



High Performance Cutting Tools



October 24, 2024

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

Dear Sir,

Subject: Outcome of Board Meeting held on October 24, 2024

Pursuant to Regulation 30 & 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their meeting held on October 24, 2024 has approved the Unaudited financial result of the Company for the quarter and half year ended September 30, 2024.

We enclose copy of the Unaudited financial result of the Company for the quarter and half year ended September 30, 2024, along with Limited Review Report dated October 24, 2024 of M/s. Sharp & Tannan Associates, Chartered Accounts, statutory auditors of the Company in respect of the said Financial Results.

The Board Meeting commenced at 4.30 p.m. and concluded at 6.25 p.m

Yours faithfully,
For Forbes Precision Tools and Machine Parts Limited

Rupa Khanna
Company Secretary and Compliance Officer
Membership No. A33322

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

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



Independent Auditor's Limited Review Report on Standalone Unaudited Financial results of FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED for the quarter & half year ended September 30, 2024, Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED
(CIN – L29256MH2022PLC389649)
Forbes Building, Charanjit Rai Marg,
Fort, Mumbai – 400 001

Introduction

1. We have reviewed the accompanying statement of Unaudited Standalone Financial results of **FORBES PRECISION TOOLS AND MACHINE PARTS LIMITED** ("the Company") for the quarter & half year ended on September 30, 2024, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations, 2015").
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on October 24, 2024, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended ("the Act"), read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

Scope of Review

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India ("ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 as prescribed under section 133 of the Act and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations 2015, in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters:

5. During the previous year, the precision tool business of Forbes & Company Limited was transferred to and vested in the company from the appointed date of April 1, 2023 and the same transfer took effect from March 1, 2024. For the current reporting period, the results for the comparative quarter & half year that ended September 2023 have been given the effect of the order of the scheme of arrangements as mentioned in note 5 to the financial results, for reporting purposes, and the same have been certified by the Company's management.

Our conclusion is not modified with respect to this other matter.

Sharp & Tannan Associates

Chartered Accountants

Firm's Reg. No.: 0109983W

by the hand of



Parthiv S Desai

Partner

Membership No.: (F) 042624

UDIN: 24042624BKFRUG2072

Mumbai, October 24, 2024

Statement of Profit & Loss for the quarter and half year ended 30th September, 2024

(₹ in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2024	30.06.2024	30.09.2023	30.09.2024	30.09.2023	31.03.2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
			(Refer Note No 7)		(Refer Note No 7)	
1 Income						
Revenue from operations	5,754	5,177	5,445	10,931	10,209	22,850
Other income	198	21	50	219	65	106
Total Income	5,952	5,198	5,495	11,150	10,274	22,956
2 Expenses						
Cost of materials consumed	1,714	1,645	1,986	3,359	3,672	8,050
Purchases of stock-in-trade	5	30	30	35	54	129
Changes in inventories of finished goods, work-in-progress and stock-in-trade	261	(81)	(226)	180	(244)	(220)
Employee benefits expense	1,216	1,069	1,051	2,285	2,035	4,106
Finance costs	13	25	30	38	68	116
Depreciation and amortisation expense	339	314	287	653	579	1,145
Other expenses	1,408	1,545	1,380	2,952	2,641	5,647
Total expenses	4,956	4,547	4,538	9,502	8,805	18,973
3 Profit / (Loss) before exceptional items and tax	996	651	957	1,648	1,469	3,983
4 Exceptional items (Net)	-	-	-	-	-	-
5 Profit / (Loss) before tax for the period / year	996	651	957	1,648	1,469	3,983
6 Tax expense						
Current tax	232	154	243	386	373	1,012
(Excess) / short provision for tax of earlier years	22	-	-	22	-	-
Deferred tax	7	14	-	21	-	-
	261	168	243	429	373	1,012
7 Profit / (Loss) after tax for the period / year	735	483	714	1,219	1,096	2,971
8 Other Comprehensive Income						
(i) Items that will not be reclassified to Statement of Profit or Loss						
Remeasurement of the defined benefit plans	9	(76)	(14)	(67)	(4)	8
(ii) Income tax relating to Items that will not be reclassified to Statement of Profit or Loss						
Deferred Tax Expenses	(2)	19	-	17	-	(2)
Other Comprehensive Income (net of tax)	7	(57)	(14)	(50)	(4)	6
9 Total Comprehensive Income for the period / year	742	426	700	1,169	1,092	2,977
10 Paid-up equity share capital	5,159	5,159	5	5,159	5	5,159
(Face Value of Rs. 10 each)						
11 Other equity (excluding Revaluation Reserve)						8,616
12 Basic and diluted earnings per equity share (after exceptional items)						
(Refer Note No 6) (Quarterly and half year EPS not annualised)	Rs.1.42	Rs.0.94	Rs.1,427.58	Rs.2.36	Rs.2,191.58	Rs.110.63
13 Basic and diluted earnings per equity share (before exceptional items)						
(Refer Note No 6) (Quarterly and half year EPS not annualised)	Rs.1.42	Rs.0.94	Rs.1,427.58	Rs.2.36	Rs.2,191.58	Rs.110.63

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Notes to the statement of Financial Results for the quarter and half year ended 30th September, 2024.

1. Statement of Assets and Liabilities as at 30th September, 2024

Particulars	<i>(Rs. in Lakhs)</i>	
	As at 30.09.2024 (Unaudited)	As at 31.03.2024 (Audited)
Assets		
1 Non-current assets		
Property, Plant and Equipment	9,409	8,528
Right-of-use assets	306	343
Capital work-in-progress	354	469
Other Intangible assets	49	61
Financial Assets:		
i) Other financial assets	115	95
	<u>115</u>	<u>95</u>
Tax assets		
i) Income tax assets (net)	526	851
	<u>526</u>	<u>851</u>
Other non-current assets	320	297
Total Non-current assets	<u>11,079</u>	<u>10,644</u>
2 Current assets		
Inventories	3,679	3,847
Financial Assets:		
i) Investments	1,909	-
ii) Trade receivables	2,711	2,944
iii) Cash and cash equivalents	577	1,596
iv) Loans	10	3
v) Other financial assets	-	1,138
	<u>5,207</u>	<u>5,681</u>
Other current assets	357	88
	<u>5,564</u>	<u>5,769</u>
Assets classified as held for sale	4	-
Total Current assets	<u>9,247</u>	<u>9,616</u>
Total Assets	<u>20,326</u>	<u>20,260</u>
Equity and Liabilities		
Equity		
Equity share capital	5,159	5,159
Other equity	9,784	8,616
Total Equity	<u>14,943</u>	<u>13,775</u>
Liabilities		
1 Non-current liabilities		
Financial liabilities:		
i) Borrowings	161	294
ii) Lease Liabilities	195	216
iii) Other financial liabilities	125	95
	<u>481</u>	<u>605</u>
Provisions	-	558
Deferred tax liabilities (net)	241	237
Other non-current liabilities	-	-
Total Non-current liabilities	<u>722</u>	<u>1,400</u>
2 Current liabilities		
Financial liabilities:		
i) Borrowings	260	248
ii) Lease Liabilities	120	125
iii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises; and	841	783
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,436	1,387
iv) Other financial liabilities	764	538
	<u>3,421</u>	<u>3,081</u>
Other current liabilities	832	863
Provisions	22	129
Current tax liabilities (net)	386	1,012
Total Current Liabilities	<u>4,661</u>	<u>5,085</u>
Total Liabilities	<u>5,383</u>	<u>6,485</u>
Total Equity and Liabilities	<u>20,326</u>	<u>20,260</u>

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2. Statement of Cash flows for the the half year ended 30th September, 2024

	For the half year ended Sept. 30, 2024 (Unaudited)	For the half year ended Sept. 30, 2023 (Unaudited)
	(₹ in Lakhs)	
Cash flows from operating activities		
Profit before tax	1,648	1,469
Adjustments for -		
Depreciation and amortisation expense	653	579
Interest income earned on financial assets that are not designated as at fair value through profit or loss :		
(i) Bank deposits	(2)	(6)
Finance costs	38	68
Dividend/ Interest Income from Mutual fund	(6)	
(Gain)/loss on disposal of property, plant and equipment	(2)	-
Provision for doubtful loans and advances	-	(1)
Advances written off	1	-
Gain on fair value of Current investments	(18)	-
Credit balances / excess provision written back	(161)	(19)
Net unrealised exchange loss	(49)	(27)
	<u>454</u>	<u>594</u>
Operating profit before working capital changes	2,102	2,063
Changes in working capital:		
Decrease / (increase) in trade and other receivables	1,412	(3,072)
(Increase) in inventories	167	(3,752)
(Increase)/ decrease in other assets	(264)	(331)
Increase in trade and other payables	159	2,538
(Decrease) in provisions	(732)	30
Increase in other liabilities	78	650
	<u>820</u>	<u>(3,937)</u>
Cash inflow / (outflow) from operations	2,922	(1,874)
Income taxes (paid)/ refunds received (net)	(709)	592
(a) Net cash flow inflow / (outflow) from operating activities	2,213	(1,282)
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)	(1,063)	(9,264)
Proceeds from disposal of property, plant and equipment	5	-
Purchase of current investments	(1,891)	-
Other Loans & Advances	(7)	(92)
Interest received	2	6
Dividend/ Interest received from Mutual fund	6	-
(b) Net cash (outflow) / inflow from investing activities	(2,948)	(9,350)
Cash flows from financing activities:		
Proceeds from long-term borrowings	-	658
Repayment of long-term borrowings	(121)	-
Finance costs paid	(85)	107
Proceeds from Equity issue of scheme of demerger	-	10,417
Payment of Lease Liabilities	(78)	(13)
(c) Net cash inflow / (outflow) from financing activities	(284)	11,169
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)	(1,019)	537
(e) Cash and cash equivalents as at the commencement of the year	1,596	5
(f) Cash and cash equivalents as at the end of the year (d + e)	577	542
Reconciliation of cash and cash equivalents as per the cash flow statements		
Cash and cash equivalents as per above comprise of the following	Sept. 30, 2024	Sept. 30, 2023
	₹ in Lakhs	₹ in Lakhs
Balances with bank		
- In current accounts	279	418
- In EEFC Accounts	298	84
- In deposit accounts (with original maturity upto 3 months)	-	40
Balances as per statement of cash flows	<u>577</u>	<u>542</u>

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out 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.
- The cash flow statement shown above has been adjusted to reflect the impact of the Scheme of Arrangement. This adjustment ensures that the net cash flow arising from the operating, investing, and financing activities is accurately accounted for.



Notes:

1. The results of the quarter and half year ended 30th September, 2024 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 24th October, 2024 and have been subjected to a Limited Review by the statutory auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The above financial results of the Company have been prepared in accordance with the Indian Accounting Standard ("Ind AS") as prescribed and Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
3. The operating segment of the Company is identified to be, "Precision cutting tools and related components". Therefore, the disclosure as per Regulation 33(l)(e) read with Clause (L) of Schedule IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.
4. 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 recognized post notification of the relevant provisions.
5. The scheme of arrangement entails the demerger of the "Precision Tools business" from Forbes and Company Limited ("F&CL") into 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 Scheme became/operative from the effective date of 1st March, 2024, with this, the Precision Tools business of F&CL being transferred to and vested in the Company from the appointed date i.e., 1st April, 2023.

Upon the coming into effect of the Scheme, the existing share capital of the Company, amounting to ₹5.00 lakhs divided into 50,000 shares of ₹10 each, fully paid up, held by the shareholders of the Demerged Company, prior to the Scheme becoming effective, shall stand cancelled without any further application, act, instrument, or deed, as an integral part of this Scheme, with adjustments done through Capital reserve of the Company. As per the Scheme of Arrangement, the 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 (F&CL) as of the Record Date, which was 7th March 2024. The shareholders of F&CL are entitled to receive 4 shares of the Company against each share held by them. Accordingly, the paid-up capital of the Company is determined as 5,15,94,464 shares of ₹ 10 each, having a total value of ₹5,159.45 Lakhs. The record date for allotment was fixed as 7th March 2024, and the issuance and allotment of equity shares took place on 13th March 2024.

As a result of the demerger, the Company has applied a reasonable estimate, based on available financial data and management's judgment, to determine the tax allocation for the comparative quarters. This approach ensures a fair presentation of the financial results.



6. The total number of issued and allotted equity shares was 5,15,94,464, which had been diluted for a weighted average equity share of 26,85,739 financial year ended 31st March 2024. As per IND AS 33, the weighted average of equity shares for the financial year ended 31st March, 2024 has been calculated from the acquisition date which was 13th March 2024. Based on the above considerations, the Earnings per Share for the financial year ended 31st March 2024 were calculated to be ₹110.63. However, if the appointed date, which was 01st April 2023, was considered as the acquisition date, then the Earnings per Share would have been ₹ 5.76 for the financial year ended 31st March 2024.

For the quarter and half year ended 30th September 2023, issued and paid-up share capital was ₹ 5.00 lakhs divided into 50,000 shares of ₹ 10 each. Earnings per Share derived for quarter and half year ended 30th September 2023 was ₹ 1,427.58 & ₹ 2,191.58 respectively, However, if the appointed date, which was 01st April 2023, was considered as the acquisition date, then the Earnings per Share would have been ₹ 1.38 & ₹ 2.12 respectively.

7. During the previous year, the precision tool business of F&CL was transferred to and vested in the company from the appointed date of April 1, 2023, and the same transfer took effect from March 1, 2024 and the equity shares of the Company listed on the Bombay Stock Exchange on 11th June 2024. However, for the current reporting period, the results for the comparative quarter and half year ended 30th September 2023 have been given the effect and reinstated the numbers based on the order of the scheme of arrangements as mentioned in Note no 5. For reporting purposes, and the same have been certified by the Company's management.
8. Figures for the previous periods are re-classified/ re-arranged/ regrouped, wherever necessary, to correspond with the current period's classification/ disclosure.

For Forbes Precision Tools and Machine Parts Limited

Place:
Nasirabad, Dist. Ajmer,
State: Rajasthan
24th October 2024

Digitally signed
by MAHESH
CHELARAM
TAHILYANI
Date: 2024.10.24
15:27:44 +05'30'

(Mahesh Tahilyani)
Managing Director
DIN: 01423084

