamation has been accounted by applying the principle as set out in Appendix C of IND AS 103 “Business Combinations” and in accordance with the Ministry of Corporate Affairs (MCA) circular dated 21st August ,2019, FTL has considered the Appointed date i.e., 1st October 2021 as the date of amalgamation.

Accordingly, FTL has prepared its financial results for the quarter and half year ended 30th September, 2022 after giving effect of the aforesaid scheme and corresponding figures for the quarter ended 30th June 2022 and for the year and for the year ended 31st March 2022 have been restated to give effect of the scheme with effect from 1st October 2021. On the Scheme becoming effective and with effect from the Appointed Date, the FTL has-

- A. Accounted an aggregate gain of ₹ 16,417 Lakhs directly in retained earnings to the extent pertaining to equity portion and a gain of ₹ 380 Lakhs on reduction of liability portion of preference share, on proportionate reduction of –
- its equity share capital by cancelling 9,39,48,228 equity shares of ₹ 10 each for a consideration of ₹ 0.001 per share.
 - its preference share capital by cancelling 6,13,80,000 10% Optionally Convertible Redeemable Preference Shares (OCRPS) of ₹ 10 each for a consideration of ₹ 0.001 per share.
 - its preference share capital by cancelling 99,00,000 0.10% Non-Convertible Redeemable Preference shares (NCRPS) of ₹ 10 each for consideration of ₹ 0.001 per share.
- B. Accounted for amalgamation of FCSL as per pooling of interest method by combining the assets, liabilities and reserves of the FCSL at their carrying amounts with only such adjustments which are required to harmonise the accounting policies. The consideration for amalgamation is payable to the shareholders of FCSL in the form of 2,60,000 6% Non-cumulative Non-convertible Redeemable Preference Shares (NCRPS) of Rs. 10 each in proportion of their holdings in FCSL on Record Date. Until the date of allotment of such NCRPS, the Company has accounted a financial liability of ₹ 26 Lakhs for the consideration issuable under the Scheme. The difference between the consideration issuable and the capital of FCSL, after adjustments for changes in deferred taxes, have been transferred to capital reserve on amalgamation (debit balance).
- 55 Forbes Technosys Limited (FTL), a wholly owned subsidiary, had issued 1,00,000 (after capital reduction), 0.1 % Cumulative Non Convertible Redeemable Participating Preference Shares of ₹ 10 each in an earlier year . The Preference Shares shall be redeemable at par upon the expiry of 20 Years from date of allotment. The Preference Shares shall have right to dividend with Equity shareholders up to 8% after dividend of 0.1% has been paid to Equity shareholders and has voting right only for matters which directly affects the rights attached to Preference shares. Details of the same are as below:

Particulars	₹ In Lakhs	
	As at 31st Mar., 2024	As at 31st Mar., 2023
Proceeds from issue	10.00	10.00
Liability component at the date of issue	(1.06)	(1.06)
Equity Component	8.94	8.94
Liability Component (included in "Non-current borrowing" (refer Note 21)	1.06	1.06
Interest accrued as at the beginning of the year	3.24	3.00
Interest charged calculated at an effective interest rate	2.95	0.24
Less: Capital Reduction as per Composite Scheme of Arrangement	-	-
Interest accrued as at the end of the year (included in "Non-current borrowing" (refer Note 19)	6.19	3.24

- 56 In Forbes Technosys Limited (FTL), a subsidiary of the Group, expense in respect of shortages and written down of slow-moving, damaged or obsolete inventories to their net realisable value amounted to ₹ 28.26 lakh (2023: ₹ 96.97 lakh). The following amounts have been disclosed separately in the statement of profit and loss during the year as exceptional item.
- 57 The Company has granted secured loan to Svadeshi Mills Company Limited in past for which full provision exists in the consolidated financial statements, aggregating to ₹ 4,391.78 Lakhs as at 31st March, 2024 (31st March, 2023 ₹ 4,391.78 Lakhs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

58. a. The following matter has been included in the financial statements of Forbes Technosys Limited (FTL), a subsidiary, which is reproduced as follows:

"Mangement note on material uncertainty related to going concern:

- A) The Company has incurred a net loss of Rs. 46.32 lakhs for the year March 31, 2024 and a net loss of Rs. 3,384.96 lakhs for the year ended March 31, 2023. The Company's current liabilities exceeded its current assets by Rs. 11,011.01 lakhs as at March 31, 2024. The Company has accumulated losses of Rs. 18,322.65 lakhs and its net-worth is negative as at March 31, 2024. These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern.

Subsequent to the setback of Covid-19 pandemic, the Company had been confident of repayment of all liabilities, as and when due, from business operations and/ or financial support from the Parent Company and other shareholders. The Company also received the approval from the National Company Law Tribunal – Mumbai Bench ('the NCLT') for the Composite scheme of arrangement during the previous year to improve the position of the Company.

However, due to continuing losses and withdrawal of support from its operational creditors to provide further credit on outstanding dues and non-receipt of its dues by its trade receivables, a corporate insolvency resolution process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 has been initiated by the Company voluntarily vide application filed before the NCLT on February 20, 2024. The hearing of the said application is awaited. During the pendency of such application before the NCLT, the financial statements for the year ended March 31, 2024 have been prepared on a going concern basis.

- B) FTL is in the process of negotiating settlements with and obtaining balance confirmations, from its outstanding trade payables (other than related parties) of Rs. 1,693.43 lakhs and trade receivables of Rs. 308.22 lakhs as at March 31, 2024 which has not been completed as on the date of these financial statements and the adjustment of such process, if any, shall be accounted for when such process is complete. FTL has assessed recoverability of its assets such as trade receivables, inventory, other current assets and loans and advances and believes that the carrying cost of all its assets (net of provisions) are recoverable. Consequently, the management believes that there will not be any material impact on the recoverability of these assets."

59. A The Board of Directors of the Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali. Accordingly, the net carrying value aggregating ₹ 2,315.70 Lakhs [including ₹ 2,277.08 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during quarter ended 31st March, 2022], has been reflected as asset held for sale as on 31st March, 2022.

Pursuant to the Board of Directors meeting dated 24th March, 2022, the Company has entered into a new Agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an aggregate consideration of ₹ 23,500.00 Lakhs, which was executed on 24th March, 2022 and the completion of the said transaction was subject to fulfilment of conditions precedent.

The transaction for sale of Chandivali land with Equinix got concluded on 28th June 2022 post completion of the conditions precedent and the Company received entire consideration of ₹ 23,500.00 Lakhs during the year ended 31st March, 2023. The difference between the net disposal proceeds and the carrying amount of the land amounting to ₹ 20,684.00 Lakhs has been recognized as gain on disposal for the year ended 31st March, 2023 and reflected in other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the year ended 31st March, 2023.

- B The Board of Directors of the Company, in their meeting held on 26th May 2023, approved for sale of approximately 0.53 acres of land at Chennai for an aggregate consideration of ₹ 15 Crores. The transaction got concluded on 1st June, 2023 by executing sale deed in favour of the buyer. Accordingly, the difference between the net disposal proceeds and the carrying amount of the land amounting to ₹ 1,447.00 Lakhs has been recognized as gain on disposal during the quarter ended 30th June, 2023 and the year ended 31st March, 2024 and reflected in other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30th June, 2023 and the year ended 31st March, 2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

60. Forbes Technosys Limited (FTL), a subsidiary, is facing serious challenges in terms of operations and due to continuing losses and withdrawal of support from its operational creditors to provide further credit on outstanding dues and non-receipt of its dues by its trade receivables, a corporate insolvency resolution process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 has been initiated by the FTL voluntarily vide application filed before the NCLT on 20th February, 2024. The hearing of the said application is awaited.
61. The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on December 5, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on December 9, 2022. The JV partners have infused equity and preference shares capital to the tune ₹ 250 Lakhs each in the JVC. The JVC and shareholders have executed the technology and trademark license agreement and brand and technology licensing agreement with respect to their respective brands. The operations of JVC have started from 1st March 2023.
62. Further, the Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. The binding term sheet has been executed on 23rd February, 2022 and the definitive agreement for sale has been executed on 20th May, 2022. The transaction is subject to completion of conditions precedent as shall be set out in the definitive documents and is likely to be completed by Q1/ Q2 of FY 2022-2023. The proposed sale consideration is ₹ 4,200.00 Lakhs, subject to certain closing adjustments.

During the quarter ended 31st December 2023, the Company has received an amount of ₹ 74.00 Lakhs and ₹ 41.00 Lakhs in the month of January, 2024 on settlement of legal disputes between FFSPL and customers against the previously withheld amount of ₹ 240.00 Lakhs. The provision made earlier on account of legal disputes is reversed to the extent of ₹ 115.00 Lakhs and recognized as gain in the profit & loss account.

Accordingly, individual line items of revenue, expenses, assets and liabilities pertaining to the previous year have been reclassified and the amount pertaining to discontinued operations has been disclosed as a single line in the financial statements.

The summary of results of the aforesaid discontinued operations, is as follows:

Particulars	For the year ended March 31, 2024	<i>For the year ended March 31, 2023</i>
Revenue (Including Other Income)	-	4,515.45
Total Income	-	4,515.45
Expenses	-	4,446.00
Total expenses	-	4,446.00
Profit / (Loss) before tax, Share of profit of joint ventures and associates accounted for using equity method and Exceptional items from discontinued operations	-	69.45
Add: Share of profit of joint ventures and associates accounted for using equity method	-	-
Profit / (Loss) before tax and Exceptional items from discontinued operations	-	69.45
Exceptional Items	-	-
Profit / (Loss) before tax from discontinued operations	-	69.45
Tax Expense	-	20.00
Profit / (Loss) after tax from discontinued operations	-	49.45

63. Forbes Technosys Limited, a subsidiary of the Group ("FTL") has finalised and submitted the application for settlement of disputed Value Added Tax (VAT) dues including penalty and interest under the amnesty scheme introduced by the State Government of Maharashtra and also certain assessment order in respect of earlier years are passed, accordingly an amount of ₹ 16.25 Lakhs for the year ended 31st March, 2024 and total payment of ₹ 371.78 Lakhs for the year ended 31st March 2023 of its final demand paid have been presented in the financial statements as an exceptional item.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

64. The Board of Directors of the Company, at their meeting held on 30th May, 2022 have approved the sale of the entire shareholding in Shapoorji Pallonji Forbes Shipping Limited. The Company has sold 3,75,000 equity shares of Rs. 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of Rs. 10 each of Shapoorji Pallonji Forbes Shipping Limited to M/s G.S Enterprises, a related party for an aggregate purchase consideration of Rs. 2,900 Lakhs during the year ended 31st March, 2023. The net carrying value of the investments in associate as at the date of sale was Rs. 2,802 Lakhs and hence the Company has recognised an exceptional gain of Rs. 98 Lakhs for the year ended 31st March, 2023.
65. During the year ended 31st March, 2023, Forbes Campbell Finance Limited (FCFL), a subsidiary, sold 12,00,000 equity shares of Eureka Forbes Limited (EFL), of Rs. 10 each at the then prevailing market price of EFL on BSE Limited. The difference between the net disposal proceeds on sale of EFL shares in the open market and the carrying amount of EFL investments in FCFL books, amounting to Rs. 896.92 Lakhs has been recognized as an exceptional loss on sale of investments during the year ended 31st March, 2023.
66. The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.
67. The Company was holding 50% shareholding in Forbes Concept Hospitality Services Private Limited (FCHSPL), a Joint Venture of the Company. The Board of Directors of the Company at their meeting held on 3rd August, 2023 has approved sale of its 60% shareholding in FCHSPL, to Metamix Technologies Private Limited and balance 40% shareholding to Floral Finance Private limited for a consideration of ₹ 0.03 Lakh and ₹ 0.02 Lakh respectively. Pursuant to the said sale of the entire shareholding in FCHSPL, it has ceased to be a Joint Venture of the Company effective from 3rd August, 2023.

The Company has made provision for doubtful debts amounting to ₹ 18.00 Lakhs in earlier years with respect to Forbes Concept Hospitality Services Private Limited (FCHSPL). The Company has received the said loan & advances from FCHSPL and accordingly the provision made in earlier years is now reversed and recognized as a gain in profit & loss account during the quarter ended 31st December, 2023 and year ended 31st March, 2024.

68. The Company has made a provision of ₹ 559.06 Lakhs of property tax against the demand raised by MCGM for payment of additional property tax of ₹ 1,034.00 Lakhs (including penalties) for the retrospective period from April, 2010 to March, 2023. The balance amount of ₹ 475.29 Lakhs which is in the nature of penalties are shown as contingent liability. The MCGM has changed the subzone of property from 0014 to 0027 for determination of property tax. The property valuation in Subzone 0027 is much higher compared to the subzone 0014. The subject property is historically valued in Subzone 0014 for property tax. The Company has disputed the entire demand notice.
69. In the matter of Svadeshi Mills Company Limited (Svadeshi), the Hon'ble High Court, Bombay vide order dated October 9, 2023 has allowed the Interim Application (IA) filed by Grand View Estate Private Limited (GVEPL) granting permanent stay on the winding up of Svadeshi along with directions to Official Liquidator (OL) to handover entire undertaking of Svadeshi including all its properties, assets, books of accounts etc., to GVEPL. OL has been discharged as the liquidator of Svadeshi except for carrying out certain directions. Directors have been appointed on the Board of Svadeshi. ROC has been directed to restore status of Svadeshi as active.

The Company as a shareholder of Svadeshi has secured the funding availed by GVEPL for revival of Svadeshi by way of exclusive pledge of entire equity shares of the Company and its wholly-owned subsidiary Forbes Campbell Finance Limited (FCFL) in Svadeshi, assignment of secured debt due to the Company from Svadeshi together with the underlying security and hypothecation of receivables due to the Company from Svadeshi.

70. During the year, Forbes Technosys Limited, a subsidiary of the Group, has settled and paid various employee's full and final settlements and has written back a balance amount of ₹ 241.77 lakhs. Out of the total amount written back ₹ 132.11 lakhs was pertaining to employees whose incentives and full and final claims were disputed by the subsidiary on account of performance deficiencies. Claims of such employees have been included under contingent liability.
71. During the year, Bank guarantees were invoked by the customers of Forbes Technosys Limited (FTL), a subsidiary of the Group, citing reasons being non/ underperformance of service, which has disputed and is under discussions for recovery. FTL has made a full provision of ₹ 71.27 Lakhs for the amount invoked during their respective quarters and year ended 31st March, 2024.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

72. Additional Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013

i. Details of benami property held

There are not any proceedings that have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder as at March 31, 2024.

ii. Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial Institution or other lender who has powers to declare a Group as a wilful defaulter at any time during the financial year or after the end of reporting period but before the date when financial statements are approved or in an earlier period and the default has continued for the whole or part of the current year.

iii. Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

iv. The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

v. (a) The Group has not advanced or loaned or invested any funds (either borrowed funds or share premium or any other sources or kind of funds) during the year to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:

- i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or,
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) during the year with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi. Undisclosed income

The Group does not have any transaction that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), during the year.

vii. Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the current or previous year..

viii. Valuation of Property, plant and equipment (including right-of-use assets) , intangible asset and investment properties.

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024 - Continued

73. Other Regulatory Information as per Schedule III of the Division II of the Companies Act, 2013

- i. Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

- ii. Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken.

- iii. The Group has five CICs which are part of the Group

- SP Finance Private Limited,
- SC Finance and Investments Private Limited,
- Hermes Commerce Private Limited,
- Renaissance Commerce Private Limited and
- Shapoorji Pallonji Oil & Gas Private Limited (the entity has applied to RBI for registration as CIC).

74. As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained evolved during the year and continues to evolve.

In Forbes and Company Limited and its group companies, the audit trail is implemented at the application level across all tables and fields to facilitate the maintenance of financial records and relevant transactions. However, the global standard ERP used has not been enabled with the feature of an audit trail log at the database layer due to its existing design. We are currently collaborating with the vendor to address this issue. In the meantime, it is ensured that direct write access to the database is granted only through an approved change management process, maintaining the security and integrity of our data.

75. Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.

76. The Consolidated financial statements were approved by the Board of Directors of the Group at their meeting held on 29th May, 2024.

In terms of our report of even date

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

Parthiv S. Desai
Partner
Membership Number: (F) 042624

NIRMAL JAGAWAT
Chief Financial Officer

PRITESH JHAVERI
Company Secretary
Membership No : A51446

For and on behalf of the Board of Directors
M. C. TAHILYANI
Chairman
DIN : 01423084

JAI L. MAVANI
Director
DIN : 05260191

RAVINDER PREM
Whole-time Director
DIN : 07771465

Place: Mumbai
Date: 29th May, 2024

Place: Mumbai
Date: 29th May, 2024



Forbes & Company Limited

Forbes Building, Charanjit Rai Marg, Mumbai, Maharashtra 400001

Tel : +91 22 61 35 8900, Fax : +91 22 61 35 8901, Website: www.forbes.co.in

CIN: L17110MH1919PLC000628