Date: September 22, 2025

To,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051

NSE Symbol	**PSFL**
ISIN	**INEOQ6001012**
Series	**SM**
Company Name	**Paramount Speciality Forgings Limited**

Sub: Corrigendum to the Annual Report for the Financial Year 2024-25

Dear Sir/Madam,

This corrigendum is issued with reference to the Company's communication dated September 2, 2025, which included the Annual Report for the financial year 2024–25 and the Notice for the 2nd Annual General Meeting ("AGM") scheduled for Thursday, September 25, 2025, at 11:00 AM (IST) via Video Conference/Other Audio-Visual Means. Certain discrepancies have been identified in the previously submitted Annual Report.

The discrepancies primarily relate to issues in the sequencing of data, inconsistencies in the formatting of notes, and other details as outlined in the Annexure.

In response, the Company has conducted a comprehensive review and restructuring of the Annual Report to address these deficiencies, ensuring that the revised version presents accurate, consistent, and transparent information.

For clarification, the errors identified do not impact the financial statements for the year ending March 31, 2025, and do not affect the integrity of the financial reporting. Accordingly, the revised Annual Report for FY 2024–25 is being submitted herewith. This corrigendum should be read in conjunction with and forms an integral part of the original Annual Report.

Except for the corrections explicitly mentioned above, all other information and disclosures in the Annual Report remain unchanged. The Company regrets any inconvenience caused and kindly requests that the revised Annual Report be acknowledged and taken on record.

We appreciate your attention to this matter.

Thanking You,
Yours faithfully,

For Paramount Speciality Forgings Limited

ANKITA ANIL PATANKAR
Digitally signed by ANKITA ANIL PATANKAR
Date: 2025.09.22 11:23:26 +05'30'

Ankita Anil Patankar
Company Secretary & Compliance Officer
Membership No. A57166

Date: September 22, 2025
Place: Mumbai

Annexure

Sr. No.	Existing	Page No.	Revised	Page No.	Remarks
1	Photos used in Annual Report	-	Some of the photos are being replaced with latest factory photos	-	Replace
2	Index	2	Detailed Index	2	Replace
3	Corporate Information	3	Some details of Corporate Information being amended for better clarity	3	Replace
4	Innovate Boldly, Forge Strongly & Deliver Reliably	4 & 5	Tagline removed as original tagline of the company is "Passion for Excellence"	4 & 5	Remove
5	Our reporting approach is aligned with key frameworks, including the Companies Act, 2013, Generally Accepted Accounting Principles (GAAP)	7	Our reporting approach is aligned with key frameworks, including the Companies Act, 2013, Generally Accepted Accounting Principles (GAAP), SEBI Regulations.	7	Replace
6	Passion for Excellence	7	removed	7	Remove
7	The Company's products serve critical applications in sectors such as petrochemicals, oil and gas, fertilizers, chemicals, nuclear power, and heavy engineering. Its product portfolio includes, among others: Tube Sheet Blanks, Forged Rings, Girth Flanges, Tyre Rings, Spacers, Long Weld Neck Flanges, Self-Reinforced Nozzles, Valve Bodies, Bonnets, and Seats.	10	The Company's products serve critical applications in sectors such as petrochemicals, oil and gas, fertilizers, **Infrastructure**, chemicals, nuclear power, and heavy engineering. Its product portfolio includes, among others: Tube Sheet Blanks, Forged Rings, Girth Flanges, Tyre Rings, Spacers, Long Weld Neck Flanges, Self- Reinforced Nozzles, Valve Bodies, Bonnets, and Seats.	10	Replace
8	Photos of Ms. Apurva Pradeep Joshi and Mr. Kurian Pallathuseril Chandy	17	Add photo of Mr. Nimesh Mukerji & replace photos of Ms. Apurva Pradeep Joshi and Mr. Kurian Pallathuseril Chandy	17	Addition & Replace
9	**Mission** - Catering to critical forged components for indigenous and international clients. **Vision** - To be recognized among the top five manufacturers in India by our select customers in industries such as Oil & Gas, Engineering, and Aerospace.	18	**Mission** - Catering Various Forged Components Critical in Nature to Indigenous and Overseas Customers. **Vision** - Be amongst the top 5 Manufacturers in India for our Select Customers in Businesses such as Oil & Gas, Engineering & Aerospace.	20	Replace
10	Team Strength: 150	18	Team Strength: 150+	20	Replace
11	The year 2024 marked the transition of Paramount Speciality Forgings into a public limited company, ushering a new chapter as Paramount Speciality Forgings Limited, with fresh incorporation reflecting its evolved identity and strengthened corporate governance.	19	The year **2023** marked the transition of Paramount Speciality Forgings into a public limited company, ushering a new chapter as Paramount Speciality Forgings Limited, with fresh incorporation reflecting its evolved identity and strengthened corporate governance.	21	Replace
12	Photos of products	24 -25	Added more photos of products	26-27	Addition
13	At Paramount Speciality Forgings Limited, our focus is unwavering: we innovate boldly to stay ahead of industry shifts, forge strongly with world-class processes and people, and deliver reliably for every client and partner. These strengths and strategies together empower us to build a company that stands at the forefront of the forging industry - today and into the future.	28	At Paramount Speciality Forgings Limited, we remain committed to staying ahead of industry trends through advanced processes, skilled expertise, and consistent performance. Our capabilities and strategic focus position us as a trusted leader in the forging industry - today and into the future.	28	Replace
14	Table of Key Audit matters	91	Replaced content of table of Key Audit matters	101	Replace

15	Annexure A of Independent Auditors Report point No. VII (b) table Column nature of dues	99	Changed the content of the column	109	Replace
16	Annexure A of Independent Auditors Report Point No. X (a): According to the information and explanations given to us and based on records of the Company examined by us, monies raised by the Company by way of initial public offer during the year, were applied for the purpose for which they were raised, though idle/ surplus funds which were not required for immediate utilization have been gainfully invested in fixed deposits.	99	Annexure A of Independent Auditors Report Point No. X (a): According to the information and explanations given to us and based on records of the Company examined by us, monies raised by the Company by way of initial public offer during the year, were applied for the purpose for which they were raised, other than temporary deployment pending application of proceeds. Refer Note 38 of the financial statements.	110	Replace
17	Annexure A of Independent Auditors Report Point No. XVII- The Company has not incurred cash losses during the current financial year covered by our audit, however the audit, however the company had incurred cash losses of Rs. 30.84 lakhs in the immediately preceding financial year.	100	Annexure A of Independent Auditors Report Point No. XVII - The Company has neither incurred cash losses during the current financial year nor in the immediately preceding financial year.	111	Replace
18	Notes of cash flow statements	107	Changed the content of the table	117	Replace
19	-	113	Note 3.3: During the year, on 25 September 2024, the Company has issued 48,02,000 Equity Shares under SME IPO. The equity shares of the Company got listed on NSE Emerge Platform on 25 September 2024 having NSE Scrip Code "PSFL". The transaction Costs pertaining to the issue have been debited to the share premium account.	124	Addition
20	Note 3.5 Add: Bonus shares issued during the year/ period - 1,487.00 Add: Fresh shares issued during the year 480.20 Outstanding at the end of the year (Rs. 10 per share) – 1968.20 & 1488.00	114	Removed as this was not required	-	Remove
21	Note 11 (b) Intangible Assets	117	Added the Previous Year figures of Note 11 (b) Intangible Assets	128	Addition
22	Note No. 12 Investment – Noncurrent previous year 2025	118	Note No. 12 Investment – Noncurrent previous year 2024	129	Replace
23	Note No. 14 - P.Y. Rs 561.33 lakhs	118	Removed as Removed as this was not required	129	Remove
24	Note No. 18 - Total Other non-current assets	119	Removed as this was not required	131	Remove
25	Note No. 40 – Ratios Net profit ratio	129	Change the content of Net profit ratio of Note No. 40	140	Replace

PARAMOUNT FORGE®

Passion for Excellence

Annual Report
2024-25

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CORPORATE INFORMATION

Directors

Aliasgar Roshan Hararwala
Managing Director (Executive)
DIN: 00334957

Aliasgar Abdulla Bhagat
Chairman cum Director (Executive)
DIN: 00335869

Mohammed Salim Hararwala
Director (Executive)
DIN: 00335357

Nimesh Mukerji
Independent Director (Non-Executive)
DIN: 07705885

Kurian Pallathuseril Chandy
Independent Director (Non-Executive)
DIN: 00855226

Apurva Pradeep Joshi
Independent Director (Non-Executive)
DIN: 06608172

Paramount Speciality Forgings Limited
CIN: L24109MH2023PLC402307
3, 1, Guru Himmat Building, Dr. Mascarenhas Road Anjirwadi, Mazgaon, Mumbai, Maharashtra, India - 400010
compliance@paramountforge.org

Details of Auditors:

Statutory Auditor
Kalyaniwalla & Mistry LLP

Internal Auditor
Pipalia Singhal & Associates

Cost Auditor
Jitendrakumar & Associates

Secretarial Auditor
Amit Dharmani & Associates

KMP Details:
Farkhanda Abdul Razak Pagarkar – Chief Financial Officer
Ankita Anil Patankar – Company Secretary and Compliance Officer

Audit Committee
Kurian Pallathuseril Chandy - Chairman
Nimesh Mukerji - Member
Aliasgar Roshan Hararwala- Member

Nomination & Remuneration Committee
Nimesh Mukerji - Chairman
Kurian Pallathuseril Chandy - Member
Apurva Pradeep Joshi - Member

Stakeholder Relationship Committee
Nimesh Mukerji - Chairman
Aliasgar Abdulla Bhagat - Member
Aliasgar Roshan Hararwala - Member

CSR Committee
Aliasgar Roshan Hararwala - Chairman
Aliasgar Abdulla Bhagat - Member
Nimesh Mukerji - Member

Registrar and Share Transfer Agents:
Purva Sharegistry (India) Private Limited
Address: Unit No. 9 Shiv Shakti Ind. Est. J. R. Boricha Marg Lower Parel (E), Mumbai, Maharashtra, India – 400011
Email: support@purvashare.com

Bankers:
HDFC Bank Limited, Mazgaon Branch
Address: Premsagar 7,7B, Nesbit Road, Mazgaon, Mumbai – 400010

Origins and Identity

Paramount Speciality Forgings Limited (Paramount Forge), established in 1996, has carved out a leading position in India's vast steel forging landscape through continuous innovation, technological adoption, and unwavering commitment to quality. Over three decades, Paramount has grown from a single closed-die forging plant in Kamothe, Maharashtra, to an integrated industrial force with two specialized facilities, a skilled workforce of 150+, and a reputation that extends across India and international markets.

At its core, Paramount embodies a culture to relentless innovation. This drive has led to strategic investments—state-of-the-art Ring Rolling facilities, modern heat treatment systems, and precision machining capabilities—that allow Paramount to design and manufacture forged components tailored for the most demanding sectors: oil & gas, nuclear energy, defence, petrochemicals, railways, power, infrastructure and heavy engineering.

From the outset, Paramount's vision was clear: to be a top-tier solution provider for critical industries. Today, the company stands as a trusted name for OEMs and EPC contractors, delivering forged products that comply with stringent international standards such as PED, ISO 9001:2015, ISO 14001:2015, and BS OHSAS 18001:2007.

Growth and Expertise

The Paramount journey is marked by a relentless pursuit to engineering excellence : growing capabilities, expanding sectoral reach, and mastering the art and science of forging. Key milestones chronicle this trajectory—from installing advanced CNC machining lines and commissioning automated heat treatment plants to setting up a dedicated Ring Rolling Unit for large-diameter, high-strength rings.
Paramount's diverse product suite includes:

1. Flanges, Rings, and Gear Blanks for pipelines, turbines, and wind energy
2. Valve Bodies, Trunnion Rings, and Slew Rings for pressure regulation and heavy machinery
3. Turbine Rings and Tower Flanges for power and infrastructure projects
4. Custom closed- and open-die forgings for specialized, high-stress applications

These products, ranging from 1kg to 4,000kg, are crafted from carbon, alloy, stainless, duplex, super duplex, and high-nickel alloys—offering unmatched flexibility and strength.

Driven by a seasoned management team and a motivated workforce, Paramount delivers quality at every turn. Every batch undergoes exhaustive testing, with mechanical, chemical, and metallographic analysis conducted by ISO/NABL-accredited laboratories and ASNT Level II technicians. The result: Products engineered for extreme temperatures, pressures, and mission-critical performance in high-impact environments.

Financially, Paramount's growth echoes its operational discipline. Revenue grew from ₹87.5 crore (FY22) to ₹110 crore (FY25), with a focus on lean operations, automation, reduced debt, and a consistently robust order book of ₹50 crore+ anchored by repeat OEM and EPC customers in 15+ Indian states and multiple export markets (Canada, Middle East, Europe, Oman, Italy).

The Path Forward

Looking ahead, Paramount is poised for its next chapter, rooted in its promise to unwavering performance and empowered by forward-thinking strategies:

Expanding Capacity & Markets: With new verticals in defence, aerospace, renewables, and advanced infrastructure, Paramount is scaling up facilities, upgrading capabilities (10-ton hammer, 2,000-ton press), and developing export-certified units for global compliance.

Operational Excellence: Real-time production tracking, predictive maintenance, and digital transformation initiatives are embedding efficiency, quality, and agility into every process.

Sustainability Commitment: Paramount is investing aggressively in solar energy, low-emission furnaces, waste heat recovery, and zero-discharge practices—minimizing its environmental footprint and setting the standard for responsible industrialization.

Workforce & Community: The company continues to advance employee development, workplace safety, and training programs, while fostering community partnerships and embracing inclusive growth.

In FY25 alone, Paramount expanded its customer base with 15+ new Indian and international clients, made strong inroads into high-value manufacturing for aerospace and marine, and accelerated exports—tripling contributions from the EU and Middle East in just three years. Financial results underscore this momentum: expanded margins, increased profitability, and an unwavering focus on value creation for all stakeholders.

Paramount Speciality Forgings Limited's story is one of partnership, progress, and promise. By empowering India's industrial backbone and contributing to the world's most vital sectors, Paramount is not just manufacturing forged components—it is forging futures, raising standards, and building enduring trust.

"Passion for Excellence"

As Paramount looks to the future, its mission remains steadfast: to set benchmarks in forging technology, partner in national growth, and be an indispensable pillar to every customer's journey — in India and beyond.

REPORTING SUITE

BOARD'S WELCOME ADDRESS

We are pleased to present the Integrated Annual Report of Paramount Speciality Forgings Limited (PSFL) for FY2024-25. Paramount remains steadfast in its mission, we continue to lead the Indian and global forging industry through visionary leadership, cutting-edge technology, and robust corporate governance.

Our journey of over three decades is distinguished by continuous growth, driven by strategic investments in capacity, modernization of facilities, and an unyielding commitment to quality and sustainability. As we serve critical sectors including oil & gas, nuclear, defence, and infrastructure, our core values of integrity, innovation, and responsible stewardship shape every aspect of our operations.

This report reflects our dedication to transparent business practices and value creation for all stakeholders. We believe it provides comprehensive insights into our performance, strategic direction, and commitment to sustainable growth for FY2024-25.

ABOUT THE REPORT

Paramount Speciality Forgings Limited's Annual Report FY2024-25 provides a holistic overview of our financial and non-financial performance. The report highlights our business strategy, operational initiatives, risk management practices, and sustainability efforts.

Our reporting approach is aligned with key frameworks, including the Companies Act, 2013, Generally Accepted Accounting Principles (GAAP), SEBI Regulations.

REPORTING PERIOD

This Integrated Annual Report covers the financial results, operational achievements, and strategic initiatives of Paramount Speciality Forgings Limited for the period April 1, 2024 to March 31, 2025.

It also includes updates as of July 31, 2025, regarding major Key Performance Indicators, ongoing strategic projects, and Board of Directors/ Management Team composition as applicable.

REPORTING PRINCIPLES AND FRAMEWORK

Paramount Forge's annual report is prepared in

- The Companies Act, 2013 (including rules and amendments)
- Generally Accepted Accounting Principles (GAAP)
- Listing requirements of the National Stock Exchange (SME Emerge)

SCOPE AND BOUNDARY

This report extends beyond statutory and financial disclosures, encompassing our business strategy, operational performance, stakeholder engagement, environmental and social responsibility, risk management, and outlook. It addresses Paramount's operations across its two manufacturing units in Maharashtra and all major business functions.

PRECAUTIONARY APPROACH

At Paramount Forge, we are committed to the highest standards of safety, quality, and environmental responsibility. We proactively identify, assess, and manage risks that could impact our business, workforce, or ecosystem. Our focus is on innovation, operational excellence, and sustainable practices that minimize environmental impact while maximizing stakeholder value.

CONTACT

For any queries regarding this report, please contact:
Email: ir@paramountforge.org

Disclaimer

This report is intended solely for informational purposes. While every effort has been made to ensure the report's accuracy and completeness, readers are advised to refer to statutory filings for any investment or compliance-related decisions.

COMPANY OVERVIEW

Paramount Speciality Forgings Limited ("the Company" or "PSFL") is a legacy-driven and quality-focused manufacturer of precision steel forgings based in India, with an industrial lineage spanning over six decades. The Company's origin can be traced back to 1962 through a proprietary concern named Acme Engineering Works, and it has since evolved through multiple strategic reconstitutions. It was converted into a partnership firm in 1994 under the name Paramount Forge, later into a Limited Liability Partnership in 2019, and subsequently incorporated as a public limited company under its current name on May 5, 2023. The Company was listed on the SME Platform of the National Stock Exchange of India (NSE Emerge) on September 25, 2024.

PSFL is engaged in the manufacturing of a wide range of closed-die, open-die, and ring-rolled forgings, supplied in rough or finish-machined conditions. The Company specializes in producing high-performance forged components in weight categories ranging from 1 kilogram to 4 metric tons, tailored to stringent customer specifications and applicable national and international standards.

The Company's products serve critical applications in sectors such as petrochemicals, oil and gas, fertilizers, Infrastucture, chemicals, nuclear power, and heavy engineering. Its product portfolio includes, among others: Tube Sheet Blanks, Forged Rings, Girth Flanges, Tyre Rings, Spacers, Long Weld Neck Flanges, Self-Reinforced Nozzles, Valve Bodies, Bonnets, and Seats.

PSFL operates two state-of-the-art manufacturing units in the state of Maharashtra:

A Closed-Die Forging Plant located at Kamothe, Navi Mumbai, with an installed capacity of 5,000 metric tons per annum (MTPA); and
A Ring Rolling and Open-Die Forging Plant located at Khalapur, Raigad District, with an installed capacity of 7,000 MTPA.

Together, these facilities provide a combined forging capacity of 12,000 MTPA. The Company's infrastructure is integrated with in-house capabilities for die development, forging, CNC and VMC machining, automated heat treatment, dimensional testing, and metallurgical quality assurance.

The Company adheres to robust operational systems and quality standards and is certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, demonstrating its commitment to quality, environmental compliance, and occupational health and safety.

PSFL has been recognized by the industry for its consistent performance, having received:
The "Star Performer" Award from EEPC India during the period 2008–2010; and
The "Bright Beginner Performance" Award from the Kirloskar Group in 2022–2023.

Led by an experienced promoter group with deep industry knowledge and long-standing customer relationships, the Company continues to strengthen its capabilities through continuous capital investment, process innovation, and adherence to global manufacturing benchmarks.

The registered office of the Company is situated at: 3,1, Guru Himmat Building, Dr. Mascarenhas Road, Anjirwadi, Mazgaon, Mumbai – 400010, Maharashtra, India.

Chairman's Message

Dear Shareholders,

It is with great pride and a deep sense of responsibility that I present to you the Annual Report of Paramount Speciality Forgings Limited for the financial year 2024–25 -a year of strategic importance, marked by transformation, resilience, and a clear blueprint for the future.

A Landmark Year in Our Journey

FY 2024–25 will remain a defining milestone in our Company's history as we successfully transitioned into a listed entity on the NSE Emerge SME platform. This was not merely a capital market event; it was the culmination of decades of commitment to quality, customer trust, and operational excellence — enabling us to step onto a broader stage with enhanced visibility, governance, and access to growth capital.

Listing has provided us with a strong platform to accelerate expansion plans, deepen market penetration, and further strengthen our credibility among stakeholders. As a family-founded business now operating within a more structured and professional corporate framework, we view this as the beginning of a new era — where tradition harmoniously meets innovation.

Performance Overview

The financial year brought both opportunities and challenges. While overall sales remained flat on a year-on-year basis — largely due to a softer-than-expected first half — the second-half recovery, coupled with operational discipline, enabled us to maintain stability in a volatile environment.

Our ability to deliver consistent quality, honour long-standing commitments, and nurture enduring customer relationships — some extending over 60 years — has been a key driver in sustaining performance and keeping our order book healthy.

Production Capacity and Expansion Plans

We currently operate with an installed capacity of 12,000 MTPA across two plants:
Kamothe Plant (Closed Die Forging): 5,000 MTPA
Khalapur Plant (Ring Rolling & Open Die Forging): 7,000 MTPA

At present, our forging capacity utilisation stands at approximately 40–50%, as both plants generally operate in a single shift rather than their optimal 24-hour potential. On the machining side, capacity utilisation has shown steady improvement — from 31.30% in FY 2021–22 to 39.00% in FY 2022–23, and 40.51% in FY 2023–24 — reflecting the growing demand for value-added machining services.

Recognising the need to scale up, the Board approved a comprehensive capacity expansion and modernisation programme at the Khalapur facility, with an investment of ₹2,381.28 lakhs from the Fresh Issue proceeds. Key initiatives include:

Civil & Structural Works: Construction of new sheds and infrastructure to house additional machinery.

New Forging Machinery: Acquisition of a 10-ton Forging Hammer for high-value closed-die forgings in the 50–200 kg range, and a 2000-ton Forging Press to replace smaller pneumatic hammers — enhancing productivity and enabling the manufacture of complex geometries for defence and aerospace applications.

Advanced Machining Facilities: Multiple CNC vertical machining centres, turning lathes, billet band saws, and circular saws for higher precision and throughput.

Material Handling Upgrades: Forging manipulators and overhead cranes for improved safety and efficiency.

In-House Testing Facilities: Mechanical, chemical, and corrosion testing laboratories to reduce dependency on external agencies, speed up quality approvals, and enhance R&D capabilities.

These additions will not only increase our volumes but also facilitate entry into high-value, technically demanding segments.

Sectoral Focus and Diversification

During FY 2024–25, our growth was supported by oil & gas, petrochemicals, chemicals & fertilizers, heavy engineering, and other infrastructure sectors. Going forward, we are actively pursuing diversification into:

Defence and Aerospace: Leveraging our new forging capabilities for precision, high-strength components.

Emerging Energy Sectors: Including renewables, green hydrogen, and other clean-tech engineering needs.

Critical Engineering Components: Targeting high-value, low-volume niche markets where quality and complexity are key differentiators.

Operational Efficiency and Technology Adoption

- We recognise that the future belongs to those who operate smarter, not just bigger.
- Our CNC machines enable improved accuracy and consistency.
- Continuous monitoring of process times, material flow, and energy usage is underway to reduce operational costs and lead times.
- While we are at the early stages of automation beyond CNC, we have a clear roadmap for

integrating advanced controls and data analytics into production.

- These measures are expected to increase our current plant utilisation by 15–20% in the near term.

R&D, Innovation, and Quality Leadership

Innovation remains the backbone of our competitiveness. We currently allocate approximately 1% of annual sales towards R&D and plan to increase this proportion in the coming years. Our R&D focus areas include:

- Designing and developing new products as per customer requirements.
- Evaluating new materials and advanced heat treatment techniques.

We also intend to strengthen collaborations with academic institutions and research organisations to stay ahead of technological curves.

Sustainability and ESG Commitment

The forging industry is inherently energy-intensive, and we acknowledge our role in driving sustainability. Initiatives underway include:

- Process optimisation to reduce waste generation.
- Energy efficiency improvements through better heat recovery and furnace upgrades.
- Exploring green forging techniques and renewable energy sourcing.

We believe ESG will be a decisive factor in securing long-term contracts, especially from global customers with stringent compliance requirements.

Financial Outlook

For FY 2025–26, we project:

- **Revenue Growth:** 15–20%, driven by higher capacity utilisation and a value-added product mix.
- **Profitability Improvement:** 10–15%, supported by operational cost control, inventory optimisation, and reduced lead times.
- **Continued Capital Investments:** Upgrading plant infrastructure while maintaining a prudent approach to debt.

Dividend payouts remain under review, with the priority being reinvestment into growth, but we are committed to rewarding shareholders in the near future.

Risks and Challenges

We remain vigilant about risks including raw material price volatility, freight cost increases, oil and electricity price fluctuations, and demand variations due to global economic conditions. Our mitigation strategies include:

- Long-term supply contracts.
- Multi-source procurement.
- Flexible production scheduling.

Our People – Our Strength

At Paramount Speciality Forgings Limited, we firmly believe that our people are the foundation of our success. From the shop floor to the boardroom, every individual contributes to our journey with dedication, skill, and a shared passion for excellence. We continue to invest in workforce safety, technical skill development, and employee engagement initiatives to build a resilient, future-ready organisation. Regular training programmes, stringent safety protocols, and open channels for communication ensure that our employees remain motivated, productive, and aligned with our long-term vision. Our partners and suppliers, many of whom have been associated with us for decades, are equally integral to this ecosystem of trust and collaboration.

Message to Our Investors

To our valued shareholders - both those who have been with us for years and those who have joined us following our listing - I extend my gratitude for your trust and confidence. You are part of an organisation that is committed to building long-term value through operational excellence, financial prudence, and responsible growth. We are not chasing short-lived opportunities; instead, we are focused on creating a sustainable business that can weather market cycles and continue to deliver over decades.

Closing Thoughts

The road ahead presents both challenges and opportunities. With our deep industry expertise, strong customer relationships, expanding technological capabilities, and prudent capital allocation, we are well-positioned to forge ahead with confidence. As reflected in our Annual Report theme — Passion for Excellence — we will continue to create value for all stakeholders while building a legacy of quality, integrity, and innovation in the forging industry.

with regards,
Mr. Aliasgar Abdulla Bhagat
Chairman Executive Director

BOARD OF DIRECTORS

Mr. Aliasgar Abdulla Bhagat

Chairman Executive Director

Mr. Aliasgar Abdulla Bhagat has over 50 years of experience in forging and engineering business. He completed his Diploma of Production Technology and has played a pivotal role in the organization's strategic planning, goal advocacy, and business expansion.

Mr. Alisagar Roshan Hararwala

Managing Director

Mr. Alisagar Roshan Hararwala is an experienced professional with 27+ years in the current business. He is a B-Business Enterprise (penurious diploma holder from BIEB (Bharuch) and Institute of Business Entrepreneurship) with the rare skill to see an innovation and a strategist, leader, empowered with quality organizational success through technical improvement, safety initiatives, and operational efficiency. Leveraging his proven skills in ISO, TS-16949, and ISO 45001 Integrated Management Systems, his role as a Managing Director significantly contributes to our company's success.

Mr. Mohammed Salim Hararwala

Executive Director

Mr. Mohammed Salim Hararwala has over 25 years of experience in the current business. He had done Diploma in Computer Technology from Maharashtra State Board of Technical Education in the year 1995. He leads manufacturing operations, ensuring alignment with customer needs and organizational goals proficient in ISO standards. He drives process improvements, implementation, and lean-manufacturing. As a vital member of the management, he fosters innovation and excellence in problem-solving.

Ms. Apurva Pradeep Joshi

Independent Directors
Non-Executive Director

Ms. Apurva Pradeep Joshi is a Certified Anti-Money Laundering Expert, Certified Bank Forensic Accountant and Certified Vigilance & Investigation Expert. She also has completed a Certificate Course from TATA Institute of Social Sciences (TISS) in Organization Development, Change and Leadership (ODCL) in Civil Society Organizations in India. In addition to this she is a Certified Independent Director from Indian Institute of Corporate Affairs (IICA).

Mr. Kurian Pallathuseril Chandy

Independent Directors
Non-Executive Director

Mr. Kurian Pallathuseril Chandy is a Chartered Accountant having nearly 33 years of rich & extensive work experience across Finance & Accounting along with nearly 7 years of experience in Consulting roles with Rich background in leading Finance Function and in providing consultation & guidance on financial issues affecting the organization, including accounting, development of financial policies & systems, budgeting, accounts, treasury operations, risk management, corporate governance and statutory compliance.

Mr. Nimesh Mukerji

Independent Director
Non-Executive Director

Mr. Nimesh Mukerji is a Chartered Engineer from the Institution of Engineers (India), Kolkata also he has a Bachelor's Degree in Mechanical Engineering, B.E. (Hons), from Jabalpur University & Post-Graduate Diploma in Business Management, (D.B.M.), from Bombay University. Mr. Mukerji possess experience of more than 50 years in forging industry.

KEY MANAGERIAL PERSONNEL

Ms. Ankita Anil Patankar
Company Secretary and Compliance Officer

Ms. Ankita Anil Patankar, aged 32 years, is the company secretary and compliance officer in our company. She is associated with our company since November 01, 2023. She is the member of ICSI. She has more than five years of experience in the field secretarial matter.

Ms. Farkhanda Abdulrazak Pagarkar
Chief Financial Officer

Ms. Farkhanda Abdulrazak Pagarkar, aged 54 years, is the chief financial officer in our company. She has completed B. Com from Burhani College, Mumbai. She has more than 30 years of experience in the field of Accounts, finance and taxation.

Our Presence

Paramount Speciality Forgings Limited has built a robust and far-reaching geographical footprint, serving a diverse array of customers both within India and internationally. Domestically, we have established a strong presence across key industrial states including Punjab, Haryana, Rajasthan, Gujarat, Madhya Pradesh, Maharashtra, Goa, Telangana, Andhra Pradesh, Karnataka, Tamil Nadu, Assam, Bihar, Odisha, and West Bengal. This widespread network reflects our capability to cater to the varied and evolving requirements of core sectors throughout the country.

Our reach extends beyond Indian borders, with an expanding global presence in prominent international markets. Paramount exports its high-quality forged products to Canada, Oman, and Italy—underscoring our reputation as a trusted partner for forging solutions worldwide. These exports mark our growing influence in international markets and underscore our commitment to delivering world-class products that meet and exceed international standards.

Mission

Catering Various Forged Components Critical in Nature to Indigenous and Overseas Customers.

Vision

Be amongst the top 5 Manufacturers in India for our Select Customers in Businesses such as Oil & Gas, Engineering & Aerospace.

Team Strength:
150+

Industry Applications: Catering to
7+ Industrial Sectors

Component Range:
1 Kg – 4000

Certifications:
ISO 9001:2008
ISO 14001:2004
BS OHSAS 18001:2007

Production Capacity:
12,000 MTPA

Export Markets:
Canada, Europe, and the Middle East

Product Diversity:
Wide range of Forgings for various Industries

Domestic Markets:
15+ States

Revenue from Operations
increased to ₹10,993.26 lakhs

Earnings per Share for FY25 stood at
₹2.57

PAT reached to
₹446.57 lakhs

EBITDA rose to
₹934.55 lakhs

Our Journey

Since its inception in 1994, Paramount Speciality Forgings Limited has embarked on a dynamic journey defined by innovation, strength, and unwavering commitment to reliability. Founded as a partnership firm on November 1, 1994, Paramount Forge began with a focused vision to manufacture precision forged flanges and fittings tailored for the demanding oil & gas sector. This marked the start of a legacy built on bold innovation and steadfast quality.

In 1996, Paramount took a significant leap by establishing its first closed-die forging facility in Kamothe, Navi Mumbai, launching large-scale manufacturing operations that set new benchmarks in precision forging. The spirit to Innovate Boldly carried forward in 2005 with the inauguration of a modern ring-rolling plant in Khopoli, enhancing production capabilities and strengthening its foothold in the forging industry.

Continuing to expand its technical prowess, 2010 saw the commissioning of an in-house CNC and vertical machining center (VMC), boosting productivity and machining precision. By 2014, the company realized greater control over quality and timelines by developing a fully integrated machine shop, reducing dependency on external vendors and reinforcing its promise to Forge Strongly.

A landmark transformation occurred in 2019 when Paramount evolved from a partnership into a limited liability partnership, reinforcing its governance structure to support ambitious growth plans. Demonstrating its commitment to operational excellence and technological advancement, 2020 brought two significant upgrades — the commissioning of a fully automated electrical heat-treatment plant and installation of multi-axis machining centers alongside a vertical lathe — empowering Paramount to forge components with greater efficiency and superior quality.

In 2024, Paramount boldly stepped into the public domain with a successful Initial Public Offering (IPO), raising ₹32.54 crore and listing on the NSE SME platform. The IPO debut reflected strong market confidence, listing at a premium of 40%, further validating the company's robust fundamentals and growth trajectory.

The year 2023 marked the transition of Paramount Speciality Forgings into a public limited company, ushering a new chapter as Paramount Speciality Forgings Limited, with fresh incorporation reflecting its evolved identity and strengthened corporate governance.

As we look toward 2025 and beyond, Paramount is set to scale new heights — expanding its product range and forging capacity to 20,000 MTPA, upgrading machining and forging infrastructure, and establishing a state-of-the-art in-house testing laboratory. The company is poised to enter strategic sectors such as defence, aerospace, and shipbuilding, aligning innovation with emerging industry demands. These key enhancements are scheduled for completion by the end of FY25-26, reaffirming our commitment to Deliver Reliably on the promises made to our customers, stakeholders, and partners.

Throughout this journey, Paramount has consistently embodied its core values — Passion for excellence. As we forge ahead, this guiding ethos continues to inspire us to shape the future of precision forging with unwavering excellence.

Operational Highlights

Strong Customer Acquisition

In the financial year 2024-25, Paramount Speciality Forgings Limited made significant progress in expanding its market presence by successfully onboarding nearly 15 new customers, both domestically and internationally. These new relationships include prominent companies across key sectors such as automotive, off-highway equipment, oil & gas, and railways. This growth reflects Paramount's strong reputation as a trusted, versatile provider of precision forging solutions capable of meeting diverse industrial requirements.

Geographic and Sectoral Diversification

As part of its commitment to operational excellence, Paramount undertook implementation of advanced digital systems in FY 2024-25. These included real-time production monitoring, predictive maintenance, and data-driven quality control. Such initiatives have significantly improved operational transparency and minimized downtime. By embedding global best practices for quality, efficiency, and productivity, Paramount is positioning itself for smarter and more scalable growth, ensuring consistent delivery of superior products.

Skilled Workforce and Training Initiatives

The company's people remain at the center of its operational success. Paramount invested continuously in workforce training programs designed to enhance skill levels and operational expertise. Coupled with stringent safety protocols, these efforts have ensured workplace safety and employee well-being across all shifts and processes. This focus reinforces Paramount's commitment to building a motivated, capable workforce ready to meet evolving industry challenges.

Key Development Areas & Investment Highlights

In-House Laboratory Development

A state-of-the-art laboratory is being established within the existing manufacturing facility to conduct in-house Chemical, Mechanical, and Corrosion testing.
This strategic move aims to reduce dependence on third-party labs, lower costs, shorten lead times, and ensure improved turnaround, quality control, and compliance with national and international standards.
Progress Update:
Civil work is approximately 70% complete, and about 90% of the equipment has been sourced.
The lab is expected to be operational by early to mid-September 2025.

New Forging Plant Development

Infrastructure development for the new forging plant is underway.

Machining Capability Enhancement

CNC and conventional VTL machines for large-diameter components have been successfully installed at the Machining Center, significantly improving productivity and operational efficiency.

Forging Capacity Expansion

Procurement of a 10-ton Hammer and a 2000-ton Forging Press has been completed.
All hammer components are received
The Forging Press is currently at the port, scheduled for shipment to MIDC, with expected delivery by mid-September 2025.

Manufacturing Unit

Unit I:
Location: Kamothe Plant
Capacity Installed: 5,000 MTPA
Type: Closed Die Forging

Unit II:
Location: Khalapur Plant
Type: Ring Rolling & Open Die Forging
Capacity Installed: 7,000 MTPA

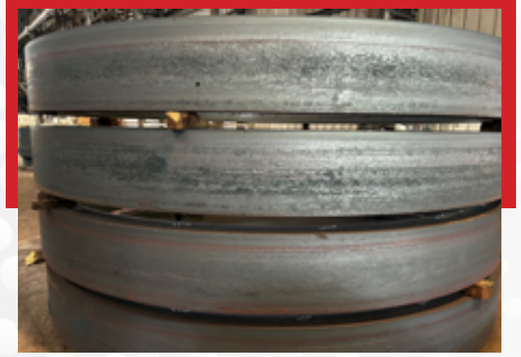
PRODUCT RANGE

Forged Flanges

Manufacturing Range: Sizes ½" to 144"

Types Available:

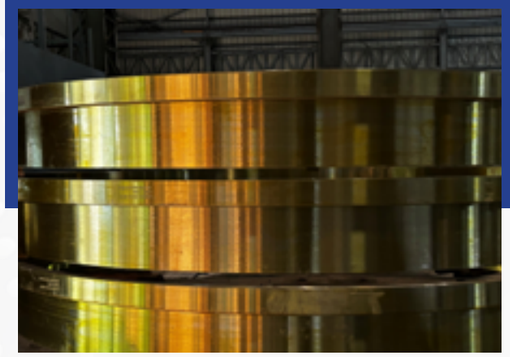
- Weld Neck
- Slip-On
- Blind
- Lap Joint
- Threaded
- Socket Welding
- Reducing Flanges
- Long Weld-Neck
- Orifice Flanges



Seamless Rolled Rings / Girth Flanges / Gear Rings / Slew Rings / Turbine Rings / Tower Flanges / Tyre Rings

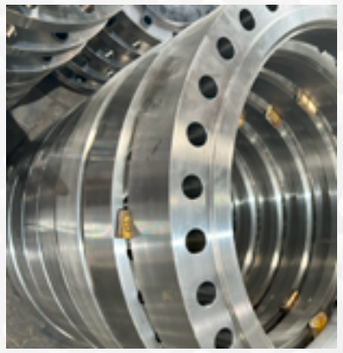
Rolled rings are manufactured by hot forming through Ring Rolling Process in square and profiled shapes such as:
Gear Rings
Tyre Rings
Slewing Rings
Turbine Rings

Specifications:
Maximum Outer Diameter (OD): 3600 mm
Maximum Height: 700 mm



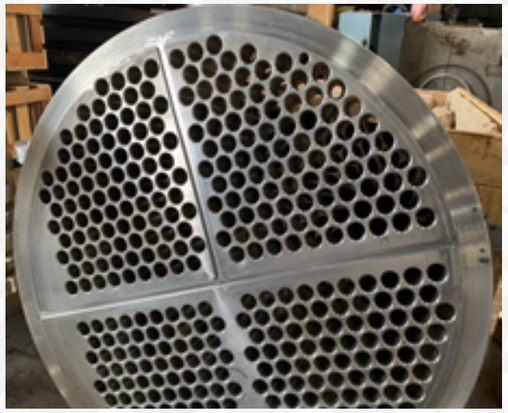
Hollow Body Forgings / Self-Reinforced Nozzles / Valve Body / Adaptors / Trunnion Plates / Stem Housing / Ball / Bonnets / Seat Rings

Specifications:
Maximum OD: 3000 mm
Maximum Height: 700 mm



Forged Blanks / Tube Sheets / Forged Blocks

Specifications:
Maximum OD: 1800 mm
Maximum Weight: 4000 kg



Competitive Strengths

Long-standing Client Relationships

Paramount has built enduring partnerships with clients, reflecting a legacy of trust and service excellence across diverse sectors.

Consistent Capability-Building with Capital Efficiency

A track record of consistently expanding operational capabilities and infrastructure while maintaining a strong focus on capital efficiency to meet extensive customer requirements.

Experienced Leadership Backed by a Skilled Team

A seasoned management team with deep domain knowledge, supported by a highly skilled and dedicated workforce, ensures business stability and technical prowess.

Strong Branding, Promotional, and Digital Initiatives

Strategic efforts in branding, marketing, and digital initiatives have helped strengthen Paramount's market position and brand recognition.

The Paramount Approach

At Paramount Speciality Forgings Limited, we remain committed to staying ahead of industry trends through advanced processes, skilled expertise, and consistent performance. Our capabilities and strategic focus position us as a trusted leader in the forging industry - today and into the future.

Business Strategies

Grow Existing Accounts and Acquire Clients Across Industries

Focusing on deepening relationships with current customers while proactively reaching out to new clients in different industry verticals, thereby broadening the company's revenue base.

Expand Geographic Presence

A deliberate approach to expanding presence in new geographical markets, both domestically and internationally, to tap into emerging opportunities and mitigate market-specific risks.

Enhance Capacity with Infrastructure and Automation

Continuous investment in augmenting manufacturing capacity, backed by upgraded infrastructure and integration of automation, to drive productivity, quality, and future-ready scalability.

Focused Quality Management and Process Control

Rigorous emphasis on quality management systems and process control, ensuring all products adhere to the highest standards of reliability and international compliance.

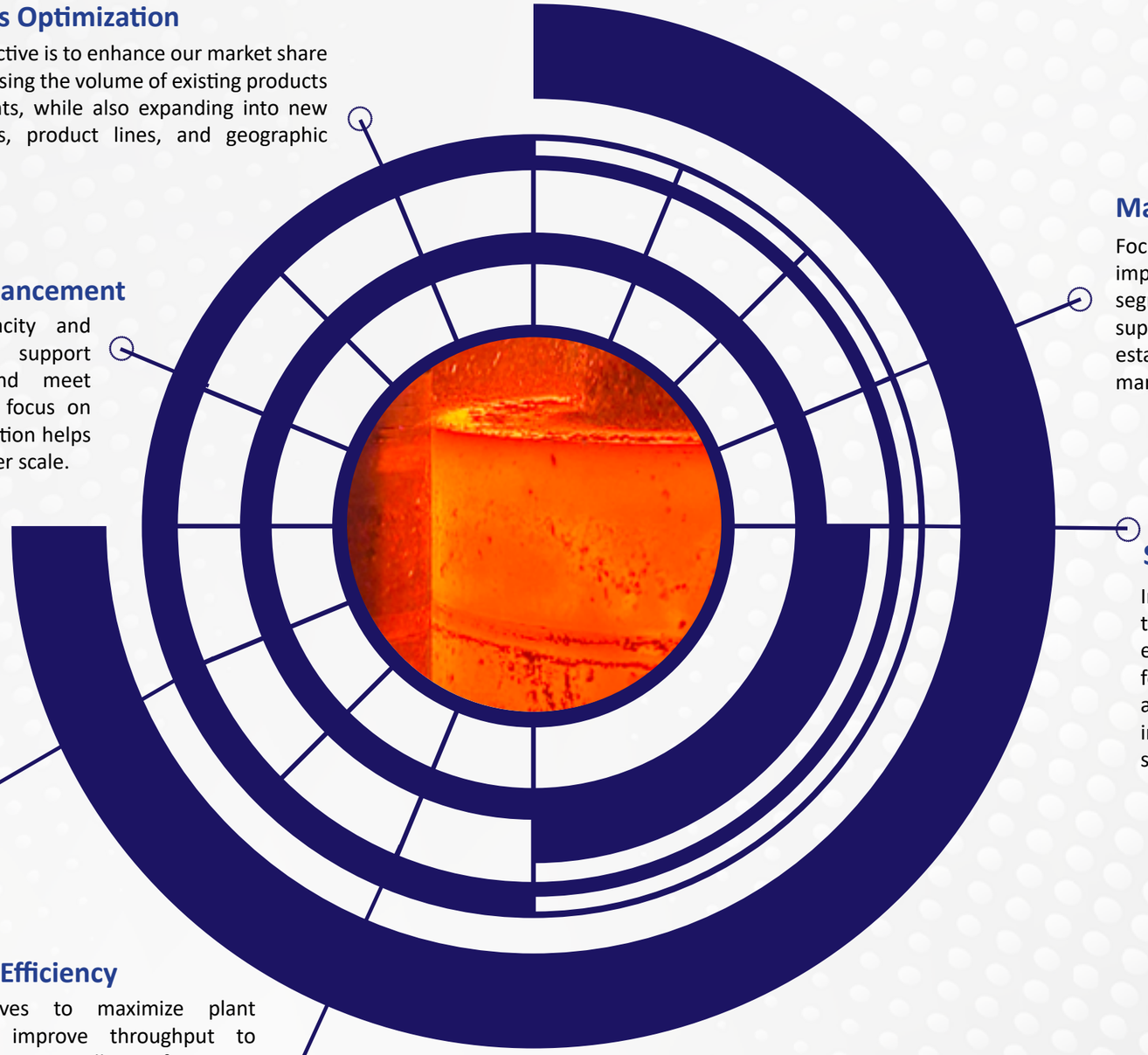
Key Strategy and Objectives

Process Optimization

Our objective is to enhance our market share by increasing the volume of existing products and clients, while also expanding into new industries, product lines, and geographic regions.

Capacity & Capability Enhancement

We are upgrading plant capacity and technological capabilities to support new product development and meet growing customer demand. This focus on infrastructure and process fortification helps us deliver superior quality at greater scale.



Customer Acquisition & Strategic Partnerships

Our efforts include onboarding clients from diverse sectors, consistently building strong and lasting partnerships, and fostering industry collaborations. These relationships allow us to serve a wider range of applications and customer needs.

Operational Efficiency

Paramount strives to maximize plant utilization and improve throughput to achieve superior overall performance. These initiatives ensure that we can meet evolving customer requirements with speed, consistency, and reliability.

Market Expansion

Focused marketing initiatives are being implemented to target new industry segments and verticals. This approach supports our aim to broaden our reach and establish Paramount as a leader in emerging market areas.

Sustainability Initiatives

In line with our responsibility towards the environment, we are implementing eco-friendly practices to minimize carbon footprint, energy and water consumption, and waste generation. Sustainability is integrated as a core pillar across our business strategy.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE (2nd) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF PARAMOUNT SPECIALITY FORGINGS LIMITED ("the Company") WILL BE HELD ON THURSDAY, SEPTEMBER 25, 2025 AT 11:00 A.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **Adoption of the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2025**

   To consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution**.

   "RESOLVED THAT the audited standalone financial statements of the Company for the year ended 31st March, 2025 containing the Balance Sheet as at that date, the Statement of Profit & Loss and the Cash Flow Statement for the year ended on that date together with the Notes and the Reports of Auditors and Board of Directors Report along with its annexures thereon be and are hereby approved and adopted."

2. **Mr. Aliasgar Abdulla Bhagat (DIN: 00335869), Chairman & Executive Director, liable to retire by rotation, and being eligible for reappointment offers himself for reappointment.**

   To consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution**.

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Aliasgar Abdulla Bhagat (DIN: 00335869), who is liable to retire by rotation and being eligible, has offered himself for reappointment, be and is hereby reappointed as a Chairman & Executive Director, of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3. **Ratification of remuneration payable to M/s. Jitendrakumar & Associates, Cost Auditor of the Company for FY 2025 -26**

   To consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution.**

   "RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 6(2) of the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modifications or re-enactments thereof, as may be in force), the remuneration not exceeding ₹1,05,000/- (Rupees One Lakh Five Thousand only) plus applicable GST and reimbursement of out-of-pocket expenses, if any, payable to M/s. Jitendrakumar & Associates, Cost Accountants (Firm Registration No. 101561), as appointed by the Board of Directors on May 29, 2025, as Cost Auditors for the financial year 2025–26, upon the recommendation of the Audit Committee, be and is hereby ratified by the members of the Company.

   RESOLVED FURTHER THAT the Company Secretary and/or the Board of Directors be and are hereby authorized to take all necessary steps, do all acts, deeds, and things as may be required to give effect to this resolution."

4. **To appoint M/s. Amit Dharmani & Associates, Practicing Company Secretaries as Secretarial Auditors for a term of 5(five) consecutive years, and fix their remuneration in this regard**

   To consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution.**

   "RESOLVED THAT pursuant to the provisions of section 179 and 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, as well as relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments or re-enactments thereof currently in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors, the consent of the shareholders be and is hereby accorded for the appointment of M/s. Amit Dharmani & Associates, Practicing Company Secretaries and a peer-reviewed firm, as Secretarial Auditors of the Company for a term of five consecutive financial years, from FY 2025–26 to FY 2029–30, on such remuneration as may be mutually agreed upon by the Board of Directors and the Secretarial Auditors.

   RESOLVED FURTHER THAT the Board of Directors and/or be and is hereby authorized to take all necessary actions, execute all required documents, and do all such acts, deeds, and things as may be deemed necessary or incidental to give effect to this resolution."

5. **To approve continuation of Mr. Aliasgar Abdulla Bhagat (DIN: 00335869) as Chairman & Executive Director of the Company beyond the age of 70 years:**

   To consider and if thought fit to pass with or without modifications, the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in terms of the Articles of Association of the Company, approval of the members be and is hereby accorded, by way of a Special Resolution, for the continuation of Mr. Aliasgar Abdulla Bhagat (DIN: 00335869) as Chairman & Executive Director of the Company, notwithstanding that he has attained the age of 70 (seventy) years, on the existing terms and conditions of

his appointment and remuneration, as previously approved by the shareholders.

RESOLVED FURTHER THAT the Board of Directors and/or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and to take all such steps as may be necessary, proper or expedient to give effect to this resolution including filing of necessary forms with the Registrar of Companies and any other authority as may be required under applicable laws.**"**

For Paramount Speciality Forgings Limited

Sd/-
Ankita Anil Patankar
Company Secretary & Compliance Officer
Membership No.: A57166

Place: Mumbai
Date: August 23, 2025

Notes

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts concerning special businesses under Item Nos. 3 to 5 of the accompanying Notice, is annexed hereto.

2. In view of General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 20/2021, 21/2021, 02/2022 and 10/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 8th December, 2021, 14th December, 2021, 5th May, 2022 and 28th December, 2022, 25th September, 2023 respectively read with Circular No. 09/2024 dated 19th September 2024 ("Collectively referred as MCA Circulars"), issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001 dated 5th January, 2023, Circular No. SEBI/HO/DDHS/P/CIR/2023/0164 dated 6th October, 2023 read with Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024 ("Collectively referred as SEBI Circulars") issued by the Securities and Exchange Board of India (SEBI), wherein the relaxation of holding AGM through VC has been extended till 30th September, 2025 (MCA Circulars and SEBI Circulars are hereinafter collectively referred to as "the Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), the 2nd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 2nd AGM shall be the Registered Office of the Company. Since the AGM will be held through VC/OAVM Facility, the Route Map, proxy form and attendance slip are not annexed to this Notice.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

4. Please note that since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. As a result, the appointment of proxies is not required and hence, the provisions of Section 105 of the Companies Act, 2013, regarding proxy appointment will not be applicable for this AGM. However, Institutional/Corporate Members are requested to send a scanned copy of their Board Resolution or Authorization, allowing their representative to attend and vote at the AGM through VC/OAVM and via e-voting/remote e-voting. The said Resolution/Authorization should be emailed to the Scrutinizer at dipesh@sarvarth.co.in, with a copy sent to compliance@paramountforge.org. The presence of Members attending the AGM through VC/OAVM will be considered for determining the quorum under Section 103 of the Act.

5. In accordance with the applicable circulars, the Annual Report for FY 2024-25, the Notice of the 2nd AGM, and the e-voting instructions are being sent electronically to Members whose email addresses are registered with the Company or their respective depository participants.

6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the

Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

7. Detailed instructions for remote e-voting, including guidelines for Members who have not registered their email addresses, are provided in the instructions for e-voting section which forms the part of this Notice.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.paramountforge.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

9. SEBI has mandated the submission of Permanent Account Number (PAN), KYC details and nomination by physical shareholders and linking PAN with Aadhaar vide its circular No. SEBI/ HO/MIRSD/MIRSD-PoD- 1/P/ CIR/2023/37 dated 16th March, 2023, and circular no. SEBI/HO/MIRSD/POD-1/P/ CIR/2023/181 dated 17th November, 2023. Therefore, shareholders are requested to submit their PAN, KYC and nomination details to the Company's RTA i.e. Purva Shargistry India Private Limited. Members holding shares in electronic form are requested to submit/ update their PAN to their Depository Participants. To mitigate unintended challenges on account of freezing of folios, SEBI vide the afore-mentioned circular has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

10. Members are requested to provide/update their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.
    i. For shares held in electronic form: to their Depository Participants
    ii. For shares held in physical form: to the Company's RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated 12th October, 2023.

11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the 2nd AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to compliance@paramountforge.org

12. The Board of Directors ("the Board") has appointed Mr. Dipesh Kamlesh Jain (FCS: 12117 & C.P. No. 17524), Proprietor of M/s. Dipesh Jain & Co., Company Secretaries, as the Scrutinizer for overseeing the voting process at the 2nd AGM in a fair and transparent manner.

13. The Scrutinizer shall upon conclusion of e-voting at the 2nd AGM shall prepare a scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and this report shall be submitted to the Chairperson or a person authorized by him within two working days from the conclusion of the AGM. The Chairperson or the authorized person will then countersign and announce the voting results.

14. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.paramountforge.com and on the website of NSDL at https://eservices.nsdl.com immediately after the declaration of Results by the Chairperson or a person authorised by him. The results shall also be displayed on the notice board at the Company's registered office and simultaneously forwarded to the Stock Exchange, i.e. National Stock Exchange of India Limited.

15. The details as required under sub-regulation (3) of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Secretarial Standard on General Meetings (SS-2) issued by the ICSI, relating to Directors seeking appointment or re-appointment at the 2nd AGM, are provided as an Annexure to the Notice. All requisite declarations from the concerned Directors have been duly received.

16. As an environmentally conscious initiative, to benefit the society at large, we request members to be part of the e-initiatives and register your e-mail address to receive all communication and documents including Annual Report 2024-25 from time to time in electronic form to the e-mail address provided by the members. Members may send such communication to their respective Depository Participants (DPs).

17. Members holding shares are eligible to avail the nomination facility under Section 72 of the Companies Act, 2013, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Those interested in opting for this facility may contact their respective DPs to register their nomination details.

18. Members are requested to notify any changes related to their personal details such as name, address, email ID, phone/mobile number, PAN, mandates, nomination, power of attorney, or bank details (including bank name, branch address, account number, MICR code, and IFSC code) to their respective DPs.

19. Members who wish to seek any information or clarification regarding the accounts are requested to submit their queries in writing to the Company well in advance to enable the Management to respond appropriately at the AGM.

20. Members wishing to speak or express their views during the AGM as a speaker may register by sending their request with details such as name, demat account/folio number, email ID, and mobile number to compliance@paramountforge.org at least seven days prior to the AGM. Only those Members who have registered as speakers will be allowed to speak during the Meeting. The Company reserves the right to limit the number of speakers and the duration of speaking time based on the availability of time at the AGM.

21. E-Voting

(i) Members who have already exercised their vote through remote e-voting before the AGM are welcome to attend the AGM via VC/OAVM, but they will not be allowed to vote again during the meeting.

(ii) The remote e-voting period begins on Monday, September 22, 2025 (09:00 A.M.) (IST) and ends on Wednesday, September 24, 2025 (05:00 P.M.) (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, September 18, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, September 18, 2025.

(iii) The instructions for members for remote e-voting and joining general meeting 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. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. 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 4. 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. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website **www.cdslindia.com** and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.com** or call at 022 - 4886 7000
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. 1800-21-09911

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

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

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

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

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.

c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.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 dipesh@sarvarth.co.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. Suketh Shetty at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to compliance@paramountforge.org.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance@paramountforge.org. If you are an Individual shareholder 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 EGM/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 EGM/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.

22. **Correspondence**

Members are requested to address all communications regarding their shareholding directly to the Company at compliance@paramountforge.org, quoting their folio number or DP ID – client ID, as applicable

23. No amount was required to be transferred to Investor Education and Protection Fund ("IEPF") as there is no amount is due for more than seven years.

24. **Information for Non-Resident Indian Shareholders**

Non-resident Indian shareholders are requested to immediately inform the Company or its Registrar and Transfer Agent, if shares are held in physical mode or to their DP, if the holding is in electronic mode, about any change in residential status upon their return to India for permanent settlement. They are requested to provide details of their NRE bank account in India, if not already shared.

Explanatory Statement

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

Item No. 2:

Details of Directors seeking appointment/ re-appointment at the AGM

In accordance with the provisions of Section 152 of the Companies Act, 2013, Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the brief profile and other details of the Director seeking re-appointment at the ensuing Annual General Meeting are as under:

Except Mr. Aliasgar Abdulla Bhagat, the appointee, and Mr. Abdulla Aliasgar Bhagat (his son and Promoter-Shareholder), none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the resolution.

Name of the Director	Aliasgar Abdulla Bhagat
DIN	00335869
Nationality	Indian
Date of Birth & Age (in years)	7th September, 1954 (70 years)
Date of first appointment on Board	05/05/2023
Qualification	Secondary School Certificate ("SSC")
Brief Profile, Experience and Expertise in specific functional areas	Mr. Aliasgar Abdulla Bhagat serves as the Chairman and Executive Director of Paramount Speciality Forgings Limited. He brings with him over five decades of rich experience in the forging and flange manufacturing industry, and has been instrumental in shaping the Company's vision and growth trajectory. An accomplished entrepreneur and industry veteran, Mr. Bhagat completed his Secondary School Certificate (SSC) and has since dedicated his career to the advancement of precision forging technologies. His leadership is marked by a hands-on approach in strategic planning, client relationship management, and long-term business development, contributing significantly to the Company's reputation in both domestic and international markets. He is a founder and promoter of the Company and played a pivotal role in its transformation from the erstwhile partnership firm "M/s. Paramount Forge" to Paramount Speciality Forgings LLP in 2019, and subsequently to the present corporate structure. Mr. Bhagat continues to provide visionary leadership to the Board and Management Team, guiding Paramount Speciality Forgings Limited in its pursuit of sustainable growth, technological excellence, and sectoral diversification.

Remuneration sought to be paid	Rs. 21,00,000/-
Terms and Conditions of reappointment(s)	Aliasgar Abdulla Bhagat was appointed as Chairman & Executive Director of the Company liable to retire by rotation and eligible for reappointment
Remuneration last drawn from the Company	Rs. 21,00,000/-
Shareholding in the Company (as on the date of AGM Notice)	16,22,784 Equity shares of Rs. 10 each
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Not related to any Director or KMP of the Company except Mr. Abdulla Aliasgar Bhagat, who is the son of Mr. Aliasgar Abdulla Bhagat and a Promoter-Shareholder of the Company
Number of Board meetings attended during the financial year 2024-25	6
List of Directorships held in other companies, as on date of notice	Nil
Membership/ Chairmanship of Committees of Board of Directors of other companies, as on date of notice	Nil
Occupation	Business

Item No. 3:

In accordance with Section 148 of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company is required to have its cost records audited by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board of Directors, at its meeting held on 29th May, 2025, approved the appointment of M/s. Jitendrakumar & Associates, Cost Accountants (Firm Registration No. 101561), as the Cost Auditors of the Company. They will conduct the audit of the Company's cost records related to the products specified under the Companies (Cost Records and Audit) Rules, 2014, for the financial year 2025-26. The proposed remuneration for the audit shall not exceed ₹1,05,000 (Rupees One Lakh Five Thousand only), plus GST and reimbursement of out-of-pocket expenses, if any.

Pursuant to Section 148 of the Act, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended, the approval of the members is being sought for the remuneration payable to the Cost Auditors by way of an Ordinary Resolution, as detailed in Item No. 3 of the Notice.

M/s. Jitendrakumar & Associates, Cost Accountants, have submitted a certificate confirming their eligibility for appointment as Cost Auditors. They bring substantial experience in cost audits and have previously conducted audits of the Company's cost records in compliance with the Act.

The Board recommends the Ordinary Resolution under Item No. 3 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel, or their relatives have any financial or other interest in the resolution.

Item No. 4:

In accordance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") as per SEBI Notification, and pursuant to Section 204 of the Companies Act, 2013 ("the Act") read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors, at their meetings held on 29th May, 2025, approved and recommended the appointment of M/s. Amit Dharmani & Associates, a Peer Reviewed Firm of Practicing Company Secretaries, as Secretarial Auditors of the Company.

They are proposed to be appointed for a term of up to five (5) consecutive years, commencing from the conclusion of this Annual General Meeting (AGM) and continuing until the conclusion of AGM of the Company to be held in the year 2030. The proposed remuneration for conducting the secretarial audit for the financial year 2025–26 is Rs. 40,000 (Rupees Forty Thousand only), plus applicable taxes and reimbursement of out-of-pocket expenses, if any.

M/s. Amit Dharmani & Associates meet the eligibility and qualification requirements under the Companies Act, 2013 and the SEBI LODR Regulations, including Regulation 24A(1A). The firm has over 7 years of professional experience and holds a valid Peer Review Certificate. They have consented to act as Secretarial Auditors and confirmed that their appointment, if made, will be within the statutory limits prescribed under applicable laws.

The Board recommends the Ordinary Resolution under Item No. 4 of the Notice for approval by the members. None of the Directors, Key Managerial Personnel, or their relatives have any financial or other interest in the proposed resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 5:

Mr. Aliasgar Abdulla Bhagat (DIN: 00335869) was appointed as the Chairman and Executive Director of the Company with effect from May 5, 2023, pursuant to the conversion of Paramount Speciality Forgings LLP into Paramount Speciality Forgings Limited and in accordance with the applicable provisions of the Companies Act, 2013.

In terms of Section 196(3)(a) of the Companies Act, 2013, no company shall continue the employment of a person as Managing Director, Whole-Time Director, or Manager who has attained the age of 70 years, unless approved by a special resolution passed by the shareholders.

Mr. Bhagat has attained the age of 70 years. In view of his extensive experience of over 50 years, proven leadership, and in-depth understanding of the forging industry, the Board believes that his continued association as Chairman and Executive Director would be immensely beneficial to the Company. His strategic insight and domain knowledge are particularly valuable in a specialized sector where such experience is scarce.

Accordingly, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on August 23, 2025 has approved the proposal for continuation of Mr. Aliasgar Abdulla Bhagat as Chairman and Executive Director beyond the age of 70 years, subject to the approval of the

members by way of special resolution. All other terms and conditions of his appointment shall remain unchanged.

The Board of Directors recommends the resolution set out in Item No. 5 of the accompanying Notice for the approval of members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company, or their relatives is concerned or interested, financially or otherwise, in the resolution, except Mr. Aliasgar Abdulla Bhagat, being the appointee and a Promoter and Shareholder of the Company, and his son, Mr. Abdulla Aliasgar Bhagat, who is also a Promoter and Shareholder.

Directors' Report

To
The Members

The Board of Directors of your Company takes pleasure in presenting the 2nd Annual Report for the financial year ended March 31, 2025, together with the audited standalone financial statements, prepared in accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder.

This Report also includes the disclosures and information required to be provided in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to companies listed on the SME Platform of NSE.

1. FINANCIAL SUMMARY AND PERFORMANCE HIGHLIGHTS

In accordance with the provisions of Section 134 of the Companies Act, 2013 and Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the financial performance of the Company for the financial year ended **March 31, 2025**, along with comparative figures for the previous year, is as under:

(₹ in Lakh)

Particulars	FY 2024–25	FY 2023–24
Revenue from Operations	10,993.26	10,280.00
Other Income	96.84	71.74
Total Income	11,090.10	10,351.75
Operating Expenditure	10,155.55	8,990.72
Depreciation and Amortisation Expense	142.61	415.35
Total Expenses	10,298.16	9,406.07
Profit before Finance Costs, Exceptional Item, and Tax	791.94	945.68
Finance Costs	204.94	189.78
Profit before Exceptional Item and Tax	587.00	755.90
Exceptional Items	–	–
Profit Before Tax	587.00	755.90
Tax Expenses:		
a. Current Tax	169.86	298.65
b. Adjustment of Tax relating to earlier years	(32.99)	–
c. Deferred Tax (Charge)/Credit	3.56	(83.23)
Total Tax Expense	140.43	215.42
Profit for the Year	446.57	540.48

During the financial year under review, the Company reported

A. **Revenue from Operations of ₹10,993.26 lakhs**, reflecting a **6.94% increase** over the previous year (₹10,280.00 lakh). The growth in revenue was primarily driven by a strong order book in the industrial and oil & gas segments, combined with operational capacity utilization from both the Kamothe and Khalapur manufacturing units.

B. **Other Income** stood at ₹96.84 lakh, which includes income from interest on IPO proceeds and others, foreign exchange gain, scrap sales, and miscellaneous non-operational receipts.

C. **Total expenditure** increased to ₹10,298.16 lakhs in FY 2024–25 as compared to ₹9,406.07 lakhs in FY 2023–24, mainly on account of higher raw material and utility costs driven by inflationary pressures, as well as increased manpower and production-related overheads to meet expanded operations.

D. **Depreciation and amortisation expense** reduced significantly from ₹415.35 lakh in FY 2023–24 to ₹142.61 lakh in FY 2024–25 due to the full depreciation of certain fixed assets in earlier years, coupled with no major capitalisation during the year. It is because of change in methodology from WDV to SLM.

Despite a marginal decline in profitability, the Company continued to demonstrate operational resilience, maintained a healthy order pipeline, and retained a stable cost structure with no exceptional items affecting the financials.

2. DETAILS OF SUBSIDIARIES/JOINT VENTURES/ ASSOCIATES COMPANIES

Your Company does not have any subsidiary, associate, or joint venture, therefore the statement containing the salient features of the financial statement of subsidiaries, associates or joint ventures under the first proviso to sub-section (3) of section 129 of the Companies Act, 2013 in Form AOC-1 is not applicable.

3. TRANSFER TO RESERVES

Pursuant to the provisions of Section 134(3)(j) of the Companies Act, 2013, the Board of Directors confirms that no amount has been transferred to the General Reserves of the Company during the financial year ended March 31, 2025. The entire net profit earned for the year has been retained in the Profit and Loss Account, to be utilized for strengthening the operational and financial position of the Company.

Further, during the year under review, there was no unpaid or unclaimed dividend required to be transferred to the Investor Education and Protection Fund (IEPF) in accordance with Sections 124 and 125 of the Companies Act, 2013, read with applicable rules framed thereunder.

4. DIVIDEND

In line with the Company's strategy to conserve resources and strengthen its financial position, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2025. The decision has been taken with a view to plough back the profits for future growth and expansion initiatives of the Company.

The Company is also adopted Dividend Distribution Policy and the same is placed on the website of the Company at **https://paramountforge.com/pdf/PoliciesAdopted/Dividend-Distribution-Policy_PSFL.pdf**

5. SHARE CAPITAL

A. Authorised Share Capital

During the financial year under review, there was no alteration in the Authorised Share Capital of the Company. As on March 31, 2025, the Authorised Share Capital of the Company stood at:

₹ 20,00,00,000 (Rupees Twenty Crores only) comprising 2,00,00,000 (Two Crore) Equity Shares of face

value ₹10/- (Rupees Ten) each.

B. Issued, Subscribed & Paid-up Share Capital

During the financial year under review, the Company successfully completed its **Initial Public Offering (IPO)** under the SME Platform of NSE. Pursuant to the public issue, the Company issued and allotted **48,02,000 (Forty-Eight Lakh Two Thousand)** equity shares of face value ₹10/- each, aggregating to ₹4,80,20,000 (Rupees Four Crore Eighty Lakh Twenty Thousand only).

Particulars	Equity Shares Capital At the beginning of the year	*Increase/Decrease during the year	At the end of year
Paid up Share Capital	14,88,00,000	4,08,20,000	19,68,20,000

*The details of the paid-up share capital before and after the IPO are as under:

Particulars	No. of Equity Shares	Amount (₹)
Pre-IPO	1,48,80,000	14,88,00,000
Post-IPO	1,96,82,000	19,68,20,000

Accordingly, as on March 31, 2025, the Issued, Subscribed and Paid-up Share Capital of the Company stood at ₹19,68,20,000 (Rupees Nineteen Crore Sixty-Eight Lakh Twenty Thousand only) divided into 1,96,82,000 (One Crore Ninety-Six Lakh Eighty-Two Thousand) equity shares of face value ₹10/- each.

Further, during the financial year under review:

i. The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.

ii. The Company has not issued any sweat equity shares to its directors or employees.

iii. The Company has not issued any securities on a rights basis.

iv. The Company does not have any employee stock option scheme (ESOP) or any scheme for purchase of its shares by employees or by trustees for the benefit of employees under any plan.

The capital structure of the Company remains compliant with the applicable provisions of the Companies Act, 2013, the rules made thereunder, and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

C. Conversion of status from Unlisted to Listed, Initial Public Offering and Listing on NSE EMERGE

During the period under review, the status of your Company was converted from 'Unlisted' to 'Listed' as Company got listed on SME Emerge Platform of National Stock Exchange w.e.f. 25th September, 2024. Paramount Speciality Forgings Limited successfully completed its Initial Public Offering (IPO) — a significant milestone in the Company's growth trajectory. The IPO was conducted as a 100% Book Built Issue in accordance with Chapter IX of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable to Small and Medium Enterprises (SMEs).

IPO Structure and Components:

Particulars	Details
Type of Issue	100% Book Built Issue under SME Platform (NSE EMERGE)
Listing Date	September 25, 2024
Issue Price	₹59 per Equity Share (Face Value ₹10 + Premium ₹49)
Total Issue Size	54,82,000 Equity Shares aggregating to ₹3,234.38 lakhs
Fresh Issue	48,02,000 Equity Shares aggregating to ₹2,833.18 lakhs
Offer for Sale (OFS)	6,80,000 Equity Shares aggregating to ₹401.20 lakhs (offered by Promoter Selling Shareholders)
Stock Exchange	NSE EMERGE Platform

D. Utilisation of Proceeds of Initial Public Offering (IPO)

In accordance with Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby confirmed that there was no deviation or variation in the utilisation of proceeds from the Initial Public Offering (IPO) of the Company during the financial year ended March 31, 2025, as compared to the objects stated in the offer document.

Statement of IPO Proceeds and Utilisation **(₹ in Lakhs)**

Sr. No.	Particulars (Objects as per Offer Document)	Amount Disclosed in Offer Document	Amount Utilised	Unutilised Amount
1.	a. Capital expenditure towards construction of factory shed and; b. Purchase of machinery and equipment at Khalapur Plant	2,381.28	458.31	1,922.97
2.	General Corporate Purposes	72.38	33.57	38.81
3.	Offer-related expenses	379.52	377.71	1.81
	Total	2,833.18	869.59	1,963.59

Status of Unutilised Proceeds

As certified by the Statutory Auditors, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants, the unutilised amount of ₹1,963.59 lakhs has been deployed as follows as of March 31, 2025:

i. ₹1,850.00 lakhs – invested in Fixed Deposits;

ii. ₹71.57 lakhs – paid towards taxes;

iii. ₹1.53 lakhs – lying in the Public Issue Account maintained with Axis Bank;

iv. Balance amount – maintained in HDFC Bank, pending deployment as per the stated objects.

The Board and Audit Committee shall continue to monitor the utilisation and deployment of the IPO proceeds and ensure that the funds are used only for the purposes stated in the offer document.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

A. Directors

The Company is committed to ensuring a balanced and effective Board structure with an appropriate mix of Executive, Non-Executive, and Independent Directors, aligned with the principles of sound corporate governance and the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015.

i. Board Composition as on March 31, 2025

As on the close of the financial year, the Board of Directors of **Paramount Speciality Forgings Limited** comprised **six Directors**, classified as under:

Category	Number of Directors
Executive Director(s)	3
Non-Executive Director(s)	3
a.— of which, Independent	3
b.— of which, Women Independent Director	1

- The composition of the Board and its Committees is in conformity with the statutory requirements applicable to SME-listed companies.
- The **detailed profiles**, **committee memberships**, **tenure**, and **areas of expertise** of each Director are disclosed on the Company's official website at **https://paramountforge.com/boardofdirectors.html**

ii. Changes During the Year

During the financial year under review, there were no appointments, resignations, or cessations of any Director or Key Managerial Personnel.

iii. Director Qualification and Compliance

- None of the Directors are disqualified under Section 164(1) or 164(2) of the Companies Act, 2013.
- Further, no Director is debarred or disqualified from being appointed or continuing as a director by the Securities and Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), or any other regulatory/statutory authority.
- A certificate to this effect, issued by a Practising Company Secretary, has been obtained and is annexed to this Annual Report as required under Regulation 34(3) and Schedule V, Part C, Clause 10(i) of the SEBI LODR Regulations.

The Board has reviewed and confirmed that all Directors possess the necessary skills, qualifications, financial and operational expertise, and professional experience for effective governance of the Company. Their integrity, commitment, and contribution to strategic decision-making are in the best interest of the stakeholders.

iv. Director Retiring by Rotation

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and the applicable provisions of the Articles of Association of the Company, Mr. Aliasgar Abdulla Bhagat (DIN: 00335869), Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, has offered himself for re-appointment.

The brief profile and other requisite disclosures pursuant to Secretarial Standard-2 (SS-2) and the Companies Act, 2013, are provided in the Notice convening the AGM.

Further, during the financial year under review, no changes occurred in the composition of the Board of Directors of the Company.

B. **Key Managerial Personnel**

In accordance with the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following individuals were designated as Key Managerial Personnel (KMP) of the Company as on March 31, 2025:

Sr. No.	Name	Designation	Date of Appointment
1	Mr. Aliasgar Roshan Hararwala	Managing Director	May 05, 2023
2	Ms. Farkhanda Abdul Razak Pagarkar	Chief Financial Officer	November 11, 2023
3	Ms. Ankita Anil Patankar	Company Secretary & Compliance Officer	November 11, 2023

All the above KMPs were duly appointed and are in office as of the end of the financial year. The Company is in compliance with the statutory requirement of having the necessary KMPs in place under the applicable legal framework.

X. **Declaration by Independent Directors**

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013 ("the Act") and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all Independent Directors of the Company have submitted declarations confirming that:

i. They meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regul ations;

ii. There has been no change in their circumstances which could affect their status as Independent Directors; and

iii. They possess integrity, expertise, and experience necessary for acting as Independent Directors on the Board.

The Board of Directors, after undertaking due assessment, is of the opinion that all Independent Directors of the Company continue to fulfill the conditions specified for independence and are independent of the management.

Further, all Independent Directors have:

i. Complied with the provisions of the Code for Independent Directors as prescribed under Schedule IV of the Companies Act, 2013;

ii. Affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel of the Company, as adopted pursuant to the Listing Regulations;

iii. Confirmed compliance with the Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

During the year under review, the Non-Executive Directors, including Independent Directors, did not have any pecuniary relationship or transactions with the Company other than:

i. Receipt of sitting fees for attending Board and Committee meetings;

ii. Reimbursement of expenses incurred in connection with the performance of their duties, if any; and

iii. Commission, if any, in accordance with the provisions approved by the shareholders and the Board.

D. **Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel, Senior Management and Other Employees**

The Company has adopted a comprehensive Nomination and Remuneration Policy in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This policy provides a framework for the appointment, evaluation, and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management, and other employees of the Company.

The policy lays down well-defined criteria for identifying individuals eligible for appointment to the Board and Senior Management positions, taking into account factors such as qualifications, professional experience, integrity, and alignment with the Company's values, vision, and strategic objectives. It aims to ensure that the remuneration structure is fair, performance-oriented, competitive, and in line with industry standards, while also promoting long-term shareholder value.

In terms of remuneration structure:

i. **Executive Directors** are paid a fixed remuneration along with performance-linked incentives and admissible perquisites, if any, as approved by the Board and shareholders, subject to regulatory limits.

ii. **Non-Executive Directors**, including Independent Directors, are entitled to receive sitting fees and commission, if any, in accordance with the provisions of the Act and within the limits approved by shareholders.

iii. At present, the Company does not have any employee stock option scheme (ESOP) or other equity-linked incentive plans.

The policy also establishes a structured mechanism for annual performance evaluation of the Board, its Committees, individual Directors, KMPs, and Senior Management. The remuneration paid during the year under review is in compliance with this policy.

The detailed Nomination and Remuneration Policy of the Company is available on the website at **https://paramountforge.com/pdf/PoliciesAdopted/Nomination-and-Remmuneration-Policy_PSFL.pdf**

E. **Number of Meetings of the Board and Attendance**

The Board of Directors of the Company meets at regular intervals to deliberate on key business strategies, policy matters, financial performance, and governance issues. During the Financial Year 2024–25, the Board met seven (7) times in accordance with the provisions of the Companies Act, 2013 and applicable Secretarial Standards. The time gap between any two consecutive meetings did not exceed the statutory limit of 120 days. In addition to in-person meetings, certain matters of urgent nature were transacted by

way of circular resolutions.

The details of meetings held and attendance of Directors at the Board and Committee meetings are as follows:

Type of Meeting				
Board Meeting (7)	ACM (4)	NRC (1)	SRC (1)	CSR (1)
May 31, 2024	May 31, 2024	February 20, 2025	February 10, 2025	February 10, 2025
August 14, 2024	August 14, 2024			
September 13, 2024	November 14, 2024			
September 23, 2024	February 18, 2025			
September 23, 2024				
November 14, 2024				
February 18, 2025				

The details of Directors' attendance are as mentioned below:

Name of the Director	Board Meetings Number of Meetings which director was entitled to attend	Number of Meetings attended	Committee Meetings Number of Meetings which director was entitled to attend	Number of Meetings attended
Aliasgar Abdulla Bhagat	7	6	2	2
Aliasgar Roshan Hararwala	7	7	6	6
Mohammed Salim Hararwala	7	7	0	0
Kurian Pallathuseril Chandy	7	7	5	5
Apurva Pradeep Joshi	7	7	5	5
Nimesh Mukerji	7	7	3	3

F. **Committees of the Board**

In accordance with the provisions of the Companies Act, 2013, the relevant rules made thereunder, and to the extent applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), the Board of Directors of the Company has constituted the following Committees to facilitate focused oversight on specific areas and to ensure effective governance practices:

i. Audit Committee

ii. Nomination and Remuneration Committee

iii. Stakeholders Relationship Committee

iv. Corporate Social Responsibility (CSR) Committee

These Committees operate within defined terms of reference and play a vital role in ensuring that the Board's supervisory role is well executed across critical functional areas.

It is further confirmed that during the year under review, there were no instances where the Board did not accept any recommendation of the Audit Committee.

**** The IPO Committee of the Board was constituted on November 1, 2023, for the purpose of overseeing and facilitating the Initial Public Offering (IPO) process of the Company. The Committee played a pivotal role in ensuring timely execution of all activities related to the IPO, culminating in the successful listing of the Company's equity shares on NSE EMERGE.***

Upon the completion of its assigned responsibilities and post-listing formalities, the Committee was formally dissolved by the Board of Directors at its meeting held on February 18, 2025.

The following are the Composition of the Committees of the Board formed:

Audit Committee*		Nomination & Remuneration Committee	
Name of the Member	**Designation**	**Name of the Member**	**Designation**
Kurian Pallathuseril Chandy	Chair (Non-Executive Independent Director)	Nimesh Mukerji	Chair (Non-Executive Independent Director)
Nimesh Mukerji	Member (Non-Executive Independent Director)	Kurian Pallathuseril Chandy	Member (Non-Executive Independent Director)
Aliasgar Roshan Hararwala	Member (Managing Director)	Apurva Pradeep Joshi	Member (Non-Executive Independent Director)

Stakeholder Relationship Committee		CSR Committee	
Name of the Member	**Designation**	**Name of the Member**	**Designation**
Nimesh Mukerji	Chair (Non-Executive Independent Director)	Aliasgar Roshan Hararwala	Chair (Managing Director)
Aliasgar Abdulla Bhagat	Member (Executive Director)	Aliasgar Abdulla Bhagat	Member (Executive Director)
Aliasgar Roshan Hararwala	Member (Managing Director)	Nimesh Mukerji	Member (Non-Executive Independent Director)

***Reconstitution of Audit Committee**

Pursuant to a Circular Resolution passed by the Board of Directors on May 10, 2025, the Audit Committee was reconstituted in order to maintain continuous compliance with the provisions of the Companies Act, 2013 and the applicable requirements under SEBI LODR Regulations.

Ms. Apurva Pradeep Joshi voluntarily stepped down from her position as Member of the Audit Committee. On her recommendation and with the approval of the Board, Mr. Nimesh Mukerji (Non-Executive Independent Director) was inducted as a Member of the Committee in her place.

G. **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors conducted the annual performance evaluation of the Board as a whole, its Committees, individual Directors, and the Chairperson.

The evaluation was undertaken through a structured mechanism designed to assess the effectiveness of the Board's functioning, the adequacy of its composition, and the performance of its members. The process involved assessment against pre-defined criteria including, inter alia, the structure and diversity of the Board, effectiveness of Board and Committee meetings, quality and timeliness of information flow, contribution and participation levels of Directors, and the leadership of the Chairperson.

A separate meeting of Independent Directors was also held, wherein the performance of the Non-Independent Directors and the Board as a whole, including that of the Chairperson, was reviewed. Further, the performance of individual Directors was evaluated by the Board and the Nomination and Remuneration Committee, based on their preparedness, contribution to Board deliberations, and value addition to governance and strategic matters.

The evaluation methodology adopted is aligned with the criteria laid down under the SEBI's Guidance Note on Board Evaluation and the Company's Nomination and Remuneration Policy, which is available on the website of the Company at **https://paramountforge.com/pdf/PoliciesAdopted/Nomination-and-Remmuneration-Policy_PSFL.pdf**

The outcome of the evaluation confirmed that the Board and its Committees are functioning effectively and collectively possess an appropriate mix of skills, experience, and expertise necessary for the Company's governance and strategic direction.

H. **Meeting of Independent Directors**

In accordance with the provisions of the Companies Act, 2013 and Schedule IV thereto, a separate meeting of the Independent Directors of the Company was convened on March 29, 2025, without the presence of Non-Independent Directors and members of the management.

At the said meeting, the Independent Directors, inter alia, reviewed the performance of the Non-Independent Directors, the overall performance of the Board as a whole, and the Chairperson of the Company. The meeting also involved an evaluation of the quality, quantity, and timeliness of information flow between the Management and the Board, which is crucial for the Board's effective functioning and informed decision-making.

The observations and feedback from this meeting were duly considered by the Board during its subsequent evaluation process.

I. **Directors' Responsibility Statement**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief and based on the information and explanations obtained, confirm that:

i. In the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

ii. The directors 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 as at the end of the financial year and of the profit of the Company for that period;

iii. The directors have taken proper and sufficient care for the 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 fraud and other irregularities;

iv. The annual financial statements have been prepared on a going concern basis;

v. The directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. RISK MANAGEMENT

As an SME listed entity, the Company is not mandatorily required to constitute a Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Board of Directors acknowledges the importance of effective risk governance in safeguarding stakeholder value and ensuring sustainable operations.

The Company has adopted a proportionate yet structured risk management framework, integrated into its strategic, operational, and compliance functions. This framework enables timely identification, assessment and mitigation of key risks that may impact the Company's performance and continuity.

Key risk areas identified by the management include:

A. **Operational risks**, such as plant utilization inefficiencies, underuse of machining capacity and process failures;

B. **Financial risks**, including interest rate exposure, working capital needs and customer credit cycles;

C. **Market-related risks**, like order volatility due to short-term purchase contracts and raw material price fluctuations;

D. **Environmental, Health and Safety (EHS) risks**, given the nature of forging operations;

E. **Compliance and reputational risks**, especially with evolving industry standards and legal regulations.

To manage these risks effectively, the Company operates under an established Integrated Management System (IMS) supported by internationally recognized certifications, including:

ISO 9001:2015 – Quality Management System, ensuring consistent product quality and reducing the risk of non-conformities, product returns or reputational harm;

ISO 14001:2015 – Environmental Management System, guiding responsible resource use, pollution control and compliance with environmental regulations;

ISO 45001:2018 – Occupational Health and Safety Management System, which addresses inherent operational risks such as die-grinding, forging and heat treatment through well-documented safety protocols and regular hazard assessments.

In addition, the Company enhances risk control through:

ASNT Level II - certified technicians conducting Non-Destructive Testing (Ultrasonic, Magnetic Particle, and Liquid Penetrant), minimizing risks of undetected defects in critical components.

Periodic reviews are conducted at the operational and Board levels, with improvement actions implemented as necessary. The Board is of the opinion that there are no material threats at present that could affect the Company's going concern status. Nonetheless, it remains vigilant to potential risks arising from economic volatility, customer concentration, regulatory changes or geopolitical factors that could impact supply chains or margins.

The Company remains committed to enhancing its internal controls, certifications, and governance systems to proactively address risks and support long-term value creation.

8. INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2025.

The internal financial controls include well-documented policies and procedures, clearly defined roles and responsibilities, standard operating procedures, risk control matrices, and robust IT systems. These are tested periodically for design and operating effectiveness through internal audits conducted by a reputed firm of internal auditors. The Company has established and maintained adequate internal financial controls with reference to the financial statements, commensurate with the size, scale, and complexity of its operations. These controls are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with applicable laws.

The Audit Committee actively oversees and reviews the adequacy and effectiveness of the internal control systems and suggests improvements as needed. The Company's internal control systems are routinely tested and certified by Statutory as well as Internal Auditors.

The Company believes that strengthening of internal controls is an ongoing process and there will be continuous efforts to keep pace with changing business needs and environment. Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Act forms part of the Audit Report.

9. CORPORATE SOCIAL RESPONSIBILITY ("CSR")

In accordance with the provisions of Section 135 of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has duly constituted a Corporate Social Responsibility (CSR) Committee, the composition and functioning of which are fully aligned with the statutory framework. The Company has adopted a comprehensive CSR Policy, which outlines its guiding principles and focus areas, in line with Schedule VII of the Act. The Policy is available on the Company's website at **https://paramountforge.com/pdf/PoliciesAdopted/CSR-Policy_PSFL.pdf**

During the financial year 2024–25, the Company undertook CSR initiatives through registered implementing agency, Raginiben Bipinchandra Seva Karya Trust, and contributed a sum of ₹15,50,000 (Rupees Fifteen Lakh Fifty Thousand only). The Trust primarily focuses on medical and healthcare services, in line with the Company's CSR objectives.

A detailed annual report on CSR activities undertaken by the Company during the year, in the prescribed format under Rule 8 of the Companies (CSR Policy) Rules, 2014, is annexed to this Report as **Annexure I**.

The Company remains deeply committed to its social responsibility and believes that sustainable corporate growth must be complemented by meaningful contributions to society. Its CSR vision encompasses focus areas

such as healthcare, education, environmental sustainability, and community development. All initiatives are undertaken with a strong emphasis on integrity, transparency, and impact-driven outcomes.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year under review, all related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis, in accordance with the provisions of Section 188(1) of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

There were no material related party transactions during the year, as defined under the Company's Policy on Related Party Transactions and Regulation 23 of the Listing Regulations. Accordingly, no shareholder approval was required under Regulation 23(4).

All related party transactions were placed before the Audit Committee and, where required, the Board of Directors, for prior approval. Omnibus approvals were obtained for repetitive transactions in the ordinary course of business. These transactions were also reviewed on a quarterly/half yearly basis to ensure compliance and transparency.

The Audit Committee has confirmed that all related party transactions undertaken during the year were in the best interest of the Company, and were conducted in a fair, transparent, and compliant manner.

The Company has a duly approved Policy on Related Party Transactions, which is available on its website at: **https://paramountforge.com/pdf/PoliciesAdopted/Related-Party-Transactions-Policy_PSFL.pdf**

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the financial year under review, the Company has not provided any loan or made any investment or given any guarantee or provided any security in respect of any loan to any person as mentioned in Section 186 of the Companies Act, 2013.

12. DEPOSITS

A. Deposits covered under Chapter V of the Companies Act, 2013:

During the financial year under review, the Company has not accepted or renewed any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

B. Deposits not in compliance with Chapter V of the Companies Act, 2013:

During the financial year under review, the Company has not accepted or renewed any deposits which are not in compliance with Chapter V of the Companies Act, 2013.

13. AUDITORS & AUDIT REPORTS

A. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company, at the First Annual General Meeting, approved the re-appointment of M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), as the Statutory Auditors of the Company to hold office for a term of five consecutive years, from the conclusion of the First Annual General Meeting until the conclusion of the Sixth Annual General Meeting, to be held in the year 2029.

The Company has received a certificate from the said Auditors confirming that they continue to satisfy the eligibility criteria prescribed under Section 141 of the Companies Act, 2013 and have not incurred any disqualifications, thereby being eligible to continue as Statutory Auditors of the Company.

The audit firm is also registered with the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) and holds a valid peer review certificate.

B. Auditor's Report

The Statutory Auditors' Report for the financial year under review does not contain any qualification, reservation, adverse remark or disclaimer except of the following.

i. **Title Deed:** According to the information and explanations given to us and based on the audit procedures performed by us, the Company is still in process of transferring the title deeds of the immovable properties (other than immovable properties where the Company is the lessee) disclosed in the financial statements, the details of same are as mentioned below:
- Freehold Land having value of 42.87 (In Lakhs) held in the name of Paramount Speciality Forgings LLP
- Building (Factory, Office and Residential Building) having value of 1125.52 (In Lakhs) held in the name of Paramount Speciality Forgings LLP
- Leasehold property having value of 10.26 (In Lakhs) held in the name of Paramount Speciality Forgings LLP

Reply: The Company have initiated the title transfer process and taken the following steps:

a). For the Society Property – at Jawahar Industrial Estate Kamothe – Plot No. 260/263:

We have intimated JCIEL regarding the conversions of our firm from LLP to Limited requesting them to update their records. We have also initiated the processes Industrial Development Authority / District Industries Centre for updating the conversion process. All related documentation is currently in process, and we are making every effort to complete this process by the end of December 2025.

b) The Khalapur Property:

The respective Gram Panchayat & Talathi Offices have already been contacted and the entire process will be completed before December 2025.

ii. **Internal Financial Control**: According to the information and explanations given to us and based on our audit we are of the view that the Company needs to strengthen its documentation over standardisation of its key processes and also introduce a maker checker concept over Payroll and Financial Closing

Process. We have been informed that the Company is in the process of strengthening its overall control on the aforesaid processes.

Reply: Appropriate steps to strengthen internal controls over the payroll and financial closure processes. The actions will include:

a) Documentation of all key workflows, roles, and responsibilities related to payroll processing and financial quarter end/year-end closures.

b) Standard Operating Procedures for payroll and financial closures will be finalized and approved by management by the end of H1

Implementation of Maker-Checker Controls

a) A formal maker-checker system is being introduced across both functions to ensure clear segregation of duties.

b) In the payroll process, input preparation, validation, and final approval will be assigned to different personnel with system based controls, wherever feasible.

c) For financial closure, all key entries and reconciliations will undergo a review and approval process, supported by documented checklists and sign-offs.

The ERP accounting systems are being implemented to support automated controls, audit trails, and approval workflows to further strengthen the control environment. The aim is to implement the above actions in a phased manner and expect to have the revised internal control framework in place by end of H1, with periodic reviews thereafter to ensure ongoing compliance and effectiveness.

iii. **Undisputed Statutory Dues:** According to the information and explanation given to us and based on records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to Goods and Services tax ('GST'), Provident fund, Employees's State Insurance, Income-Tax, Duty of Customs, Profession Tax and other statutory dues with the appropriate authorities, wherever applicable and there are no undisputed dues which remained outstanding at March 31, 2025 for a period of more than six months from the date they became payable except as mentioned in audit report.

Reply: The delay in remittance of these statutory dues pertains mainly to few employees where underlying issue was due to discrepancies and mismatches in PF and ESIC, PAN and Aadhaar details **of** certain employees, resulting in, the system rejection of payments. In order to avoid such situations new employees onboarded on a 6-month probation period, are required to ensure all statutory documents such as PAN and Aadhaar are properly submitted All pending payments have now been cleared**,** except for 2–3 employees whose documentation is still under rectification. The concerned employees have assured that the required documentation will be submitted by 15thSeptember 2025**,** following which the remaining dues will be cleared promptly.

iv. **Disputed Statutory Dues:** According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no dues outstanding as on March 31, 2025, of income-tax on account of any dispute, except as mentioned in audit report.

Reply:

a) We confirm that appeals have been duly filed against all disputed income tax demands as per the provisions of the Income Tax Act, 1961.

b) The current status of the appeals is that they are pending before the appropriate appellate authorities, and further responses or hearing schedule from the Income Tax Department is awaited

c) The grounds of dispute primarily relate to disallowances

d) At this stage, no specific timeline for resolution can be confirmed, as it is subject to the proceedings and timelines of the income tax authorities.

v. **Audit Trail:** With respect to reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail, the Company has retained audit trail logs for Tally EL Gold from January 20th, 2024, and for Cloud9 ERP from its implementation date, i.e., October 1st, 2024.

Reply: There was migration process to new Cloud9 ERP system, unlike Tally which was fully operational we just had to configure it. The Cloud9 rollout followed department wise migration plan to ensure smooth transition and accurate data transfer. There were user training sessions to all department to get trained with the new system features and compliance requirements. The entire process took additional time for initiating audit trail logging.

C. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and in accordance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company had appointed M/s. Amit Dharmani & Associates, Practising Company Secretaries (Peer Reviewed Firm, CP No. 18179), to undertake the Secretarial Audit of the Company for the Financial Year 2024–25. The said appointment was made based on the recommendation of the Audit Committee and was duly approved at the Board Meeting held on November 14, 2024.

The Secretarial Audit was conducted in accordance with the applicable provisions of the Companies Act, 2013, SEBI Regulations, and other relevant laws and Secretarial Standards. The Secretarial Audit Report in Form MR-3, as issued by M/s. Amit Dharmani & Associates, for the year ended March 31, 2025, is annexed to this Board's Report as Annexure-II. The Report confirms that the Company has complied with the applicable statutory provisions and does not contain any qualification, reservation, or adverse remark.

In line with the recent amendment to Regulation 24A of the SEBI (LODR) Regulations, 2015, notified by SEBI circular, which mandates that the Secretarial Auditor of a listed entity shall be appointed for a continuous term of five years, the Audit Committee and Board of Directors, at their meeting held on May 29, 2025, have approved the re-appointment of M/s. Amit Dharmani & Associates as the Secretarial Auditor of the Company for a fixed term of five consecutive financial years commencing from FY 2025–26 to FY 2029–30, subject to the approval of

the shareholders at the ensuing Annual General Meeting.

The Board recommends the said appointment for the consideration and approval of the members. This long-term appointment is expected to ensure continuity, independence, and consistency in the secretarial oversight of the Company's compliance functions.

D. Internal Auditors

In compliance with the provisions of Section 138 of the Companies Act, 2013, read with Rule 13 of the Companies (Accounts) Rules, 2014, and other applicable regulatory requirements, the Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on May 31, 2024, approved the re-appointment of M/s. Pipalia Singhal & Associates, Chartered Accountants (FRN: 114665W), as the Internal Auditors of the Company for the Financial Year 2024–25.

The Internal Auditors function independently and report directly to the Chairman of the Audit Committee, in line with the principles of good governance and the Company's internal control framework. Their scope of work includes reviewing and assessing the adequacy and effectiveness of internal controls, risk management systems, operational processes, and compliance with applicable laws and internal policies.

During the year, the Internal Auditors conducted periodic reviews and submitted their reports to the Audit Committee. Their observations and recommendations were duly considered and acted upon, thereby contributing to the continuous improvement of operational and financial controls within the Company.

The Company continues to maintain a robust internal audit mechanism to ensure high standards of accountability, transparency, and risk mitigation in all functional areas.

E. Cost Auditors and Cost Audit Report

Pursuant to Section 148(1) of the Companies Act, 2013 the Company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained. Pursuant to Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a Cost Auditor.

In compliance with section 148 (3) of the Companies Act, 2013 and rule 6 (2) of the Companies (Cost records and Audit Rules) 2014, the Board at its meeting held on May 31, 2024, based on recommendation of the Audit Committee, has approved the reappointment of M/s. Jitendrakumar & Associates, (Firm Registration No. 101561), as Cost Auditors of the Company for FY 2024-25.

The remuneration is subject to the ratification of the Members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is being accordingly placed before the Members for ratification. The cost audit report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Company has received consent from M/s. Jitendrakumar & Associates, for appointment as Cost Auditors of the Company for FY 2025-26 which was approved by the Board of Directors in their meeting held on May 29, 2025.

F. Reporting of frauds by auditors

During the year under review, none of the auditors have reported any instances of fraud committed against the

Company by its officers or employees to the Audit Committee as required to be reported under Section 143 (12) of the Act.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

Energy efficiency and environmental responsibility form an integral part of the Company's operational priorities. Recognizing that forging is an energy-intensive industry, PSFL has initiated several measures to reduce energy consumption and emissions.

Key measures during the year included:

1. Commissioning of automated CNC machines and low-emission furnaces equipped with automated heat-treatment systems.
2. Initiation of a 1,050 kWp solar power project at the Khalapur facility, designed to meet 30–35% of internal energy requirements upon commissioning, with additional capacity expansion of 300–400 kW planned.
3. Ongoing implementation of waste heat recovery systems to harness residual thermal energy from furnace operations.
4. A portion of IPO proceeds earmarked for energy-efficient billet saws, compressors, and renewable-linked upgrades, aligning expansion with ESG goals.
5. These measures are projected to achieve an estimated CO_2 reduction of 787,500 kg per year, equivalent to planting ~36,750 trees annually.

Through these initiatives, the Company is progressively lowering its carbon footprint, improving energy utilisation, and aligning with global sustainability practices, thereby strengthening its long-term competitiveness.

B. Technology Absorption:

During the year, the Company undertook a series of technology upgradation and absorption measures aimed at improving manufacturing precision, operational efficiency, and sectoral competitiveness.

Key initiatives included:

1. Installation of multi-axis CNC machining centres, vertical lathes, billet saws, and semi-automatic systems to enhance throughput, accuracy, and productivity.
2. Adoption of press forging for smaller jobs in place of hammer forging, enabling improved geometry, consistency, and reduced material wastage.
3. Setting up a laboratory for mechanical, chemical, and corrosion testing, reducing dependence on third parties and ensuring faster turnaround. R&D efforts were directed toward evaluating new alloys, heat treatment techniques, and customer-specific product development.
4. Rollout of real-time monitoring systems, predictive maintenance tools, and data-driven quality management practices, gradually aligning operations with Industry 4.0 standards.
5. Planned installation of a mechanical forging press plant and continuous billet induction furnace, along with expansion of the Khalapur facility, to support entry into high-value segments like aerospace, defence, and marine.

These initiatives have strengthened the Company's technological capabilities, product reliability, and ability to serve critical industries with higher-value, complex forgings.

C. Foreign Exchange Earnings and Outgo:

The Following are the total foreign exchange outflow and inflow during the FY 2024-25:

i. FOB Value of Exports: 27,05,27,420/-
ii. Expenditure in Foreign Currency: 1,17,64,706/-
iii. Foreign Exchange earned: 28,99,112/-
iv. Value of Import on CIF basis: 48,71,833/-

15. VIGIL MECHANISM

The Company is committed to maintaining the highest standards of transparency, accountability, professionalism, and ethical conduct in all its dealings. In accordance with the provisions of Section 177(9) and 177(10) of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated a robust Vigil Mechanism / Whistle Blower Policy.

This Policy enables Directors, employees, and stakeholders to report genuine concerns or grievances regarding unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or applicable laws. The Vigil Mechanism provides for adequate safeguards against victimization of persons who avail the mechanism and also ensures direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.

The Whistle Blower Policy is disseminated across the organization through training sessions, awareness programs, and internal communications, and is available on the Company's website at **https://paramountforge.com/pdf/PoliciesAdopted/Vigil-Mechanism-Policy_psfl.pdf**

During the financial year under review, **no complaints** were received under the said mechanism. The Company continues to maintain and periodically review the effectiveness of the Policy to ensure a secure and responsive platform for all stakeholders to report concerns without fear of retaliation.

16. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2025 has been placed on the website of the Company at **https://paramountforge.com/investor-info.html**

17. MANAGEMENT DISCUSSION AND ANALYSIS, CORPORATE GOVERNANCE AND BRSR

As per Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms an integral part of the Board's Report and is annexed separately.

Pursuant to Regulation 15(2) of the SEBI Listing Regulations, the compliance with the provisions of Corporate Governance as specified in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46, and Paras C, D and E of Schedule V, is not mandatory for companies listed on the SME Exchange. Accordingly, the said

provisions are not applicable to the Company, which is listed on the NSE EMERGE platform.

Further, under Regulation 34(2)(f) read with the SEBI circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/120 dated July 11, 2023, the requirement to submit a Business Responsibility and Sustainability Report (BRSR) is applicable only to the top 1,000 listed entities by market capitalization (as on the last day of the financial year). Since the Company does not fall within this threshold, BRSR reporting is not applicable to the Company for the financial year ended March 31, 2025.

However, the Company continues to uphold principles of good governance and sustainability through its internal practices.

The Company has devised proper systems to ensure compliance with all applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and confirms that such systems are adequate and operating effectively.

18. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at workplace and is committed to provide a safe and secure working environment for all employees and therefore, your Company has put in place a policy for prevention, prohibition and redressal against sexual harassment of women at the work place, to protect women employees and enable them to report sexual harassment at the workplace in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

The policy on prevention of sexual harassment at workplace is placed on the website of the Company at **https://paramountforge.com/pdf/PoliciesAdopted/Anti-Harassment-Policy_PSFL.pdf**

During the year under review, no cases were filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Sr. No.	Particulars	Remarks
1	No. of complaints received during the year	Nil
2	No. of complaints disposed of during the year	Nil
3	No. of complaints pending as on March 31, 2025	Nil

19. MATERNITY BENEFIT PROVIDED BY THE COMPANY UNDER MATERNITY BENEFIT ACT 1961

All eligible women employees have the statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

However, during the financial year 2024–25, no female employees availed maternity leave, and no formal requests for maternity benefits were received. The majority of female employees are under ESIC for which they are entitled to maternity benefits as per the Act. The Company is prepared to provide the required benefits either directly or via ESIC as and when applicable.

20. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

During the Financial Year 2024–25, the Company has complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI) and notified by the Ministry of Corporate Affairs under Section 118(10) of the Companies Act, 2013. The Company has established systems and processes to ensure ongoing and effective compliance with these mandatory Secretarial Standards.

21. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("PIT Regulations"), the Company has adopted a comprehensive Code of Conduct for Prevention of Insider Trading ("Code").

The objective of the Code is to preserve the confidentiality of Unpublished Price Sensitive Information (UPSI) and to ensure that no insider derives any undue benefit or advantage by dealing in the securities of the Company while in possession of UPSI. The Code is applicable to all Designated Persons, their immediate relatives, and connected persons who are expected to have access to UPSI.

The Company has also implemented a system for maintaining a Structural Digital Database (SDD) containing the names of such persons or entities with whom UPSI is shared and ensuring compliance with Regulations 3(5) and 3(6) of the PIT Regulations.

Ms. Ankita Patankar, Company Secretary of the Company, is designated as the Compliance Officer for the purpose of the PIT Regulations and is responsible for monitoring compliance and ensuring effective implementation of the Code.

The Company's Code of Conduct for Prevention of Insider Trading is available on its website at **https://paramountforge.com/pdf/PoliciesAdopted/Code-of-Practice-for-UPSI_PSFL.pdf**

22. GENERAL DISCLOSURES

A. **Particulars of Employees**

Pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the requisite disclosures relating to the remuneration of Directors and Key Managerial Personnel, including the ratio of the remuneration of each Director to the median remuneration of the employees, are annexed to this Report as **Annexure-III**.

Further, the statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to the Company.

These disclosures are in compliance with the applicable provisions and reflect the Company's commitment to fairness, accountability, and transparency in managerial and employee remuneration practices.

B. The Directors of the Company state that:

i. During the financial year under review, there was no change in the nature of business of the Company.

ii. No application is made and no proceedings are pending against the Company, under the Insolvency and Bankruptcy Code, 2016.

iii. There are no material changes affecting the financial position or the current affairs of the Company occurred since the end of the financial year and up to the date of this report.

iv. No One-Time settlement(s) was carried out by the Company with any Banks or Institutions. Hence, no details of valuation are required to be given.

v. There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on Company's operations in future.

vi. The annual Listing and custodian fees for the Financial Year has been paid to NSE, CDSL and NSDL.

23. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis Report describing your 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 your Company's operations include global and domestic market conditions affecting cost as well as the selling prices of the services, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Acknowledgements

The Board of Directors places on record its sincere appreciation for the continued support, trust, and cooperation extended to the Company by its esteemed shareholders, customers, vendors, investors, business associates, and other stakeholders. The Board also acknowledges the valuable guidance and assistance received from various departments of the Central and State Governments, regulatory authorities, and other statutory bodies.

The Directors further express their deep appreciation for the commitment, dedication, and hard work demonstrated by employees across all levels, which has significantly contributed to the sustained performance and progress of the Company.

The Board looks forward to the continued support and goodwill of all stakeholders in the Company's future growth and strategic initiatives.

For and on behalf of the Board of Directors
Paramount Speciality Forgings Limited

Sd/-
Aliasgar Roshan Hararwala
Managing Director
DIN: 00334957
Place: Mumbai
Date: August 23, 2025

Sd/-
Aliasgar Abdulla Bhagat
Director (Chairman)
DIN: 00335869
Place: Mumbai
Date: August 23, 2025

Annexure – I

Annual Report on Corporate Social Responsibilities ("CSR") Activities for financial year 2023-24

1. Brief outline on CSR Policy of the Company:

Paramount Speciality Forgings' CSR Policy intends to:

- Strive for economic development that positively impacts society at large with minimal resource footprint.
- Embrace responsibility for the Company's actions and encourage a positive impact through its activities to alleviate hunger, poverty and malnutrition; to protect the environment; and to support communities, stakeholders and society.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Committee held during the year	Committee attended during the year
1	Aliasgar Roshan Hararwala	Chair (Managing Director)	1	1
2	Aliasgar Abdulla Bhagat	Member (Director)	1	1
3	Nimesh Mukerji	Member (Non-Executive Independent Director)	1	1

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy adopted by the board are disclosed on the website of the company: https://paramountforge.com/pdf/PoliciesAdopted/CSR-Policy_PSFL.pdf

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

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs. 7,58,32,041/-**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 15,16,641/-**

c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **None**

(d) Amount required to be set off for the financial year, if any: **None**

(e) Total CSR obligation for the financial year (b+c-d): **Rs. 15,16,641/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 15,50,000/-**

(b) Amount spent in Administrative Overheads: **None**

(c) Amount spent on Impact Assessment, if applicable: **None**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 15,50,000/-**

(e) CSR amount spent or unspent for the Financial Year: **Rs. 15,50,000/-**

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
15,50,000	-	-			

(f) Excess amount for set-off, if any

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	15,16,641
(ii)	Total amount spent for the Financial Year	15,50,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	33,359
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	33,359

7. (a) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
1.	-	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-	-
	Total							

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

If yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/ Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Sd/-	**Sd/-**	**Not Applicable**
(Chief Executive Officer or Managing Director or Director)	**(Chairman CSR Committee)**	**[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable)**

Annexure – II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

PARAMOUNT SPECIALITY FORGINGS LIMITED

For the Financial Year Ended 31st March, 2025

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

To,
The Members,
PARAMOUNT SPECIALITY FORGINGS LIMITED
3, 1, Guru Himmat Building,
Dr. Mascarenhas Road, Anjirwadi, Mazgaon,
Mumbai,Maharashtra, India, 400010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PARAMOUNT SPECIALITY FORGINGS LIMITED** having CIN L24109MH2023PLC402307 (hereinafter called the Company) for financial year from April 01st, 2024 to March 31st, 2025 (hereinafter referred to as "the Audit Period"). 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.

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 and as per the explanations given to us and the representations made by the Management of the Company, we hereby report that in our opinion, the Company had during the Audit Period generally complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed during the Audit Period and other records made available to us and maintained by the Company and as shown to us during our audit and according to the provisions of the following laws:

1) The Companies Act, 2013 and the Rules made there under.
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

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

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (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, 2009 (Not applicable to the Company during the audit period);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);

i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

5) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

6) The Company has identified the following laws as specifically applicable to the company:

a. The Payment of Wages Act, 1936

b. Employee's State Insurance Act, 1948

c. The Employee's Provident Fund and Miscellaneous Provisions Act, 1952

d. The Payment of Bonus Act, 1965

e. The Payment of Gratuity Act, 1972

f. The Motor Vehicle Act, 1988

g. Food Safety and Standards Act, 2006

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 Listing Agreements entered into by the Company with National Stock Exchange(s);

During the Audit Period and as per the explanation and clarification given to us and the representations made by the management, the Company had generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above, except we have observed a few minor deviations which including typographical errors in minutes.

We further report that:

1. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings / debenture holdings and directorships in other companies and interests in other entities;

2. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

3. The Company has obtained all necessary approvals under the various provisions of the Act; and

4. There was no prosecution initiated during the year under review under the Companies Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers though some forms were uploaded with late filing fees.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive 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.

Adequate notice were given to directors to schedule the Board Meetings, committee meetings, agenda along with the detailed notes on agenda were also sent in advance of seven days, however 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.

Decisions at the Board Meetings were taken unanimously.

We further report that as per the explanations given to us and the representations made by the management and relied upon by us, 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 the company has not done any such events mentioned below:

a. Redemption / buy-back of securities
b. Merger / amalgamation / reconstruction, etc.
c. Foreign technical collaborations

We further report that during the audit period, the company had following events as mentioned below:

1. **Listing on Stock Exchange:**
   During the audit period, the Company has successfully listed its equity shares on the National Stock Exchange of India Limited (NSE). The listing was carried out in compliance with applicable provisions of the Securities Contracts (Regulation) Act, 1956, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable laws. Necessary approvals from regulatory authorities were obtained, and disclosures were duly made as per statutory requirements.
2. **Allotment of Equity Shares:**
   During the audit period, the Company has allotted **48,02,000 (Forty-Eight Lakh Two Thousand)** equity shares pursuant to Initial Public Offer and **6,80,000 (Six Lakhs Eighty Thousand)** equity shares by the selling shareholder, in compliance with the applicable provisions of the Companies Act, 2013, the SEBI regulations, and other applicable laws. The necessary approvals of the Board of Directors, shareholders, and regulatory authorities were duly obtained, and the allotment was made in accordance with prescribed procedures.

For Amit Dharmani & Associates
Company Secretaries

Place: Ujjain
Date: 22/08/2025

Sd/-
Amit Dharmani
Proprietor
ICSI Fellow Membership No.: 12050
ICSI Certificate of Practice No.: 18179
UDIN: F012050G001061538
Unique Identification No.: S2017MP474100
Peer review certificate number: 996/2020

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

ANNEXURE – A

(To the Secretarial Audit Report of PARAMOUNT SPECIALITY FORGINGS LIMITED for the financial year ended March 31st, 2025)

To,
The Members,
PARAMOUNT SPECIALITY FORGINGS LIMITED
3, 1, Guru Himmat Building,
Dr. Mascarenhas Road, Anjirwadi, Mazgaon,
Mumbai,Maharashtra, India, 400010

Our Secretarial Audit Report for the financial year 31st March, 2025 is to be read along with this letter.

Management's Responsibility:-

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:-

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:-

5. 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.

6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

For Amit Dharmani & Associates
Company Secretaries

Place: Ujjain
Date: 22/08/2025

Sd/-
Amit Dharmani
Proprietor
ICSI Fellow Membership No.: 12050
ICSI Certificate of Practice No.: 18179
UDIN: F012050G001061538
Unique Identification No.: S2017MP474100
Peer review certificate number: 996/2020

ANNEXURE-III

INFORMATION PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. Ratio of remuneration of each director to the median remuneration of employees:

Name of the Director	Designation	Ratio
Mr. Aliasgar Roshan Hararwala	Managing Director	6.36
Mr. Aliasgar Abdulla Bhagat	Director	6.36
Mr. Mohammed Salim Hararwala	Director	5.20
Mr. Kurian Pallathuseril Chandy	Independent Director	0.30
Mr. Nimesh Mukerji	Independent Director	0.30
Ms. Apurva Pradeep Joshi	Independent Director	0.30

2. The percentage increase in remuneration of each Director, Chief Financial Officer, CEO, Manager, Company Secretary in the financial year:

Name of the Directors, Chief Financial Officer, Company Secretary	Designation	% Increase
Mr. Aliasgar Roshan Hararwala	Managing Director	0
Mr. Aliasgar Abdulla Bhagat	Director	0
Mr. Mohammed Salim Hararwala	Director	0
Mr. Kurian Pallathuseril Chandy	Independent Director	0
Mr. Nimesh Mukerji	Independent Director	0
Ms. Apurva Pradeep Joshi	Independent Director	0
Ms. Farkhanda Abdul Razak Pagarkar	Chief Financial Officer	8.64%
Ms. Ankita Anil Patankar	Company Secretary & Compliance Officer	0

Note: Sitting fees paid to the Directors have not been considered as remuneration.

3. The percentage increase in the median remuneration of employees in the financial year: **16.03%**
4. The number of permanent employees on the rolls of company: **152**
5. Average percentile increase already made in the salaries of employees other than the managerial personnel (KMP) 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: **16.03%**
6. Affirmation that the remuneration is as per the remuneration policy of the Company: **Yes**

Information as per Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also Top 10 employees in terms of remuneration drawn during the year 2024-25:

Name of Employee	Designation	Educational Qualification	Age (in yrs)	Experience (in years)	Date of Joining	Remuneration in FY 2024-25 (In ₹ Lakh)	Previous employment	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) ofsub-rule (2) of rule 5 of companies (Appointment and remuneration of managerial personnel) rules, 2014
Aliasgar R. Hararwala	Managing Director	MBA	47	28	05-05-23	21,00,000	-	12.48
Aliasgar A. Bhagat	Director	SSC	70	51	05-05-23	21,00,000	-	8.24
Roshan A. Hararwala	Promoter	Graduation	88	51	05-05-23	21,00,000	-	8.24
Zahid M. Hararwala	Promoter	Graduation	34	6	05-05-23	21,00,000	-	10.30
Abdulla A. Bhagat	Promoter	Graduation	43	21	05-05-23	21,00,000	-	12.37
Madan Karkhanis	Quality Control Manager	Diploma	55	34	05-05-23	20,65,200	-	-
Umesh Panchal	Production Manager	Diploma	46	26	05-05-23	19,28,400	-	-
Sachin Vaidya	Maintenance Manager	Diploma	47	21	05-05-23	18,88,800	-	-
Farkhanda Pagarkar	CFO	Graduation	52	31	05-05-23	16,97,400	-	-
Mohammed Hararwala	Director	Diploma	46	26	05-05-23	17,16,000	-	6.86

Notes:

1. Apart from Mr. Aliasgar R. Hararwala, Mr. Roshan A. Hararwala, Mr. Zahid M. Hararwala, Mr. Mohammed S. Hararwala, Mr. Aliasgar Abdulla Bhagat and Abdulla Aliasgar Bhagat all employees mentioned above are neither relative of any directors of the Company, nor hold 2% or more of the paid-up equity share capital of the Company as per Clause (iii) of sub-rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Compliance Certificate as required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors

Paramount Speciality Forgings Limited

We hereby certify that:

1. We have reviewed the Balance Sheet as at March 31, 2025, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2025.

2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.

4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.

5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
   a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with accounting principles generally accepted in India including the Accounting Standards.
   c) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
   d) Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
   a) Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
   b) Any significant changes in internal controls during the year covered by this report.
   c) All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
   d) Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.

8. We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sd/-
Aliasgar Roshan Hararwala
Managing Director
DIN: 00334957

Place: Mumbai
Date: August 23, 2025

Sd/-
Farkhanda Abdul Razak Pagarkar
Chief Financial Officer

Place: Mumbai
Date: August 23, 2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Paramount Speciality Forgings Limited
3, 1, Guru Himmat Building,
Dr. Mascarenhas Road, Anjirwadi,
Mazgaon, Mazgaon, Mumbai,
Maharashtra, India, 400010.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Paramount Speciality Forgings Limited having CIN L24109MH2023PLC402307 and having registered office at 3, 1, Guru Himmat Building, Dr. Mascarenhas Road, Anjirwadi, Mazgaon, Mazgaon, Mumbai, Mumbai, Maharashtra, India, 400010 (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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	ALIASGAR ABDULLA BHAGAT	00335869	05-05-2023
2.	ALIASGAR ROSHAN HARARWALA	00334957	05-05-2023
3.	MOHAMMED SALIM HARARWALA	00335357	05-05-2023
4.	KURIAN PALLATHUSERIL CHANDY	00855226	28-09-2023
5.	APURVA PRADEEP JOSHI	06608172	28-09-2023
6.	NIMESH MUKERJI	07705885	28-09-2023

*the date of appointment is as per the MCA Portal.

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

For CS Amit Dharmani & Associates
Practicing Company Secretaries

Place: Ujjain
Date: August 13th, 2025

Sd/-
Amit Dharmani
Proprietor
FCS: 12050 CP: 18179
UDIN: F012050G000998409
PR No.: 996/202

Management Discussion And Analysis Report

1. OVERVIEW:

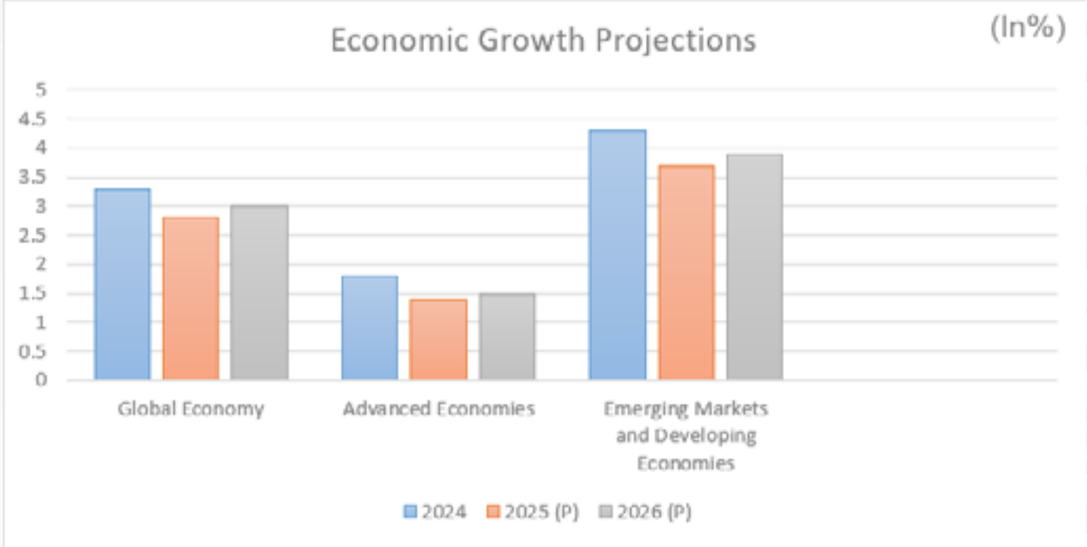
The objective of this report is to convey the Management's perspective on the external environment and forging industry, as well as operating and financial performance, material developments in human resources and industrial relations, SWOT Analysis and internal control systems and their adequacy in the Company during the FY 2024-25.

This should be read in conjunctions with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Annual Report. The Company's financial statements have been prepared in accordance with Generally Accepted Accounting Principle complying with the requirements of the Companies Act, 2013 as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

2. INDUSTRY STRUCTURE & DEVELOPMENT:

A. THE ECONOMIC OVERVIEW

(i) **Global Economy:** The baseline forecast anticipates that the global economy will maintain a growth rate of 3.2 percent in both 2024 and 2025, consistent with the pace recorded in 2023. A modest acceleration in advanced economies—from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—is expected to be offset by a slight deceleration in emerging market and developing economies, where growth is projected to ease from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. The medium-term outlook is less optimistic, with global growth five years from now projected at 3.1 percent—its lowest level in decades.



Global inflation is expected to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025. Advanced economies are anticipated to return to their inflation targets more swiftly than their emerging market and developing counterparts. Core inflation, however, is projected to decline more gradually across most regions.

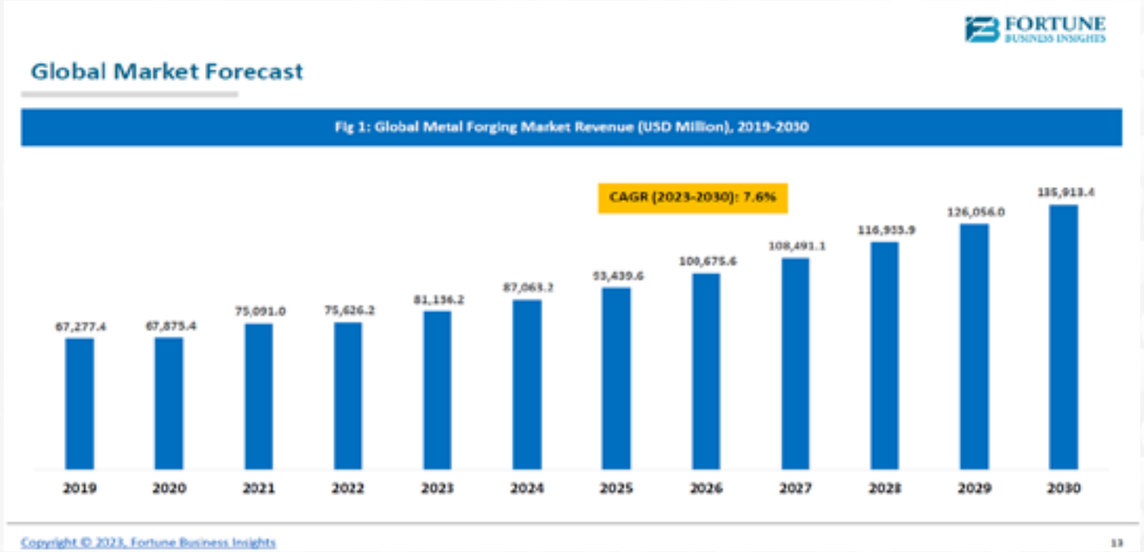
Despite a series of aggressive interest rate hikes by central banks to restore price stability, the global economy has demonstrated notable resilience. Following several unprecedented shocks in recent years, growth remained steady - albeit subdued—through 2024, with similar dynamics projected in early 2025. However, the global policy environment has since evolved, with governments beginning to recalibrate their priorities. Notably, the United States has introduced a broad set of new tariffs, which triggered retaliatory responses from trading partners. These measures culminated in the imposition of near-universal U.S. tariffs as of April 2, elevating effective tariff rates to levels not seen in a century. This development constitutes a significant negative shock to global growth.

Moreover, the heightened uncertainty surrounding trade policy and geopolitical developments has further weighed on economic activity and clouded the outlook, making it increasingly difficult to produce consistent and timely forecasts. In this context, the reference scenario projects global growth to slow to 2.8 percent in 2025 and 3.0 percent in 2026—down from 3.3 percent—representing a cumulative downward revision of 0.8 percentage point and remaining well below the 2000–2019 historical average of 3.7 percent. Growth in advanced economies is expected to decline to 1.4 percent in 2025. U.S. growth is forecast to slow to 1.8 percent—0.9 percentage point lower than previous estimates—due to increasing policy uncertainty, rising trade tensions, and softening demand momentum.

Despite these persistent global headwinds, the current environment also presents an opportunity to bolster economic resilience and lay the groundwork for sustainable, long-term growth. Addressing these macroeconomic challenges will require coherent policy coordination, the timely implementation of structural reforms, and effective sovereign debt resolution mechanisms. With clear monetary guidance, disciplined fiscal frameworks, and stronger financial systems, economies can restore stability and support a robust recovery. Continued international cooperation will be critical to addressing systemic vulnerabilities, supporting emerging markets, and fostering a more inclusive and balanced trajectory for global growth.

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

Below is the forecast for revenue generation in global forging industry from 2019 to 2030, as projected by Fortune Business Insights.



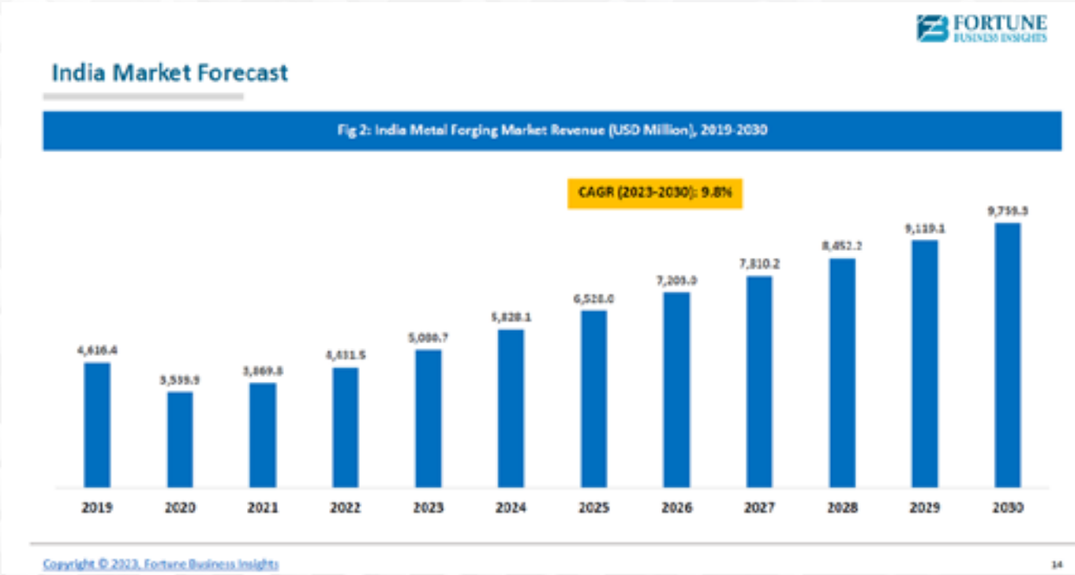
(ii) **Indian Economy:** India's economy remains on a strong footing, with an estimated growth rate of 6.5% for FY 2024–25. This performance underscores the country's economic resilience amid a challenging global environment. The sustained momentum is supported by sound policy initiatives and robust domestic fundamentals. Key drivers include substantial infrastructure investments, technological advancements, and ongoing structural reforms. Government policy continues to play a pivotal role, complemented by improving labour market conditions and stable consumer demand. Agriculture and services sectors remain critical pillars, providing balance between private consumption and broader macroeconomic stability.

However, the manufacturing export segment has faced headwinds due to subdued demand from major international markets and increasingly protectionist trade policies from key partners. Additionally, an above-average monsoon delivered mixed outcomes—positively contributing to water resource replenishment and agricultural output, while temporarily disrupting activity in sectors such as mining, construction, and parts of manufacturing. Furthermore, year-on-year variations in the timing of festivals between September and October contributed to a marginal moderation in growth during that period.

Despite these short-term challenges, the economy's resilience has been reinforced by strong domestic demand and a notable surge in export orders—among the fastest in over a decade—driven by shifting global trade patterns. As a result, the manufacturing sector ended the year on a solid note, reaffirming its position as a key engine of growth for the Indian economy.

Investor confidence in the manufacturing sector remains high. This growth reflects improved corporate earnings, rising foreign direct investment, and technological innovations that have helped manufacturers maintain profitability, even in the face of rising input costs—particularly in sectors such as consumer goods, chemicals, and pharmaceuticals.

Below is the forecast for revenue generation in India's forging industry from 2019 to 2030, as projected by Fortune Business Insights.



B. INDIAN FORGING INDUSTRY:

(i) A Strategic Driver of Economic Growth: The Indian forging industry plays a vital role in propelling the nation's economic development. With roots tracing back to ancient times, the sector has transformed into a technologically advanced and dynamic industrial base. Comprising approximately 400 units—predominantly located in the western and northern regions—the industry currently produces around 2.2 million metric tonnes annually, accounting for 7.8% of global output, second only to China.

This sector contributes significantly not only through the production of critical components but also by generating employment and fostering skill development nationwide. Recent global shifts—such as the "China Plus One" strategy and rising energy costs in Europe—have created favourable conditions for Indian forging companies. In response, the industry aims to scale up production capacity to 3.5–4 million tonnes over the next two years.

(ii) Diversification and Export Growth: Historically, the forging industry has been closely aligned with the automotive sector, which accounts for nearly 80% of total orders. However, the industry is now diversifying into defence, aerospace, and railways. By 2030, it aims to rebalance its customer base, with a targeted composition of 60% automotive and 40% non-automotive clients.

Currently, exports comprise about 35% of India's total forged products, a figure expected to rise due to increasing demand from North America and Europe. Over the next seven years, the industry is projected to grow at a compound annual rate of 10–15%, marking a pivotal transition into its next phase of expansion.

(iii) Technology, Modernisation, and Policy Support: To remain globally competitive, the industry must prioritise capacity expansion, technology upgrades, and increased automation. Embracing new materials such as aluminium and integrating disruptive technologies like additive manufacturing are crucial for future-readiness.

Government initiatives—such as Make in India, Skill India, and the Production-Linked Incentive (PLI) schemes—have further bolstered the industry's growth trajectory. This capital expenditure spans sectors including energy, mining, port connectivity, and railways. Forged components are essential to these projects, contributing to structural integrity and long-term durability in infrastructure like bridges, pipelines, and buildings.

(iv) Industrial Capacity and Investment Landscape: India's forging sector has shifted from a labour-intensive model to a capital-intensive manufacturing ecosystem. With an installed capacity of approximately 3.85 million metric tonnes, the industry processes a wide range of materials, including carbon steel, alloy steel, stainless steel, superalloys, titanium, and aluminium. Industry players have invested over ₹27,833 crore in plant and machinery, underscoring the sector's commitment to modernisation.

The industry comprises a mix of unit sizes—ranging from very large to very small—with the majority being small and very small enterprises. Forging clusters are strategically located near key customer bases, with major hubs in Maharashtra, Punjab, Tamil Nadu, Haryana, Gujarat, Delhi, Jharkhand, West Bengal, Karnataka, and Andhra Pradesh. These clusters contribute significantly to regional economic development and job creation.

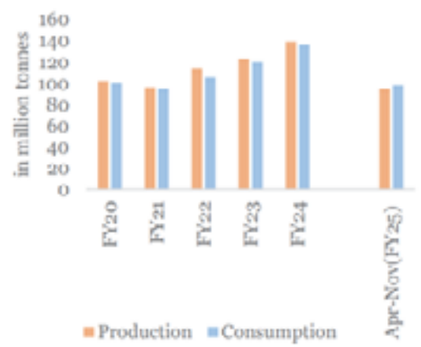
(v) Towards Industry 4.0 and Sustainable Growth: Leading forging companies are actively embracing Industry 4.0 principles—leveraging digitalisation, data analytics, and connectivity to enhance productivity and operational efficiency. This transition reflects the industry's adaptability, technical expertise, and readiness to meet global standards.

As India continues its journey toward becoming a global manufacturing hub, the forging industry stands well-positioned to capitalise on emerging opportunities while navigating evolving market dynamics and external challenges. By embracing innovation, diversification, and sustainability, the sector is charting a path toward long-term growth and global competitiveness.

Driven by an infrastructure-focused growth strategy, steel demand in India is expanding at a strong pace. This growth is further bolstered by significant advancements in key user industries, particularly building & construction, and infrastructure. In FY24, construction, and infrastructure accounted for an estimated 68 per cent of total steel consumption, followed by engineering and packaging at 22 per cent and automobiles at nine per cent. India has been a net importer of steel from April to November FY25. The decline in India's export of finished steel during FY25 was mainly driven by gaps between international and domestic prices. The low price in the international market during this period resulted in a low margin on exports and cheaper imports.

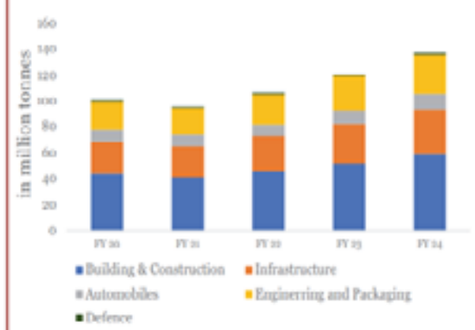
Chart VII.5 (a & b) : Sustained increase in steel production and consumption

Production and consumption of finished steel



Source: Ministry of Steel

Sector-wise steel demand



Source: Joint Plant Committee, Ministry of Steel

The government's Steel's Scrap Recycling Policy encourages efficient recycling of scrap. The total domestic consumption of steel scrap in India is approximately 30 Million Tones (MT), of which around 5 MT is imported. Ensuring the availability of high-quality scrap in sufficient quantities is crucial for transitioning to green steel and supporting the future growth of the steel industry. In addition, the use of scrap significantly reduces specific energy consumption. It also reduces the water consumption by 40 per cent, and greenhouse gas emissions by 58 per cent.

3. KEY SECTORS SERVED:

Paramount Speciality Forgings Limited caters to a wide spectrum of industries where safety, performance, and reliability are critical. Leveraging advanced forging capabilities, stringent quality controls, and sector-specific expertise, the Company manufactures precision-engineered components that meet the demanding requirements of domestic and international clients. The principal sectors served are as follows:

A. Oil & Gas: The oil and gas industry demand components capable of withstanding high pressures, extreme temperatures, and corrosive operating conditions across upstream, midstream, and downstream activities. Paramount manufactures flanges, valve bodies, forged rings, and other precision parts for pipelines, refineries, and processing units. These products are designed to meet stringent technical specifications, ensuring operational safety and efficiency.

With the sector evolving towards deeper drilling, high-pressure/high-temperature (HPHT) applications, and cleaner energy solutions such as hydrogen and carbon capture, the need for high-integrity forged products

is increasing. The Company supports this transformation by delivering reliable, indigenous solutions that reduce import dependence and enhance domestic manufacturing capabilities.

B. Petrochemicals: Petrochemical plants operate in high-temperature and high-pressure environments, requiring robust and durable components for refining, cracking, storage, and transportation processes. Paramount supplies flanges, nozzles and valve bodies that meet stringent safety, efficiency, and environmental compliance standards.

The Company is well-positioned to benefit from growing domestic and global demand for petrochemical products, driven by the packaging, automotive, and construction sectors, as well as from investments in advanced petrochemical facilities focusing on efficiency and sustainability.

C. Heavy Engineering & Infrastructure: Heavy engineering projects, including power plants, steel mills, cement factories, and infrastructure equipment, require large, custom-designed forgings with exceptional strength and durability. Paramount manufactures gearing blanks and support structures that are integral to heavy-duty machinery and structural systems.

India's focus on infrastructure expansion, renewable energy, and industrial modernisation is creating sustained demand for such components, where the Company's manufacturing expertise and flexibility in handling large dimensions offer a competitive edge.

D. Aerospace & Defence: The aerospace and defence sector requires lightweight yet high-strength forgings capable of meeting stringent metallurgical and dimensional tolerances for safety-critical applications. Paramount produces structural components, rings, and precision parts for aircraft, missiles, naval systems, and armoured vehicles.
With government initiatives like "Atmanirbhar Bharat" and growing defence procurement under Make in India, demand for indigenously manufactured, high-performance forgings are on the rise. The Company's ability to deliver customised, certified components positions it as a trusted partner in these strategic sectors.

E. Nuclear Power: Nuclear power plants require components that can perform reliably under intense radiation, high pressure, and elevated temperatures over extended lifespans. Paramount manufactures pressure vessel parts, flanges, and structural components for nuclear applications, adhering to strict regulatory and safety standards.

With India's planned expansion of nuclear capacity as part of its clean energy roadmap, the demand for indigenously manufactured, safety-critical forgings are expected to increase significantly. The Company's precision manufacturing capabilities make it well-suited to serve this highly specialised sector.

F. Railways: The railway sector depends on durable, fatigue-resistant forgings for locomotives, passenger coaches, freight wagons, and track systems. Paramount supplies Flanges, Tyre rings, couplers, and gear blanks, all manufactured to meet Indian Railways and international quality standards.

India's rail modernisation, including high-speed rail projects, electrification, and metro expansions, is driving demand for long-life, high-precision components. The Company's manufacturing expertise aligns with the sector's safety, performance, and indigenisation goals.

G. Emerging & Specialised Applications: Beyond traditional sectors, Paramount's forging capabilities cater to renewable energy, marine, mining, and specialised industrial machinery, where custom designs, advanced materials, and high-performance standards are critical. Continuous innovation in forging technology enables the Company to address evolving industrial needs and participate in new growth areas.

4. SEGMENT/SECTOR WISE PERFORMANCE:

The following table indicates a Segment/ Sector/Industry wise sales performance of the during the FY 2024-25.

Particulars	Amount of Sales (Rs. In Lakh)	of Sales%
Exports	2,829.705	25.90
Petrochemicals, Chemicals & Fertilizers	2,301.313	21.06
Oil & Gas Industry	1,840.406	16.84
Heavy Engineering & Other Sectors	1,207.024	11.05
Nuclear Power	117.721	1.08
Other Infrastructure Sectors	559.372	5.12
Others	2,070.207	18.95
Total	10,925.749	100

* The above segment wise sales performance not includes the amount of Export Incentives of Rs. 67.54 (In Lakhs)

5. ABOUT THE COMPANY:

Paramount Speciality Forgings Limited ("the Company" or "PSFL") is a legacy-driven and quality-focused manufacturer of precision steel forgings based in India, with an industrial lineage spanning over six decades. The Company's origin can be traced back to 1962 through a proprietary concern named Acme Engineering Works, and it has since evolved through multiple strategic reconstitutions. It was converted into a partnership firm in 1994 under the name Paramount Forge, later into a Limited Liability Partnership in 2019, and subsequently incorporated as a public limited company under its current name on May 5, 2023. The Company was listed on the SME Platform of the National Stock Exchange of India (NSE Emerge) on September 25, 2024.

PSFL is engaged in the manufacturing of a wide range of closed-die, open-die, and ring-rolled forgings, supplied in rough or finish-machined conditions. The Company specializes in producing high-performance forged components in weight categories ranging from 1 kilogram to 4 metric tons, tailored to stringent customer specifications and applicable national and international standards.

The Company's products serve critical applications in sectors such as petrochemicals, oil and gas, fertilizers, chemicals, nuclear power, and heavy engineering. Its product portfolio includes, among others: Tube Sheet Blanks, Forged Rings, Girth Flanges, Tyre Rings, Spacers, Long Weld Neck Flanges, Self-Reinforced Nozzles, Valve Bodies, Bonnets, and Seats.

PSFL operates two state-of-the-art manufacturing units in the state of Maharashtra:

- A Closed-Die Forging Plant located at Kamothe, Navi Mumbai, with an installed capacity of 5,000 metric tons per annum (MTPA); and

- A Ring Rolling and Open-Die Forging Plant located at Khalapur, Raigad District, with an installed capacity of 7,000 MTPA.

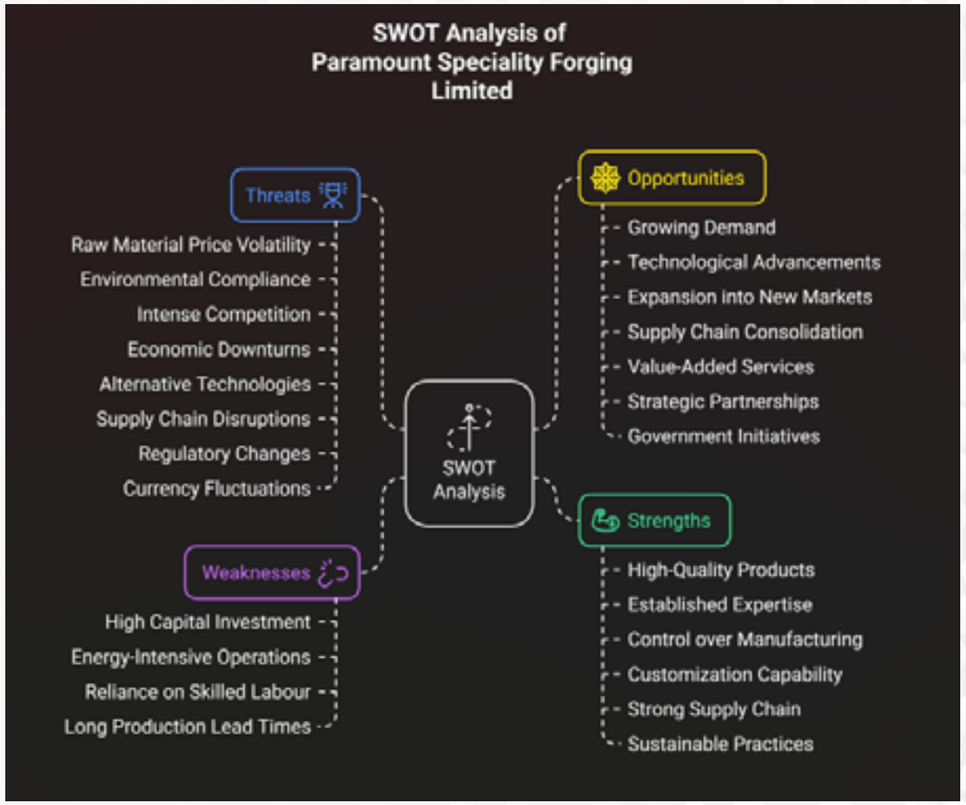
Together, these facilities provide a combined forging capacity of 12,000 MTPA. The Company's infrastructure is integrated with in-house capabilities for die development, forging, CNC and VMC machining, automated heat treatment, dimensional testing, and metallurgical quality assurance.

The Company adheres to robust operational systems and quality standards and is certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, demonstrating its commitment to quality, environmental compliance, and occupational health and safety.

PSFL has been recognized by the industry for its consistent performance, having received:

- The "Star Performer" Award from EEPC India during the period 2008–2010; and
- The "Bright Beginner Performance" Award from the Kirloskar Group in 2022–2023.

6. SWOT ANALYSIS:



7. FINANCIAL PERFORMANCE:

(₹ in Lakh)

Particulars	FY 2024–25	FY 2023–24	% Variance
Revenue from Operations	10,993.26	10,280.00	6.938%
Other Income	96.84	71.74	34.987%
Total Income	11,090.10	10,351.75	7.133%
Operating Expenditure	10,155.55	8,990.72	12.956%
Depreciation and Amortisation Expense	142.61	415.35	-65.665%
Total Expenses	10,298.16	9,406.07	9.484%
Profit before Finance Costs, Exceptional Item, and Tax	791.94	945.68	-16.257%
Finance Costs	204.94	189.78	7.988%
Profit before Exceptional Item and Tax	587.00	755.90	-22.344%
Total Tax Expense	140.43	215.42	-34.811%
Profit for the Year	446.57	540.48	-17.375%

Significant Changes in Key Financial Ratios:

Ratios	FY 2024-25	FY 2023-24	% Variance
Debtors Turnover	5.25	6.23	-16%
Inventory Turnover	1.74	2.06	-15.53%
Interest Coverage Ratio (%)	455.95	717.08	-36.5%
Current Ratio	1.57	1.21	30%
Debt-Equity Ratio	0.56	1.08	-48%
Operating Profit Margin (%)	8.50	13.24	-35.80%
Net Profit Margin (%)	4.06%	5.31%	-24%
Return on capital employed	26.40%	0.40%	-34%

8. RISK MANAGEMENT:

The Company recognises that proactive risk identification and mitigation are essential to safeguarding business performance and creating long-term stakeholder value. While no formal enterprise-wide Risk Management Framework has yet been adopted, risk awareness is embedded in decision-making across operational, financial, and compliance functions. Senior management periodically reviews key exposures through management discussions, project reviews, and statutory reporting, enabling timely corrective action. The Company is also evaluating the adoption of a structured framework to further strengthen its ability to anticipate and respond to emerging challenges.

The principal risks, together with ongoing mitigation measures, are as follows:

A. Raw Material Price Volatility

Risk: Steel and alloy prices are subject to global market fluctuations, which can impact cost structures and margins.

Mitigation: Engaging in long-term supply contracts with key vendors, maintaining buffer inventories for

critical grades, and incorporating dynamic pricing mechanisms in customer agreements.

B. Energy and Utility Costs

Risk: Forging operations are energy-intensive, making them sensitive to electricity and fuel price increases.

Mitigation: Upgrading to energy-efficient furnaces, implementing waste-heat recovery systems, and diversifying energy sources, including renewables.

C. Skilled Workforce Dependency

Risk: Specialised forging processes require experienced manpower, and skill shortages may affect production quality and timelines.

Mitigation: Conducting in-house training, apprenticeships, and cross-skilling programmes to reduce reliance on specific individuals.

D. Regulatory and Environmental Compliance

Risk: Stricter environmental, health, and safety norms could increase operational costs or require significant process modifications.

Mitigation: Proactive compliance monitoring, investment in pollution control systems, and adherence to ISO/OSHAS-certified practices.

E. Supply Chain Disruptions

Risk: Delays in raw material deliveries, transportation bottlenecks, or geopolitical events can affect operations.

Mitigation: Implementing a multi-source procurement strategy, maintaining safety stocks, and securing flexible logistics arrangements.

F. Market Demand and Economic Cycles

Risk: Demand for forged products is linked to capital expenditure cycles in industries such as oil & gas, infrastructure, and defence, making the Company vulnerable to economic slowdowns

Mitigation: Diversifying into multiple sectors, expanding export markets, and increasing focus on aftermarket/ maintenance products.

G. Technological Disruption

Risk: Alternative manufacturing processes or new materials could substitute conventional forgings in certain applications.

Mitigation: Investing in R&D, adopting advanced manufacturing technologies, and developing new product

lines to address emerging requirements.

H. Currency and Export Risks

Risk: Exchange rate fluctuations can affect export realisations and imported input costs.

Mitigation: Using forward contracts, applying natural hedging by balancing imports and exports, and regularly monitoring currency exposures.

I. Quality and Product Liability

Risk: Non-conformance to stringent quality standards in safety-critical applications can lead to rejections, penalties, or reputational damage.

Mitigation: Maintaining robust quality control systems, ensuring full product traceability, and adhering to customer-specific certification protocols.

9. SUSTAINABILITY INITIATIVES AND RENEWABLE ENERGY PROJECTS:

In line with its ESG roadmap and commitment to reducing environmental impact, the Company has initiated its first major solar power project. A purchase order has been placed with a leading Pune-based solar EPC contractor for the installation of a 1,050 kwp solar power plant under the Owned Model, ensuring long-term operational and sustainability benefits.

The project's first phase will be implemented at the Khalapur facility, followed by expansion to the Kamothe facility upon successful commissioning. The execution is structured into three stages, with full completion expected within four to five months:

- Phase 1: 8–10 weeks
- Phase 2: 12–14 weeks
- Phase 3: 16–18 weeks

Design and engineering work is in progress, and statutory approvals (including from MSED) are being pursued. Once operational, the plant is expected to meet 30%–35% of the Company's internal energy requirements, contributing significantly to operational efficiency and cost savings.

The initiative is projected to deliver substantial environmental benefits:

- Estimated annual CO_2 emission reduction: 787,500 kg
- Environmental equivalence: Planting approximately 36,750 trees per year.

Beyond immediate benefits, an additional 300–400 kW capacity expansion is planned for early next year, further reinforcing the Company's dedication to renewable energy adoption. The project is entirely self-financed and is not linked to any government scheme, subsidy, or incentive.

10. HUMAN RESOURCES:

At Paramount Speciality Forgings Limited (PSFL), people are recognised as the Company's most valuable asset, whether on the shop floor, in technical roles, or at the leadership level. Employee engagement, skill development, and workplace safety are positioned as strategic priorities, directly contributing to the Company's manufacturing excellence and customer satisfaction.

As on March 31, 2025, PSFL employed 152 individuals, reflecting the scale and diversity of its manufacturing and operational footprint. With expansion plans in place, the Company anticipates onboarding additional skilled and semi-skilled workers in FY 2025–26 to support higher production volumes and new project requirements. Recruitment efforts will be aligned with the Company's focus on building a resilient, multi-skilled workforce.

PSFL ensures comprehensive social security coverage through schemes such as the Provident Fund (PF), Employees' State Insurance (ESI), and gratuity benefits. Employee well-being is further supported by health and safety programs, counselling access, and welfare measures aimed at sustaining productivity and morale.

The Company is committed to fostering an inclusive and equitable workplace. In FY 2024–25, women represented 9.21% of the total workforce, held 16.67% of Board positions, and accounted for 66.67% of Key Managerial Personnel (KMPs). PSFL ensures that all facilities are fully accessible and compliant with applicable standards, in line with its diversity objectives.

The Company has a robust grievance redressal mechanism and a zero-tolerance policy towards harassment, supported by continuous awareness programs. No complaints were reported during FY 2024–25, underscoring the effectiveness of preventive measures.

PSFL holds ISO 45001:2018 certification, reflecting its commitment to the highest standards of occupational health and safety. The Company proactively identifies potential hazards, ensures compliance with statutory norms, and cultivates a culture of safety and accountability across all operations.

A comprehensive Policy Manual guides the Company's approach to recruitment, training, performance evaluation, and employee relations. These policies are anchored in the values of discipline, integrity, collaboration, and care, and are periodically updated to align with evolving workforce expectations and regulatory requirements.

Going forward, PSFL will focus on:

- Expanding its skilled workforce to meet growing production needs.
- Enhancing training programs, particularly in advanced forging technologies.
- Strengthening retention strategies to address industry-wide skilled labour shortages.

11. INFORMATION TECHNOLOGY

Information Technology (IT) plays a pivotal role in enhancing operational efficiency and accuracy within a

company. With the integration of automated machinery and industrial control systems, IT enables precise monitoring, control, and optimization of the forging processes, leading to improved product quality, reduced downtime, and increased production efficiency, in addition to manufacturing automation.

IT supports the preparation of financial accounts through robust ERP (Enterprise Resource Planning) systems, ensuring accurate, real-time financial reporting, compliance, and data-driven decision-making. For employee data management, IT systems streamline HR functions such as payroll, attendance, performance tracking, and statutory compliance, contributing to better workforce planning and transparency.

IT also facilitates inventory management by enabling real-time tracking of raw materials, in-process goods, and finished products, thus optimizing stock levels, reducing wastage, and ensuring timely procurement. Furthermore, IT supports various other business functions including supply chain coordination, customer relationship management, preventive maintenance scheduling, and data analytics, collectively enhancing productivity, reliability, and strategic planning across the organization.

12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Paramount Speciality Forgings Limited (PSFL) has put in place internal financial controls commensurate with the scale, complexity, and nature of its operations. These controls are designed to ensure:

- Streamlining operational processes to improve productivity and reduce inefficiencies.
- Embedding statutory and regulatory compliance requirements into functional workflows.
- Physical verification and monitoring of inventories, fixed assets, and other resources to prevent misuse, loss, or damage.
- Multi-layered authorisation processes and periodic reconciliations to reduce financial and operational risks.
- Ensuring timely, correct, and complete accounting records in compliance with Generally Accepted Accounting Principles (GAAP).

Oversight and Governance

- The Board of Directors, through clearly defined and comprehensive policies, provides strategic direction for internal control mechanisms.
- An Independent Audit Committee of the Board reviews the adequacy and operating effectiveness of these controls at regular intervals and ensures that corrective actions are implemented promptly.
- A Management Committee conducts periodic reviews of control processes, investigates variances or gaps, and initiates timely remedial measures.

Audit and Continuous Improvement

- Both internal and external auditors are engaged to independently assess the effectiveness of internal controls, financial reporting systems, and compliance processes.
- Recommendations from audit reviews are systematically implemented, and follow-up audits are conducted to verify compliance with agreed corrective actions.
- The Company invests in upgrading systems and processes to align with industry best practices, evolving business requirements, and emerging risk areas.

For FY 2024–25, the Board, based on reviews by the Audit Committee and independent internal auditors, has found the Company's internal financial controls to be adequate and operating effectively. These controls continue to evolve to meet the demands of business expansion, regulatory changes, and technological advancements, ensuring that PSFL remains compliant, secure, and resilient.

CAUTIONARY STATEMENT

The statements made in the Management Discussion and Analysis Report, which may qualify as forward-looking under applicable laws and regulations, are based on current expectations and projections regarding future events. However, actual outcomes may differ materially from those anticipated or implied. Key factors that could impact the Company's operations include global geopolitical developments, domestic economic conditions, industry-specific demand and supply dynamics, input costs, changes in government policies and tax legislation, as well as other considerations such as industrial relations. The Management does not provide any assurance that these forward-looking statements will materialize.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PARAMOUNT SPECIALITY FORGINGS LIMITED.

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **PARAMOUNT SPECIALITY FORGINGS LIMITED ("the Company")**, which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the financial statements in accordance with the Standards on Auditing (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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the 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.

Key Audit Matters	How the matter was addressed in our audit
As per AS 2 - 'Valuation of Inventories', inventories should be valued at the lower of cost and the net realisable value. As disclosed in Note 17 of the financial statements, the total inventory as at March 31, 2025 amounts to Rs. 4,627.74 Lakhs, which represented approximately 39.74% of Company's total assets. The Company deals with various types of forged components including Flanges, Non-standard forgings, Valve components, various types of rings and other customized forgings. The entire inventory valuation (Raw Material, Work In Progress and Finished Goods) is manually ascertained. The measurement of raw material i.e. metallic bars, used by the Company involve certain calculations/volumetric measurements converting no. of bars in Kgs with the details like length and breadth of the bar. Similarly, Finished Goods and Work In Progress is derived in Kgs by Management. Fixed and Variable Overheads are identified and apportioned to Work In Progress and Finished Goods based on normal capacity/actual production. Due to significance of the area, risk of incorrect valuation and inventory being a sizable part of the balance sheet, we have considered Inventory as a key audit matter.	Our audit procedure included the following: • Understood and evaluated the design and operating effectiveness of controls over physical count and measurement of inventory. • Physically observed inventory measurement and count procedures carried out by Management, to ensure its appropriateness and completeness. Our audit procedures also included obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by Management in respect of differences between book and physical quantities. We have also verified that the physical verification differences are appropriately accounted for in the books of accounts. • Obtained overheads working from Management and verified that all manufacturing expenses incurred are included in overheads working and the basis of apportion of overhead cost to Work In Progress and Finished Goods based on normal capacity/ actual production. • Verified the valuation of checked inventories as per the Company's accounting policy and in accordance with applicable accounting standard.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company director's report but does not include the financial statements and our auditor's report thereon. The other information as specified above is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users 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 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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, 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 purpose of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books, except for the matter stated in paragraph 2(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The Balance Sheet, Statement of Profit and Loss and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the relevant rules issued thereunder.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from

being appointed as a director in terms of Section 164 (2) of the Act;

(f) The observations relating to the maintenance of accounts and other matters connected therewith are as stated in the sub-paragraph (b) of paragraph 2 above on reporting under Section 143(3)(b) and paragraph [h(vi)] below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure 'B'**.

(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 we further report that:

i. The Company does not have any pending litigations, having an impact on its financial position in its financial statements.

ii. The Company did not have any material foreseeable losses on long term contracts including derivative contracts requiring provision under the applicable law or accounting standards.

iii. There were no amounts 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(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 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(s) or entity(ies), 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 iv(a) and iv(b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination which includes test check, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2025, which have a feature of recording audit trail (edit log) facility at the application level. However, the database level logs for Cloud 9 ERP was enabled from March 07, 2025 and the audit trail has been operating throughout the year for all relevant transactions recorded in the software, wherever the said feature was enabled.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

With respect to reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail, the Company has retained audit trail logs for Tally EL Gold from January 20th, 2024, and for Cloud9 ERP from its implementation date, i.e., October 1st, 2024.

3. In accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the said section is applicable to the Company As the remuneration paid/payable to the Directors of the Company exceeded the overall limit i.e. 11% of the net profits of the Company, a Special Resolution had been passed in pursuant to section 197 of the Act in the Extra Ordinary General meeting held on May 27, 2023.

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No.: 104607W / W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 25124658BMJKCR5544
Mumbai, May 29, 2025

Annexure 'A' to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2025.

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2020:

i. (a) (A) The Company has generally maintained proper records showing full particulars, including situation of Property, Plant and Equipment, except for certain quantitative and descriptive information of Property Plant and Equipment;

(B) The Company has maintained proper records showing full particulars of Intangible Assets;

(b) According to the information and explanations given to us the Company has a program for physical verification of Property, Plant and Equipment at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of Company and nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the Management during the year. The discrepancies reported on such verification are not material and have been properly dealt with in the books of accounts.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company is still in process of transferring the title deeds of the immovable properties (other than immovable properties where the Company is the lessee) disclosed in the financial statements, the details of same are as mentioned below:

Description of the Property	Gross carrying value (Rs in lakhs)	Held in the name of	Whether promotor, director or their relative	Period held	Reason for not being held in the name of Company
Freehold Land	42.87	Paramount Speciality Forgings LLP	No	May 5, 2023	Refer Note below
Building (Factory, Office and Residential Building)	1,125.52	Paramount Speciality Forgings LLP	No	May 5, 2023	Refer Note below
Leasehold property	10.26	Paramount Speciality Forgings LLP	No	May 5, 2023	Refer Note below

Note: Title deeds are held in the name of erstwhile LLP and is in process of being transferred.

(d) According to the information and explanations given to us, and based on records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment or intangible assets or both during the year and therefore the provisions of clause 3 (i) (d) of the Order are not applicable.

(e) According to the information and explanations provided to us and based on records of the Company examined by us, no proceedings have been initiated during the year or are pending against the Company

as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions of clause 3 (i) (e) of the Order are not applicable.

ii. (a) Physical verification of inventory has been conducted at reasonable intervals by the Management. In respect of inventory lying with third parties, these have been physically verified and substantially confirmed by them. In our opinion, the coverage and procedure of such verification is appropriate. No discrepancies were noticed on verification between the physical stocks and book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such a bank are in agreement with the books of account except for the following.

Quarter ended June 30, 2024 **(Amount in Lakhs)**

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,012.45	1,034.23	(21.78)	Refer Note below
Advance to Suppliers	15.57	32.14	(16.57)	Refer Note below
Advance from Customers	18.37	22.01	(3.64)	Refer Note below
Creditors	2,525.89	2,679.77	(153.87)	Refer Note below
Stock	3,387.05	3,854.21	(467.16)	Refer Note below
Debtors	1,851.79	3,162.94	(1,311.15)	Refer Note below

Quarter ended September 30, 2024 **(Amount in Lakhs)**

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,095.77	1,069.91	25.85	Refer Note below
Advance to Suppliers	14.71	6.60	8.11	Refer Note below
Advance from Customers	2.26	38.34	(36.08)	Refer Note below
Creditors	2,295.17	2,750.33	(455.16)	Refer Note below
Stock	2,988.47	4,119.74	(1,131.27)	Refer Note below
Debtors	1,846.63	1,586.34	(260.29)	Refer Note below

Quarter ended December 31, 2024 **(Amount in Lakhs)**

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,279.85	1,274.57	5.28	Refer Note below
Advance to Suppliers	18.15	8.29	9.86	Refer Note below
Advance from Customers	19.55	32.57	(13.02)	Refer Note below
Creditors	2,301.87	2,974.90	(673.02)	Refer Note below
Stock	4,208.94	3,854.21	(354.73)	Refer Note below
Debtors	2,393.18	2,107.79	(285.39)	Refer Note below

Quarter ended March 31, 2025 **(Amount in Lakhs)**

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,171.61	1,156.71	14.9	Refer Note below
Advance to Suppliers	9.27	5.85	3.41	Refer Note below
Advance from Customers	12.47	53.92	(41.45)	Refer Note below
Creditors	2,408.22	3,088.17	(679.95)	Refer Note below
Stock	4,882.38	4,627.74	(254.64)	Refer Note below
Debtors	2,168.96	2,067.45	(101.51)	Refer Note below

Note: Books are not closed on a monthly basis. Audit adjustments/rectifications and certain closing entries are passed by the management, which explains the aforementioned differences.

iii. According to the information and explanations given to us and based on records of the Company examined by us, the Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. Hence, reporting under clause 3(iii) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and based on records of the Company examined by us, the Company has not granted any loans, made any investments or provided any guarantee or security to the parties covered under section 185 and section 186 of the Act. Hence, the provisions of clause 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year and hence, the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted are not applicable to the Company. Accordingly, reporting under clause 3(v) of the Order are not applicable to the Company.

vi. As informed to us, Cost records have been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

vii. (a) According to the information and explanation given to us and based on records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to Goods and Services tax ('GST'), Provident fund, Employees's State Insurance, Income-Tax, Duty of Customs, Profession Tax and other statutory dues with the appropriate authorities, wherever applicable and there are no undisputed dues which remained outstanding at at March 31, 2025 for a period of more than six months from the date they became payable except as mentioned below :-

Name of the Statute	Nature of the Dues	Amount in Lakhs	Period to which the amount relates	Due Date	Date of Payment
EPF Act, 1952	Provident Fund	0.70	Apr-2024	15-May-24	-
EPF Act, 1952	Provident Fund	0.39	May-2024	15-Jun-24	-
EPF Act, 1952	Provident Fund	0.47	Jun-2024	15-Jul-24	-
EPF Act, 1952	Provident Fund	0.55	Jul-2024	15-Aug-24	-
EPF Act, 1952	Provident Fund	0.70	Aug-2024	15-Sep-24	-
ESIC Act, 1948	Employee State Insurance Corporation	0.02	Apr-2024	15-May-24	-
ESIC Act, 1948	Employee State Insurance Corporation	0.02	May-2024	15-Jun-24	-
ESIC Act, 1948	Employee State Insurance Corporation	0.02	Jun-2024	15-Jul-24	-
ESIC Act, 1948	Employee State Insurance Corporation	0.01	Jul-2024	15-Aug-24	-
ESIC Act, 1948	Employee State Insurance Corporation	0.02	Aug-2024	15-Sep-24	-

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no dues outstanding as on March 31, 2025, of income-tax on account of any dispute, except as mentioned below :-

Name of Statue	Nature of Dues	Amount in Lakhs	Financial Year	Forum where the dispute is pending
Income Tax Act, 1961	Income-tax	3.67	2013-14	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	10.57	2016-17	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	5.09	2019-20	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	2.14	2019-20	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	8.56	2020-21	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	2.66	2020-21	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income-tax	6.65	2023-24	Assistant Commissioner of Income Tax

viii. According to the information and explanations given to us and based on records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and to the best of our knowledge and belief, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) According to the information and explanations given to us, based on records of the Company examined by us and representation obtained from Management, on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associates, or joint venture. Accordingly, reporting under

clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associates, or joint venture. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and based on records of the Company examined by us, monies raised by the Company by way of initial public offer during the year, were applied for the purpose for which they were raised, other than temporary deployment pending application of proceeds. Refer Note 38 of the financial statements.

(b) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, hence the provisions of paragraph 3 (x) (b) of the Order are not applicable.

xi. (a) Based upon the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report. Accordingly, reporting under Clause 3 (xi)(b) of the Order is not applicable to the Company.

(c) According to information and explanations given to us and as represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) (a) to (c) of the Order is not applicable to the Company.

xiii. According to the information and explanations and records made available to us by the Company and audit procedures performed by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards.

xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size of the Company.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, during the period under audit, the Company has not entered into any non-cash transactions with its Directors or persons connected with its Directors and hence provisions of section 192 of the Act are not applicable to the Company.

xvi. (a) In our opinion, according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Company does not have any Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has neither incurred cash losses during the current financial year nor in the immediately preceding financial year.

xviii. There is no resignation of the statutory auditors during the period and therefore reporting under clause 3 (xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) There is no amount remaining unspent under sub-section (5) of Section 135 of the Companies Act 2013 pursuant to any ongoing project, which needs to be transferred to special account in compliance with provision of sub-section (6) of Section 135 of the said Act. Accordingly, provisions of paragraph 3 (xx) (b) of the Order are not applicable.

xxi. The Company is not required to prepare consolidated financial statements and therefore the provisions of clause 3 (xxi) of the Order are not applicable.

For ***KALYANIWALLA & MISTRY LLP***
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 25124658BMJKCR5544
Mumbai, May 29, 2025

Annexure 'B' to the Independent Auditor's Report

Referred to in Paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2025.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls with reference to financial statements of **PARAMOUNT SPECIALITY FORGINGS LIMITED (formerly known as Paramount Speciality Forgings LLP)** ("the Company") as at March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with respect to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that:

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

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 with reference to Financial Statements

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

Opinion

According to the information and explanations given to us and based on our audit we are of the view that the Company needs to strengthen its documentation over standardisation of its key processes and also introduce a maker checker concept over Payroll and Financial Closing Process.

We have been informed that the Company is in the process of strengthening its overall control on the aforesaid processes.

In our opinion, except for the possible effects of the weaknesses described above, the Company has, in all material respects, adequate internal financial controls with respect to financial statements and such internal financial controls over financial statements were operating effectively as at March 31, 2025, based on the internal financial controls over financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

We have considered the weaknesses reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2025 financial statements of the Company and these weaknesses does not affect our opinion on the financial statements of the Company.

For ***KALYANIWALLA & MISTRY LLP***
CHARTERED ACCOUNTANTS
Firm Regn. No.: 104607W / W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 25124658BMJKCR5544
Mumbai, May 29, 2025

Balance Sheet As at 31 March 2025

(Amounts in ₹ Lakhs)

	Particulars	Note No	As at 31 March 2025	As at 31 March 2024
I	**EQUITY AND LIABILITIES**			
1	Shareholder's Funds			
(a)	Share Capital	3	1,968.20	1,488.00
(b)	Reserves and Surplus	4	3,230.21	808.36
			5,198.41	2,296.36
2	**Non-current liabilities**			
(a)	Long-term borrowings	5	19.98	25.47
(b)	Long-term provisions	6	32.47	56.83
			52.45	82.30
3	**Current liabilities**			
(a)	Short-term borrowings	7	2,897.98	2,467.34
(b)	Trade payables	8		
(i)	- Total outstanding dues of micro enterprises and small enterprises		1,049.78	806.75
(ii)	- Total outstanding dues of creditors other than micro enterprises and small enterprises		2,038.39	1,953.30
(c)	Other current liabilities	9	267.75	235.62
(d)	Short-term provisions	10	141.29	256.92
			6,395.19	5,719.93
	Total		**11,646.05**	**8,098.59**
II	**ASSETS**			
1	Non-current assets			
(a)	Property, Plant and Equipment and Intangible assets			
(i)	Property, Plant and Equipment	11(a)	1,242.66	1,041.04
(ii)	Intangible assets	11(b)	12.89	8.65
(iii)	Capital Work in Progress		126.81	4.19
(c)	Non-current investments	12	0.09	0.09
(b)	Deferred Tax Assets (net)	13	50.10	53.66
(d)	Long Term Loans and Advances	14	164.12	74.17
(e)	Other non-current assets	15	6.15	24.80
			1,602.82	1,206.60
2	**Current assets**			
(a)	Current Investments	16	5.00	5.00
(b)	Inventories	17	4,627.74	3,854.21
(c)	Trade receivables	18	2,060.54	1,634.77
(d)	Cash and bank balances	19	2,011.88	30.78
(e)	Short Term Loans and Advances	20	1,238.24	1,354.81
(f)	Other current assets	21	99.83	12.42
			10,043.23	6,891.99
	Total		**11,646.05**	**8,098.59**
	Corporate Information	1		
	Significant accounting policies	2		

The Notes referred above form an integral part of the financial statements

As per our Report attached

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No.: 104607W/W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2025

FOR AND ON BEHALF OF
PARAMOUNT SPECIALITY FORGINGS LIMITED
(Formerly Known as Paramount Speciality Forgings LLP)
CIN – L24109MH2023PLC402307

Sd/-
Aliasgar R. Hararwala
MANAGING DIRECTOR
DIN: 00334957

Sd/-
Aliasgar A. Bhagat
DIRECTOR
DIN: 00335869

Sd/-
Farkhanda A. Pagarkar
CHIEF FINANCIAL OFFICER

Sd/-
Ankita A. Patankar
COMPANY SECRETARY
ICSI M.No: A57166

Statement of Profit and Loss for the Year Ended 31 March 2025

(Amounts in ₹ Lakhs)

	Particulars	Note No	Year / Period Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
I	Revenue from operations	22	10,993.26	10,280.00
II	Other Income	23	96.84	71.74
III	Total Income (I+II)		11,090.10	10,351.75
IV	Expenses:			
(a)	Cost of Materials Consumed	24(a)	7,394.44	6,739.60
(b)	Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24(b)	(679.31)	(571.41)
(c)	Employee benefits expense	25	785.11	664.34
(d)	Finance costs	26	204.94	189.78
(e)	Depreciation and amortization expense	27	142.61	415.35
(f)	Other expenses	28	2,655.31	2,158.18
	Total expenses		10,503.10	9,595.85
V	Profit before Tax (III-IV)		587.00	755.90
VI	**Tax expense:**			
(a)	Current tax		169.86	298.65
(b)	Prior year tax adjustments		(32.99)	-
(c)	Deferred tax (benefit)		3.56	(83.23)
			140.43	215.42
VII	Profit for the Year/ Period (V-VI)		446.57	540.48
	EARNINGS PER EQUITY SHARE			
	Nominal value per share Rs. 10			
	Basic and Diluted	29	2.57	3.63

The Notes referred above form an integral part of the financial statements

As per our Report attached

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No.: 104607W/W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2025

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Ankita A. Patankar
COMPANY SECRETARY
ICSI M.No: A57166

Mumbai, 29 May 2025

Statement of Cash Flow

(Amounts in ₹ Lakhs)

	Particulars	Year/ Period ended 31 March 2025	31 March 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Tax	587.00	755.90
	Adjustments for:		
	Depreciation	142.61	415.35
	Loss on Fixed Assets scrapped/ sold	-	2.42
	Interest income	(56.43)	(5.90)
	Interest expense	**204.94**	**189.78**
	Provision for doubtful Debts	-	6.91
	Sundry Creditors Balance written back	-	(8.60)
	Unrealised foreign exchange (gain)	0.15	(12.63)
	Operating (loss) before Working Capital changes	878.27	1,343.24
	Adjustments for :		
	(Increase)/Decrease in trade receivables	(425.92)	37.77
	(Increase) in loans and advances	**41.95**	**(217.91)**
	(Increase) in Other current assets	(75.36)	(1.97)
	(Increase) in Inventories	**(773.53)**	**(1,153.02)**
	Increase/ (Decrease) in trade payables	328.12	(300.10)
	Increase in other current liabilities and provisions	56.35	10.07
		(848.39)	(1,625.16)
	Cash generated from / (used in) operations:	29.88	(281.92)
	Taxes Paid (net)	(316.40)	(152.66)
	Net cash (used in) operating activities	(286.52)	(434.58)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant & Equipment and Intangible assets	(471.12)	(42.59)
	Investment in Fixed Deposits with Banks	(553.17)	72.30
	Interest received	44.39	3.58
	Net cash from investing activities	(979.90)	33.29
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest paid	(204.94)	(183.29)
	Proceeds from Borrowings	425.15	553.73
	Proceeds from IPO	**2,455.47**	**-**
	Net cash from financing activities	2,675.68	370.44
D.	NET (DECREASE) IN CASH & CASH EQUIVALENTS	1,409.26	(30.84)
E.	CASH AND CASH EQUIVALENTS as at the beginning of the Year/ Period	0.88	31.72
F.	CASH AND CASH EQUIVALENTS as at the End of Year/ Period	1,410.14	0.88
		1,409.26	(30.84)

Notes:

1	Components of cash and cash equivalents		
	Cash on hand	0.14	0.19
	With Banks - On Current Account	49.43	0.54
	Cash credit account (Debit balance)	1.62	0.15
	Deposits with Original maturity for less than 3 months	1,358.95	-
	Cash & Cash Equivalents considered for Cash flow	1,410.14	0.88
2	The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) -3 on Statement of Cash Flow.		
3	Figures in brackets are outflows/ deductions. Previous years figures have been regrouped whereevr necessary		

The Notes referred above form an integral part of the financial statements

As per our Report attached

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No.: 104607W/W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2025

FOR AND ON BEHALF OF
PARAMOUNT SPECIALITY FORGINGS LIMITED
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CHIEF FINANCIAL OFFICER

Sd/-
Ankita A. Patankar
COMPANY SECRETARY
ICSI M.No: A57166

Mumbai, 29 May 2025

NOTES TO FINANCIAL STATEMENTS

1 Corporate Information

The Company is formed by conversion of a Limited Liability Partnership ("LLP"), under the provisions of Companies Act, 2013. The LLP was registered as a Limited Liability Partnership pursuant to section 58(1) of the LLP Act, 2008. The Partners of the LLP at their meeting held on January 06, 2023, inter alia, has given their consent for adoption of table F of Schedule I of the Companies Act, 2013, so as to convert the LLP to Public Limited Company and accordingly change the name from Paramount Speciality Forgings LLP to Paramount Speciality Forgings Limited (the "Company").

On January 9, 2023, LLP has received the name approval from Ministry of Corporate Affairs, thereafter which the LLP has filed an application for registration under section 366, pursuant to Rule 3(2) of the Companies (Authorised to Register) Rules, 2014 read with section 366 of the Companies Act, 2013. MCA has granted Certificate of Incorporation (COI) to Paramount Speciality Forgings Limited, public limited company w.e.f. May 05, 2023.

The Company is into manufacturing of carbon steel and stainless steel flanges and fittings and other engineering goods made from steel and stainless steel goods or any other goods and merchandise and allied business thereto.

2 Significant Accounting Policies

i. Basis of Preparation of financial statements:

These financial statements have been prepared and presented under the historical cost convention, in accordance with Generally Accepted Accounting Principles (Indian GAAP) on accrual basis and on principles of going concern. The accounting policies, in all material respects, have been consistently applied by the Company.

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 Schedule III to the Companies Act, 2013. Based on the nature of product and the 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 the purpose of current/ non-current classification of assets and liabilities.

ii. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles in India requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the period in which the results are known/ materialized.

iii. Property Plant and Equipment, Depreciation and Amortization

Property Plant and Equipment are stated at cost of acquisition or construction, less accumulated depreciation and impairment losses, if any. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use excluding Input tax credit (IGST/CGST and SGST) or other tax credit available to the Entity. Tools and Dies used in Hammers are charged to Profit and Loss Account.

Direct financing cost incurred during the construction period on major projects is also capitalised.

Property Plant and Equipment acquired under finance lease are capitalized at the lower of their fair value and the present value of the minimum lease payments.

Subsequent expenditure incurred on existing Property Plant and Equipment is expensed out except where such expenditure increases the future economic benefits from the existing assets.

The Company has changed the depreciation method from Written Down Value (WDV) method to Straight Line Method (SLM) with effect from April 01, 2024. This change was implemented by the management to align with best practices, enhance compliance, and improve the financial presentation of the company's assets.

During the year, depreciation is provided under Straight Line Method over the useful life specified in Schedule II to the Companies Act, 2013, pro-rata to the period of use, except for leasehold improvements. The Company has used following useful lives to provide depreciation of different class of its property, plant and equipment and Intangible assets.

Tangible Asset	Useful lives in years
Building	30
Plant and Machinery	15
Factory Equipment	10
Furniture, Fixtures and Fittings	10
Office Equipment	5
Computers	3
Software	3
Vehicles	8

Tools and Dies used in Press machine are capitalised and depreciated @15%.

Leasehold improvements are depreciated over the lease period.

Assets individually costing less than Rs. 5,000 each are depreciated at 100% in the year of acquisition itself.

iv. Intangible Assets

Intangible Assets, acquired for internal use, are recognised as assets and are stated at cost less accumulated amortisation. Cost includes cost of acquisition, import duties, taxes and any expenditure directly attributable to the making of the asset ready for its use.

Subsequent expenditure incurred on existing assets is expensed out except where such expenditure increases the future economic benefits from the existing assets, in which case the expenditure is amortised over the remaining useful life of the original asset.

v. Capital Work-in-Progress

The cost of the Property, Plant and Equipment not ready for its intended use on such date, is disclosed under capital work-in- progress. Advances paid towards the acquisition of Property, Plant and Equipment, outstanding at each balance sheet date are shown under capital advances.

vi. **Asset Impairment:**

Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds its recoverable amount. An impairment loss, if any, is recognized in the period in which the impairment takes place.

vii. **Operating Leases**

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as an expense on a straight-line basis over the lease term.

viii. **Investments**

Investments are carried at cost. Cost of acquisition includes all costs directly incurred on the acquisition of the investment. Provision for diminution, if any, in the value of long-term investments is made to recognize a decline, other than of a temporary nature. Current investments are stated at lower of cost and net realisable value.

ix. **Inventories:**

Raw materials are valued at lower of actual cost and net realisable value on FIFO basis.

Work-in-progress is valued at lower of average cost of production and net realisable value. Cost of production includes cost of material, labour and appropriate factory overheads.

Finished goods are valued at lower of average cost of production or net realisable value. Cost of production includes cost of material, labour and appropriate factory overheads.

Fixed and Variable Overheads are identified and apportioned to WIP and FG based on normal capacity/ actual production.

x. **Cash and Cash Equivalents**

Cash and Cash Equivalents includes cash in hand, bank balances and term deposits with bank having maturity term of less than three months.

xi. **Revenue Recognition:**

- Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
- Sale of goods is recognised when the control of the goods is transferred to the customer upon dispatch or delivery, in accordance with the terms of customer contracts. Revenue is recognised at an amount that the Company expects to receive from customers that is net of returns, trade discounts, rebates, and Goods and Service Tax.
- Export incentives are accounted on accrual basis.
- Interest income is recognised on a time proportion basis.
- Given the nature of business, scrap generated is valued only on sale thereof.

xii. **Expenditure**

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

xiii. **Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs also include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. If the difference between the interest payable on local currency borrowings and interest payable on foreign currency borrowings is equal to or more than the exchange difference on the amount of principal of the foreign currency borrowings, the entire amount of exchange difference is considered as borrowing cost and are regarded as an adjustment to interest cost.

xiv. **Foreign Exchange Transactions:**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the contracted rates, when covered under forward foreign exchange contracts and at year end rates in other cases.

xv. **Free Service Warranty Obligations:**

The Company provides a free warranty service to certain customers against manufacturing defects, based on client specific contractual requirements. This warranty is for a period of one and a half year from date of dispatch or one year from the date of commissioning of products, whichever occurs earlier, in line with client expectations and agreed terms. No warranty provision made based on past experience where no material claims have been made by customers.

xvi. **Employee Benefits:**

i) Short-term Employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, bonus etc., are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the period in which the employee renders the related service.

ii) Post employment benefits

Defined Contribution Plan:

Employee benefits in the form of Provident Fund is considered as defined contribution plans and the contributions are charged to the statement of Profit and Loss of the period when the contributions to the respective funds is due.

Defined Benefit Plan:

Retirement benefit in the form of Gratuity is considered as a defined benefit obligation. The LLP's liability in respect of gratuity is provided for, on the basis of actuarial valuations, using the projected unit credit method, as at the date of the Balance Sheet. Actuarial losses / gains are recognised in the statement of profit and loss in the period in which they arise.

Other Long-Term Benefits

Provision for the unutilized leave balances is accounted for on the basis of accrued liability method based on number of days leave to the credit of each employee computed on the basis of last drawn basis salary.

The Company has no policy for accumulation of leaves.

xvii. **Taxes on Income**

i. Current Tax

Current income tax is measured at the amount expected to be paid to taxation authorities in accordance with the provisions of the Income-tax Act, 1961.

ii. Deferred Tax

Deferred tax subject to consideration of prudence, is recognised on timing differences; being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only when there is a virtual certainty of their realisation supported by convincing evidence and on other items when there is reasonable certainty of realisation. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

xviii. **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effect of all potentially dilutive equity shares.

xix. **Provisions and Contingent Liabilities**

Provisions are recognized when there is a present obligation as a result of a past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognized for :

i. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

ii. Any present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or a reliable estimate of the amount of obligation cannot be made.

xx. **Segment Reporting**

Business Segments:

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is manufacturing of carbon steel and stainless steel flanges and fittings and other engineering goods made from steel and stainless steel goods or any other goods and merchandise and allied business thereto, hence no separate disclosure pertaining to attributable Revenues, Profits, Assets, Liabilities, Capital employed are given. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.

Notes to Financial Statements

(Amounts in ₹ Lakhs)

Note 3 : Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024
SHARE CAPITAL		
(a) AUTHORISED SHARES:		
2,00,00,000 (P.Y. 2,00,00,000) Equity shares of Rs. 10 each	2,000.00	2,000.00
(b) ISSUED, SUBSCRIBED AND FULLY PAID UP SHARES:		
1,96,82,000 (P.Y. 1,48,80,000) Equity shares of Rs. 10 each fully paid	1,968.20	1,488.00
Total Paid up shares	1,968.20	1,488.00

Note 3.1 : Reconciliation for Shares

Particulars	As at 31 March 2025	As at 31 March 2024
Reconciliation of Shares:		
No. of shares:		
At the beginning of year	1,48,80,000	10,000
Add: Bonus shares issued during the year/ period	-	1,48,70,000
Add: Fresh shares issued during the year	48,02,000	-
Outstanding at the end of the year	1,96,82,000	1,48,80,000
Amount of shareholding (in Lakhs):		
At the beginning of year (Rs. 10 per share)	1,488.00	1.00
Add: Bonus shares issued during the year/ period	-	1,487.00
Add: Fresh shares issued during the year	480.20	-
Outstanding at the end of the year (Rs. 10 per share)	1,968.20	1,488.00

Note 3.2 : Rights, preferences and restrictions attached to Equity Shares:

(i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend.

(ii) 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.

Note 3.3 **During the year, on 25 September 2024, the Company has issued 48,02,000 Equity Shares under SME IPO. The equity shares of the Company got listed on NSE Emerge Platform on 25 September 2024 having NSE Scrip Code "PSFL". The transaction Costs pertaining to the issue have been debited to the share premium account.**

Note 3.4 : Details of shareholders holding more than 5% shares of fully paid up equity shares:

Name of Shareholders	As at 31 March 2025 No. of shares held	(% Holding)	As at 31 March 2024 No. of shares held	(% Holding)
Mr. Aliasgar R. Hararwala	24,56,432	12.48%	25,50,432	17.14%
Mr. Abdullah A. Bhagat	24,34,432	12.37%	25,50,432	17.14%
Mr. Zahid M. Hararwala	20,28,352	10.31%	21,26,352	14.29%
Mr. Roshan A. Hararwala	16,22,784	8.25%	17,00,784	11.43%
Mr. Aliasgar A. Bhagat	16,22,784	8.25%	17,00,784	11.43%
Mr. Mohd. S. Hararwala	13,52,064	6.87%	14,18,064	9.53%
Mr. Hoozefa S. Hararwala	13,52,576	6.87%	14,16,576	9.52%
Mr. Abbasali S. Hararwala	13,52,576	6.87%	14,16,576	9.52%
India Equity Fund 1	10,26,000	5.21%	-	-
Total Shareholdings	1,52,48,000	77.47%	1,48,80,000	100%

Note 3.5 : Details of shares held by Promoters at the end of the year/ period:

Name of Shareholders	As at 31 March 2025 No. of shares held	(% Holding)	As at 31 March 2024 No. of shares held	(% Holding)
Mr. Aliasgar R. Hararwala	24,56,432	12.48%	25,50,432	17.14%
Mr. Abdullah A. Bhagat	24,34,432	12.37%	25,50,432	17.14%
Mr. Zahid M. Hararwala	20,28,352	10.31%	21,26,352	14.29%
Mr. Roshan A. Hararwala	16,22,784	8.25%	17,00,784	11.43%
Mr. Aliasgar A. Bhagat	16,22,784	8.25%	17,00,784	11.43%
Mr. Mohd. S. Hararwala	13,52,064	6.87%	14,18,064	9.53%
Mr. Hoozefa S. Hararwala	13,52,576	6.87%	14,16,576	9.52%
Mr. Abbasali S. Hararwala	13,52,576	6.87%	14,16,576	9.52%
Total Shareholdings	1,42,22,000	72.26%	1,48,80,000	100.00%

Note 3.6 : For the period immediately preceding the date as at 31 March, 2025 :

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

(ii) During the previous period ended March 31, 2024, the Company had issued 1,48,70,000 bonus shares in the ratio of 1:1487 out of Surplus balance in the Statement of Profit & Loss account.

(iii) Aggregate number and class of shares bought back : Nil

(iv) Calls unpaid : Nil

(v) There are no forfeited shares.

(vi) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Not Applicable

Note 4 : Reserves and Surplus

Surplus in Statement of Profit & Loss	As at 31 March 2025	As at 31 March 2024
Opening Balance of Surplus in Statement of Profit & Loss	808.36	1,754.89
Less : Converted to loans	-	-
Less : Bonus shares issued	-	(1,487.00)
Add : Net Profit for the year/ period	446.57	540.48
Total Reserves and Surplus	1,254.94	808.36

Securities Premium	As at 31 March 2025	As at 31 March 2024
Opening Balance	-	-
Add: Premium Received on Fresh Issue of Shares	2,352.98	-
Less: Utilised towards Public Issue Expenses	(377.71)	-
Total Securities Premium	1,975.27	-

Note 5 : Long-term Borrowings

Particulars	As at 31 March 2025	As at 31 March 2024
Secured		
Vehicle Loan (refer note (i))	19.98	25.47
Total Long Term Borrowings	19.98	25.47

Notes:

(i) Vehicle Loan consists of : -
a) Loan of Rs. 7.20 Lakhs at floating interest rate of 8.95% p.a. The loan is repayable in 84 monthly installments of Rs. 11,565 p.m.
b) two vehicle loans of Rs. 20 Lakhs each, at floating interest rate of 7.25% p.a. The loan is repayable in 84 monthly installments of Rs. 0.30 lakhs p.m.
All Vehicle loans are secured against Vehicle purchased.

Note 6 : Long-term Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity	32.47	56.83
Total Long Term Provisions	32.47	56.83

Note 7 : Short Term Borrowings

	Particulars	As at 31 March 2025	As at 31 March 2024
A	Secured		
	Cash Credit (Refer Notes (i) below)	1,864.04	1,047.45
	Current Maturities of Term Loan (Refer Notes (ii) below)	-	48.44
	(includes loan taken under Union Guaranteed Emergency Credit Line Scheme (UGECL))		
	Current maturities of Vehicle Loan	5.48	5.89
	Working Capital Demand Loan (Refer Notes (iii) below)	348.27	685.38
	Total (A)	2,217.79	1,787.15
	Particulars	As at 31 March 2025	As at 31 March 2024
B	Unsecured		
	Director's Loan (Refer Notes (iv) below)	266.70	266.70
	Promotor's Loan (Refer Notes (iv) below)	413.49	413.49
	Total (B)	680.19	680.19
	Total Short Term Borrowings (A+B)	2,897.98	2,467.34

(i)	Cash Credit from HDFC - The stocks and book debts are hypothecated with the bank for the sanction limit of Rs.1,850 lakhs in Cash credit account for the tenure of one year with the annual renewal option.
(ii)	Term Loan from HDFC Bank - Hypothecation of stock and book debts
(iii)	Working Capital Demand Loan (WCDL) from HDFC - The stocks and book debts are hypothecated with the bank for the sanction limit of Rs.800 lakhs. The loan is repayable in six months or on demand.
(iv)	Loans from Directors and Promotors - Loans are repayable on call and carries Nil rate of interest.

Note 8 : Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	1,049.78	806.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,038.39	1,953.30
Total Trade Payables	3,088.17	2,760.05

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.

Particulars	Outstanding for following periods from due date of payment				As at
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	31 March 2025
i) MSME	1,049.73	0.05	-	-	1,049.78
ii) Others	2,029.98	4.82	1.62	1.97	2,038.39
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				As at
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	31 March 2024
i) MSME	806.50	-	0.25	-	806.75
ii) Others	1,934.78	0.23	3.67	14.61	1,953.30
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Note 9 : Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Creditors for Capital Goods	2.89	1.27
Employees Payables	102.68	70.72
Liability for expenses	34.51	17.91
Advance from Customer	84.41	114.06
Statutory Dues Payables	27.59	28.69
Other payables	15.68	2.97
Total Other Current Liabilities	267.75	235.62

Note 10 : Short Term Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits		
Provision for gratuity	76.96	29.34
Provision for leave Encashment	5.00	4.07
Other provisions		
Provision for Income tax	59.33	223.52
(net of advance tax of Rs. 110.54 lakhs; P.Y. Rs 83.86 lakhs)		
Total Short Term Provisions	141.29	256.92

Note 11 (a) : Property Plant & Equipment

Asset	Gross Block				Accumulated Depreciation					Net Block	
	Opening 01.04.24	Additions	Deletion	Closing 31.03.25	Opening 01.04.24	Adjust-ments	For the year	Deletion	Closing 31.03.25	As on 31.03.25	As on 31.03.24
Freehold Land	42.87	-	-	42.87	-	-	-	-	-	42.87	43
								-			
Leasehold Land	10.26	-	-	10.26	2.42	-	0.22	-	2.64	7.62	8
								-			
Buildings	1,125.52	26.93	-	1,152.44	727.22	-	17.31	-	744.54	407.91	398
								-			
Plant and Machinery	3,427.50	310.34	-	3,737.83	2,894.40	-	107.60	-	3,002.00	735.83	533
								-			
Factory Equipment	7.94	-	-	7.94	4.51	-	0.97	-	5.48	2.46	3
								-			
Furniture, Fixtures and Fittings	42.00	-	-	42.00	21.76	-	3.10	-	24.86	17.13	20
								-			
Office Equipment	32.92	1.17	-	34.09	28.89	-	1.69	-	30.57	3.52	4
								-			
Computers	39.49	1.35	-	40.84	35.77	-	2.14	-	37.91	2.93	4
								-			
Vehicles	57.95	-	-	57.95	30.43	-	5.12	-	35.55	22.40	28
Total Tangibles	4,786.43	339.78	-	5,126.22	3,745.39	-	138.16	-	3,883.56	1,242.66	1,041.04
Previous year	4,761.56	28.37	(3.50)	4,786.43	3,336.79	(1.08)	409.68	-	3,745.39	1,041.04	1,424.57

Note 11 (b) : Intangible Assets

Asset	Gross Block				Accumulated Depreciation					Net Block	
	Opening 01.04.24	Additions	Deletion	Closing 31.03.25	Opening 01.04.24	Adjust-ments	For the year	Deletion	Closing 31.03.25	As on 31.03.25	As on 31.03.24
Software	39.85	8.72	-	48.57	31.20		4.48	-	35.68	12.89	8.65
Total Intangibles	39.85	8.72	-	48.57	31.20		4.48	-	35.68	12.89	8.65
Previous year	29.79	10.06	-	39.85	25.53		5.67	-	31.20	8.65	4.26

Note 12 : Investments - Non Current (valued at historical cost unless stated otherwise)

Particulars	Year Ended March 31, 2025			Year Ended March 31, 2024		
	Face Value	Numbers/ Units/ Shares	Book Value	Face Value	Numbers/ Units/ Shares	Book Value
Other Investments						
Other non-current investments						
- Guru Himmat Premises Co-op. Hsg. Society Ltd.	50	10	0.01	50	10	0.01
- Jawahar Co-op. Industrial Estate Ltd.	100	87	0.09	100	87	0.09
Total Investments - Unquoted			0.09			0.09
Aggregate market value as at the end of the period:						
Aggregate amount of quoted investments and market value thereof			-			-
Aggregate amount of Un-quoted investments			0.09			0.09
Aggreagte Provision for diminution in value of invest-ments			-			-

Note 13 : Deferred tax Asset (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax Asset		
Expenses provided but allowable in Income Tax on payment basis	33.47	30.58
Provision for doubtful debts	1.74	1.92
Provision for doubtful advances	2.55	2.82
Difference between book depreciation & tax depreciation	12.34	18.34
Total Deferred tax Asset	50.10	53.66

Note 14 : Long Term Loans and Advances

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	13.66	12.29
Advances for Capital Goods	78.84	5.60
Advance tax and tax deducted at source	71.61	56.28
(Net of Provision for Taxes Rs. 716.20 lakhs)		
Total Long Term Loans and advances	164.12	74.17

Note 15 : Other non-current assets

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered Good, Unless Otherwise Stated		
Bank deposits with more than 12 months maturity	6.15	24.80
(deposits under lien for Bank Guarantees issued)		
Total Other non-current assets	6.15	24.80

Note 16 : Current Investments

Particulars	Face Value	Numbers/ Units/ Shares	As at 31 March 2025	As at 31 March 2024
Investments in Mutual Funds				
(Valued at lower of cost and fair value)				
(Unquoted, fully paid-up)				
PFG - Union Balanced Advantage Fund Regular Plan	10	49,990	5.00	5.00
Total Current Investments			**5.00**	**5.00**
Aggregate market value as at the end of the year:				
Aggregate amount of quoted investments and market value thereof			9.61	9.14
Aggregate amount of Un-quoted investments			-	-
Aggreagte Provision for diminution in value of investments			-	-

Note 17 : Inventories

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials	1,863.22	1,769.00
Work-in-progress	1,545.81	1,263.73
Finished goods	1,218.71	821.48
Total Inventories	4,627.74	3,854.21

Note 18 : Trade Receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured Considered good	2,060.54	1,634.77
Unsecured Considered doubtful	6.91	6.91
Less: Provision for doubtful receivables	(6.91)	(6.91)
Total	2,060.54	1,634.77

Particulars	Outstanding for following periods from date of payment					As at 31 March 2025
	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
"Undisputed Trade Receivables - Unsecured Considered Good"	1,498.74	85.87	198.50	202.07	75.36	2,060.54
"Undisputed Trade Receivables - Unsecured Considered Doubtful"	-	-	-	-	6.91	6.91
"Disputed Trade Receivables- Unsecured Considered Good"	-	-	-	-	-	-
"Disputed Trade Receivables- Unsecured Considered Doubtful"	-	-	-	-	-	-

Particulars	Outstanding for following periods from date of payment					As at 31 March 2024
	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
"Undisputed Trade Receivables - Unsecured Considered Good"	1,011.24	261.54	238.76	99.91	23.32	1,634.77
"Undisputed Trade Receivables - Unsecured Considered Doubtful"	-	-	-	6.91	-	6.91
"Disputed Trade Receivables- Unsecured Considered Good"	-	-	-	-	-	-
"Disputed Trade Receivables- Unsecured Considered Doubtful"	-	-	-	-	-	-

Note 19 : Cash and Bank Balances

Particulars		As at 31 March 2025	As at 31 March 2024
Cash and cash equivalents			
On current accounts		49.43	0.54
Cash credit account (Debit balance)		1.62	0.15
Cash on hand		0.14	0.19
Deposits with original maturity for less than 3 months		1,358.95	-
Total	(A)	1,410.14	0.88
Other bank balances			
Deposits with original maturity for more than 3 months but less than 12 months from reporting date		601.73	29.91
Total	(B)	601.73	29.91
Total Cash and Bank balances	**(A+B)**	**2,011.88**	**30.78**

Note 20 : Short Term Loans and advances

Particulars	As at 31 March 2025	As at 31 March 2024
Unsecured, Considered Good, Unless Otherwise Stated		
Staff Loans	12.15	12.60
Balance with government authorities	1,202.77	1,317.44
Prepaid expenses	0.46	0.48
Advances recoverable in Cash or kind	22.86	24.28
Total Short Term Loans and advances	**1,238.24**	**1,354.81**

Note 21 : Other Current Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Export Incentives		
Unsecured, Considered Good	17.71	8.13
Doubtful	10.13	10.13
	27.84	18.27
Less: Allowance for bad and doubtful loans and advances	(10.13)	(10.13)
Total Export Incentives	**17.71**	**8.13**
Interest accrued but not due on deposits	16.33	4.29
Receivables from Promotors	65.79	-
Total Other Current Assets	99.83	12.42

Note 22 : Revenue from operations

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Sale of products	9,695.18	9,151.67
Other operating revenue		
i) Scrap Sales	1,230.54	1,090.31
ii) Export Incentives	67.54	38.03
Total Revenue from Operations	**10,993.26**	**10,280.00**

Note 23 : Other Income

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Interest income	56.43	5.90
Miscellaneous Income	9.52	9.66
VAT refund received	-	38.89
Interest on Vat refund received	-	4.67
Interest on Income Tax refund	1.90	-
Gain on foreign exchange transactions and translation (net)	28.99	12.63
Total Other Income	**96.84**	**71.74**

Note 24 : Cost of goods sold

	Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
24(a)	Cost of raw material consumed		
	Raw material consumed		
	Raw material consumed-Inventory at the beginning of the year	1,769.00	1,187.38
	Add : Raw Material- Purchases during the year	7,488.65	7,321.22
		9,257.65	8,508.60
	Less: Inventory at the end of the year	1,863.22	1,769.00
	Cost of raw material consumed (a)	7,394.44	6,739.60

24(b)	Changes in inventories of finished goods, work in progress and stock-in trade	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
	Inventories at the beginning of the year:		
	- Finished goods	821.48	688.06
	- Work in progress	1,263.73	825.74
	(I)	2,085.21	1,513.80
	Inventories at the end of the year:		
	- Finished goods	1,218.71	821.48
	- Work in progress	1,545.81	1,263.73
	(II)	2,764.52	2,085.21
	(Increase) in inventories of finished goods, work-in-progress and stock-in-trade (I-II)	(679.31)	(571.41)

Note 25 : Employee benefits expense

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Salaries, wages, bonus and other allowances	712.67	597.83
Contribution to provident and other funds	31.31	28.62
Gratuity expenses	23.26	19.61
Staff welfare expenses	17.86	18.28
Total Employee benefits expense	**785.11**	**664.34**

Note 26 : Finance Cost

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Interest expense		
On term loan	1.13	7.99
On Vehicle Loan	2.78	3.03
On Cash Credit Account	137.30	96.12
On Working Capital Demand Loan	38.73	25.02
Bank Charges	24.99	57.62
Total Finance cost	**204.94**	**189.78**

Note 27 : Depreciation and amortization expense

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
on Property, Plant and Equipment (Refer note 10(a))	138.16	409.68
on intangible assets (Refer note 10(b))	4.46	5.67
Total Depreciation and amortization expense	142.61	415.35

Note 28 : Other Expenses

Particulars	For the Year ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Consumption of stores and spare parts	638.10	556.86
Sub- contracting expenses	645.52	532.78
Power and fuel	439.94	372.73
Establishment and other expenses	82.89	104.61
Other manufacturing expenses	62.62	75.87
Rent	1.81	1.66
Repairs and maintenance - Buildings	2.50	16.29
Repairs and maintenance - Machinery	46.80	50.83
Repairs and maintenance - others	21.26	16.37
Inspection Charges	20.79	15.12
Insurance	31.60	36.58
Telephone Expenses	0.84	0.99

Rates and taxes	6.70	0.34
Travelling expenses	9.59	10.52
Payment to the Auditor		
- Statutory Audit	18.00	14.00
- Tax Audit	2.00	2.00
- For Certification	0.35	7.37
Legal and professional charges	59.59	66.68
Sitting Fees	3.00	1.50
Commission	79.92	76.03
Interest on Delayed Payment of Income Tax	1.61	9.29
Interest on MSME Vendors	12.01	-
Late payment Charges	63.41	-
Late Delivery (LD) charges	64.53	11.00
Provision for doubtful debts	-	6.91
Freight Outward	298.66	167.14
Loss on asset discarded	-	2.42
Corporate Social Responsibility	15.50	-
Miscellaneous Expenses	25.75	2.28
Total Other Expenses	**2,655.31**	**2,158.18**

Note 29: Earnings Per Share

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Profit/ (Loss) attributable to equity shareholders (a) (₹ In Lakhs)	446.57	540.48
Number of Equity Shares:		
Number of equity shares as at the commencement of the year/ period	1,48,80,000	10,000
Equity shares issued during the year/ period	48,02,000	1,48,70,000
Number of equity shares at the end of the year/ period	1,96,82,000	1,48,80,000
Weighted average number of equity shares outstanding during the year/ period :		
Basic and Diluted (b)	1,73,53,359	1,48,80,000
Earning per Equity Share of Rs. 10/- each		
Basic and Diluted	2.57	3.63

Note 30: Contingent Liabilities and Commitments

(Amounts in ₹ Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Bank Guarantees issued on behalf of the Company	247.28	56.44
Letter of Credit issued on behalf of the Company	68.64	-
On account of Income tax demands	39.34	25.99

Capital Commitments

(Amounts in ₹ Lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Commitments for procurement of Property Plant and Equipment (net of advances Rs 64.34 Lakhs) (P.Y. Rs Nil)	150.12	-

Note 31: Disclosure under Accounting Standard 15 (revised 2005) Employee Benefits

Defined Contribution Plan:

Provident Fund:

The Company makes contributions of a specified percentage of a payroll costs towards the provident fund and other funds. Amount recognised in the Statement of Profit and Loss, included in Employee benefits expense of Rs 31.31 Lakhs (P.Y. Rs 28.62 Lakhs)

Defined Benefit Plan:

Compensated Absences:

Annual Leave Allowance : Employees are entitled to 15 days of leave per year. These 15 days leave includes both sick leave and casual leave. Additional compensated leave is provided on an as-needed basis, subject to Company's approval. Unused leave cannot be carried forward to the next year. Any remaining leave balance at the end of the financial year will be en-cashed by the employee in the next financial year. Provision for compensated absences are being accounted as per accrued liability basis.

Gratuity :

The Company operates a defined benefit gratuity plan for employees. The liability for the Defined Benefit Plan is provided on the basis of an acturial valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary. The Company contributes to the Group Gratuity Scheme of LIC and contributions are debited to the Statement of Profit and Loss. These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

Disclosures in respect of Defined Benefit Plan in accordance with AS-15 (Revised) on “Employee Benefits":

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
a) The amounts recognized in the balance sheet		
Present value of obligations as at the end of year/ period	(161.38)	(134.78)
Fair value of plan assets as at the end of the year/ period	51.95	48.61
Net asset/(liability) recognized in balance sheet	(109.43)	(86.17)
b) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present value of obligations as at beginning of year/ period	134.78	111.48
Interest cost	9.72	8.35
Current Service Cost	15.55	11.96
Benefits Paid	-	(1.23)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial As-sumptions	6.20	3.69
Actuarial (gain)/ loss on obligations	(4.87)	0.54
Present value of obligations as at end of year/ period	161.38	134.78
c) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of plan assets at beginning of year/ period	48.61	46.77
Expected return on plan assets	3.51	3.50
Contributions	-	-
Benefits Paid	-	(1.23)
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.16)	(0.43)
Fair value of plan assets at the end of year/ period	51.95	48.61
d) Actuarial Assumptions		

Discount Rate	6.81%	7.21%
Salary Escalation (per annum)	7.50%	7.50%

Note 32: Corporate Social Responsibility

Gross amount required to be spent by the Company during the year 2024-25 - Rs 15.17 lakhs (Previous year Rs Nil)

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024 #
(i) Amount required to be spent by the Company during the year	15.17	-
(ii) Amount of expenditure incurred	15.50	-
(iii) Excess spent carried forward to next year	0.33	-
(iv) Shortfall at the end of the year	NA	-
(v) Total of previous years shortfall	Nil	-
(vi) Reason for shortfall	NA	-
(vi) Nature of CSR activities,	Medical Healthcare Support	-
(vii) Details of related party transactions	Nil	-
(viii) Movements in the provision during the year where a provision is made with respect to a liability incured by entering into a contractual obligation		

The Company was not required to incur any expenditure toward Corporate Social Responsibility in compliance with provisions of Section 135 of the Act during the period from May 5, 2023 to March 31, 2024.

Note 33 : Amounts due to Micro Small and Medium Enterprises

Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(Amounts in ₹ Lakhs)

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
The principal amount remaining unpaid to any supplier at the end of the year	1,049.78	806.75
Interest due remaining unpaid to any supplier at the end of the year	12.01	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year . The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Statutory Auditors.

Note 34 : Earning in foreign exchange

(Amounts in ₹ Lakhs)

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Export of goods calculated on FOB basis in INR	2,705.27	2,573.41

Note 35 : Capital Work In Progress Ageing

As on 31st March, 2025

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	126.81	-	-	-	126.81
Projects temporarily suspended	-	-	-	-	-

As on 31st March, 2024

Particulars	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	4.19	-	-	-	4.19
Projects temporarily suspended	-	-	-	-	-

Note 36 : Segment Reporting (AS-17)

a) Primary segment reporting by business segment:
The Company is engaged in the manufacturing of forged flanges, rings, blanks, and other related products across all grades. As per Accounting Standard (AS-17), there are no separate reportable segments identified within the company's operations.

b) Secondary segment reporting by geographical segment:
Segment-wise Revenue from Operations and Sales:

Particulars	For the Year Ended 31 March 2025	For the period 5 May 2023 to 31 March 2024
Revenue from customers outside India	2,705.27	2,573.41
Revenue from customers within India	6989.91	6,578.26
Total	9695.18	9,151.67

Note 37: Related Party Disclosure (AS-18)

A Related parties and their relationship:

i) Key Management Personnel:

Name	Designation
Aliasgar R. Hararwala	Managing Director
Aliasgar A. Bhagat	Director
Mohammed S. Hararwala	Director

ii) Promoters :

Name	Designation
Abbasali S. Hararwala	Promoter
Abdulla A. Bhagat	Promoter
Hoozefa S. Hararwala	Promoter
Roshan A. Hararwala	Promoter
Zahid M. Hararwala	Promoter

B Transactions and balances with related parties

Name of Related Party	Remuneration		Reimbursements of expenses	
	2024-25	2023-24	2024-25	2023-24
Key Management Personnel				
Aliasgar R. Hararwala	-	19.02	-	0.88
Aliasgar A. Bhagat	-	19.02	-	0.88
Mohammed S. Hararwala	-	15.55	-	0.88
		53.59		2.64
Promoters				
Abbasali S. Hararwala	-	10.33	-	0.88
Abdulla A. Bhagat	-	19.02	-	0.88
Hoozefa S. Hararwala	-	12.18	-	0.88
Roshan A. Hararwala	-	19.02	-	0.90
Zahid M. Hararwala	-	19.02	-	0.88
		79.58		4.42

Balances Outstanding as on March 31

Name of Related Party	Directors Loan		Promoters Loan		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Aliasgar R. Hararwala	119.98	-	-	-	119.98	-
Asgar A. Bhagat	80.01	-	-	-	80.01	-
Mohammed S. Hararwala	66.71	-	-	-	66.71	-
Abbasali S. Hararwala	-	-	66.64	-	66.64	-
Abdulla A. Bhagat	-	-	119.98	-	119.98	-
Hoozefa S. Hararwala	-	-	66.64	-	66.64	-
Roshan A. Hararwala	-	-	80.01	-	80.01	-
Zahid M. Hararwala	-	-	80.22	-	80.22	-

Note 38 : Utilisation of IPO Proceeds

During the year, the Company has completed initial public offering (IPO) of Rs. 3,234.38 lakhs (including fresh issue of Rs. 2,833.18 lakhs) comprising of (i) equity shares of 48,02,000 each at an issue price of Rs. 59 per share towards fresh issue of equity shares (ii) equity shares of 6,80,000 each at an issue price of Rs. 59 per share towards offer for sale. The equity shares of the Company, has got listed on NSE Emerge Platform on 25 September 2024 having NSE Scrip Code "PSFL" under SME IPO. The Company has incurred issue expenses amounting to Rs. 433.46 lakhs. In accordance with Applicable Law, these expenses are borne by the Company and Selling Shareholders, in the proportion of the equity shares issued by the Company and sold by each of the Selling Shareholders in the Offer for Sale, amounting to Rs. 377.71 lakhs and Rs. 55.75 lakhs respectively. The Company's share of expense of Rs. 377.71 lakhs has been adjusted against Securities Premium as at 31 March 2025.

Sr. No	Objects as disclosed in the Offer Document	Amount disclosed in the Offer Document	Actual Utilised Amount	Unutilized Amount
1	Capital expenditure towards construction of factory shed & purchase of machinery and equipment required for expansion at our Khalapur Plant	2,381.28	458.31	1,922.97
2	General Corporate Purpose	72.38	33.57	38.81
3	Offer Related Expenses	379.52	377.71	1.81
	Total	2,833.18	869.59	1,963.59

Note 39: Effect Of Change In Accounting Estimate

i.	Depreciation Method Changed from WDV to SLM w.e.f, 01 April 2024	Amount
	Depreciation as per WDV	260.02
	Depreciation as per SLM	142.61
	Effect on current year Profit (+) Increase (-)decrease	117.41
ii.	The effect of above changes in accounting estimate on future periods is not practicable to quantify.	

Note 40: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Period	% Variance	Reason
Current ratio	Current Assets	Current Liabilities	1.57	1.21	30%	Increase due to Initial public offer made by the Company during the year
Debt-equity ratio	Total Debt	Shareholders funds	0.56	1.08	-48%	"Decrease due to Initial public offer made by the Company during the year and repayment of Debt also"
Debt service coverage ratio	Net operating Income	Debt Service	4.89	0.55	791%	Increase due to payment of interest on working capital loan & payment of principal amount
Return on equity ratio	Net profit after tax	Average Shareholders funds	11.92%	26.91%	-56%	"Decrease in the Return on Equity Ratio is due to Initial Public Offer made by the Company during the year"
Trade receivables turnover ratio	Net Credit Sales	Average Trade receivables	5.25	6.23	-16%	Not Applicable
Trade payables turnover ratio	Net Credit Purchases	Average trade payables	2.30	2.51	-9%	Not Applicable
Net capital turnover ratio	Net sales	Working Capital	4.56	8.67	-47%	"Decrease due to Initial Public Offer made by the Company during the year."
Net profit ratio	Net profit after tax	Net Sales	4.06%	5.31%	-24%	Not Applicable
Return on capital employed	EBIT	Capital Employed	26.40%	0.40	-34%	"Decrease due to Initial Public Offer made by the Company during the year."
Return on investment	Change in Shareholders Funds	Opening Shareholders funds	-	-	-	Not Applicable

Ratio :

Current Ratio	Current Assets \ Current Liaility
Debt-Equity Ratio,	Total Debt \ Shareholder's Equity
Debt Service Coverage Ratio,	Earnings available for debt service \ Debt Service
Return of Equity Ratio,	Net Profits after taxes \ Average Shareholder's Equity
Trade Receivable turnover Ratio,	Net Credit Sales \ Average Accounts Receivable
Trade Payable turnover Ratio,	Net Credit Purchases \ Average Trade Payables
Net Capital turnover Ratio,	Net Sales \ Average Working Capital
Net Profit Ratio,	Net Profit \ Net Sales
Return on Capital employed,	Earning before interest and taxes \ Capital Employed
Return on investment,	Income generated from investments \ Average Investments

Note 41: Additional Disclosures

(i) Title deeds of Immovable Property are held in name of the Paramount Speciality Forgings LLP, which was converted into Paramount Speciality Forgings Ltd. The Company is in process of changing the name in the title deeds. Refer note no. 42 for full details of such properties.

(ii) The Company has not revalued its Property, Plant and Equipment.

(iii) The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

(iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) The Company does not have any Intangible assets under development.

(vi) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(vii) The Company has borrowings from banks or financial institutions on the basis of security of assets and book debts

(viii) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(ix) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

(x) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(xi) The Company has not entered into any scheme of arrangement therefore approval of competent authority in terms of sections 230 to 237 of the Companies Act, 2013 is not required.

(xii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.

(xiii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xiv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xv) The Company has not entered into any such transaction which is not recorded in the books of account 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.

Note 42: Title deeds of Immovable Property not held in name of the Company

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 relative of promoter/director or employee of promoter/director	Period held since which date	Reason for not being held in the name of company
Property, Plant and Equipment	Freehold Land	42.86	Paramount Speciality Forgings LLP	No	May 5, 2023	The titles of assets are in the process of being transferred in the name of the Company

Property, Plant and Equipment	Building (Factory, Office and Residential Building)	1,125.52	Paramount Speciality Forgings LLP	No	May 5, 2023	The titles of assets are in the process of being transferred in the name of the Company
Property, Plant and Equipment	Leasehold property	10.25	Paramount Speciality Forgings LLP	No	May 5, 2023	Leasehold property is vested in the LLP. The Company is in the process of executing the required agreements.

Note 43: The Social Security Code, 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 44

The Company is formed by converting erstwhile Limited Liability Partnership (LLP) following its dissolution w.e.f. May 5, 2023. Accordingly, the comparable period in this financial statements are for the period May 5, 2023 to March 31, 2024 and are not strictly comparable with the current year figures.

Note 45

Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

The Notes referred above form an integral part of the financial statements

As per our Report attached

FOR KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg. No.: 104607W/W100166

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2025

FOR AND ON BEHALF OF
PARAMOUNT SPECIALITY FORGINGS LIMITED
(Formerly Known as Paramount Speciality Forgings LLP)
CIN – L24109MH2023PLC402307

Sd/-
Aliasgar R. Hararwala
MANAGING DIRECTOR
DIN: 00334957

Sd/-
Aliasgar A. Bhagat
DIRECTOR
DIN: 00335869

Sd/-
Farkhanda A. Pagarkar
CHIEF FINANCIAL OFFICER

Sd/-
Ankita A. Patankar
COMPANY SECRETARY
ICSI M.No: A57166

Mumbai, 29 May 2025

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