



INDIA'S LARGEST VAN MAKER



FORCE MOTORS LIMITED
Annual Report 2024-25



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Presence and Manufacturing Excellence



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Investor Information

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Disclaimer: This document contains statements about expected future events and financials of Force Motors Limited ('The Company'), which are 'forward-looking'. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

TRIBUTE TO THE FOUNDER



Shri Navalmal Kundanmal Firodia

Shri Navalmal Kundanmal Firodia was a freedom fighter, an industrialist, and a philanthropist. He was a nationalist visionary, whose ideas were far ahead of his time. With academic degrees in Science and Law, he combined analytical thinking with a deep sense of ethics and purpose. These qualities shaped his approach to business, nation-building and social responsibility.

For taking an active part in Gandhi's 'Non-cooperation' movement in 1932-34, and in the 'Quit India' movement in 1942-44, he was imprisoned for nearly 4 years. He foresaw in 1944 that India would soon become independent and needed to industrialise and modernize. He vowed to quit his flourishing law practice and prepare to enter the industrial field. He founded his company JAYA HIND INDUSTRIES LIMITED, in 1948.

He visualized a motorized rickshaw to replace the bicycle rickshaw. He developed this 'auto rickshaw' and even coined the name. This was industrialised under a 'joint venture' – Jaya Hind Industries invested in Bachraj Trading, today known as Bajaj Auto Ltd. This product of his innovation was industrialised there, under his leadership and partnership. He also introduced the 3-wheeler Tempo vehicle in 1948. The name Tempo is today synonymous in India with a light commercial vehicle. This was fully indigenized in Bajaj Tempo Ltd. (A joint venture with Bajaj Group.) Separately founded in 1958, today's FORCE MOTORS is the renamed company.

His pioneering and revolutionary ideas have transformed urban transport and set the course for decades of innovation in the Indian automotive industry. The vision and values of Shri N.K. Firodia continues to guide the Company's approach and long-term direction, as Force Motors continues to uphold the legacy he created and carry it into the future.

FROM THE CHAIRMAN'S DESK



Dear Stakeholders,

Force Motors was founded “In the India of the first decade of Independence” with the clear motivation for providing affordable, reliable, appropriate, low-cost transportation- for a long-exploited society, again finding its way in the world. That gave rise to the emphasis on low-cost simple transport vehicles like the Tempo 3-Wheeler and later the Viking and Matador 4-wheelers, for both passenger and goods transport.

Our Founder, Shri Navalmal Kundanmal Firodia clearly saw economic self-reliance- as the foundation for a modern, strong and independent nation. His conviction led to the company’s enduring emphasis on relevant technology development, on achieving manufacturing depth, high emphasis on quality and sharp focus both on customer satisfaction and costs.

Today in the evolved economy of the 21st century India, our enduring values of product reliability, customer satisfaction and cost control, have evolved in the current socio-economic milieu, to include aspirational products and consumer-friendly technology. The all-new Van Urbania, as also the new Gurkha product offerings, along with the highly specialised monocoque Traveller 33 and 41-seater buses which (the only monocoque buses with light weight and highly optimised and with refined systems, as against chassis built bodies), are products which signify our approach to the evolving sophistication of the market.

While there is significant global economic flux, where most large economies are struggling to achieve growth at all, India, with GDP expanding at 6.5%, inflation controlled at 2.8%, exports reaching at all time high of USD 825 billion, the country is firmly advancing towards its ambition of becoming the world’s third largest economy.

The Automotive Sector contributes 7.1% to the GDP of India, 49% to its manufacturing output, it employs over

37 million people and remains the most important driver, in this journey to transform India into a truly modern nation.

2024-25 witnessed the production of over 31 million vehicles in India, including 24 million two-wheelers, 5 million passenger cars and 1 million commercial vehicles. Vehicle exports stood at 5.7 million units, underscoring the country’s rising strategic importance in global mobility.

Our own aspirations align seamlessly with the national momentum, to rank among the world’s top 10 van manufacturers and be a leading provider of shared mobility solutions. Our mission is clear – to delight our domestic and global customers with safe, reliable and future-ready mobility platforms.

2024-25 was a year of steady, purposeful progress for Force Motors. We achieved our highest-ever four-wheeler sales and posted record exports. Meanwhile, besides our own vehicle business, our long-standing partnerships with global automotive leaders continue to affirm Force Motors’ standing- as a trusted Indian engineering and manufacturing partner. We see this as a proof of our culture, our manufacturing precision, our consistent high quality and our dependable partnerships, which are aligned with the direction in which India is moving. At the same time, we remain pragmatic about the complexities of India’s mobility transition. While electric adoption is gaining traction in three-wheelers and passenger cars, in commercial vehicles the penetration remains below 1%. This reinforces our belief in a multi-fuel future in the medium term, where diesel, CNG, electric, hybrid and hydrogen will co-exist based on application, infrastructure readiness and total cost economics.

Our investments across these propulsion technologies are strategic, not opportunistic. For instance, our

BS 6.2 diesel engines now emit exhaust cleaner than the air they intake, a result of deliberate engineering aligned with our commitment to performance, sustainability and regulatory foresight.

We also believe that sectoral transformation will require a more enabling and coherent policy environment. Challenges such as high taxation on vans, land acquisition bottlenecks and the imbalance between tax contribution and industrial value-add must be addressed. Policy support in the form of GST rationalisation, localisation-linked incentives and capital investment allowances is not merely a request from the industry, it is a prerequisite for job creation, export competitiveness and balanced economic growth in an increasingly transactional global economic environment.

As we look ahead, we do so with resolve, clarity and humility. The future will call for innovation, adaptability and a steadfast sense of purpose.

I extend my heartiest gratitude to all those who make our progress possible. To our employees, whose commitment drives our performance; to our dealers, vendors and service partners, who carry our promise to every corner of the geography we operate in; to our global collaborators, who entrust us with their most critical platforms; to our customers, whose confidence is our greatest endorsement; and to you, our shareholders, whose unwavering support fuels our long-term vision- thank you.

Warm Regards,

Mr. Abhaykumar Navalmal Firodia

Chairman, Force Motors Limited

MESSAGE FROM THE MANAGING DIRECTOR



Dear Stakeholders,

The year under review gave us an opportunity to sharpen our focus and stay true to our purpose. At Force Motors, progress has always meant more than just scale. It comes from clear execution, long-term direction and a strong sense of relevance to the nation. For decades, we have built mobility solutions that are reliable, practical and trusted by institutions and individuals alike. This approach, rooted in self-reliance and simplicity, continues to guide our journey.

Our strategy rests on four key pillars- leadership in specialised mobility, digital and operational excellence, sustainability as a core priority and a people-first culture that drives innovation and performance. These align with the broader trends shaping India- growing infrastructure, rising demand for customised transport, increasing focus on safety and sustainability, and the rapid adoption of digital technologies.

These pillars define how we prioritise, invest and compete. In 2024-25, they helped us navigate an important year of change & transformation. We exited the tractor and three-wheeler businesses, enabling us to focus resources on areas where we have the strongest advantage. This repositioning was a step towards greater clarity in our portfolio and future direction.

Our focus on product leadership across key mobility segments remained central to our strategy in 2024-25, enabling us to drive growth, reinforce customer trust and strengthen market presence.

Our flagship platform, Traveller, maintained its market leadership in its segment across diverse applications, including passenger movement, staff transport, delivery services and ambulances.

We continued to strengthen our position in emergency and public mobility. The Force Ambulance continued to be India's most trusted platform in lifesaving medical transport. A landmark single-largest order of 2,459 ambulances from the Uttar Pradesh Government Health Department reinforces our position as a trusted partner in strengthening public healthcare.

The Urbania, our ground-up, complete new monocoque platform, has been widely appreciated, gaining traction in both intercity and shared mobility spaces. With an emphasis on safety, comfort and ride quality, it has become the preferred choice for premium tours & travel, office commutes and corporate shuttles. The Urbania has created a new segment in the premium urban shared passenger mobility in India and is gradually expanding into global markets, aligning with our export ambitions.

The Force Gurkha, known for its rugged build and exceptional off-road capabilities, is available in the personal and specialised mobility segment. A landmark order of 2,978 Light Strike Vehicles from the Indian Army and Air Force stands as a strong testament to the platform's proven reliability, strength and performance in the most demanding operational environments.

Furthermore, our sustained collaborations with leading global automotive companies are a testament to Force Motors' strength as a trusted Indian partner in engineering and manufacturing.

In June 2025, we rolled out the 1,00,000th engine for BMW India. Through our partnership with Mercedes-Benz India, we have manufactured and supplied over 1,50,000 engines and 1,40,000 axles, powering every Mercedes-Benz vehicle manufactured locally. Moreover, our joint venture with Rolls-Royce Power Systems AG continues to export Series 1,600 engines for global power and rail applications, enhancing India's reputation as a hub for precision manufacturing.

These product milestones were backed by a strong financial foundation. We have sustained consistent growth in both topline and bottom line for 10 consecutive quarters. In 2024-25, revenue from operations rose by 15.44% to ₹8,071.73 crores, while consolidated net profit more than doubled, registering a 106.33% increase. Tight working capital management and cost discipline led to a significant drop in finance costs towards the end of the year, enabling us to deploy capital more productively and strengthen internal accruals. This performance builds on our turnaround in 2023-24 and affirms the resilience of our business model.

Further enabling this performance is Project DigiForce, launched in June 2024, which is reshaping Force Motors from within. The program is overhauling our digital infrastructure to create a more intelligent and connected organisation. As part of this initiative, we are driving digitisation across the value chain-spanning both backend and frontend operations-through the implementation of platforms such as CRM-DMS, HRMS, Telematics, Cybersecurity, the RFQ-KAM platform, etc. The transition to AI/ML-powered, cloud-based SaaS platforms ensures scalability and real-time decision-making.

In parallel, Project Lakshya, our HR transformation journey, is enabling a future-ready workforce. In 2024-25, we deepened our focus on capability

building, leadership development and cultural renewal- a clear reflection of our commitment to empowering people and driving organizational growth.

Alongside digital and talent transformation, we made steady strides in our sustainability agenda. We have installed solar systems across our facilities through both open access and rooftop installations, now meeting over 90% of our electrical energy demand. As part of our sustainability journey, we aim to achieve 50% net renewable electricity by 2027. During the year, we reduced Scope 1 and 2 emission intensity by 22%, increased the share of renewable electricity to 13.47% (up from 3% in 2023-24), reduced water consumption per Eq. vehicle by 9% and 97% of the waste diverted from landfill. These milestones reflect steady progress towards our long-term sustainability goals of achieving net-zero GHG emissions by 2050, zero waste to landfill by 2030 and 100% ESG screening of new suppliers by 2027.

As we reflect on 2024-25, it stands out not only for the milestones achieved, but for the clarity it brought to our direction. We realigned our portfolio, deepened our operational capabilities and embedded long-term strategic priorities across the organisation. We are no longer just adapting to change; we are shaping it with purpose and consistency.

Looking ahead, we remain committed to building on this momentum and will continue to engineer mobility solutions that are dependable, differentiated and future-ready.

To our employees, customers, business partners, shareholders and the communities we serve- thank you for your trust, partnership and belief in Force Motors. Together, we will keep moving forward- with clarity, with resilience and with conviction

Warm Regards,

Mr. Prasan Firodia

Managing Director, Force Motors Limited



PIONEERING SHARED PASSENGER MOBILITY SOLUTIONS

Force Motors Limited ('Force Motors', 'FML' or 'the Company') is a fully integrated automobile manufacturer with end-to-end capabilities in engineering, development and production of vehicles, aggregates and components. Its diverse portfolio spans light commercial vehicles, multi-utility vehicles and super specialty vehicles, delivering purpose-built mobility solutions to industries, institutions and geographies worldwide.

Legacy Milestones



1948

Shri N.K. Firodia showcased India's first auto-rickshaw to Prime Minister Pandit Jawaharlal Nehru



1969

Launched Matador, India's first diesel Light Commercial Vehicle



1987

Tempo Traveller Production commences at Pithampur



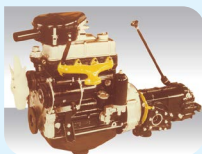
1996

Minidror 6-seater autorickshaw introduced



1958

Started production of Tempo 3-wheeler Hanseat in Mumbai



1975

Collaboration with Daimler-Benz AG



1988

Introduced Tempo Trax, a rough-road vehicle



1997

Tempo enters the field of agricultural tractors with Balwan

Largest

Van Manufacturer in India

5

Manufacturing Facilities across India

300+

Sales and Service Touchpoints

Recognised as India's largest van manufacturer, Force Motors is shaping the future of mobility by combining proven reliability with advanced engineering and sustainable innovation.

At the heart of this transformation is the Company's state-of-the-art R&D Centre in Pune. Force Motors serves both domestic markets and exports to over 25 countries across the Middle East, Asia, Latin America and Africa, delivering market-specific solutions tailored to diverse mobility needs.

The Company is also a trusted partner to some of the world's most respected automotive brands. It manufactures and supplies engines to BMW Group India, produces engines and axles for Mercedes-Benz India and

operates a joint venture with Rolls-Royce Power Systems AG to build V12-1000 horsepower engines, underscoring its advanced manufacturing capabilities and global relevance.

Established in 1958 by visionary industrialist Shri Navalmal Kundanmal Firodia, Force Motors Limited (FML) is the flagship company of the Abhay Firodia Group of Companies, one of India's pioneering industrial houses in the automotive domain. The Group today spans a network of companies that provide technologically advanced, end-to-end solutions across vehicle manufacturing, precision aluminium castings, high-tech tooling and power generation. In doing so, it supports leading global OEMs and strengthens industrial ecosystems worldwide.



2003

Entered into an alliance with MAN Nutzfahrzeuge AG



2015

Inaugurated state-of-the-art engine manufacturing plant in Chennai dedicated to BMW India



2018

Formed a JV with Rolls-Royce Power Systems AG to manufacture Series 1600 MTU engines in India for the global market



2020

Launched all New Gurkha



2005

Tempo renamed as **FORCE**



2016

Inaugurated state-of-the-art engine and axle manufacturing plant in Chakan dedicated to Mercedes-Benz India



2019

Introduced Monobus



2022

Introduced Urbania- a ground-up monocoque platform designed for shared mobility applications in both Indian and global markets

10,000+

Employees across Operations

1,000+

Engineers at the R&D Centre, Pune

MANUFACTURING EXCELLENCE AND GLOBAL PRESENCE

With five advanced manufacturing plants and a nationwide service network, Force Motors has built a comprehensive ecosystem to deliver reliable mobility solutions in India and beyond. Its state-of-the-art facilities, each certified to global standards, not only meet domestic demand but also support exports to more than 25 countries across Asia, the Middle East, Latin America and Africa.

Every plant of Force Motors is certified to globally recognised standards, including ISO 14001 (Environmental Management System), IATF 16949 (Automotive Quality Management) and OHSAS 18001 (Occupational Health and Safety). The Material Testing Laboratory at the Pithampur plant are NABL-accredited, placing Force Motors among the first three OEMs in India to achieve this distinction. This facility supports advanced calibration and testing, reinforcing the Company's emphasis on precision and reliability in manufacturing.

FML's engineering capabilities are anchored by one of India's largest in-house Tool Rooms, enabling high-precision manufacturing at scale. The facility ensures consistent quality across production lines and supplies complex tooling solutions to leading Tier 1 OEMs.

These capabilities are closely integrated with Force Motors' R&D ecosystem, ensuring a seamless transition from design to production. The in-house R&D centre covers end-to-end development, including 3D/2D design, CAE, CFD, NVH analysis, and crash testing. ISO 17025-certified testing labs and a dedicated torture track validate each product for safety, durability, and performance in real-world conditions.

Manufacturing Footprint



Force Motors- Pithampur

The 300+ acre fully integrated mother plant oversees the complete end-to-end manufacturing process including stamping to body welding to painting and final assembly along with in-house production of engines, gearboxes and axles.



Force Motors- Akurdi, Pune

Force Motors' corporate office at Akurdi houses the Engineering and R&D Centre, Tool Room, Testing Centre including the NVH Lab, and all key corporate functions.



Force Motors- Chakan, Pune

This state-of-the-art facility manufactures engines and axles for Mercedes-Benz cars and SUVs made in India.



Force Motors- Chennai

This state-of-the-art facility manufactures engines and cooling modules for all BMW cars and SUVs made in India.



Force MTU JV- Chakan, Pune

Established under a joint venture with Rolls-Royce Power Systems AG, this facility is the only manufacturing plant producing Series 1600 engines for global markets.

EXPORT PRESENCE

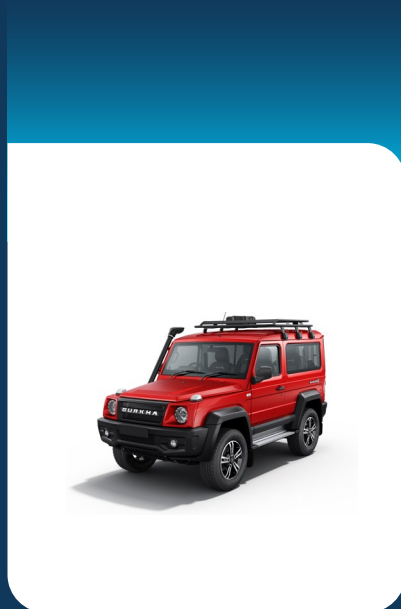
Force Motors is steadily strengthening its global footprint by taking calibrated steps to cater to diverse international market needs. We are driving this expansion through a robust dealer and service network, built in collaboration with trusted partners across key markets. This strategy ensures not only the accessibility of our products but also dependable after-sales support, with offerings tailored to meet the specific requirements of each country. Our measured approach underscores a long-term commitment to becoming a competitive player in the global automotive landscape, while consistently delivering products that meet international standards of performance, safety, and reliability.



Urbania



Traveller



Gurkha

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. Our Company or any of our Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

COMPREHENSIVE MOBILITY SOLUTIONS

Force Motors offers a comprehensive range of mobility and engineering solutions. The Company, through its products, combines decades of automotive expertise with a forward-looking approach to product development, manufacturing, and partnerships. Focussed on creating value across the transportation ecosystem, the Company designs solutions that are closely aligned with evolving market needs and benchmarked to global standards.

The Company's Vehicle Business provides a versatile range of solutions for passenger transport, cargo movement, emergency response, and specialised applications, purpose-built for India's diverse operating environments. The High-Tech Aggregates Business manufactures advanced engines and axles for leading global OEMs, including BMW and Mercedes-Benz.

Force MTU Power Systems Private Limited, a joint venture with Rolls-Royce Power Systems AG, specialises in producing 10-cylinder and 12-cylinder Series 1600 engines at its advanced Chakan facility, the only facility in the world to manufacture Series 1600 engines for the global market.

These verticals position Force Motors as a future-ready, fully integrated automotive company with end-to-end capabilities spanning advanced engineering, R&D, and precision manufacturing. Our long-standing partnerships with global automotive leaders reaffirm Force Motors' position as a trusted Indian engineering and manufacturing partner built on excellence, precision, consistent quality, and dependable collaborations

Force Motors' Product Range

Commercial Vehicles

Force Motors' commercial vehicle range is built around modular, scalable platforms that cater to both people and goods' movement.



Urbania

Urbania is a premium, ground-up modular monocoque van platform designed for shared urban mobility. It offers superior ride quality, enhanced safety, and meets global crash and rollover standards- marking the beginning of a new Premium Shared Mobility Platform segment.



Traveller

A versatile platform catering to passenger transport, cargo delivery, ambulances, and school buses. Available in multiple wheelbases and fuel options (diesel and CNG), Traveller holds ~65% market share in its category and is India's most preferred ambulance platform.



Monobus

India's first 33-seater and 41-seater monocoque buses, the Monobus range is powered by a Euro VI-compliant, Mercedes-derived engine delivering strong fuel efficiency, excellent ride quality, superior handling, and robust performance.



Trax

A rugged utility vehicle platform suited for rural and last-mile transport. Known for its durability and performance across tough terrain, the Trax range serves both commercial and public sector needs.



Special Application Vehicles

Force Motors offers mission-specific solutions like Mobile Medical Units, Police Vans, Prison Vans, Troop Carriers, and Safari Vehicles, customised on the Traveller and Trax platforms for institutional and government use.



Special Vehicles

Gurkha



The Force Gurkha is an iconic off-road vehicle known for its all-terrain capability and endurance. It serves both lifestyle and specialised users who demand performance beyond conventional roads.

Electric Vehicle

E-Traveller Smart Citibus EV



Marking Force Motors' entry into electric mobility, the e-Traveller Smart Citibus EV is a zero-emission, intra-city bus designed to deliver quiet, clean, and efficient public transport with modern passenger conveniences. Created for shared passenger transportation, it enhances last-mile connectivity, making urban mobility more accessible and sustainable.

High-Technology Aggregate Business



Engines & Cooling Module Production

In 2015, Force Motors commissioned a dedicated engine assembly facility in Chennai for BMW India to manufacture engines and cooling modules for all BMW cars and SUVs made in India.



6 Cylinder Engine- Petrol and Diesel



4 Cylinder Engine- Petrol and Diesel



Engines and Axles Production

In 2016, Force Motors commissioned a dedicated facility in Chakan for Mercedes-Benz to manufacture engines and axles for all Mercedes-Benz cars and SUVs made in India.



6 Cylinder Engine- Petrol and Diesel



4 Cylinder Engine- Petrol and Diesel

Force MTU Power Systems Private Limited (FMTU)



A Rolls-Royce solution

A Strategic JV with Rolls-Royce Power Systems AG

Established in 2018, Force MTU Power Systems Pvt. Ltd. (FMTU) is a joint venture between Force Motors (51%) and Rolls-Royce Power Systems AG (49%). The FMTU facility in Chakan is the only manufacturing plant in the world producing Series 1600 engines for global markets.



Series 1600 Engine

TRANSFORMING TODAY, LEADING TOMORROW

Project DigiForce

Digital Transformation for a Future-Ready Force Motors

Force Motors has embarked on **Project DigiForce**, a ₹150 crore digital transformation initiative aimed at building a tech-driven, future-ready enterprise. Designed as a two-year, organisation-wide programme, DigiForce focusses on digitising customer-facing and core operations to drive agility, efficiency, and superior stakeholder experience.

Strategic Focus

- Digitisation of **Sales, Service, Marketing, and Dealer Operations**
- Seamless integration across **200+ dealerships, 70 service centres**, and global distributor networks
- Transition to **AI/ML-powered, cloud-based SaaS platforms** for scalability and real-time decision-making

Core Deployments

- **Next-gen CRM-DMS**
- **HRMS, Telematics, Cybersecurity, and RFQ-KAM systems**
- **Digital Control Tower** for enterprise-wide visibility
- **DigiForce Capability Training Programme:** 18 training hours per employee in 2024-25

Key Technology Partners

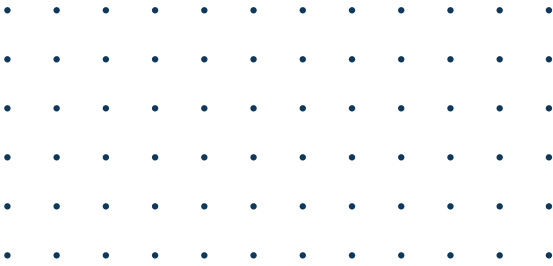
EY Parthenon: Strategy and transformation lead

Intangles: Advanced telematics and connected vehicle solutions. Real-time diagnostics, predictive maintenance, location tracking, driver behaviour analysis.

Zoho Corporation: End-to-end CRM-DMS platform and **12 AI-powered SaaS applications.**

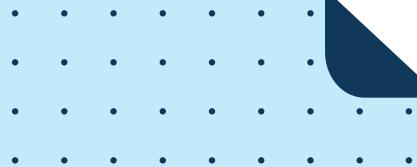
Includes Marketing Automation, SalesIQ, PageSense, Desk, Survey, Projects, WorkDrive, Cliq, Webinar, and more.





Project Lakshya

People Transformation: Building a Future-Ready Workforce



Force Motors launched Project Lakshya, a strategic HR transformation initiative designed to create a digitally empowered, agile, and leadership-driven organisation aligned with its long-term growth vision.

Key Focus Areas



Learning and Development

Company-wide training and engagement initiatives to enhance functional excellence.



Employee Engagement

Driving inclusion, ownership, and alignment with organisational goals.



Digital Capability Building

Preparing a future-ready digital workforce through the DigiForce Digital Capability Training Programme.



Culture Shift

Embedding a values-based culture anchored in agility, accountability, and innovation.

To strengthen its leadership pipeline, Force Motors partnered with SP Jain School of Global Management to launch Executive and Advanced Leadership Programmes for high-potential employees.



Sustainability at Force Motors

Transforming for a Greener, Inclusive Future

Sustainability: From Intent to Impact

Sustainability is at the core of Force Motors' growth strategy. In 2024-25, the Company made significant progress towards its ESG goals. The same was reflected in how the Company succeeded in lowering emissions, expanding renewable energy adoption, improving water efficiency, and advancing workforce diversity and development.



Sustainable Inputs: 68%
ESG-screened suppliers

Water Use:
9% reduction per Eq. vehicle

GHG Emissions:
22% reduction
in intensity
(Target: 50% by
2030)

**Emissions
Avoided: 4x**
improvement over
the previous year

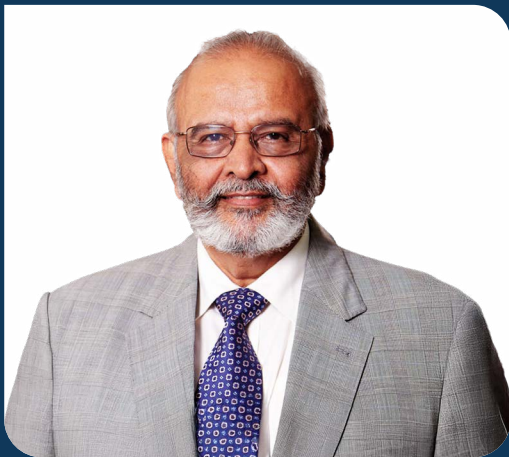
Training Hours:
18 per employee
(Target: 32 by
2030)

**Women
Workforce: 7%**
(up from 3% in
2023–24)

**Zero Waste to
Landfill: 97%**
waste diverted
from landfill

**Renewable
Electrical
Energy: 13.47%**
usage (Target:
50% by 2027)

BOARD OF DIRECTORS



Mr. Abhaykumar Navalmal Firodia

Chairman

Mr. Abhaykumar Navalmal Firodia is a prominent industrialist and Chairman of Force Motors Limited, India's largest manufacturer of vans and a fully integrated automobile company. He also serves as Group Chairman of the Abhay Firodia Group of Companies, a diversified engineering conglomerate with a strong presence in the automotive and manufacturing sectors. Under his leadership, the Group has grown into an enterprise exceeding USD 4.4 billion. He has held several leadership positions in key industry bodies and continues to contribute to social development through various trusts dedicated to healthcare, education and cultural preservation.

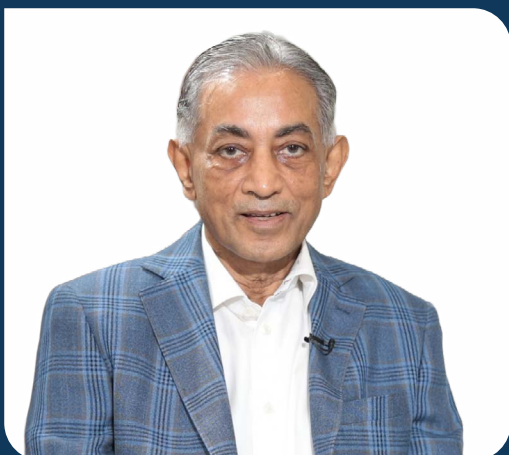


Mr. Prasan Firodia

Managing Director

Mr. Prasan Firodia serves as the Managing Director of Force Motors Limited and Jaya Hind Industries Private Limited, as well as the Director of Force MTU Power Systems Private Limited. A forward-thinking leader, he represents the new generation at the helm of the Dr. Abhay Firodia Group of Companies- one of India's longstanding industrial houses with a strong presence in the automotive and manufacturing sectors.

A business administration graduate from the European Business School and Regent's College, London, he has been recognized among Business Today's Top 100 CEOs and AsiaOne's Most Influential Young Leaders.



Mr. Vallabh Bhanshali

Independent Director

Mr. Vallabh Bhanshali is the Co-founder and Chairman of Enam Securities, a reputed investment house and formerly a leading investment bank. He has served on several policy-making bodies including the Reserve Bank of India and is actively involved with NGOs in the fields of education, democracy, scientific spirituality, farmer welfare and cultural preservation. He is a founding member of the Governing Boards of FLAME University and ISPP and has been a devoted Vipassana meditator for over three decades. He has received several honours, including two honorary doctorates and admission to the Hall of Fame of the Institute of Chartered Accountants.



Mr. Mukesh Patel

Independent Director

Mr. Mukesh Patel is an eminent Advocate and International Tax Expert with nearly five decades of experience. He has made notable contributions in legal practice, taxpayer education, and public discourse, with over 5,000 weekly columns and 500 TV shows to his credit. He has served on government-appointed committees including the Justice Easwar Committee and the task force for drafting a new income-tax law. He has led several industry bodies and received the prestigious 'Order of the Rising Sun' from the Emperor of Japan. In 2024, he was appointed as the first Honorary Consul of Japan in India.



Ms. Sonia Prashar

Independent Director

Ms. Sonia Prashar is an experienced professional with nearly three decades of work in international trade, Indo-European cooperation and strategic business development. She is the Managing Director of NuernbergMesse India Private Limited and serves as Secretary General of the Federation of European Business in India. A recipient of the German Order of Merit, she holds academic qualifications in Science, Education, German Language and MBA Essentials from the London School of Economics.



Mr. Prashant Inamdar

Executive Director – Operations

Mr. Prashant V. Inamdar joined Force Motors in 1984 as a Junior Engineer and has since held leadership roles across corporate controlling, production and operations. He has contributed to industrial engineering, HRD, SAP implementation and has led several key projects. Currently, he oversees operations across Force Motors' plants in Akurdi, Pithampur, Chennai and Chakan, and serves on the Board of Force MTU Power Systems Private Limited.

MANAGEMENT TEAM



**PRASAN
FIORDIA**

Managing Director



**PRASHANT
INAMDAR**

Executive Director –
Operations



**MAKARAND
KANADE**

President – Engineering and
Corporate Quality



**RAKESH
MARU**

President – Sales, Marketing
and After Sales



**PRAVEEN
KARNAVAT**

President – Strategic Sourcing
and International Business



**RISHI
LUHARUKA**

President & Group CFO



**VIVEK
GOSAIN**

VP – Manufacturing
Engineering



**ANSHUL
SAXENA**

VP – Corporate Strategy



**AMIT
JOSHI**

AVP – Corporate Strategy

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Abhaykumar Navalmal Firodia,
Chairman

Mr. Prasan Abhaykumar Firodia,
Managing Director

Mr. Vallabh Bhansali,
Independent Director

Mr. Mukesh Patel,
Independent Director

Ms. Sonia Prashar,
Independent Director

Mr. Prashant V. Inamdar,
Executive Director – Operations

CHIEF FINANCIAL OFFICER

Mr. Rishi Luharuka

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Rohan Sampat

AUDITORS

Statutory Auditors

M/s Kirtane & Pandit LLP
Chartered Accountants, Pune

Secretarial Auditors

SIUT & Co. LLP
Practicing Company Secretaries, Pune

Internal Auditors

M/s Capri Assurance and Advisory
Services, Chennai

M/s Jugal S Rath

Chartered Accountants, Pune

COST ACCOUNTANTS

M/s Joshi Apte & Associates,
Cost Accountants, Pune

REGISTRAR & TRANSFER AGENT (RTA)

MUFG Intime India Private Limited
(formerly Link Intime India Private Limited)

REGISTERED OFFICE

Mumbai- Pune Road, Akurdi,
Pune- 411035 Maharashtra



Notice

NOTICE is hereby given that the 66th Annual General Meeting (the 'AGM') of the Members of Force Motors Limited (the 'Company') will be held on **Wednesday, September 17, 2025 at 3:00 p.m. (IST) through Video Conference ('VC') / Other Audio Visual Means ('OAVM')**, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company, for the Financial Year ended on March 31, 2025, together with the Board's Report and Auditors' Report thereon.
2. To declare dividend for the Financial Year ended on March 31, 2025.
3. To appoint a Director in place of Mr. Prashant V. Inamdar (DIN: 07071502), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

4. Ratification of remuneration to be paid to Cost Accountants.

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

"RESOLVED THAT M/s. Joshi Apte & Associates, Cost Accountants, Pune, who are appointed by the Board of Directors of the Company, to verify and review the cost records of the Company for the Financial Year ending on March 31, 2026, be paid remuneration of ₹ 2,88,750/- (Rupees Two lacs Eighty-Eight Thousand Seven Hundred Fifty only) plus travelling and out of pocket expenses (at actuals) with taxes, if any."

5. Appointment of Secretarial Auditor.

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

"RESOLVED THAT pursuant to the provisions of Section 204, 179(3) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR Regulations**), as amended, and based on the recommendation of the Audit Committee and of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s SIUT & Co LLP, Company Secretaries (Unique Code: L2021MH011500) (Peer Review No.: 5460/2024) as the Secretarial Auditor of the Company for a period of five (5) consecutive years, commencing from financial year 2025-26 till financial year 2029-30, to conduct the Secretarial Audit of the Company and to furnish the Secretarial Audit Report.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to fix the annual remuneration plus applicable taxes and out-of-pocket expenses payable to the Secretarial Auditor during their tenure as the Secretarial Auditors of the Company, including fees for services in nature of certifications and other professional work to be paid to them during their tenure as may be determined and recommended by the Audit Committee in consultation with the said Secretarial Auditors from time to time and to do all such acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

6. Approval for payment of commission to Non-Executive Independent Directors of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 197 and 198 read with Schedule V to the Companies Act, 2013 ("the Act") and all other applicable provisions, if any, of the Act and the Rules made thereunder, Regulation 17(6)(a) and all other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR Regulations**) or any other law for the time being in force and in accordance with the provisions of the Articles of Association of the Company, pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to such other approvals as may be required in this regard, the approval of the Company be and is hereby accorded to empower the Board of Directors for payment of remuneration by way of commission to the Non-executive Independent Director(s) of the Company, commencing from FY 2024-25 and thereafter, for each Financial Year, up to remaining term of the Independent Non-executive Directors of the Company, not exceeding 1 (One) percent of the net profits of the Company in any financial year computed pursuant to the provisions of the Act in such manner and up to such extent as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors from time to time.

RESOLVED FURTHER THAT the above remuneration shall be in addition to fees payable to the Director(s) for attending the meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses for participation in the Board and other meetings.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things including deciding on the manner of payment of commission."

NOTICE (Contd.)

NOTES:

1. Pursuant to General Circular No. 09/2024 dated September 19, 2024 issued by the Ministry of Corporate Affairs ("MCA") read together with other previous circulars issued by MCA in this regard (collectively referred to as "MCA Circulars") and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024, issued by the Securities and Exchange Board of India ("SEBI") read together with other previous circulars issued by SEBI in this regard (collectively referred to as "SEBI Circulars"), companies are allowed to hold AGM through VC, without the physical presence of Members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC /OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

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 the National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorised agency.

2. Pursuant to the provisions of the Companies Act, 2013 (the 'Act'), a Member is entitled to attend and vote at the AGM through a proxy and a proxy need not be a Member. However, the facility to appoint proxy to attend and cast vote for the Members will not be available for this AGM as physical attendance of Members has been dispensed with pursuant to the MCA Circulars. Hence, the proxy form, attendance slips and route map are not annexed to this Notice. However, the bodies corporate are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes through e-Voting.
3. The facility for joining the AGM through VC/OAVM will be open 15 minutes before and 15 minutes after the scheduled time of the commencement of the AGM and the Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on first come first serve basis. This will not include large shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and the Auditors of the Company, etc.
4. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. In line with the MCA and SEBI Circulars, the Notice for calling the AGM and the Annual Report for FY 2024-25, is being sent only through electronic mode to those Members whose email addresses are registered with the Company/depository participant(s). The Notice and the Annual Report for FY 2024-25, are available on the website of the Company at www.forcemotors.com, on the website of BSE Limited ("BSE") at www.bseindia.com and on the website of National Stock Exchange of India Limited ("NSE") at www.nseindia.com. The AGM Notice is also available on the website of the NSDL

(agency providing the e-Voting facility) i.e. www.evoting.nsdl.com. The Company shall send a physical copy of Annual Report for FY 2024-25 to those Members who have made a request for the same, either to MUFG Intime India Private Limited (formerly Link Intime India Private Limited), Registrar and Transfer Agent ("RTA") or the Company. Additionally, any Member who desires to get a physical copy of Annual Report for FY 2024-25, may request for the same by sending an email to the Company at compliance-officer@forcemotors.com mentioning their Folio No./DP ID and Client ID. The Company will also be sending a letter providing the web-link, including the exact path, where complete details of the Annual Report is available to those shareholder(s)/ Members whose email id is not registered.

6. The Statement, setting out the material facts, pursuant to Section 102 of the Act concerning the Special Businesses mentioned in the Notice, is annexed hereto. The Board of Directors have decided that the Special Businesses set out under item nos. 4 to 6, being considered 'unavoidable', be transacted at this AGM held through VC / OAVM. All documents referred to in the item nos. 4 to 6, are available for inspection on the website of the Company viz. www.forcemotors.com.
7. The Register of Directors and Key Managerial Personnel ("KMP") 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 AGM. Members seeking to inspect such documents can send an email to compliance-officer@forcemotors.com.
8. Brief details of the Director(s), who are seeking appointment/ re-appointment, are annexed as Annexure I to this Notice hereto as per requirements of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").
9. Pursuant to the provisions of Section 91 of the Act, The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, September 11, 2025 to Wednesday, September 17, 2025 (both days inclusive) for the purpose of AGM. The Board of Directors, at its meeting held on April 25, 2025, has recommended a final dividend of ₹ 40/- (400%) per equity share of ₹ 10/- each for the financial year ended March 31, 2025. The Company has fixed Wednesday, September 10, 2025 as the Record Date to ascertain entitlement for payment of final dividend, if declared. If the dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made, subject to deduction of tax at source (TDS), within 30 days from the date of AGM as under:
 - (a.) to all Beneficial Owners in respect of shares held in electronic form as per the data as may be made available by National Securities Depository Limited and Central Depository Services (India) Limited (both collectively referred to as "Depositories") as of the close of business hours on Wednesday, September 10, 2025;

NOTICE (Contd.)

- (b.) to all Members in respect of shares held in physical form, as per the details provided by the Registrar and Transfer Agent ("RTA") of the Company i.e. MUFG Intime India Private Limited (formerly Link Intime India Private Limited) after giving effect to valid requests with respect of transmission/transposition of shares lodged with the Company as of the close of business hours on Wednesday, September 10, 2025.
10. Members desirous of obtaining any information concerning the accounts or operations of the Company are requested to address their questions to the Company Secretary of the Company at compliance-officer@forcemotors.com, so as to reach at least 10 days prior to the meeting; so that the information required may be made available at the Meeting or by email.
- Further, please note that as the meeting will be held through VC, there will be limited opportunity for Members to interact with the Management of the Company. Hence, the Members are requested to send all their queries to the Company in advance, so that the same are suitably answered at the AGM, subject to the first part of this Note.
- Members, who would like to express their views/have questions at the AGM, may register themselves as Speakers by sending their request from their registered email address mentioning their name, DP ID and Client ID / folio no., PAN, Mobile Number at compliance-officer@forcemotors.com at least 10 days prior to the meeting. Those Members who have registered themselves as speakers will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
11. In case a person has become a Member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-Voting, i.e., Wednesday, September 10, 2025 such person may obtain the User ID and Password by sending a request at evoting@nsdl.com or to the Company at compliance-officer@forcemotors.com or to the RTA at sandip.pawar@in.mpms.mufig.com.
12. Pursuant to the provisions of Section 72 of the Act read with the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, the Members holding shares in physical form, are advised to file nomination in the prescribed Form SH-13 or Form ISR-3 (Declaration to Opt-out). The forms can be downloaded from the Company's website at www.forcemotors.com and is also available on the website of the RTA at www.in.mpms.mufig.com. In respect of shares held in electronic / demat form, the Members may contact their respective Depository Participant ("DP").
13. SEBI vide its circular dated January 25, 2022, has mandated listed Companies shall henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition etc. Accordingly, Members who still hold quoted equity shares of the Company in physical form are advised to dematerialise their holdings.

14. SEBI through relevant circulars has mandated furnishing of PAN, KYC and nomination details by all shareholders holding shares in physical form. In view of which, we urge the shareholders holding shares in physical form to submit the Investor Service Request form(s) along with the supporting documents to the Company's RTA, MUFG Intime India Private Limited. The forms for updating the same can be downloaded from the website of the Company at <https://www.forcemotors.com/investor/> and website of RTA at www.in.mpms.mufig.com. Shareholders who hold shares in dematerialised form and wish to update their PAN, KYC and nomination details are requested to contact their respective DP.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
16. Non-Resident Indian Members are requested to inform the Company's RTA immediately of:
- (a.) Change in their residential status on return to India for permanent settlement.
 - (b.) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number ('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.
- **For shares held in electronic form:** to their DP only and not to the Company's RTA. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its RTA to provide efficient and better service to the Members.
 - **For shares held in physical form:** to the Company's RTA in prescribed Form ISR -1 and other forms pursuant to relevant SEBI Circulars, as per instructions mentioned in the form. The said form can be downloaded from the Company's website at <https://www.forcemotors.com/investor/> and is also available on the website of the RTA at www.in.mpms.mufig.com.

OTHER MATTERS:

18. The Members who have so far not claimed the dividends declared for the Financial Years 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24 are requested to make their claim with the Company immediately. The details of such shareholders/ eligible Members are available on the website of the Company at www.forcemotors.com and also on the website of the MCA at www.mca.gov.in. Further, the Members who have not encashed dividend

NOTICE (Contd.)

in previous seven consecutive years, are requested to approach the Company / RTA for claiming the same as early as possible, to avoid transfer of the relevant shares, dividend to the IEPF. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.mca.gov.in.

19. With effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made upon folio being KYC compliant i.e. the PAN, contact details including mobile no., bank account details and specimen signature are registered with the Company/RTA.
20. The Board of Directors has appointed Mr. Parag Pansare, Chartered Accountant as scrutiniser to scrutinise the voting at the AGM and remote e-Voting process, in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-Voting system for all those Members who are present during the AGM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
22. The Scrutiniser shall, after the conclusion of voting at the AGM, first count the votes cast during the Meeting and thereafter, unblock the votes cast through remote e-Voting, in the presence of at least two witnesses not in the employment of the Company and make, within two working days of the conclusion of the AGM, a Consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared, along with the Scrutiniser's Report, shall be placed on the Company's website www.forcemotors.com and on the website of NSDL www.evoting.nsdl.com, immediately after the declaration of the result by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges, where the Company's Equity Shares are listed and be made available on their respective websites viz. www.bseindia.com and www.nseindia.com.
24. SEBI vide its various circulars has introduced a common Online Dispute Resolution Mechanism ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes between shareholders and Company. Shareholders, post exhausting the option to resolve their grievances with the Company/ RTA directly and through existing SCORES platform. The investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login> and the same can also be accessed through the Company's website at <https://www.forcemotors.com/>

25. INFORMATION ON TAX DEDUCTIBLE AT SOURCE ON DIVIDEND

In accordance with the provisions of the Income-tax Act, 1961, (the "IT Act") as amended by the Finance Act, 2020, effective April 01, 2020, dividend declared and paid by a Company is taxable in the hands of the Members. The Company is required to deduct tax at source (TDS) at the rates applicable to each category of Members. The rates of TDS for various categories of Members and the required documents are provided below:

Resident Members:

- (a) Tax shall not be deducted for resident individual Members, if the aggregate amount of dividend to be paid during the FY 2025-26 does not exceed ₹ 10,000/-.
- (b) Where, Permanent Account Number (PAN) is made available to the Company and is valid,
 - Tax shall be deducted at source in accordance with Section 194 of the IT Act @ 10%.
 - Tax at source shall not be deducted on the dividend payable in cases where the individual shareholder provides duly completed and signed Form 15G or Form 15H (applicable to an individual above the age of 60 years), provided that all the eligibility conditions are met.
 - The tax shall be deductible at a lower / Nil rate on submission of self-attested copy of the Certificate issued under section 197 of the IT Act.
- (c) Where PAN is either not available or is invalid or is inoperative, tax shall be deducted at source @ 20% under Section 206AA of the IT Act.
- (d) In order to provide exemption from withholding of tax, the following organisations must provide certified true copy of their PAN card, certificate of Registration certificate and a self-declaration as listed below:
 - Insurance Companies: A declaration that they are beneficial owners of the shares held;
 - Mutual Funds: A declaration that they are governed by the provisions of Section 10(23D) of the IT Act along with copy of registration documents (self-attested);
 - Corporation established by or under a Central Act which is under any law for the time being in force, exempt from income- tax on its income: Documentary evidence that the person is covered under section 196 of the IT Act.
 - Alternative Investment Fund (AIF) established in India: Self-declaration that they are specified in Section 10 (23FBA) of the Act and established as Category I or II AIF under the SEBI regulations along with self-attested copy of PAN card and registration certificate issued by SEBI.

NOTICE (Contd.)

- New Pension System Trust: Self-declaration that they are governed by the provisions of section 10(44) [subsection 1E to section 197A] of the Act along with self-attested copy of PAN card and registration certificate issued by IRDA.

Non-Resident Members:

- (a) Tax is required to be deducted in accordance with the provisions of Section 195 of the IT Act and Section 196D of the IT Act at applicable rates in force. Accordingly, tax @ 20% (plus applicable surcharge and health and education cess) shall be deducted on the amount of dividend payable. The tax shall be deducted at a lower / Nil rate on submission of self-attested copy of the certificate issued under section 195(3) of the IT Act.
- (b) However, pursuant to Section 90(2) of the IT Act, non-resident Shareholders have an option to be governed by the provisions of Double Taxation Avoidance Agreement (DTAA) between India and the country of tax residence of the Member, if such DTAA provisions are more beneficial to them.

To avail DTAA benefits, the non-resident shareholder shall furnish the following documents not later than 5.00 p.m. (IST) on Wednesday, September 10, 2025, to MUFG Intime India Private Limited, RTA of the Company :-

- Self-attested copy of PAN allotted by the Indian income tax authorities. In case PAN is not available, the Non-resident shareholder shall furnish (a) Name, (b) contact id, (c) email id, (d) address in the residency country, (e) Tax identification number of residency country;
- Self-attested copy of Tax Residency Certificate (TRC) issued by the tax/competent authority of the country of residency, evidencing and certifying tax residency status in that country during FY 2025-26;
- Electronically generated Form 10F from the link <https://portal.incometax.gov.in/>;
- Self-declaration by the non-resident shareholder confirming not having a Permanent Establishment in India and eligible to tax treaty benefit (of FY 2025-26 or calendar year 2025); and
- In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.

The above documents are in a language other than English, a duly notarized and apostilled copy thereof, translated in English language would have to be provided.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness of the documents submitted by the Non-Resident shareholder and satisfactory review by the Company.

The tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the IT Act.

TDS to be deducted at higher rate in case of Aadhar is not linked with PAN:

As per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhar, shall be required to link the PAN with Aadhar. In case of failure to comply to this, the PAN allotted shall be deemed to be invalid/inoperative and he shall be liable to all consequences under the Act and tax shall be deducted at higher rates as prescribed under the Act.

The Company will be relying on the information verified by the utility available on the Income Tax website.

26. For all Shareholders:

Payment of Dividend:

- Nil TDS for resident shareholders in case the total dividend paid is up to ₹ 10,000/- or in case Form 15G / Form 15H (as applicable) is submitted along with self-attested copy of PAN card.
- 10% for other resident shareholders in case copy of PAN is provided / available.
- 20% for resident shareholders in case PAN is not provided / not available / Inoperative.
- For non-resident shareholders, tax will be worked out on the basis of documents submitted.
- 20% tax plus surcharge and cess for non-resident shareholders in case the relevant documents are not submitted.
- Nil / Lower TDS on submission of self-attested copy of the certificate issued under Section 197 of the Act.

Shareholders having multiple account under different status / category:

Shareholders holding shares under multiple accounts/folios under different status/category and single PAN, are requested to note that higher of the tax rate as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

NOTICE (Contd.)

Submission of Tax related documents:

Duly completed and signed documents are required to be uploaded through the link <https://web.in.mpms.muvg.com/formsreg/submission-of-form-15g-15h.html> submitted to the RTA, MUFG Intime India Private Limited on or before 5.00 p.m. (IST) on Wednesday, September 10, 2025, in order to enable the Company to determine and deduct appropriate TDS/ withholding tax.

On clicking the above link, the user will be prompted to select/ share the following information to register their request: -

- (1) Select the Company (Dropdown)
- (2) Folio No./DP-Client ID
- (3) PAN
- (4) Financial year (Dropdown)
- (5) Form selection
- (6) Document attachment - 1 (PAN)
- (7) Document attachment - 2 (Forms)
- (8) Document attachment - 3 (Any other supporting document)

27. Please note that no communication on tax determination/ deduction shall be entertained after 5.00 p.m. (IST) on Wednesday, September 10, 2025. Documents received through any other modes viz. email or hand delivery will not be considered to determine/ deduct TDS/withholding tax.

Shareholders who have uploaded exemption forms (valid in all respect) on the portal are also required to forward the original form to the Company.

In terms of Rule 37BA of Income tax Rules, 1962, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then deductee should file declaration with Company in manner prescribed by Rules. The aforesaid declaration shall contain (i) name, address, PAN and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided/ to be provided by the Shareholder(s), such Shareholder(s) will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any proceedings.

The Company will arrange to email a soft copy of the TDS certificate to the Shareholders registered email ID. The Shareholders may view the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

Disclaimer: This Communication shall not be treated as an advice from the Company or its affiliates or by MUFG Intime India Private Limited. Members should obtain the tax advice related to their tax matters from a tax professional.

28. Pursuant to the SEBI Circular dated July 2, 2025, a Special Window for Re-lodgement of Transfer Requests of Physical Shares is opened for a period of six months, from July 7, 2025 to January 6, 2026 for the investors to lodge the Transfer Deeds which were rejected, returned, or not attended to due to deficiencies in documents prior to April 1, 2019 or who have missed the earlier deadline of March 31, 2021. The shareholders are encouraged to take advantage of this opportunity by furnishing the necessary documents to the Company's Registrar and Transfer Agent i.e. **MUFG Intime India Private Limited**.
29. Pursuant to Ministry of Corporate affairs (MCA) circular dated July 16, 2025, the Company has started a 100 Days campaign "Saksham Niveshak" starting from **July 28, 2025 to November 6, 2025**. During this Campaign all the shareholders who have not claimed their Dividend for any Financial Years from 2018-19 to 2023-24 or have not updated their KYC or any issues related to unclaimed dividends and shares may write to the Company's Registrar and Transfer Agent (RTA) i.e. **MUFG Intime India Private Limited**.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-Voting period begins on Saturday, September 13, 2025 at 09:00 A.M. (IST) and ends on Tuesday, September 16, 2025 at 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 cut-off date i.e. Wednesday, September 10, 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 Wednesday, September 10, 2025.

NOTICE (Contd.)

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 / Members holding securities in demat mode

In terms of SEBI circular dated December 09, 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 / Members	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- 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 and voting during the meeting. - 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. - 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 - 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 held 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 and voting during the meeting. - 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  

NOTICE (Contd.)

Individual Shareholders holding securities in demat mode with CDSL	- 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 use your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 websites.

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?

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

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

NOTICE (Contd.)

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:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your 'initial password'?
 - 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 in 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'.
 - 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:

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

- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 - Now, you will have to click on "Login" button.
 - 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?

- 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.
- 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".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

NOTICE (Contd.)

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 authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to parag.pansare@kirtanepandit.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sagar S. Gudhate, Senior Manager 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-officer@forcemotors.com or sandip.pawar@in.mpms.mufg.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to compliance-officer@forcemotors.com or sandip.pawar@in.mpms.mufg.com. 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 09, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

NOTICE (Contd.)

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.

30. The Directors Identification Number (DIN) of the Directors are as follows:

Sr. No.	Name of Director	DIN
1	Mr. Abhaykumar Navalmal Firodia	00025179
2	Mr. Prasan Abhaykumar Firodia	00029664
3	Mr. Vallabh Bhanshali	00184775
4	Mr. Mukesh Patel	00053892
5	Ms. Sonia Prashar	06477222
6	Mr. Prashant V. Inamdar	07071502

By order of the Board of Directors
For **Force Motors Limited**

Rohan Sampat
Company Secretary & Compliance Officer

Pune, August 19, 2025

Registered Office :

Mumbai-Pune Road, Akurdi, Pune - 411 035.

CIN : L34102PN1958PLC011172

Website: www.forcemotors.com

Phone : (Board) +91 20 2747 6381

E-mail : compliance-officer@forcemotors.com

Annexure to the Notice Convening 66th Annual General Meeting

Statement setting out all the material facts relating to the Special Businesses as mentioned in the Notice as per the provisions of Section 102 of the Companies Act, 2013 (the 'Act').

Item No. 3

Appointment of Mr. Prashant V. Inamdar (DIN: 07071502) as a Director and as an Executive Director (Operations).

Mr. Prashant V. Inamdar (DIN: 07071502), aged 60 years, is a diploma holder in Mechanical Engineering. At present, Mr. Prashant V. Inamdar is an Executive Director (Operations) of the Company and responsible for operations of all the Plants of the Company.

Mr. Prashant V. Inamdar is also a Director on the Board of Force MTU Power Systems Private Limited.

He is not related to any Director of the Company. He does not hold any shares in the Company. Mr. Prashant V. Inamdar is not disqualified from being appointed as Director in terms of Section 164 of the Act and being eligible, offers himself for re-appointment.

None of the Directors / Key Managerial Personnel of the Company or their relatives, except Mr. Prashant V. Inamdar is concerned or interested, in any way, in this resolution.

Brief details of Mr. Prashant V. Inamdar as per Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations) are provided as **Annexure I** to this Notice.

The Board recommends this resolution as set out in Item No. 3 for the approval by the Members of the Company.

Item No. 4

Ratification of remuneration to be paid to Cost Accountant.

The Board, after considering the recommendation of the Audit Committee, has approved the appointment and remuneration to M/s. Joshi Apte & Associates, Cost Accountants, Pune, to conduct verification and review of the cost records of the Company for the Financial Year ending March 31, 2026 on a remuneration of ₹ 2,88,750/- (Rupees Two lacs Eighty-Eight Thousand Seven Hundred Fifty only) plus travelling and out of pocket expenses and taxes at actuals, if any.

Considering the applicable provisions of the Act and the Rules made there under, approval of the Members of the Company is being sought by this Ordinary Resolution as a matter of caution, though the said Cost Accountants are not required to be appointed to audit the Cost Records of the Company.

None of the Directors or Key Managerial Personnel or their relatives, are concerned or interested, in any way, in this resolution.

The Board recommends the resolution as set out in Item No. 4 for the approval of the Members of the Company.

Item No. 5

Appointment of Secretarial Auditor

Pursuant to the amended provisions of Regulation 24A of the LODR Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors at their respective meetings held on July 23, 2025, have recommended and approved the appointment of M/s. SIUT & Co LLP, Practicing Company Secretaries, ('Secretarial Audit Firm') (Peer Review No: 5460/2024) (Unique Code: L2021MH011500) as Secretarial Auditor of the Company, subject to approval of Members of the Company, on the following terms and conditions:

- a. **Term of appointment:** For a term of 5 (Five) consecutive years from April 01, 2025 to March 31, 2030.
- b. **Proposed Remuneration:** ₹ 1,89,000/- (Rupees One Lac Eighty-Nine Thousand only) plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending March 31, 2026, and for subsequent year(s) of their term, such fee as maybe mutually agreed between/ determined by the Board of Directors (as per the recommendations of the Audit Committee) in consultation with the Secretarial Auditor.

The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fees as above and will be agreed between / determined by the Board of Directors (as per the recommendations of the Audit Committee) in consultation with the Secretarial Auditor. Reimbursement of out-of-pocket expenses will be at actuals.

- c. **Basis of recommendations:** Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of Members taking into account the eligibility of the firm's qualification, experience, expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.
- d. **Credentials:** M/s. SIUT & Co LLP and its partners are specialised in Secretarial Audit and other corporate law matters. They are having rich experience of around 10 years in carrying out Secretarial Audit of companies or other body corporates. The firm has been Peer Reviewed by the Institute of Company Secretaries of India (ICSI), ensuring the highest standards in professional practices. The members and partners of the firm are focused on providing comprehensive professional services in corporate law and other regulatory compliance matters.
- e. **Consent and Eligibility:** M/s. SIUT & Co LLP, Practicing Company Secretaries, ('Secretarial Audit Firm') have consented to their appointment and have confirmed that their appointment, if made, would be within the limits specified by Institute of Company Secretaries of India and pursuant to Regulation 24A of the LODR Regulations and that they are not disqualified to be appointed as the Secretarial Auditors in terms of the provisions of Regulation (a) of 1(A) of 24A of LODR Regulations. The Secretarial Audit Firm holds a valid Peer Review Certificate issued by ICSI.

ANNEXURE TO THE NOTICE CONVENING 66TH ANNUAL GENERAL MEETING (Contd.)

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolutions set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out in the Notice under Item No. 5 in relation to the appointment of M/s. SIUT & Co LLP, Company Secretaries, as the Secretarial Auditors of the Company, for approval by the Members of the Company.

Item No. 6

Approval for Payment of commission to Non-Executive Independent Directors of the Company.

The Company has a blend of proficient Executive Directors and Non-Executive Directors on its Board, each of whom adds value and brings diverse view in the decision-making process. As on March 31, 2025 and currently there are 3 Executive Directors and 3 Non-Executive Independent Directors.

Considering the regulatory requirements about corporate governance, strengthened norms made under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**LODR Regulations**) with key emphasis on effective governance, risk management, statutory compliances and thereby placing increased accountability on the Board. The role and responsibilities of the Board particularly of the Non-Executive Independent Directors have increased manifold and require greater time commitments and attention. Contribution of these Directors and their professional expertise and rich experience across functional areas such as corporate strategy, governance, legal, finance and risk management are significant in the financial performance of the Company.

Thus, the Board is of the view that it is necessary that adequate compensation should be given to the Non-Executive Independent Directors for the valuable contribution made by them at the Board Level towards the growth of business operations of the Company and the Board should have flexibility in determining and approving the amount payable to Non-Executive Independent Directors within the overall permissible limits as per the Act upon recommendation of the Nomination and Remuneration Committee with regard to the commission payable to each of the Non-Executive Independent Director.

The threshold limit prescribed for payment of commission under Section 197 of the Act is 1% of the net profits of the Company if there is a Managing Director. However, sitting fees paid to the Non-Executive Directors are outside the purview of the above limits. At present, sitting fees being paid to Non-Executive Directors is as per the provisions of Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, made under the Act.

The Board has at its meeting held on April 25, 2025 on recommendation of the Nomination and Remuneration Committee, subject to the approval of the Members approved payment of commission not exceeding in aggregate, 1% per annum of the net profits of the Company computed in the manner

referred to in Section 198 of the Companies Act, 2013 to the Non-Executive Independent Directors of the Company for FY 2024-25. The profits of the Company for FY 2024-25, calculated as per the provisions of Section 198 of the Act stood at ₹ 1,26,939 lacs and the recommended commission to be paid to the Non- Executive Independent Directors together being ₹ 75 lacs is 0.06% of the said net profits.

The Board further at its meeting held on July 23, 2025, on recommendation of the Nomination and Remuneration Committee, subject to the approval of the Members approved payment of commission not exceeding in aggregate, 1% per annum of the net profits of the Company computed in the manner referred to in Section 198 of the Companies Act, 2013 to the Non-Executive Independent Directors of the Company commencing from FY 2025-26 and thereafter, for each Financial Year, up to remaining term of the Independent Non-Executive Directors of the Company. It is proposed to the Members to accord approval for payment of commission to Non- Executive Independent Directors commencing from FY 2024-25 and thereafter, for each Financial Year, up to remaining term of the Independent Non-Executive Directors of the Company, as may be determined by the Board of Directors from time to time upon recommendation of Nomination and Remuneration Committee, which shall not exceed 1 % of the net profits of the Company in any financial year computed in the manner referred to in Section 198 of the Companies Act, 2013.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Non-Executive Independent Directors along with their relatives are deemed to be concerned or interested, financially or otherwise in the Resolution at Item No. 6 of the Notice to the extent of the share of commission that may be received by each of them. The Chairman, the Managing Director, the Executive Director and other Key Managerial Personnel of the Company and their relatives are not interested in this resolution. Disclosure required under Schedule V to the Companies Act, 2013 is given in **Annexure II** to this Notice.

The Board recommends this resolution as set out in Item No. 6 for the approval by the Members of the Company.

By order of the Board of Directors
For **Force Motors Limited**

Rohan Sampat
Company Secretary & Compliance Officer

Pune, August 19, 2025

Registered Office :

Mumbai-Pune Road, Akurdi, Pune - 411 035.

CIN : L34102PN1958PLC011172

Website: www.forcemotors.com

Phone : (Board) +91 20 2747 6381

mail: compliance-officer@forcemotors.com

Annexure - I

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Name of the Director	Mr. Prashant V. Inamdar, Executive Director (Operations)*								
Director Identification Number	07071502								
Date of Birth (Age)	January 25, 1965 (60 years)								
Date of first appointment on the Board	January 16, 2015								
Educational Qualification	Diploma in Mechanical Engineering								
Experience (including expertise in specific functional areas) / Brief Resume	Mr. Prashant V. Inamdar started his career at the Company as a Junior Engineer in year 1984. Since then, he has worked and proven his mettle in different areas. During his tenure of 41 years, he worked in Industrial Engineering, Management Information Systems, Industrial Relations, Human Resource Development, Civil Projects and in SAP Implementation in a Corporate function. Special highlights in his career include the setting up of Engine Shop for MAN Trucks at Pithampur (Madhya Pradesh) and Plants in Chennai and in Chakan (Pune) for manufacturing Engines for BMW & MBIL respectively. He contributed in building Industrial Relations in all the Plants, Legal Compliance Management and Industrial Engineering.								
Directorships held in other listed companies (excluding foreign companies)	NIL								
Memberships / Chairmanships of Committees across companies (excluding foreign companies)	<table><tr><th>Name of the Company</th><th>Name of the Committee</th><th>Member / Chairman</th></tr><tr><td>Force Motors Limited</td><td>Risk Management Committee</td><td>Member</td></tr></table>			Name of the Company	Name of the Committee	Member / Chairman	Force Motors Limited	Risk Management Committee	Member
Name of the Company	Name of the Committee	Member / Chairman							
Force Motors Limited	Risk Management Committee	Member							
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not related to any Director / Key Managerial Personnel of the Company.								
No. of shares held in the Company either by self or as a beneficial owner	NIL								
Terms and Conditions of appointment / re-appointment	Mr. Prashant V. Inamdar, the retiring Director, who is to be re-appointed, also holds the position as the Executive Director (Operations). Mr. Inamdar's remuneration, for the period January 16, 2025 to January 15, 2030 was approved by the Members of the Company, in their 65th Annual General Meeting, held on September 4, 2024. If Mr. Inamdar is re-appointed as the Director at the ensuing AGM, the terms and conditions of his appointment, as the Executive Director (Operations) would continue to be same.								
In case of independent director, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	N.A.								
Name of listed entities from which the person has resigned in the past three years (excluding foreign Companies)	NIL								

*For other details such as number of meetings of the Board attended during the year; remuneration last drawn etc. kindly refer to the Corporate Governance Report which is a part of the Annual Report.

Annexure - II

Disclosure as required under Schedule V to the Companies Act, 2013 is given hereunder:

1. GENERAL INFORMATION:

1	Nature of Industry	Automobile Company engaged in the manufacturing of Light Commercial Vehicles, Small Commercial Vehicles, Utility Vehicles and High Technology Automotive Aggregates.																																																
2	Date or expected date of commencement of commercial production	The Company is in commercial production since the year 1958.																																																
3	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.																																																
4	Financial Performance on key indicators	Standalone Financial Performance ₹ in lacs <table><thead><tr><th></th><th>FY 2024-25</th><th>FY 2023-24</th><th>FY 2022-23</th></tr></thead><tbody><tr><td>Revenue from operations and Other income</td><td>8,12,779</td><td>7,03,075</td><td>5,09,062</td></tr><tr><td>Total expenses</td><td>7,28,512</td><td>6,41,232</td><td>5,00,831</td></tr><tr><td>Profit / (Loss) before Exceptional Items and Tax</td><td>84,267</td><td>61,843</td><td>8,231</td></tr><tr><td>Profit/(loss) before tax</td><td>1,23,724</td><td>61,843</td><td>29,063</td></tr><tr><td>Profit / (loss) after tax</td><td>79,997</td><td>40,169</td><td>15,205</td></tr></tbody></table> Consolidated Financial Performance ₹ in lacs <table><thead><tr><th></th><th>FY 2024-25</th><th>FY 2023-24</th><th>FY 2022-23</th></tr></thead><tbody><tr><td>Revenue from operations and Other income</td><td>8,12,829</td><td>7,03,123</td><td>5,09,101</td></tr><tr><td>Total expenses</td><td>7,28,512</td><td>6,41,233</td><td>5,00,831</td></tr><tr><td>Profit / (Loss) before Exceptional Items and Tax</td><td>84,369</td><td>60,507</td><td>6,410</td></tr><tr><td>Profit /(loss) before tax</td><td>1,23,826</td><td>60,507</td><td>27,242</td></tr><tr><td>Profit / (loss) after tax</td><td>80,086</td><td>38,821</td><td>13,374</td></tr></tbody></table>		FY 2024-25	FY 2023-24	FY 2022-23	Revenue from operations and Other income	8,12,779	7,03,075	5,09,062	Total expenses	7,28,512	6,41,232	5,00,831	Profit / (Loss) before Exceptional Items and Tax	84,267	61,843	8,231	Profit/(loss) before tax	1,23,724	61,843	29,063	Profit / (loss) after tax	79,997	40,169	15,205		FY 2024-25	FY 2023-24	FY 2022-23	Revenue from operations and Other income	8,12,829	7,03,123	5,09,101	Total expenses	7,28,512	6,41,233	5,00,831	Profit / (Loss) before Exceptional Items and Tax	84,369	60,507	6,410	Profit /(loss) before tax	1,23,826	60,507	27,242	Profit / (loss) after tax	80,086	38,821	13,374
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5	Foreign Investment or Collaborators, if any.	There is no direct foreign investment in the Company except to the extent shares held by Foreign Institutional Investors (FII) acquired through secondary market. There is no foreign collaboration in the Company.																																																

Annexure - II (Contd.)

2. INFORMATION ABOUT THE DIRECTOR(S)

Sr. No.	Particulars	Mr. Mukesh Patel, Independent Director	Mr. Vallabh Bhanshali, Independent Director	Ms. Sonia Prashar, Independent Director																																																		
1	Background details	Bachelor of Commerce and LLB	LLB and Chartered Accountant	Bachelor in Science and Education, Diploma Holder in German Language, MBA Essentials from LSE (London School of Economics and Political Science) - Business, International Relations and the Political Economy from LSE.																																																		
2	Past Remuneration	The details of payments made to Mr. Mukesh Patel by the Company during last three financial years are as below:<table><thead><tr><th colspan="4">₹ in lacs</th></tr><tr><th>For Financial Year</th><th>Professional Fees</th><th>Sitting Fees</th><th>Commission</th></tr></thead><tbody><tr><td>FY 2024-25</td><td>11.55</td><td>6.50</td><td>-</td></tr><tr><td>FY 2023-24</td><td>11.00</td><td>8.00</td><td>20.00</td></tr><tr><td>FY 2022-23</td><td>5.00</td><td>3.50</td><td>-</td></tr></tbody></table>	₹ in lacs				For Financial Year	Professional Fees	Sitting Fees	Commission	FY 2024-25	11.55	6.50	-	FY 2023-24	11.00	8.00	20.00	FY 2022-23	5.00	3.50	-	The details of payments made to Mr. Vallabh Bhanshali by the Company during last three financial years are as below:<table><thead><tr><th colspan="3">₹ in lacs</th></tr><tr><th>For Financial Year</th><th>Sitting Fees</th><th>Commission</th></tr></thead><tbody><tr><td>FY 2024-25</td><td>2.50</td><td>-</td></tr><tr><td>FY 2023-24</td><td>3.50</td><td>20.00</td></tr><tr><td>FY 2022-23</td><td>2.00</td><td>-</td></tr></tbody></table>	₹ in lacs			For Financial Year	Sitting Fees	Commission	FY 2024-25	2.50	-	FY 2023-24	3.50	20.00	FY 2022-23	2.00	-	The details of payments made to Ms. Sonia Prashar by the Company during last three financial years are as below:<table><thead><tr><th colspan="3">₹ in lacs</th></tr><tr><th>For Financial Year</th><th>Sitting Fees</th><th>Commission</th></tr></thead><tbody><tr><td>FY 2024-25</td><td>4.50</td><td>-</td></tr><tr><td>FY 2023-24</td><td>4.00</td><td>7.50</td></tr><tr><td>FY 2022-23</td><td>1.50</td><td>-</td></tr></tbody></table>	₹ in lacs			For Financial Year	Sitting Fees	Commission	FY 2024-25	4.50	-	FY 2023-24	4.00	7.50	FY 2022-23	1.50	-
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FY 2023-24	4.00	7.50																																																				
FY 2022-23	1.50	-																																																				
3	Recognition or Awards	- President of India's Red Cross Gold Medal in 2023-24. - British Red Cross Salutation – The Cup of Joy & Life. - Champion of Tax Payer Education' at the All-India Tax Congress in 2022.	CA Hall of Fame – The Institute of Chartered Accountants of India. Appreciation of the valuable services rendered as a Trustee – BSE, The Stock Exchange.	The German Order of Merit by the President of Federal Republic of Germany (Bundesverdienstkreuz am Bande) March 2024.																																																		

Sr. No.	Particulars	Mr. Mukesh Patel, Independent Director	Mr. Vallabh Bhanshali, Independent Director	Ms. Sonia Prashar, Independent Director
4	Job profile and his / her suitability	Mr. Mukesh Patel is an eminent Advocate and a leading International Tax Expert, he enjoys close to five decades of experience as a Veteran in the legal profession, during which he has also been passionately committed to the causes of Teaching Law and promoting Tax Payer Education, both through the Print and Electronic Media. A prolific writer and speaker, his tally of over 5,000 Weekly Columns in English and Gujarati, close to 50 editions of his Book Titles and more than 500 TV Shows on Tax and Investment Planning with leading Print and Electronic Media have come to be acknowledged as a unique and unprecedented record. In recognition of the same, he has been acclaimed with the Honour as 'Champion of Tax Payer Education' at the All-India Tax Congress. Closely involved with the analysis of Union Budgets since 1977, his studied and thought-provoking annual presentations are eagerly looked forward to.	Mr. Vallabh Bhanshali is the Co-founder and Chairman of Enam Securities, a reputed investment house and formerly a leading investment bank. He has served on many policy making bodies including the Reserve Bank of India. He is involved with many leading NGOs in fields of education, democracy, Vipassana, scientific spirituality, farmer upliftment, policy making, other. He has produced documentaries on Bharat's precious cultural heritage. He is a Founding member of Governing Board of India's pioneering liberal arts University Flame and ISPP a reputed public policy educator. He has been a devoted Vipassana meditator for over three decades and credits a lot of his success to it. Recipient of many honors he has been admitted to the Hall of Fame of the Institute of Chartered Accountants and recipient of two honorary doctorates.	Ms. Sonia Prashar is an experienced professional with a demonstrated history of working in international trade and development, Indo-European cooperation for nearly three decades. Recipient of the German Order of Merit, she is skilled in forging constructive collaborations, Strategic Business Relationships, Merger and Acquisitions, medium to large businesses. She is Managing Director of Nuernbergnesse India Private Limited and also Director on the Boards of Insico Limited, Exponova Exhibitions and Conferences (India) Private Limited and Path Medical Audiology Private Limited. She is also currently serving as the Secretary General of Federation of European Business in India.
5	Remuneration proposed	For the FY 2024-25 the proposal is to pay an amount of ₹ 30 lacs to him. Commencing from FY 2025-26 up to his remaining tenure being completed in the year 2027, it is proposed to pay within statutory limits in any financial year computed in the manner referred to in Section 198 of the Companies Act, 2013, as may be determined by the Board of Directors from time to time upon recommendation of Nomination and Remuneration Committee.	For the FY 2024-25 the proposal is to pay an amount of ₹ 30 lacs to him. Commencing from FY 2025-26 up to his remaining tenure being completed in the year 2027, it is proposed to pay commission within statutory limits in any financial year computed in the manner referred to in Section 198 of the Companies Act, 2013, as may be determined by the Board of Directors from time to time upon recommendation of Nomination and Remuneration Committee.	For the FY 2024-25 the proposal is to pay an amount of ₹ 15 lacs to her. Commencing from FY 2025-26 up to her remaining tenure being completed in the year 2027, it is proposed to pay commission within statutory limits in any financial year computed in the manner referred to in Section 198 of the Companies Act, 2013, as may be determined by the Board of Directors from time to time upon recommendation of Nomination and Remuneration Committee.

Annexure - II (Contd.)

Sr. No.	Particulars	Mr. Mukesh Patel, Independent Director	Mr. Vallabh Bhanshali, Independent Director	Ms. Sonia Prashar, Independent Director
6	Comparative remuneration profile with respect of industry, size of Company, profile of the position and person (in case of expatriates the relevant details would be with reference to the country of his origin.)	Taking into account the size of the Company, industry benchmark in general, profile, position, responsibility and the current performance the proposed remuneration is in line with the current remuneration structure of the industry.		
7	Pecuniary relationship directly or indirectly with the Company or the relationship with the Managerial Personnel, if any.	Mr. Patel is not holding any shares of the Company. There is no other pecuniary relationship with the Company or the Managerial Personnel.	Mr. Bhanshali is not holding any shares of the Company. There is no other pecuniary relationship with the Company or the Managerial Personnel.	Ms. Prashar is not holding any shares of the Company. There is no other pecuniary relationship with the Company or the Managerial Personnel.

3. OTHER INFORMATION:

Reasons of loss or inadequate profits, Steps taken or proposed to be taken for improvement, Expected increase in productivity and profits in measurable terms:

The Company is a profit earning Company.

The Company intends to pay commission up to 1% of net profits only.

4. OTHER DISCLOSURES:

The necessary disclosures required under Part IV of Section II of Part II of Schedule V to the Companies Act, 2013 are disclosed in the Corporate Governance Report, to the extent applicable.

Board's Report

To

The Members,

The Directors are pleased to present the 66th Annual Report, together with the audited standalone and consolidated Financial Statements for the Financial Year ended on March 31, 2025.

1. FINANCIAL RESULTS

(₹ in lacs)

Standalone

Particulars	2024-25	2023-24
Revenue from Operations	8,07,123	6,99,165
Other Income	5,656	3,910
Profit / (Loss) before Depreciation, Exceptional Items & Taxes	1,12,291	88,518
Depreciation	28,024	26,675
Profit / (Loss) before Exceptional Items and Tax	84,267	61,843
Exceptional Items	39,457	--
Profit / (Loss) Before Tax	1,23,724	61,843
Provision for Taxation	43,727	21,674
Profit / (Loss) After Tax	79,997	40,169
Other Comprehensive Income	387	517
Comprehensive Income for the year	80,384	40,686
Equity Dividend	2,635	1,318
Balance in Retained Earnings	2,64,345	1,87,277

(₹ in lacs)

Consolidated

Particulars	2024-25	2023-24
Revenue from Operations	8,07,173	6,99,213
Other Income	5,656	3,910
Profit / (Loss) before Depreciation, Exceptional Items & Taxes	1,12,341	88,565
Depreciation	28,024	26,675
Share of Profit/(Loss) of Joint Venture	52	(1,383)
Profit / (Loss) before Exceptional Items and Tax	84,369	60,507
Exceptional Items	39,457	--
Profit / (Loss) Before Tax	1,23,826	60,507
Provision for Taxation	43,740	21,686
Profit / (Loss) After Tax	80,086	38,821
Other Comprehensive Income	390	520
Comprehensive Income for the year	80,476	39,341
Attributable to :		
(a) Equity holders of the Company	80,464	39,329
(b) Non-controlling Interest	12	12
Net Transfer to General Reserve	5	5
Equity Dividend	2,635	1,318
Balance in Retained Earnings	2,57,235	1,80,092

No transfer of any amount to general reserve is proposed.

Board's Report (Contd.)

2. STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

It is heartening to note that the Company achieved very good growth in turnover (15.44%), and profitability (99.15%) including exceptional item, as the economy returned to normalcy. After years of stress, segments such as Tour and Travel, School Buses, and buses for Commuting Professionals - all saw satisfactory growth in demand.

The Company had exited its tractor business in planned and smooth manner and now only caters spare parts required for maintenance.

The new products incorporating excellent features coupled with their traditionally reliable and robust drivelines have received very good traction in the market. The Urbania and the Gurkha are, in a way, aspirational products. The evaluation of the market to demanding high quality with modern features is very much in keeping with the normal trend of markets - which move in the direction of aspirational products, based on improvement in the per capita income, and the GDP of a country.

Improvement in topline on a consolidated basis is from ₹6,99,213 lacs to ₹8,07,173 lacs. The EBITDA achieved is 14.35%. Going forward, every effort is being made to maintain and improve upon these figures.

The component business of supply of engines, etc. from the Chakan, Pune Plant to Mercedes Benz India Pvt. Limited, and from the Sengundram, Chennai Plant to BMW India Pvt. Limited, has also shown very good stability and steady growth.

A feature to be noted of the Indian economy where, in the automobile sector - covering 2-wheelers, commercial vehicles, cars, etc., the significant achievement by the Indian owned manufacturers to field competitive, modern, efficient and attractive products, is a matter of great satisfaction.

In their own categories, the all new Urbania, the Gurkha, the Traveller Monobus, as also the much modernized, improved and widened Traveller range, fit into this evolving situation, to our advantage.

The stability in production, sharp customer focus resulting in the success of the new products in the Indian market, is enabling the Company to emphasise export of these products to more evolved markets as well.

The Indian economy, in spite of many geo-political and economic upheavals around the world, has maintained a remarkably steady state of growth, is surely providing a strong foundation for the Company's, the Automotive Industry's and the country's remarkable progress - in continuing on its path of progress.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there is no change in the nature of business of the Company.

4. DIVIDEND

The Board recommended a dividend of ₹ 40 per share for the year under review, at its Meeting held on April 25, 2025. The same will be paid subject to the approval of Members at the ensuing Annual General Meeting (AGM) of the Company.

The dividend recommended is in accordance with the principles and criteria as set out in the Dividend Distribution Policy of the Company pursuant to the provisions of Regulation 43A of SEBI (LODR) Regulations, 2015. The Dividend Distribution Policy is available on the Company's website at <https://www.forcemotors.com/wp-content/uploads/2025/02/Dividend-Distribution-Policy.pdf>

The total payout w.r.t. the dividend recommended for the Financial Year 2024-25 will be ₹ 5,271 lacs as against ₹ 2,636 lacs for the previous financial year.

The details of dividend and shares transferred to the Investor Education and Protection Fund during the year under review are covered in the Report on Corporate Governance.

5. SHARE CAPITAL

The paid-up equity share capital as on March 31, 2025 was ₹ 1,318 lacs. The Company did not issue any shares by way of public issue, rights issue, bonus issue or preferential issue or otherwise during the year under review. The Company has not issued any shares with differential voting rights or granted stock options or sweat equity, during the year under review.

6. ANNUAL RETURN

The Annual Return as on March 31, 2025, pursuant to the provisions of Section 92 of the Act and the Rules made thereunder, is available on the website of the Company at <https://www.forcemotors.com/investor/>

7. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board met Four times during the financial year. Details of these meetings are provided in the Report on Corporate Governance that forms part of this Annual Report.

Committees of the Board

Pursuant to the provisions of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the LODR Regulations), the Board of Directors have constituted the following Committees:

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

Board's Report (Contd.)

Details of composition, terms of reference and number of meetings held during the Financial Year 2024-25, for the aforementioned Committees are given in the Report on Corporate Governance, which forms a part of this Report. Further, during the year under review, all recommendations made by the various Committees have been considered and accepted by the Board.

8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees under Section 186 of the Companies Act, 2013 ("the Act") during the year under review. Further, the Company during the year, has made investment of ₹ 2,68,74,210 by acquiring 26,87,421 Equity Shares of ₹ 10/- each, equivalent to 12.21% of share capital of TP Surya Limited. Particulars of investments made by the Company up to the period under report are provided in the Financial Statements attached to this Report.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

During the Financial Year 2024-25, pursuant to Section 177 of the Act and Regulation 23 of the LODR Regulations, all Related Party Transactions (RPTs) were placed before the Audit Committee for its approval.

During the year under review, the Company has not entered into RPTs in excess of the limits specified under Regulation 23 of the LODR Regulations.

All RPTs entered during the year were entered in the ordinary course of business and on arm's length basis. There were no transactions requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC-2 does not form a part of this report.

10. EXPLANATION / COMMENTS ON ANY QUALIFICATION OF THE AUDITORS

There are no qualifications, reservations or adverse remarks made either by the Statutory Auditors or by the Secretarial Auditor in their respective audit reports.

11. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company, which have occurred after the end of the period under review.

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

The Company's emphasis, both on renewable sources of energy and environment conservation, have been pursued with determination over the last year. Current solar power production

capacity created, at various Plants of the Company, is 14.8 megawatt as of now.

Further, solar power installation is strongly afoot. Also, the purchase agreements with Tata Power Renewable Energy Limited continue to be in place.

An interesting feature is the effort at tree plantation, rain water harvesting, water storage, and use of condensation water, which has been strongly pursued. A small forest, inside our Plant at Pithampur is home to a variety of wild life, including astonishingly to NILGAIs which are quite large animals. These have appeared there on their own having migrated from nearby forests.

Enhanced emphasis on improved maintenance, to plug air leakages and install intelligent devices to consume only appropriate air and electric energy, besides determined switch to LED lamps continue to improve our energy, ecology and conservation efforts.

Technology Absorption & Development

The Company's efforts at new product development, new process developments continue enthusiastically.

The Company traditionally, over the last more than half a century, has emphasized developing appropriate products for the evolving Indian market, and now, for the more sophisticated markets. With local research and development, the all new products such as Urbania, Gurkha, Monobus and our BS 6.2 drivelines - are home-grown, and are excellently placed for the product range we manufacture and markets we serve.

We have continued to maintain a consistent percentage of expenditure on R&D. The details are as follows:

Particulars	2024-25 (₹ in lacs)	2023-24 (₹ in lacs)
Capital Expenditure on R&D	12,495	7,836
Revenue Expenditure on R&D	17,182	17,081
Total R&D Expenditure	29,677	24,917
Revenue from Operations	8,07,123	6,99,165
% of total R&D Expenditure to Revenue from Operations	3.68%	3.56%

Foreign Exchange Earnings and Outgo

The foreign exchange earned by the Company during the year under review was of ₹12,724 lacs as against ₹16,695 lacs during the previous year.

Total foreign exchange outflow during the year under review was ₹ 1,14,198 lacs as compared to ₹1,06,365 lacs during the previous year.

13. SUBSIDIARIES

The Company has two subsidiaries, viz., Force MTU Power Systems Private Limited (FMTU) and Tempo Finance (West) Private Limited.

Board's Report (Contd.)

During the year under review, FMTU achieved a top line of ₹ 27,357 lacs as compared to top line of ₹ 26,229 lacs during the previous Financial Year. It recorded net profit of ₹ 101 lacs during the current Financial Year, as compared to the loss of ₹ 2,712 lacs, during the previous Financial Year.

Company's subsidiary FMTU, has successfully achieved profitability for the first time since inception. Localization and stabilization of the production would help the Company sustainably improve the margins going forward.

Tempo Finance (West) Private Limited achieved a top line of ₹ 50 lacs during the current Financial Year as compared to top line of ₹ 47 lacs during the previous Financial Year. It recorded net profit of ₹ 37 lacs during the current Financial Year, as compared to the net profit of ₹ 35 lacs, during the previous Financial Year.

A statement containing the salient features of the Financial Statement of Subsidiaries, Associates and Joint Ventures in the prescribed format AOC-1, forms part of the Audited Financial Statements of the Company.

The Audited Financial Statements of the above-mentioned subsidiaries are available on the website of the Company at www.forcemotors.com, for inspection by any Member of the Company.

The policy for 'Determining Material Subsidiaries & its Governance Framework' is also available on the Company's website at www.forcemotors.com.

14. RISK MANAGEMENT

The Company has in place a comprehensive Risk Management Framework, to identify, monitor, review and take all necessary steps towards mitigation of any risk elements which can impact the business health of the Company, on a periodic basis.

All the identified risks are managed through continuous review of business parameters by the Management and the Risk Management Committee. The Board of Directors is also informed of the risks and concerns from time to time.

The details of composition and meetings of the Risk Management Committee held during the financial year are covered in the Report on Corporate Governance.

15. CHANGES IN THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Re-Appointment of Managing Director(s) and Whole-time Director

During the year under review, the Members of the Company approved re-appointment of Mr. Abhaykumar Navalmal Firodia as Managing Director, designated as Chairman of the Company, re-appointment of Mr. Prasan Abhaykumar Firodia as Managing

Director of the Company and re-appointment of Mr. Prashant V. Inamdar as Executive Director (Operations) of the Company. The Members of the Company also approved re-appointment of Mr. Prashant V. Inamdar (DIN: 07071502), the Executive Director (Operations) of the Company, who was liable to retire by rotation.

B. Cessation of Directors and Key Managerial Personnels

During the year under review, Mr. Arvind Mahajan and Lt. Gen. Dr. D.B. Shekatkar (Retd.) ceased to be Independent Directors of the Company with effect from September 27, 2024 and February 12, 2025 respectively due to completion of second term as Independent Directors. The Board placed on record its appreciation towards the valuable contributions made by them as Independent Directors during their association with the Company.

Further, Mr. Nikhil Deshpande, resigned as Company Secretary and Compliance Officer of the Company, effective from closing of business hours on July 30, 2024 and consequent upon his cessation, Mr. Rohan Sampat was appointed as Company Secretary and Compliance Officer of the Company with effect from July 31, 2024.

Further, Mr. Sanjay Kumar Bohra, resigned as Chief Financial Officer and Key Managerial Personnel of the Company, with effect from June 09, 2025.

The Board placed on record its appreciation for professional contribution made by KMP's during their association with the Company.

Further, based on the recommendations of the Nomination and Remuneration Committee and Audit Committee, the Board of Directors in its meeting held on 9th June, 2025, appointed Mr. Rishi Luharuka as the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company, designated as 'President-Group CFO' with effect from June 10, 2025.

C. Directors Retiring by Rotation

Pursuant to the provisions of section 152 of the Act, Mr. Prashant V. Inamdar, Executive Director (Operations), is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The Board recommends his re-appointment.

Apart from above, there was no other change in the Directors and Key Managerial Personnel during the period under review.

16. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their declarations to the Board that they fulfill all the criteria of independence as stipulated in Section 149(6) of the Act and in Regulation 16(1)(b) of the LODR Regulations. The Board after assessing its veracity has taken the same on record.

Board's Report (Contd.)

17. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNAL

There was no significant and material order passed by any regulator or court or tribunal impacting the going concern status of the Company's operations in future, during the year under report. As reported earlier, petition challenging the decision of the Hon'ble High Court of Judicature at Bombay, in respect of change in the name of the Company is still under consideration of the Hon'ble Supreme Court of India.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

M/s. Capri Assurance & Advisory Services, Chennai and M/s. Jugal S. Rath, Chartered Accountants, Pune, are the Internal Auditors of the Company. The internal financial controls are adequate with reference to the financial status, size and operations of the Company.

19. FIXED DEPOSITS

The Company currently has no Fixed Deposit Scheme in place. The details of earlier deposits are furnished hereunder:

Sr. No.	Particulars	Nos.	Amount (₹ in lacs)
a)	Accepted or renewed during the year	0	0
b)	Remained unpaid or unclaimed as at the end of the year (March 31 2025)*	05	0.60
c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved.		
	(i) at the beginning of the year	0	0
	(ii) maximum during the year	0	0
	(iii) at the end of the year	0	0

*The deposits are matured, claimed but have been withheld on the instructions of the Statutory Authorities (CBI) and will be repaid upon their approval.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Annual Report on the CSR activities of the Company, pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this Report.

21. VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company has established a vigil mechanism, formulated a Whistleblower Policy and the Audit Committee oversees the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimisation of employees and/or Directors who express their concerns. The mechanism provides direct access to the Chairman of the Audit Committee in exceptional cases. The details of the mechanism / policy are disclosed on the website of the Company at <https://www.forcemotors.com/wp-content/uploads/2025/02/Whistle-Blower-Policy1.pdf>

22. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Remuneration Policy of the Company and other related matters as provided under Section 178(3) and 178(4) of the Act are available on the website of the Company at <https://www.forcemotors.com/wp-content/uploads/2025/02/Remuneration-Policy-New.pdf>. The Policy covers criteria for recommending and approving the remuneration of Non-Executive and Executive Directors, Key Managerial Persons as well as senior management employees of the Company.

23. FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD / COMMITTEES AND DIRECTORS

Information on the manner in which formal annual evaluation is made by the Board, of its own performance, that of its committees and the individual Director's, is given in the Report on Corporate Governance.

24. CORPORATE GOVERNANCE

The Company has taken all necessary steps to implement the provisions of the LODR Regulations, and a detailed report on the various matters, including the Auditors' Certificate on Corporate Governance, is annexed to this Report.

25. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of the Regulation 34(2) of the LODR Regulations, the Business Responsibility and Sustainability Report (BRSR) forms part of the Annual Report.

26. DETAILS OF DIRECTORS AND EMPLOYEES' REMUNERATION

Details as required under the provisions of Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended; are annexed to this report.

Board's Report (Contd.)

Details as required under the provisions of 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, as amended; which form part of this report, will be made available to any Member on request, as per the provisions of Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

27. DISCLOSURE ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has adopted Anti-Sexual Harassment Policy, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment. All employees, as defined under the said Act, are covered under this policy. Awareness programs were carried out against sexual harassment. There were no complaints received, disposed off during the year under review. Further, there are no complaints pending as on March 31, 2025.

28. DETAILS OF FRAUDS REPORTED BY AUDITORS

There are no frauds against the Company reported by the Auditors for the period under report.

29. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors of your Company to the best of their knowledge and belief and according to the information and explanations obtained by them, make the following statements in terms of Section 134 (3) (c) of the Act:

- in the preparation of the Annual Financial Statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- for the Financial Year ended March 31, 2025, such accounting policies as mentioned in the Notes to the Financial Statements have been applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company and of the profit of the Company for the year ended March 31, 2025;
- that proper and sufficient care has been taken 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;

- the Annual Financial Statements have been prepared on a going concern basis;
- that proper internal financial controls were followed by the Company and that such internal financial controls are adequate and were operating effectively;
- that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively.

30. SECRETARIAL STANDARDS OF THE ICSI

The Company has complied with the Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2), as issued and amended, by the Institute of Company Secretaries of India ('the ICSI').

31. STATUTORY AUDITOR

The Members, at 63rd AGM held on September 28, 2022, have appointed M/s. Kirtane & Pandit LLP, Chartered Accountants (Firm Registration No. 105215W / W100057), Pune, as the Statutory Auditors of the Company for the second term of period of five years, i.e. up to the conclusion of the 68th AGM to be held in the year 2027, with an authority to the Board to decide / revise remuneration of the Statutory Auditors from time to time during their term.

32. COST ACCOUNTANT

The Board of Directors of the Company had appointed M/s. Joshi Apte & Associates, Cost Accountants, Pune, for verification and review of the Cost Records of the Company, for the Financial Year 2024-25. M/s. Joshi Apte & Associates, Cost Accountants, Pune, have verified and reviewed the said records for the Financial Year 2024-25.

Further, the provisions of Section 148(1) of the Act relating to maintenance of cost records are applicable to the Company.

33. SECRETARIAL AUDIT REPORT

SIUT & Co LLP, Practicing Firm of Company Secretaries having Registration No. LLPIN: ABA-6960, was appointed to conduct the Secretarial Audit of the Company for the Financial Year 2024-25, as required under Section 204 of the Act and Rules made thereunder. The Secretarial Audit Report, in Form MR-3, for the Financial Year 2024-25, is annexed to this report.

Further, in order to comply with the LODR Regulations, as amended on December 13, 2024 and pursuant to applicable provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company has, subject to approval of the Members in the ensuing annual general meeting, appointed

Board's Report (Contd.)

SIUT & Co LLP, Practicing Firm of Company Secretaries having Registration No. LLPIN: ABA-6960 and Peer Review Certificate No. 5460/2024 as Secretarial Auditors of the Company for the Audit Period of 5 consecutive years commencing from Financial Year 2025-2026 till Financial Year 2029-2030 at remuneration as may be decided by the Board of Directors.

34. INDUSTRIAL RELATIONS

The industrial relations at all the Plants of the Company have been cordial during the year.

35. OTHER DISCLOSURES

No disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- There was no instance of one-time settlement with any Bank or Financial Institution.
- There is no proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- The Company has complied with the provisions relating to the Maternity Benefit Act, 1961.

- The securities of the Company were not suspended from trading during the year under review on account of corporate actions or otherwise.

36. APPRECIATION

The Directors express their gratitude to the Dealers, Suppliers and Banks for their support, and express their warm appreciation for the sincere co-operation and dedicated work by the employees of the Company.

For and on behalf of the Board of Directors
Force Motors Limited

Abhaykumar Navalmal Firodia

Chairman
DIN: 00025179

Pune, July 23, 2025

Registered Office:

Mumbai - Pune Road, Akurdi, Pune - 411 035.
CIN: L34102PN1958PLC011172
Website: www.forcemotors.com
Phone: (Board) +91 20 2747 6381
E-mail: compliance-officer@forcemotors.com

Annexure to the Board's Report

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

- The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the FY 2024-25 and increase in the remuneration in the FY 2024-25:

Sl. No.	Name	Ratio of Remuneration to each Director/ to median remuneration of employees	% Increase / Decrease in the Financial Year
(A)	Whole-time Director / Managerial Personnel		
1.	Mr. Prasan Abhaykumar Firodia, Managing Director	415.38	78.29*
2.	Mr. Prashant V. Inamdar, Executive Director (Operations)	55.37	38.15*
(B)	Non-Executive Directors[#]		
3.	Mr. Vallabh Bhanshali	4.53	38.30
4.	Mr. Mukesh Patel	6.70	71.61
5.	Ms. Sonia Prashar	2.72	69.57
6.	Lt. Gen. Dr. D. B. Shekatkar (Retd.) (up to 12.02.2025)	NA	NA
7.	Mr. Arvind Mahajan (up to 27.09.2024)	NA	NA
(C)	Key Managerial Personnel		
8.	Mr. Sanjay Kumar Bohra, Chief Financial Officer (up to 09.06.2025)	NA	3.79

Note: The % increase in remuneration is provided only for those Directors and KMP who have drawn remuneration from the Company for full FY 2024-25 and full FY 2023-24. The ratio of remuneration to median remuneration and percentage Increase / Decrease during the Financial Year is provided only for those Directors and KMP who have drawn remuneration from the Company for the full FY 2024-25.

*The % increase is due to proposed payment of Commission on the net profits of the Company for the FY 2024-25.

[#]Non-Executive Directors are paid sitting fees during the FY 2024-25 and includes Commission which will be paid post approval of shareholders in ensuing AGM.

- Mr. Abhaykumar Navalmal Firodia, Chairman of the Company, has not drawn any remuneration from the Company during the year under review.
- The percentage increase in the median remuneration of employees is 1% for the FY 2024-25.
- There were 4,640 permanent employees excluding trainees and contractual employees on the rolls of the Company as on March 31, 2025.
- The average percentile increase in the salaries of employees other than the managerial personnel in the FY 2024-25 was 3%, whereas, average percentile increase in the managerial remuneration was 58% for the FY 2024-25.
- It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Annexure to the Board's Report (Contd.)

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

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

TO,
THE MEMBERS,
FORCE MOTORS LIMITED
MUMBAI - PUNE ROAD, AKURDI, PUNE MH 411035 IN.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **FORCE MOTORS LIMITED** (CIN: L34102PN1958PLC011172) (hereinafter called **the Company**). 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 **FORCE MOTORS LIMITED** 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 authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company, during the audit period covering the Financial Year ended on 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not applicable** to the Company during the Audit Period
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of

Capital and Disclosure Requirements) Regulations, 2018;
Not applicable to the Company during the Audit Period

- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;-
Not applicable to the Company during the Audit Period
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;-
Not applicable to the Company during the Audit Period
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- **Not applicable** to the Company during the Audit Period
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not applicable** to the Company during the Audit Period
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable** to the Company during the Audit Period
- (vi) The listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

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

We further report that:

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

During the period under review, Mr. Nikhil Deshpande, Company Secretary and Compliance Officer, resigned from his position w.e.f July 30, 2024. Mr. Arvind Mahajan and Lt. Gen. Dr. Dattatray Shekatkar, ceased to be Independent Directors of the Company

Annexure to the Board's Report (Contd.)

due to completion of their tenures w.e.f September 27, 2024 and February 12, 2025, respectively. Further Mr. Rohan Sampat, was appointed as Company Secretary and Compliance Officer of the Company w.e.f July 31, 2024.

Adequate notices were given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Shorter notice consent was taken where ever needed and the system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaning participation at the meeting.

Majority decisions were carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

We further report that during the audit period no events occurred which has a major bearing on the Company's affairs.

DATE : April 25, 2025
PLACE : PUNE

For **SIUT & Co LLP**
Company Secretaries
(Unique code: L2021MH011500)

Name: CS I U Thakur
Partner
FCS: 2298
CP: 1402

UDIN: F002298G000197097
Peer Review Certificate No: 5460/2024

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 MEMBERS,
FORCE MOTORS LIMITED
MUMBAI - PUNE ROAD, AKURDI,
PUNE, MH, 411035, IN.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and Books of Accounts of the Company and for which we relied on the report of Statutory Auditor.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

DATE : April 25, 2025
PLACE : PUNE

For **SIUT & Co LLP**
Company Secretaries
(Unique code: L2021MH011500)

Name: CS I U Thakur
Partner
FCS: 2298
CP: 1402

UDIN: F002298G000197097
Peer Review Certificate No: 5460/2024

Annual Report on CSR Activities 2024-25

1. Brief outline on CSR Policy of the Company:

- The Corporate Social Responsibility (CSR) Policy of the Company covers the causes that Company may pursue as its CSR.
- Based on the profit for each financial year, the Board of Directors approve the project(s) and amount to be spent during the year.
- The procedure for approval of the project(s), investment / incurring costs and monitoring is also laid down in the policy.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Mukesh Patel, Chairman	Independent Director	1	1
2.	Mr. Abhaykumar Navalmal Firodia, Member	Chairman and Managing Director	1	1
3.	Mr. Prasan Abhaykumar Firodia, Member	Managing Director	1	1

3. The web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company.- <https://www.forcemotors.com/investor/>

4. 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: ₹ 2,64,45,17,376/-
 (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 5,28,90,348/-
 (c) Surplus (Expenditure) arising out of the CSR Projects or programmes or activities of the previous financial years: ₹ 67,23,836/-
 (d) Amount required to be set-off for the financial year, if any: ₹ 67,23,836/-
 (e) Total CSR obligation for the financial year: ₹ 4,61,66,512/-
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 7,49,80,666/-
 (b) Amount spent in Administrative Overheads: **NIL**
 (c) Amount spent on Impact Assessment, if applicable: **NA**
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 7,49,80,666/-
 (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per 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
7,49,80,666/-	NIL	NA	NA	NA	NA

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

Sl. No	Particulars	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	5,28,90,348
(ii)	Total amount spent for the Financial Year	7,49,80,666
(iii)	Excess amount spent for the Financial Year	2,88,14,154
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	2,88,14,154

Annual Report on CSR Activities 2024-25 (Contd.)

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: **NA**

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	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 ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
-	-	-	-	-	-	-	-	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☐ No ☒

If Yes, enter the number of Capital assets created/ acquired:

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin-code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
-	-	-	-	-	-	-	-

(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) (asset-wise details)

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **NA**

Prasan Abhaykumar Firodia

Managing Director
DIN : 00029664

Mukesh Patel

Chairman, (CSR Committee)
DIN : 00053892

Pune, April 25, 2025

Management Discussion and Analysis

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

The nature of technology usage in the Automobile Industry has become unprecedentedly complicated today. While electrification push continues, the success rate for electrification in different segments varies a lot. Several global manufacturers, having developed electric drive options, and 'born electric' vehicles, have in some segments, even stepped away from further development of electric vehicles, and are re-focusing on improving their ICE technology drivelines and vehicles.

There is a strong regulatory push by the Government of India to introduce organic fuels, besides pushing for electric vehicles. This leads to the need for your Company as well to focus on development of drivelines which are diesel, CNG and electric.

The demand for electric vehicles is comparatively higher in the case of 2-wheelers, and even in the case of passenger cars. Commercial vehicles, particularly the passenger vans do not run on pre-determined routes. In many cases and segments, like school buses and ambulances, the area of operation is small and mileages logged are low. In such cases, electrification is not found to be attractive by the market. The economic advantage of an electric vehicles rises exponentially with mileage logged. The more the vehicles run, the more advantageous it is. Also, if such vehicles run on pre-determined routes, then charging arrangements, etc. are more feasible. While your Company has created EV options for our van segment vehicles, the commercial products has not been strongly taken up as the market is yet evolving.

In the meanwhile, ICE drivelines and use of organic fuels continues to remain an important focus area. Hydrogen electric vehicles or hydrogen combustion vehicles for which the technology has progressed, but these are as yet, realistically speaking, still over the horizon.

Clearly, while electrification is supported by regulation, and organic fuels are promoted by the Government, the transition is neither rapid nor consistent. However, it must be stated that all logic indicates that both electric vehicles, and much enhanced usage of organic fuels, will happen in not too distant a future.

While there is a lot of talk and belief about India becoming a Product Nation and becoming a major exporter, as also attracting lot of FDI – all of which are certainly very desirable and even essential, the fact remains that, at the operating level the introduction and industrialization for new products, creation of new facilities - issues such as land acquisition, the need to negotiate a plethora of laws, and one can say even an obtuse attitude on the part of the Authorities in regard to the plethora of rules and regulations, remains a significant damper.

While the attention of the Government as also the industry is very rightly focusing on evolution of 'product' manufacturing, development, and capability, in India - and the corporate and

governmental push in this direction is very laudable indeed - yet at the operating level, particularly laws under the jurisdiction of the States, or on joint list, urgently require simplification taking into account logical economic requirements of business and industry. This reform of land laws, of judicial system overhaul and such, has unfortunately not happened as effectively, or speedily, as is essential.

Your Company has been, over the last more than four decades, grappling with the Government in legal cases – which may have moderate economic impact, but do have relevant social impact particularly in favour of the employees. These litigations against the Government, are the result of the above complexities which have little material basis and much to do with red tape.

Taxation levels on Vans, for reasons best known to the decision makers that be in the authorities, remain extremely adverse, particularly for Vans in the 10 to 13 seats capacity. This is an anomaly which refuses to go away.

The Indian Automotive Industry's global competitiveness can hugely improve if the overall taxation level on passenger vehicles is reduced. The earnings of the industry are only 20 per cent of the earnings of the Government from the same product. On the sale of a vehicle, for every 20 rupees that the industry earns, the Government extracts approximately 50 rupees from the automobile, by way of applied taxes. This must be the highest taxation skew applied to the Automobile Industry anywhere.

The Automobile Industry in India is now very much mature, has scale, experience, competence and drive. The global footprint of vehicles made in India can be rapidly improved to impressive levels, provided the taxation levels are brought within control and the industry is enabled to plough back the profits. Schemes like "Investment Allowance", etc. need to be looked at again, to build up the capital base, and fiduciary strength of companies.

II. PERFORMANCE OF THE COMPANY

Operational Performance: The number of vehicles sold during the Financial Year under report was 32,068 compared to 32,991 vehicles sold in the previous Financial Year. During the year under report, the Company achieved a top line of ₹ 8,07,123 lacs as compared to ₹ 6,99,165 lacs for the previous financial year. The sales turnover stood at ₹ 8,00,692 lacs compared to the previous year's turnover of ₹ 6,93,229 lacs.

Financial Performance: As stated above, the Company sold 32,068 vehicles during the Financial Year 2024-25 compared to 32,991 vehicles in the previous Financial Year 2023-24. The Profit before Depreciation, Exceptional Items and Taxes, from operations for the year under report was ₹ 1,12,291 lacs as compared to ₹ 88,518 lacs for the previous financial year. The Net Profit after Depreciation, Exceptional Items and Taxes was ₹ 79,997 lacs for the current financial year as compared to ₹ 40,169 lacs for

Management Discussion and Analysis (Contd.)

the previous financial year. The Reserves and Surplus of the Company for the current financial year stood at ₹ 3,04,894 lacs as compared to ₹ 2,27,826 lacs for the previous financial year.

Key Financial Ratios: In accordance with the LODR Regulations, the following are the key financial ratios along with the explanation where changes are more than 25%, as compared to previous financial year.

Sr. No.	Ratios	FY 2024-25	FY 2023-24	% Change	Reason for change in the ratios by more than 25%
(i)	Current Ratio	1.49	1.25	20%	--
(ii)	Debt-Equity Ratio	0.01	0.23	(98%)	Improvement in ratio is attributable to improved financial performance and repayment/ prepayment of debts.
(iii)	Debt Service Coverage Ratio	2.19	2.34	(6%)	--
(iv)	Return On Equity	0.31	0.29	7%	--
(v)	Inventory Turnover Ratio	6.82	6.97	(2%)	--
(vi)	Debtors Turnover Ratio	57.52	46.08	25%	Improvement in ratio is attributable to overall improvement in sales, better collection efforts and credit management processes.
(vii)	Operating Profit Margin (%)	14.35%	13.67%	5%	--
(viii)	Net Profit Margin (%)	6.84%	5.80%	17.93%	--

III. OUTLOOK

Outlook on the business of the Company is covered in the Board's Report.

IV. SUBSIDIARY

The Company is a subsidiary of Jaya Hind Industries Private Limited, which holds 57.38% stake in the Company.

The Company is a Holding Company of Tempo Finance (West) Private Limited, and holds 66.43% stake in that subsidiary company.

The Company has a joint venture with Rolls Royce Solutions GmbH, a Company of the Rolls Royce Group. The Company holds 51% stake in Force MTU Power Systems Private Limited (FMTU) by virtue of which FMTU has become a subsidiary of the Company.

V. OPPORTUNITIES, THREATS AND RISK FACTORS

The opportunity in India for successfully enlarging the Tour and Travel Hospitality Sector is a very substantial possibility to achieve high economic gains. The improving roadway infrastructure in India, the focus on connecting attractive pilgrimage centers, and tourist sites to the large and efficient grid of express ways and highways, will yield impressive results in the future. This is a special opportunity, given the emerging enhanced stature of India, as the country to travel to.

There is still a tendency to restrict Diesel vehicles in a number of inner cities even though they meet the mandated stringent regulations which are equal to internationally the best regulation. This is a damper on the image and sale of diesel passenger vehicles, particularly mass transport vehicles, such as Vans and Buses.

VI. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company's internal control procedures are adequate to ensure compliance with various policies, practices and statutes in keeping with the organisation's pace of growth and increasing complexity of operations.

The Company maintains system of multi-level internal controls which provides reasonable assurance regarding Effectiveness and Efficiency of Operations, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

VII. HUMAN RESOURCE DEVELOPMENT

The Company has continued its programme for training and skill development in its plants, for employees at various levels, who are provided training both in hard and soft skills. A large number of executives in the Sales & Marketing arm of the Company and in our dealer, network spread all over India, are also provided continuous upgradation, training in selling skills, product familiarisation, customer service aspects - in a well-structured and extensive programme. The Company had 4,640 employees as on March 31, 2025.

Management Discussion and Analysis (Contd.)

VIII. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results could differ materially from those expressed or implied. Important

factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand / supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

**ANNUAL REPORT DISCLOSURES AS SPECIFIED UNDER REGULATION 34 AND
SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

A. RELATED PARTY DISCLOSURE

The disclosure in compliance with the Accounting Standard is provided in the Financial Statement as Note No. 36.

B. MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis is provided in the Annual Report. Necessary disclosures relating to the Accounting Treatment as prescribed in the Accounting Standards are provided in the Board's Report and the Financial Statements.

C. REPORT ON CORPORATE GOVERNANCE

1. Company's philosophy on Corporate Governance

The Company's decision-making process and operational methods are guided by the philosophy of "creating low cost, hi-tech products, which are suitable for Indian markets". Simplicity, self-reliance, social responsibility, trust and transparency in dealings with all stakeholders, the ethos on which this business was started by Late Shri N. K. Firodia, the founder of the Company, continues to be the guiding

principles for the Organisation, in arranging the activities. The Company's philosophy on the 'Code of Governance' is based on compliance of applicable provisions and requires exchange of relevant information and appropriate disclosures to each group of stakeholders, connected with the area of common interest/ stake between the Company and the stakeholder.

2. Board of Directors

• Composition

As on March 31, 2025, the Board comprises of 6 Directors. 3 Directors are Executive Directors, while remaining 3 Directors are Non- Executive Independent Directors. The Company's Board did not consist of any Nominee Director appointed by lender(s) or a group of equity investor(s) during the year under review. Mr. Abhaykumar Navalmal Firodia, Chairman and Mr. Prasan Abhaykumar Firodia, Managing Director; of the Company; are also the Promoters of the Company.

• Directorships / Committee Positions

The details of directorships/ committee positions held by the Directors (as of March 31, 2025) of the Company in other Companies are as under:

Name of the Director	Number of other companies in which directorships held*		Committee positions in listed and unlisted public companies#		Details of directorships held in other listed entities	
	Director	Chairman	Member	Chairman	Name of the entity	Category of directorship
Mr. Abhaykumar Navalmal Firodia, Chairman and Managing Director (Promoter- Executive Director)	05	01	--	--	--	--
Mr. Prasan Abhaykumar Firodia, Managing Director (Promoter- Executive Director)	04	--	02	--	--	--
Mr. Vallabh Bhansali, Non-executive Independent Director	12	--	--	--	--	--
Mr. Mukesh Patel, Non-executive Independent Director	06	--	06	05	Zydus Lifesciences Limited	Non-Executive Non-Independent Director
Ms. Sonia Prashar, Non-executive Independent Director	04	--	03	02	INSILCO Limited	Independent Director
Mr. Prashant V. Inamdar, Wholtime Director (Executive Director - Operations)	01	--	--	--	--	--

* Includes directorship in private companies and bodies corporate, excluding foreign companies.

Only audit committee and stakeholders' relationship committee of public limited companies, whether listed or unlisted, are considered for the purpose of reckoning committee positions.

- Attendance**

During the Financial Year 2024-25, four meetings of the Board were held on April 26, 2024, July 30, 2024, October 29, 2024 and February 10, 2025. The details of attendance of Directors during the Financial Year 2024-25 for Board Meetings and the AGM are as under:

Name of the Director	Number of Board Meetings attended	Whether present at the last AGM held on September 04, 2024
Mr. Abhaykumar Navalmal Firodia	04	Yes
Mr. Prasan Abhaykumar Firodia	03	Yes
Mr. Vallabh Bhanshali	04	Yes
Mr. Mukesh Patel	04	Yes
Ms. Sonia Prashar	04	Yes
Mr. Arvind Mahajan (up to September 27, 2024)	02	Yes
Lt. Gen. Dr. D.B. Shekatkar (Retd.) (up to February 12, 2025)	04	Yes
Mr. Prashant V. Inamdar	03	Yes

- Inter-se Relation of Directors**

Mr. Abhaykumar Navalmal Firodia and Mr. Prasan Abhaykumar Firodia are related to each other. None of the other Directors are related to any other Director of the Company as defined under the Act, including the relevant Rules made thereunder.

- Information supplied to the Board**

The Board is presented with all the relevant information in various matters affecting the working of the Company and which requires deliberation at the highest level. Besides key operational and financial information, the Board is presented with information relevant to strategy formulation, for deliberations. This includes information as per Part A of Schedule II of the LODR Regulations.

At each meeting, the Managing Director presents an elaborate report on the operations of the Company, including an assessment of the market, operational issues, operating profitability and various risks associated with the Company's business. The assessments of the strategic and technological issues enabling a discussion on the strategy, projects, and tactics employed in the management of the Company's affairs are also presented. In the meetings, the presentations are also made by the Senior Management Officials and Internal Auditors of the Company, covering different functions and areas of the business of the Company.

The Directors have made disclosures as per the requirements of the Act, from time to time, to the Board regarding their financial interest, if any, in the transactions

with the Company. The Directors have also informed the Company about the Committee positions occupied by them in other Companies and changes therein.

The related party disclosure forms part of the Notes to Financial Statements as per the disclosure requirement of the Indian Accounting Standard 24 issued by the Institute of Chartered Accountants of India.

- Independent Directors' Meeting**

In the opinion of the Company, the Independent Directors of the Company fulfill the conditions specified in the Act and the LODR Regulations, and are independent of the Management. The Independent Directors held their separate Meeting on February 10, 2025, as mandated by the provisions of the Act and the LODR Regulations. The details of the familiarisation programme for the Independent Directors of the Company can be accessed at the web link: <https://www.forcemotors.com/wp-content/uploads/2025/04/Familiarisation-Programme-for-Directors-for-Financial-Year-2024-25.pdf>

- Performance Evaluation**

Pursuant to the provisions of the Act and the LODR Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually, including the Chairman, as well as evaluation of the working of its Committees on the basis of criteria set for Performance Evaluation of Directors through a structured questionnaire and taking into consideration inputs received from the Directors which covered aspects of Boards functioning.

- Remuneration to Executive Directors**

The details of remuneration paid to the Executive Directors during the Financial Year 2024-25 are as follows:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Mr. Abhaykumar Navalmal Firodia	Mr. Prasan Abhaykumar Firodia	Mr. Prashant V. Inamdar
1.	Gross Salary	Nil	3,13,33,333	1,75,97,259
2.	Commission	Nil	25,00,00,000*	2,00,00,000*
3.	Others	Nil	1,66,13,158	21,19,895
	Total	Nil	29,79,46,491	3,97,17,154

* Commission payable to Mr. Prasan Abhaykumar Firodia and Mr. Prashant V. Inamdar for the Financial Year 2024-25 is in line with the Resolution passed by the Members of the Company at the time of their appointment and as recommended by the Audit Committee and Nomination & Remuneration Committee and approved by the Board of Directors on April 25, 2025.

• **Remuneration, pecuniary transactions with Non-Executive Directors and Shareholding details**

The details of remuneration paid to the Non-Executive Directors during the Financial Year 2024-25 are as follows:

(Amount in ₹)

Sr. No.	Name of the Director	Sitting Fees (A)	Commission (B)*	Professional Fee (C)	Total (A + B + C)	No. of Equity Shares Held
1.	Mr. Vallabh Bhanshali	2,50,000	30,00,000	-	32,50,000	Nil
2.	Mr. Mukesh Patel	6,50,000	30,00,000	11,55,000	48,05,000	Nil
3.	Ms. Sonia Prashar	4,50,000	15,00,000	-	19,50,000	Nil
4.	Mr. Arvind Mahajan (up to 27.09.2024)	3,50,000	-	17,70,000	21,20,000	Nil
5.	Lt. Gen. Dr. D.B. Shekatkar (Retd.) (up to 12.02.2025)	4,00,000	-	-	4,00,000	Nil
	Total	21,00,000	75,00,000	29,25,000	1,25,25,000	

* Commission payable to Non-Executive Independent Directors for the Financial Year 2024-25 is subject to approval of Members of the Company at the ensuing Annual General Meeting based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company and the total Commission payable is not exceeding in aggregate 1% per annum of the net profits of the Company considering the provisions of Schedule V to the Act.

The criteria for making payment to Non-Executive Directors is disclosed in "Remuneration Policy" of the Company disclosed on the website of the Company at www.forcemotors.com

• **Stock Options to Directors**

The Company does not have any stock options scheme.

• **Skills / expertise / competencies of the Board of Directors**

Pursuant to the LODR Regulations, the Board of Directors have identified core skills / expertise / competencies of each Director, which are vital in the context of the business of the Company.

Considering the nature and size of the Company and the complex business environment in which it is operating, the Board has identified the following key skills expertise competencies:

Sr. No.	Name of Director	Leadership	Research & Development	Management & Strategy	Operations & Engineering	Supply Chain Management	Sales & Marketing	Finance, Banking & Investment	Audit & Risk Management	CSR, Sustainability & Philanthropy	Information Technology	Human Resources & Industrial Relations	Legal & Corporate Governance
1.	Mr. Abhaykumar Navalmal Firodia	√	√	√	√		√			√		√	√
2.	Mr. Prasan Abhaykumar Firodia	√	√	√	√	√	√					√	√
3.	Mr. Vallabh Bhanshali	√		√				√		√			√
4.	Mr. Mukesh Patel			√				√	√	√			√
5.	Ms. Sonia Prashar			√	√		√						√
6.	Mr. Arvind Mahajan (up to 27.09.2024)	√		√		√		√			√		
7.	Lt. Gen. Dr. D. B. Shekatkar (Retd.) (up to 12.02.2025)	√		√						√			
8.	Mr. Prashant V. Inamdar	√	√		√	√					√	√	

• **Transactions with Promoter / Promoter Group**

Pursuant to the LODR Regulations, the details of transactions entered by the Company with Jaya Hind Industries Private Limited, which belongs to the Promoter / Promoter Group and holds more than 10% shareholding in the Company, are provided under Note No. 36 to the Financial Statement.

3. Committees

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprised of 03 Directors as on March 31, 2025:

- Mr. Mukesh Patel, Chairman of the Committee, Independent Director
- Ms. Sonia Prashar, Member, Independent Director
- Mr. Abhaykumar Navalmal Firodia, Member, Chairman of the Board.

Ms. Sonia Prashar and Mr. Abhaykumar Navalmal Firodia were appointed as members of the Committee with effect from September 27, 2024 and February 02, 2025 respectively. Mr. Arvind Mahajan and Lt. Gen. Dr. D. B. Shekatkar (Retd.) ceased to be members of this Committee with effect from September 27, 2024 and February 12, 2025 respectively due to completion of their second tenure as an Independent Directors.

The Committee met three times during the Financial Year 2024-25. The details of attendance of the members in the Committee meetings are as follows:

Name of the Member	Date of Nomination and Remuneration Committee meetings and details of attendance		
	April 26, 2024	July 30, 2024	February 10, 2025
Mr. Mukesh Patel	P	P	P
Ms. Sonia Prashar	NA	NA	P
Mr. Abhaykumar Navalmal Firodia	NA	NA	NA
Mr. Arvind Mahajan (up to 27.09.2024)	P	P	NA
Lt. Gen. Dr. D. B. Shekatkar (Retd.) (up to 12.02.2025)	P	P	P

Terms of reference of Nomination and Remuneration Committee include:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board diversity.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to the senior management.

On recommendation of the Nomination and Remuneration Committee, the Board has adopted the policy on appointment of Directors, Independent Directors and Key Managerial Personnel and remuneration payable to them. As mandated, the said policy is posted on the website of the Company <https://www.forcemotors.com/wp-content/uploads/2025/02/Remuneration-Policy-New.pdf>

As provided under the terms of reference of the Committee, the members, inter alia, discussed and deliberated on performance evaluation criteria of Independent Directors.

Audit Committee

The Audit Committee comprised of 03 Directors as on March 31, 2025:

- Mr. Mukesh Patel, Chairman of the Committee, Independent Director
- Ms. Sonia Prashar, Member, Independent Director
- Mr. Prasan Abhaykumar Firodia, Member, Managing Director

Ms. Sonia Prashar was appointed as a member of this Committee with effect from September 27, 2024. Mr. Arvind Mahajan ceased to be member of the Committee with effect from September 27, 2024 due to completion of his second tenure as Independent Director.

The Committee met four times during the Financial Year 2024-25. The details of attendance of the members in the Committee meetings are as follows:

Name of the Member	Date of Audit Committee meetings and details of attendance			
	April 26, 2024	July 30, 2024	October 29, 2024	February 10, 2025
Mr. Mukesh Patel	P	P	P	P
Ms. Sonia Prashar	NA	NA	P	P
Mr. Prasan Abhaykumar Firodia	P	P	A	P
Mr. Arvind Mahajan (up to 27.09.2024)	P	P	NA	NA

The terms of reference of the Audit Committee include:

- Oversight of Company's reporting processes and financial information, review of Financial Statements, both audited and unaudited.
- Review of accounting policies and practices, review of compliance with accounting standards, discussion with Statutory Auditors before the Audit commences and post audit, review of auditors' independence and performance.
- Recommendation of appointment and remuneration of Statutory Auditors and Cost Accountants, Internal Auditors, approval of appointment of Chief Financial Officer.
- Review and approval of related party transaction(s), decide the principles for grant of omnibus approval for related party transaction(s).
- Oversee the vigil mechanism, evaluation of internal financial controls and risk management systems.
- Review of utilisation of loans / advances / investments made by the Company and its subsidiaries.
- Other areas indicated in the LODR Regulations, and as per the provisions of Section 177 of the Act.

The Audit Committee reviewed the Unaudited Financial Results (Provisional) for the first three quarters in its Meetings held on July 30, 2024, October 29, 2024 and February 10, 2025 respectively; and Audited Financial Accounts for the Financial Year ended March 31, 2025 in its meeting held on April 25, 2025. During the year under review, the Audit Committee interacted with the Statutory Auditors and Internal Auditors of the Company regarding internal control systems, discussed the financial results / cost accounting records, and also held a post statutory audit verification of the financial / cost accounts.

The Committee also interacted with the executives of the Company on finance related matters. The Committee reviewed the risk management policies, insurance covers taken by the Company, purchase procedures of raw materials and components for manufacture of various types of motor vehicles and also the foreign exchange exposure of various transactions.

The remuneration of the Auditors was decided in consultation with the Audit Committee. Extensive data / details connected with the financial management of the Company and on other related aspects were submitted to the Committee in each of the meetings.

The Certificate as per Regulation 33(2)(a) of the LODR Regulations, from the Managing Director and the Chief Financial Officer was also submitted to the Audit Committee and to the Board. The Audit Committee is empowered to require presence of any of the employee of the Company. No employee has sought access to the Audit Committee during the year under report.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprised of 03 Directors as on March 31, 2025:

- Mr. Mukesh Patel, Chairman of the Committee, Independent Director
- Mr. Abhaykumar Navalmal Firodia, Member
- Mr. Prasan Abhaykumar Firodia, Member

Mr. Mukesh Patel was appointed as member and Chairman of this Committee with effect from February 12, 2025. Lt. Gen. Dr. D. B. Shekatkar (Retd.) ceased to be member and Chairman of this Committee with effect from February 12, 2025 due to completion of his second tenure as an Independent Director.

The Committee met three times during the Financial Year 2024-25. The details of attendance of the members in the Committee meetings are as follows:

Name of the Member	Date of Stakeholders' Relationship Committee meetings and details of attendance		
	May 28, 2024	October 22, 2024	December 26, 2024
Mr. Mukesh Patel	NA	NA	NA
Mr. Abhaykumar Navalmal Firodia	P	P	P
Mr. Prasan Abhaykumar Firodia	P	P	P
Lt. Gen. Dr. D. B. Shekatkar (Retd.) (up to 12.02.2025)	P	P	P

During the year under report, 17 shareholders' complaints were received and all these complaints were resolved to the satisfaction of the concerned Shareholders. As of March 31, 2025, no complaint was pending to be resolved.

Mr. Rohan Sampat, Company Secretary is also the Compliance Officer of the Company.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprised of 03 Directors as on March 31, 2025:

- Mr. Mukesh Patel, Chairman of the Committee, Independent Director

- Mr. Abhaykumar Navalmal Firodia, Member
- Mr. Prasan Abhaykumar Firodia, Member

The Committee met once during the Financial Year 2024-25. The details of attendance of the members in the Committee meetings are as follows:

Name of the Member	Date of CSR Committee meeting and details of attendance
	April 26, 2024
Mr. Mukesh Patel	P
Mr. Abhaykumar Navalmal Firodia	P
Mr. Prasan Abhaykumar Firodia	P

The Committee recommends Corporate Social Responsibility ('CSR') activities to the Board, approves the CSR activities to be undertaken and amounts to be spent over the same. The Committee also monitors the CSR activities of the Company and is entrusted to formulate mechanism for transparent implementation of the same. The Committee reviews and ensures compliance with the requirement of the provisions of the Act and the CSR Rules.

Risk Management Committee

The Risk Management Committee comprised of 04 Directors of the Company as on March 31, 2025:

- Mr. Abhaykumar Navalmal Firodia, Chairman of the Committee and the Board
- Mr. Prasan Abhaykumar Firodia, Member, Managing Director
- Ms. Sonia Prashar, Member, Independent Director
- Mr. Prashant V. Inamdar, Member, Executive Director (Operations)

Ms. Sonia Prashar was appointed as member of this Committee with effect from September 27, 2024. Mr. Arvind Mahajan ceased to be member of this Committee with effect from September 27, 2024 due to completion of his second tenure as an Independent Director.

The Committee met twice during the Financial Year 2024-25. The details of attendance of the members in the Committee meetings are as follows:

Name of the Member	Date of Risk Management Committee meetings and details of attendance	
	September 24, 2024	January 10, 2025
Mr. Abhaykumar Navalmal Firodia	P	P
Mr. Prasan Abhaykumar Firodia	P	P
Ms. Sonia Prashar	NA	P
Mr. Arvind Mahajan (up to 27.09.2024)	P	NA
Mr. Prashant V. Inamdar	P	P

The terms of reference of the Risk Management Committee are as under:

- To formulate a detailed risk management policy which shall include :
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

- (v) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (vi) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
- (vii) Other areas indicated in the LODR Regulations and other applicable provisions of the Act.

The Risk Management Committee will coordinate its activities with other Committees, in instances where there is any overlap with activities of such Committees, as per the framework laid down by the Board of Directors.

Senior Management Personnel ('SMP')

i. Particulars of Senior Management Personnel as on March 31 2025, are as under:

Name	Designation
Mr. Sanjay Kumar Bohra	Chief Financial Officer
Mr. Praveen C. Karnavat	President – Strategic Sourcing & International Business
Mr. Makarand P. Kanade	President – Engineering & Corporate Quality
Mr. Rakesh Maru	President – Sales & Marketing
Mr. Pradeep S. Dhadiwal	President – Special Projects
Mr. Ajai Kumar Sharma	Sr. Vice President- Operations
Mr. Vivek Gosain	Vice President – Production Engineering & Tool Room (from 10.02.2025)
Mr. Amit Pramod Joshi	Associate Vice President (from 10.02.2025)
Mrs. Archana Ashok Gharte	General Manager – Group Corporate HR (from 10.02.2025)
Mr. Ram Kumar	General Manager (from 10.02.2025)
Mr. Manish Badoniya	General Manager (from 10.02.2025)
Mr. Sajjan Sivaraman	Commander- Aviation (from 10.02.2025)
Mr. Jeevan Narayanan	Sr. Divisional Manager (from 10.02.2025)
Mr. Vinod Anandrao Mandave	Dy. Divisional Manager – Security (from 10.02.2025)
Mr. Manoj Laxman Patil	Manager – HRM Safety Prevention (from 10.02.2025)
Mr. Rohan Sampat	Company Secretary & Compliance Officer (from 31.07.2024)
Mr. Nikhil Deshpande	Company Secretary & Compliance Officer (up to 30.07.2024)

ii. Changes in Senior Management Personnel after the Closure of Financial Year are as under:

Name	Designation
Mr. Vinod Anandrao Mandave	Dy. Divisional Manager – Security (up to 25.04.2025 - ceased)
Colonel Sushant Shukla	General Manager – Security (from 25.04.2025 - appointed)
Mr. Sanjay Kumar Bohra	Chief Financial Officer (up to 30.06.2025 - ceased)
Mr. Rishi Luharuka	President & Group Chief Financial Officer (from 10.06.2025 - appointed)
Ms. Ananya Bhattacharjee	Senior Divisional Manager – Corporate Communications (from 09.06.2025 - appointed)
Mr. Anshul Saxena	Vice President – Corporate Strategy (from 23.07.2025 - appointed)

4. General Body Meetings / Postal Ballots

The details of the last three Annual General Meetings and resolutions passed through Postal Ballots are as under :

Annual General Meeting / Postal Ballot held on	Time	Location	Number of Special Resolutions	Subject of Special Resolution
September 28, 2022	3.00 p.m.	Through Video Conferencing	04	- Appointment of Mr. Vallabh Bhanshali (DIN: 00184775) as a Director and as an Independent Director. - Appointment of Mr. Mukesh Patel (DIN: 00053892) as a Director and as an Independent Director. - Approval for payment of minimum remuneration to Mr. Prasan Abhaykumar Firodia, Managing Director (DIN: 00029664). - Approval for payment of minimum remuneration to Mr. Prashant V. Inamdar, Executive Director (Operations) (DIN: 07071502).
Postal Ballot* on December 25, 2022	NA	NA	01	Appointment of Ms. Sonia Prashar (DIN: 06477222) as a Director and as an Independent Director of the Company.

Annual General Meeting / Postal Ballot held on	Time	Location	Number of Special Resolutions	Subject of Special Resolution
September 28, 2023	3.00 p.m.	Through Video Conferencing	--	--
September 04, 2024	3.00 p.m.	Through Video Conferencing	03	1. Re-appointment of Mr. Abhaykumar Navalmal Firodia as a Managing Director of the Company, to be designated as 'Chairman'. 2. Re-appointment of Mr. Prasan Abhaykumar Firodia as a Managing Director of the Company. 3. Re-appointment of Mr. Prashant V. Inamdar as Executive Director (Operations) of the Company.

* Postal Ballot was conducted by Mr. Parag Pansare as the Scrutinizer

5. Means of Communication

The quarterly and annual financial results of the Company are communicated forthwith to the stock exchange(s) and Shareholders / Members, on approval by the Board.

The quarterly, half-yearly and the annual financial results of the Company are published in the leading newspapers 'Financial Express', 'Business Standard' (English newspapers) and 'Loksatta' (Marathi newspaper).

The quarterly results of the Company are available on the Company's website at www.forcemotors.com. No presentation was made to any institutional investor or analyst during the Financial Year 2024-25.

6. Policies as mandated under the LODR Regulations, 2015

• Archival Policy

Pursuant to Regulation 30(8) of the LODR Regulations, every listed company shall disclose on its website all such events or information which have been disclosed to the stock exchange(s) under Regulation 30. Such disclosures shall be posted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company. Accordingly, 'Archival Policy' as approved by the Board of Directors of the Company can be accessed from the Company's website at <https://www.forcemotors.com/wp-content/uploads/2025/02/archival-policy.pdf>

• Dividend Distribution Policy

The 'Dividend Distribution Policy' as approved by the Board of Directors of the Company can be accessed from the Company's website at <https://www.forcemotors.com/wp-content/uploads/2025/02/Dividend-Distribution-Policy.pdf>

• Whistle Blower Policy / Vigil Mechanism

The Whistle Blower Policy / Vigil Mechanism addresses complaints w.r.t. leakage of unpublished price sensitive information in relation to the Company and prescribe the manner in which such cases shall be investigated. The Audit Committee oversees the genuine concerns expressed by the employees and

Directors. The Company has also provided adequate safeguards against the victimisation of employees and Directors who express their concerns. The details of the mechanism / policy are disclosed on the website of the Company at <https://www.forcemotors.com/wp-content/uploads/2025/02/Whistle-Blower-Policy1.pdf>

• Policy on materiality of Related Party Transactions

The Board has formulated a policy on materiality of the Related Party Transactions (RPTs) pursuant to the LODR Regulations. The policy has been revised pursuant to the amendments in the said Regulations from time to time. Web link for the policy is <https://www.forcemotors.com/wp-content/uploads/2025/02/Policy-on-Materiality-of-Related-Party-Transactions.pdf>

• Policy for determining Material Subsidiaries & its Governance Framework

The Board has formulated a policy for determining 'material' subsidiaries pursuant to the LODR Regulations. Web link for the policy is <https://www.forcemotors.com/wp-content/uploads/2025/02/Policy-for-determining-Material-Subsidiaries-its-Governance-Framework-1.pdf>

• Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons

The Company has a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' (the 'Code for UPSI') and also a 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons' (the 'Code of Conduct') in pursuance to the Regulation 8 and Regulation 9, respectively of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The above Codes can be accessed at <https://www.forcemotors.com/wp-content/uploads/2025/02/Code-of-Conduct-under-Insider-Trading-Regulations.pdf>

7. Other Disclosures

• Material significant related party transactions

During the year under review, there were no material RPTs entered into by the Company as per the threshold limits set out in Company's Policy on Materiality of the Related Party Transactions.

• Details of non-compliance etc. during the last three years

The Company has been compliant of the provisions w.r.t. Corporate Governance. No penalties were imposed by the Stock Exchange(s) or the SEBI on the Company in any matter related to capital market(s) during the last three years.

• Credit ratings

During the year under report, the Company obtained the following credit ratings for its bank loan facilities and Non-Convertible Debentures issued:

Credit rating agency	Type of facilities rated	Rating assigned
CRISIL	₹ 79.16 crores Secured Non-Convertible Debentures	CRISIL AA / Stable
	Bank Loan facilities amounting to ₹ 1,378 crores:	
	Long Term	CRISIL AA+ / Stable
	Short Term	CRISIL A1+ (Reaffirmed)

• Total fees paid to the Auditors

Please refer the details of payments made by the Company to its Auditors during the year under review, in Note No. 27 to the Financial Statement under a separate heading.

None of the subsidiaries of the Company made any payment to the Auditors of the Company, during the period under review.

• Loans and advances to firms/entities where the directors are interested

During the year under review, no loans or advances in the nature of loan were given by the Company or its subsidiaries to the firms/entities where the Directors or any of them are/is interested.

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

Please refer the disclosure under this head in this Board's Report.

8. Compliance of Corporate Governance and the LODR Regulations, 2015.

The Company has complied with the requirements w.r.t. Corporate Governance Report, as specified in the Schedule V of the LODR Regulations. During the Financial Year the Company has submitted quarterly compliance report on Corporate Governance to the Stock Exchanges within prescribed timelines. The Company has complied with mandatory requirements of the LODR Regulations.

The Company has complied with the discretionary requirements as specified in Part E of Schedule II as under:

• The Board

The Chairman of the Company is also an Executive Director; hence there is nothing to report under this heading.

- **Shareholder Rights**

The quarterly / half-yearly / annual results, after they are taken on record by the Board of Directors, are sent forthwith to BSE Limited & National Stock Exchange of India Limited respectively. The results, in the prescribed format are published in the newspapers as per the requirements under the LODR Regulations.

- **Modified opinion(s) in Audit Report**

The Company confirms that its Financial Statements are with unmodified audit opinion.

- **Separate posts of Chairperson and the Managing Director or the Chief Executive Officer**

Mr. Abhaykumar Navalmal Firodia, Chairman, is also the Managing Director of the Company. He is also related to Mr. Prasan Abhaykumar Firodia, the Managing Director.

- **Reporting of Internal Auditor**

The Internal Auditor of the Company reports to the Audit Committee.

9. General Shareholders' Information

- **Scheduled AGM**

The 66th AGM of the Members of the Company will be held on Wednesday, September 17, 2025.

- **Distribution of Shareholding**

Distribution of shareholding as on March 31, 2025 was as under:

Category (Shares)	Number of shareholders	Percentage to total shareholders	Number of shares	Percentage to total number of shares held
1 to 500	56,563	98.18	17,23,627	13.08
501 to 1,000	498	0.86	3,61,112	2.74
1,001 to 2,000	261	0.45	3,73,705	2.84
2,001 to 3,000	84	0.15	2,07,984	1.58
3,001 to 4,000	48	0.08	1,69,185	1.28
4,001 to 5,000	36	0.06	1,68,471	1.28
5,001 to 10,000	61	0.11	4,50,891	3.42
10,001 & above	62	0.11	97,21,287	73.78
Total	57,613	100.00	1,31,76,262	100.00

- **Share Transfer Agent**

The Company's Registrar and Share Transfer Agent (RTA) is MUFG Intime India Private Limited (formerly Link Intime India Private Limited), situated at Block No. 202, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411001, who handles the demat and physical share transfers as well as other shares related activities of the Company.

- **Share Transfer System**

Applications for transfer, transmission are received by the Company at its Registered Office or at the office of its RTA and are processed by the RTA on regular basis. The requests for transfer of shares are approved only in dematerialised form and the same are duly processed by National Securities Depository Limited / Central Depository Services (India) Limited in the electronic form through the

- **Financial Year**

The Financial Year observed by the Company is April 01, of a year to March 31 of the following year.

- **Financial Calendar**

Unaudited Financial Results will be published on or before:

For Quarter 1 : August 14th;

For Quarter 2 : November 14th;

For Quarter 3 : February 14th;

Audited Results : May 30th.

- **Payment of Dividend**

The Board in its Meeting held on April 25, 2025; has recommended a final dividend of ₹ 40/- (400%) per equity share on 1,31,76,262 equity shares, for the Financial Year ended March 31, 2025. The dividend, if declared by the Members of the Company, will be paid within 30 days from the date of the 66th AGM.

- **Record Date**

The details of Record Date forms part of the Notice of the 66th AGM.

- **Listing on Stock Exchange**

Shares of the Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Annual Listing fee for the Financial Year 2025-26 has been paid to BSE and NSE.

respective depository participants. As on March 31, 2025 no transfer and transmission request of shares held in physical form is pending. During the year under report, the Company processed 56 transmissions and 58 requests for dematerialisation. There was no request for re-materialisation of shares.

- **Dematerialisation / Rematerialisation of Shares**

The shares of the Company are available for trading in depository system of both National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number ('ISIN') code allotted to the shares of the Company is INE451A01017. As on March 31, 2025, 98.11% of the Company's shares were held in dematerialised form and 1.89% in physical form (in which 1.08% are unquoted equity shares and 0.81 % are quoted equity shares).

- **The Company has not issued any GDR, ADR or Warrants or Convertible Instruments.**

- **CIN**

The Corporate Identity Number allotted to the Company is L34102PN1958PLC011172.

- **Registered Office**

The Company's registered office address is Mumbai-Pune Road, Akurdi, Pune - 411 035, Maharashtra.

- **Plant locations**

The Company's plants are located at the following places:

- Mumbai - Pune Road, Akurdi, Pune - 411035, Maharashtra.
- Plot No.3, Sector No.1, Industrial Area, Pithampur, District Dhar - 454 775, Madhya Pradesh.
- Gat no. 330 (P), 331, 332, 312 / 5 / 6 / 7 and 355 Village Nanekarwadi, Chakan, Taluka Khed, District Pune - 410 505, Maharashtra.
- Mahindra World City, Panchayat Anjur, Taluka Chengalpattu, District Kancheepuram - 603 004, Tamilnadu.

- **The address for correspondence is:**

- Mr. Rohan Sampat**

Company Secretary & Compliance Officer

Force Motors Limited

Mumbai - Pune Road, Akurdi, Pune - 411 035, Maharashtra Phone: +91 20 27476381

e-mail : compliance-officer@forcemotors.com
or

- Mr. Sandip Pawar**

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited)

Block no. 202, 2nd floor, Akshay Complex, Near Ganesh Temple, Off. Dhole Patil Road, Pune - 411 001, Maharashtra

Phone: +91 20 26161629 / 26160084

Telefax No.: +91 20 26163503

e-mail:pune@in.mpms.mufig.com/sandip.pawar@in.mpms.mufig.com

D. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE AND DECLARATION ON CODE OF CONDUCT

The certificate obtained from the Statutory Auditors of the Company regarding compliance of conditions on Corporate Governance, as per the provisions of the LODR Regulations, is annexed to the Report. The Code of Conduct approved by the Board of Directors of the Company is available on the website of the Company. The confirmation about compliance of the code is being obtained on annual basis. A declaration signed by the Managing Director to that effect is obtained. The Company has complied with the mandatory requirements prescribed under the LODR Regulations.

E. UNPAID/UNCLAIMED DIVIDEND

In terms of the provisions of Section 124 of the Act, the Company is obliged to transfer dividends which remain unpaid or unclaimed for a period of seven consecutive years from the date of transfer to Unpaid Dividend Account, to be credited to the Investor Education and Protection Fund ('IEPF') established by the Central Government.

Accordingly, during the year under review unclaimed/unpaid dividend of ₹ 10,65,821/- was transferred to the IEPF.

Members are hereby informed that the seven years period for payment of the dividend pertaining to the financial years as given below will expire on respective dates and thereafter the amount standing to the credit in the said account will be transferred to the IEPF. Members are therefore requested to encash the dividend at the earliest.

Dates for transfer of Unclaimed Dividend to the fund:

Sr. No.	Financial Year	Date of Dividend Declaration	Date on which Dividend becomes Due for Transfer to IEPF
1.	2017-18	September 11, 2018	October 12, 2025
2.	2018-19	September 19, 2019	October 22, 2026
3.	2019-20	September 29, 2020	November 03, 2027
4.	2020-21	September 28, 2021	November 03, 2028
5.	2021-22	September 28, 2022	October 31, 2029
6.	2022-23	September 28, 2023	October 31, 2030
7.	2023-24	September 04, 2024	October 04, 2031

F. TRANSFER OF SHARES TO IEPF

During the year, the Company has transferred 5,578 shares on November 20, 2024 to the IEPF. The shares were transferred on account of dividends unclaimed for seven consecutive years.

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

All the benefits accruing on these shares pursuant to any corporate action and any further dividend received on the shares shall be credited to the designated Demat Account / Bank account of the IEPF.

G. UNCLAIMED SHARE CERTIFICATES AND SUSPENSE ACCOUNT

Share certificates in respect of 2,612 shares earlier issued as right shares or bonus shares were returned undelivered. The Company had intimated this fact to the concerned Members from time to time including reminders issued as per the requirement. These unclaimed shares were transferred to the 'Force Motors Limited - Unclaimed Securities Suspense Account'.

Of the above-mentioned shares, 2,151 shares were transferred to IEPF, in accordance with Section 124(6) of the Act and Rules made thereunder. List of the Members whose shares are held in 'Force Motors Limited - Unclaimed Securities Suspense Account', is hosted on the website of the Company at www.forcemotors.com.

As per the LODR Regulations, all corporate benefits in terms of securities accruing on these shares, shall be credited to the 'Force Motors Limited-Unclaimed Securities Suspense Account' (for 200 shares) and to the demat account of IEPF (for 2,151 shares).

The details of the above shares are as given below:

- Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 200 Equity Shares of ₹ 10/- each of 01 shareholder.
- Number of shareholders who approached the Company for transfer of shares from suspense account during the year: Nil.
- Number of shareholders to whom shares were transferred from suspense account during the year: Nil.

- Aggregate number of shareholder and the outstanding shares in the suspense account lying at the end of the year: 200 Equity Shares of ₹ 10/- each of 01 shareholder.

- Voting rights on these shares shall remain frozen till the rightful owner of these shares presents a claim for the same.

H. MD AND CFO CERTIFICATION

The Managing Director and the Chief Financial Officer give an annual certification on financial reporting and internal controls to the Board in terms of the LODR Regulations. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the LODR Regulations.

I. DECLARATION BY THE MANAGING DIRECTOR FOR COMPLIANCE WITH CODE OF CONDUCT

To

The Members of Force Motors Limited

I, Prasan Abhaykumar Firodia, Managing Director of Force Motors Limited declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2025.

Prasan Abhaykumar Firodia

Managing Director

DIN: 00029664

Pune, April 22, 2025

J. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Force Motors Limited having CIN L34102PN1958PLC011172 and having registered office at Mumbai-Pune Road, Akurdi Pune 411035, Maharashtra (hereinafter referred to as "the Company"), produced before us by the Company & its officers for the purpose of issuing this Certificate, in accordance with the Regulation 34 (3) read with Schedule V Para - C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

In our opinion and to the best of our information and according to the verification (including Director Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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 March 31, 2025, have been debarred or disqualified from being appointed or continuing as Director 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.	Mr. Abhaykumar Navalmal Firodia	00025179	01/07/1987
2.	Mr. Prasan Abhaykumar Firodia	00029664	17/12/2003
3.	Mr. Vallabh Roopchand Bhanshali	00184775	13/08/2022
4.	Mr. Mukesh Mangalbai Patel	00053892	13/08/2022
5.	Ms. Sonia Prashar	06477222	28/09/2022
6.	Mr. Prashant Vijay Inamdar	07071502	16/01/2015

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

DATE : April 25, 2025

PLACE : Pune

For SIUT & Co LLP
Company Secretaries
(Unique code: L2021MH011500)

Name: CS I U Thakur
Partner
FCS: 2298
CP: 1402
UDIN: F002298G000197130
Peer Review Certificate No: 5460/2024

**INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH
THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**TO THE MEMBERS OF
FORCE MOTORS LIMITED**

BACKGROUND

This certificate is issued in accordance with the terms of our engagement letter.

We are to examine the compliance of conditions of Corporate Governance by Force Motors Limited ("the Company"), for the year ended 31 March 2025, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

AUDITORS' RESPONSIBILITY

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2025.

We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

RESTRICTION ON USE

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 2511730913MJDQ06372

Pune, July 23rd, 2025

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L34102PN1958PLC011172
2	Name of the Listed Entity	Force Motors Limited
3	Year of incorporation	1958
4	Registered office address	Mumbai-Pune Road, Akurdi, Pune – 411 035
5	Corporate address	Mumbai-Pune Road, Akurdi, Pune – 411 035
6	E-mail	compliance-officer@forcemotors.com
7	Telephone	(+91)20 27476381
8	Website	www.forcemotors.com
9	Financial year for which reporting is being done	April 01, 2024 – March 31, 2025
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 1,318 lacs
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Rishi Luharuka - President, Group Chief Financial Officer Email- rluharuka@forcemotors.com Contact Number- (+91)20 27476381
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a Standalone basis.*

II. Products / services

14. Details of business activities (accounting for 90.0% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Automobile Manufacturing	Manufacturing of light commercial vehicles, small commercial vehicles, utility vehicles, spare parts and high technology automotive aggregates	100.0%

15. Products / Services sold by the entity (accounting for 90.0% of the entity's Turnover):

S. No.	Product / Service	NIC Code	% of total Turnover contributed
1	Commercial Vehicles	29102	55.44%
2	Motor Vehicle Engines	29104	32.36%
3	Diverse parts and accessories for motor vehicles such as brakes, gearboxes, axles, road wheels, suspension shock absorbers, radiators, silencers, exhaust pipes, catalysers, clutches, steering wheels, steering columns, and steering boxes etc.	29301	6.59%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	4	1*	5
International	0	0	0

*Office – Registered office

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 States + 8 Union Territories
International (No. of Countries)	28

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

1.98%

c. A brief on type of customers

Force Motors Limited is a leading Indian automotive manufacturer that primarily produces commercial passenger vehicles. The Company's customer base includes several industries and sectors, including government agencies, public transportation, educational institute, health services, defense services and logistics.

Business Responsibility & Sustainability Reporting (Contd.)

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total	Male		Female	
		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	4,244	4,088	96.32%	156	3.68%
2.	Other than Permanent (E)	1,761	1,365	77.51%	396	22.49%
3.	Total employees (D + E)	6,005	5,453	90.81%	552	9.19%
WORKERS						
4.	Permanent (F)	396	396	100.00%	0	0.00%
5.	Other than Permanent (G)	1,435	1,434	99.93%	1	0.07%
6.	Total workers (F + G)	1,831	1,830	99.95%	1	0.05%

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	1	1	100%	0	0.00%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total differently abled employees (D + E)	1	1	100%	0	0.00%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0.00%
5.	Other than permanent (G)	0	0	0.00%	0	0.00%
6.	Total differently abled workers (F + G)	0	0	0.00%	0	0.00%

19. Participation / Inclusion / Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.66%
Key management personnel total (A)	2 [#]	0	0.00%

[#]KMPs other than Managing Director

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	2024-25 (Turnover rate in current FY)			2023-24 (Turnover rate in previous FY)			2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.7%	16.5%	8.0%	9.2%	22.6%	9.6%	13.2%	35.1%	13.8%
Permanent Workers	7.5%	0.0%	7.5%	10.2%	0.0%	10.2%	5.9%	0.0%	5.9%

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

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

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary/ Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)
1	Jaya Hind Industries Private Limited	Holding	N/A	No
2	Tempo Finance (West) Pvt. Ltd.	Subsidiary	66.43%	No
3	Force MTU Power Systems Pvt. Ltd	Subsidiary	51.00%	No

Business Responsibility & Sustainability Reporting (Contd.)

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes / No)	Yes
(ii) Turnover (in ₹)	₹ 8,07,123 lacs
(iii) Net worth (in ₹)	₹ 3,10,362 lacs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year (2024-25)			Previous Financial Year (2023-24)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NIL	NIL	NA	NIL	NIL	NA
Investors (other than shareholders)	Yes https://www.forcemotors.com/investor/	NIL*	NIL	NA	NIL	NIL	NIL
Shareholders	Yes https://www.forcemotors.com/investor/	17	0	Complaints were resolved	8	0	Complaints were resolved
Employees and Workers	Yes https://www.forcemotors.com/wpcontent/uploads/2025/02/Whistle-Blower-Policy1.pdf	NIL	NIL	NA	NIL	NIL	NA
Customers*	Yes All the Company's touch points like owner manuals, website, call centres etc. It is mentioned to connect on the registered customer care email id and telephone number for any feedback.	37	34	Subjudice (pending before the court)	31	29	Subjudice (pending before the court)
Value Chain Partners	Yes Grievances are mailed by value chain partners to respective station heads or functional heads by suppliers. In addition to this there is open access for the stake holders to reach our senior management by mailing to Corporate Communication mail id. The stakeholders can send emails for escalation on any grievances at corporatematerial@forcemotors.com if any issue is not resolved by the concerned responsible officer. Additionally, the stakeholders can reach out to Senior Management by sending an email to Corporate Communication at corporatecommunications@forcemotors.com	NIL	NIL	NA	NIL	NIL	Any difference of opinion on issues related to supplies / price / quality / payments / schedules are discussed following the escalation matrix and amicably settled as per process.
Others (please specify)	N/A						

*Consumer Forum complaints

Business Responsibility & Sustainability Reporting (Contd.)

24. Overview of the entity's material responsible business conduct issues

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Water and Effluent Management	Risk	Water is required for both industrial and domestic functions in the Company. Some processes like paint booths are water intensive and require more quantity of fresh water. With the use of water, there will be generation of effluents which contains chemicals, dissolved and suspended solids. If this effluent discharge is untreated and disposed directly into waterbodies, or on land, it will adversely affect the aquatic life and land contamination. An overuse of water can deplete the nearby ground and surface water resources.	- Analysing previous year's consumption of freshwater and setting targets to reduce it by adopting water efficient processes and projects. - Investing in advanced water treatment technologies that can increase the utilisation of treated wastewater and can reduce the fresh water consumption. - Initiating projects for rainwater harvesting and ground water recharge for replenishing the water levels inside plant premises. Rainwater harvesting with the help of filtration technology, can be used for both domestic and industrial processes.	Negative: In the absence of efficient water management, additional procurement of freshwater can lead to increased production cost. Improper treatment of effluent and unmonitored discharge can lead to non-compliance with environmental regulations which results in hefty fines and legal cost.
2	Greenhouse Gas Emissions and Climate Change Management	Risk	Manufacturing phase of automotive sector is one of the contributors of Greenhouse gases (GHG). Since this company consumes significant number of raw materials and is involved in energy intensive processes like foundry / painting, it is a major source of GHGs and contributes in Global climate change. Adapting processes with lower GHG intensity can lead to higher operational cost.	- Initiatives to invest in projects involving renewable energy like solar energy/ wind - captive or open access. - Setting goals and commitments to reduce the emission such as Net zero GHG emission in operation by 2050. - Adopting best practices for energy consumption and emission reduction and complying with environmental standards.	Negative: There is a significant need for capital to adopt new technologies and prepare for upcoming mandates. Any noncompliance with these mandates can increase the risk of penalties and legal expenses, damaging the Company's reputation and financial implication.
		Opportunity	Carbon footprint reduction can be brought forward by decrease of energy and fuel consumption thereby reducing overall resource intake. Gradual and consistent approaches in reducing footprint can ultimately help achieve carbon neutrality. This further helps to mitigate climate change.	Not applicable	Positive: Efforts to reduce emission improves resource efficiency and helps in cost saving. Investing in low emission technologies can reduce operational cost and bring forth profit in the long run by reducing resource intake. Achieving carbon foot print improves the reputation, encouraging stakeholders and consumers to invest more.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Energy Management	Opportunity	Carbon emission is directly associated with energy consumption of any entity. Processes like welding, painting and assembly are the core functions in an automobile industry which are energy consuming. By developing energy efficient technologies there will be a substantial decrease in emission and also lowers operational cost related to energy. Transitioning from fossil fuels to renewable energy will lower energy cost and help to offset / reduce carbon footprint of the Company.	Not applicable	Positive: Lowering carbon emission by substituting nonrenewable energy with renewable energy improves sustainability credentials which further promotes brand reputation among environmentally conscious consumers and stakeholders. Renewable energy projects implementation attracts reduction in overall cost of energy which can lead to overall profit for the Company.
4	Biodiversity	Risk	Expansion of company causes habitat destruction and fragmentation subsequently manufacturing process can pollute the environment creating imbalance in eco system. Extraction of raw materials such as aluminum, iron, lithium for batteries causes deforestation, soil degradation and pollution leading to a gradual loss of bio diversity. This may cause legal implications from regulatory bodies and can cause loss of reputation.	1. Considering bio diversity while managing supply chain can positively impact in reducing environmental footprint. 2. Planting trees across the Company's property can improve the ecological balance. 3. Rejuvenation of natural water bodies in water catchment areas of operations can support to improvement of aquatic bio diversity.	Negative: Building a sustainable supply chain which causes minimal environmental impact can impose a huge financial burden on the Company. High investments are necessary for bio diversity restoration projects, inability to resolve issues with respect to tampering of eco system can lead to legal implications and fines. With increasing environmental awareness among stakeholders, failing to comply with environmental regulations can decrease investors due to reputation loss.
5	Waste Management	Risk	Automotive sector uses diverse materials for manufacturing process which creates equally diverse waste products such as scrap metals, solvents, oils, plastic etc. Different methods are used for the disposal of each category of waste, which attracts cost for disposal especially hazardous waste. Improper disposal can lead to water and land contamination and emission of greenhouse gases contributing to environmental degradation. Regulations regarding waste disposal are complex to follow and extremely costly.	1. Proper monitoring, segregation and storage of waste, increasing the awareness on the importance of waste management among employees / workers. 2. Implementation of recycling programmes 3. Adopting waste reduction strategies and disposal methods with lower environmental impact.	Negative: Developing infrastructure required for waste management and recycling programmes requires large initial investments. Improper disposal of waste can lead to legal implications, hefty fines and penalties, and significant cost associated with environmental remediation processes. Failure to adhere with waste management regulations can harm the brand image and subsequent loss in investments.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Materials and Circular Economy	Risk and Opportunity	Risk: A significant quantity of rare earth and critical minerals are required as a raw material in the manufacturing process in automotive industry. Due to lack of viable substitutes any disruption in supply chain in the case increase in demand or market competition can cause a financial burden. Scarcity in these materials can force the industry to invest in cost intensive alternate technologies or procurement through higher cost. Opportunity: Recycling and reusing materials in manufacturing reduces the dependency on new raw materials, reduce wastage and also significantly decreases production cost. For materials like Lithium used in batteries, recycling makes less dependency on volatile supply chains. Reduced procurement of raw material further reduces overall carbon footprint and lowers the impact on environment.	1. Reusing or recycling these materials and introducing them back into the process decrease the raw material usage and reduce material waste. 2. Focusing on technologies that optimise the use of materials throughout production. 3. Collaborating with suppliers with more transparency and ethical sourcing in order to avoid shortage in supply due to conflicts or legal implications.	Negative: Supply chain disruptions can increase overall cost, primarily in production. If critical materials are unavailable, operational delays may occur, leading to a stoppage in production and a loss of revenue. Positive: Recycling materials and reusing them instead of procuring raw materials is cost effective and overall reduces procurement expenses. Expensive waste management processes can be reduced or avoided by recycling materials instead of discarding them. Reduced supply chain dependencies result in fewer financial disruption. Material circularity can improve the sustainability performance and be competitive in market also attracting more investors.
7	Employee Well-being and Development	Opportunity	Investing in the well-being, continuous development, personal and professional growth of employees helps foster a competent work force and increase job satisfaction. Employees who receive training and skill development feels supported in their progress and are more likely to stay hence reducing turnover rates. well trained and engaged work force overall increases productivity and business performance.	Not applicable	Positive: Reduction in turnover rates can decrease recruitment and training cost. Stable and experienced workforce translates to higher level of productivity which boosts overall business performance. Positive employee relation encourages collaboration, innovation and knowledge sharing which helps to improve operational efficiency, attracts and retain talent.
8	Diversity, Equity and Inclusion	Opportunity	By creating an environment where people from various backgrounds, perspectives, and experiences feel welcome and valued, companies can attract a broader pool of talent. Diversity enriches the workforce and enhances the innovation and creativity. Inclusivity contributes to positive work environment and strengthen employee engagement and morale. Promoting gender equality and implementing fair and equitable employment policies further solidifies an organisation's commitment to social responsibility and long-term sustainability.	Not applicable	Positive: Diverse workforce increases the overall reputation of the Company and thereby attracting talent. Inclusive work environment improves the morale of employees and increases employee engagement, ultimately resulting in lower turnover rates.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Occupational Health and Safety	Risk	Failure to establish and maintain a safe working environment, coupled with non-compliance to safety protocols by employees and business partners can risk the reputation of company. Neglecting safety standards causes employee casualties which ultimately affects the morale of the employee and dips productivity. Work place accidents create negative image leading to decrease of trust from stakeholders like employees.	1. Adapting various practices for risk reduction like elimination, substitution engineering / administrative controls, Providing protective equipment's and enforcing rules throughout the premises to use it can prevent incidents. 2. Conducting safety training programmes, safety audits, feedback on safety practices and establishment of safety protocols. 3. Involving various levels and functions in the process of proactive engagement for safety and identifications of hazards and mitigate associated risk.	Negative: Work place hazards and accidents give rise to significant legal liabilities and substantial fines. Unsafe working conditions affects the morale of employees thereby reducing productivity, impacts business. Subpar safety records fails to attract new talent and reduces the chance of organisation at securing affordable insurance coverage.
10	Training and Development	Opportunity	Providing trainings for skill development and professional growth can enhance the competency of the workforce and is crucial for overall progress. Furthermore, turnover rates reduce with more opportunities for the employees to develop skills.	Not applicable	Positive: Employees being continuously trained are content with the organisation which leads to lower turnover rate and the costs related to it. This stability ensures satisfied employees to be productive and enhance business performance. Well trained employees play key role in driving innovation and increasing operational efficiency which boosts profitability. Training programmes minimise operational errors and in turn benefit company.
11	Customer Centricity	Risk and Opportunity	Risk: Failure to meet customer expectation by not catering to changing preference create a situation risk of losing customer loyalty and market share. Poor customer service can lead to legal action, negative publicity and diminished reputation. Unresolved customer complaints regarding issues related to vehicle can cause dissatisfaction and unattended vehicle safety issue leads to accidents leading to injuries, fatalities and costly recalls. Opportunity: Understanding preferences and providing personalised solution leads to customer retention and loyalty. Aligning customer feedbacks with product development can lead to innovative technologies that helps stand out in market. Customer centric culture helps enhance customer satisfaction and improve brand perception and revenue growth.	1. Implementation of customer feedback channels, providing efficient customer service, both pre- and post-sale will help in an increased customer repeat / referral rate. 2. Engagements with customers through different channels, feedback analysis for product improvement shows that the Company is for the masses.	Negative: Failing to meet customer needs leads to losing of customers which directly impacts the revenue. Losing customer necessitates higher spending on marketing campaigns to acquire new customers. Poor customer service or product issues that lead to legal claims could result in costly settlements or legal fees. Positive: Increased customer loyalty can lead to repeat purchases and stable revenue. Positive customer reviews can bring in new customers thereby reducing marketing expenses.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Corporate Governance	Opportunity	Effective corporate governance can help build trust with investors, employees, customers, and the public, improving the Company's overall reputation. Clear governance structures and processes enable better oversight and decision-making to identify and mitigate risks more effectively. By maintaining ethical standards and transparency, corporate governance helps to prevent legal implications that could harm the Company's reputation.	Not applicable	Positive: Strong corporate governance improves access to capital by attracting investors. Effective corporate governance structures lead to more informed, strategic decision-making. This helps to optimise operations, reduce inefficiencies, and identify profitable opportunities, ultimately improving profitability. Adhering to governance best practices ensures that the Company is compliant with all relevant laws and regulations, reducing the risk of legal penalties, fines, and litigation costs.
13	Business Ethics	Risk and Opportunity	Risk: A failure to adhere to ethical standards can lead to negative publicity, tarnishing the Company's reputation. Corruption and unethical behavior can lead to resource misallocation, environmental damage, and human rights abuses, damaging the Company's reputation. If perceived as unethical, customers may lose trust in the brand, which can lead to a decline in customer loyalty. Opportunity: Ethical behavior fosters trust and credibility with customers, employees, and the broader community. Operating ethically helps to build long-term relationships with customers. Clear and transparent disclosures enable rating agencies to evaluate organisations effectively. By openly sharing organisational details, companies can enhance their ESG scores.	1. Ethics training within different employee teams, creation of ethics code within the organisation and conducting regular ethics audits will ensure business ethics being seriously followed within the organisation. 2. Promoting a culture of accountability within the organisation, serious consequences for violations and encouragement of ethical decision making at all levels of the firm.	Negative: Implementing and maintaining business ethics standards often involves significant investments in training, audits, and legal consultations. Non-compliance with ethical standards, especially in areas like labor practices, environmental regulations, or anti-corruption laws, can result in legal consequences, including fines, penalties, and lawsuits. Positive: Ethical business practices can attract socially responsible investors and those focused on environmental, social, and governance (ESG) criteria. Ethical business tends to retain their customers leading to repeat business and higher lifetime customer value. Ethical practices often align with operational efficiencies, such as reducing waste, improving energy efficiency, and sourcing sustainable materials, which can lower costs over time.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14	Research Development and Innovation	Opportunity	Offering differentiated products, businesses can attract new customers, create new revenue streams, and gain a competitive edge. A successful R&D strategy enables businesses to capture market share, both in their current industry and in new sectors. Developing new technology can boost efficiency in process, reduce cost in production and lower emissions.	Not applicable	Positive: By investing in R&D, businesses can unlock long-term financial rewards. Successful R&D efforts lead to products that generate significant revenue over extended periods. Streamlining operations and improving product development cycles can lead to cost savings, reduced time-to-market, and improved profitability. A strong brand reputation built on R&D can attract customers, investors, and partners, contributing to increased sales, better investor relations, and more strategic collaboration. Proactive engagement of R&D will ensure the product ESG compliances and ensuring adherence to legal requirements.
15	Sustainable Supply Chain Management	Risk and Opportunity	Risk: Unsustainable practices, such as over-reliance on natural resources or unethical sourcing, can make the supply chain vulnerable to external disruptions such as natural disasters, geopolitical tensions, or climate change. An unsustainable supply chain can raise concerns about a company's long-term viability and governance. Non-compliance with regulations related to sustainable supply chain management can lead to legal issues, fines and negative impact on the goodwill of the company. Opportunity: By adopting sustainable supply chain practices, companies are better prepared to comply with evolving environmental regulations and international sustainability standards. A sustainable supply chain is more resilient to disruptions such as resource shortages, climate change, or social unrest. Incorporating ESG factors into the supply chain directly minimises operational risks, reduces costs, and helps lower the environmental impact.	- Drafting strong supplier code of conduct and strictly adhering to it can minimise the risk associated with it. - Screening and assessment of suppliers based on various ESG parameters.	Negative: Ensuring compliance and implementing sustainable practices throughout the supply chain increases costs. Disruptions and environmental violations can lead to fines, production delays, and operational costs. Positive: Sustainable supply chain practices, such as reducing energy consumption, cutting waste, and optimizing transportation, can lead to substantial cost savings. By ensuring compliance with environmental and sustainability standards which helps to avoid costly legal challenges and fines. Companies that incorporate sustainability into their supply chain are often seen as lower-risk investments by socially responsible investors.

Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R / O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
16	Data Privacy and cybersecurity	Risk	The increase in data and cybersecurity breaches poses significant risks, especially with online transactions and cloud computing. Protecting stakeholders' data including customer data is essential to avoid operational disruptions and reputational damage. Failure to secure sensitive information can lead to financial losses, regulatory penalties, and erosion of customer trust, all of which can severely impact a company's long-term success.	1. Implementation of advanced threat detection, security audits on a regular basis, having a dedicated IT team working towards protecting customer information and data should be stationed.	Negative: Data breach involving sensitive customer or business information can result in significant financial losses through fines, legal fees and compensation and business loss. Organisations that fail to comply with data privacy regulations and regional laws may be subject to hefty fines. Investment in cybersecurity measures, including upgraded security software, employee training, and the implementation of more secure systems can be a financial burden.

#FY 2023-24 data have been restated due to changes in data applicability, consolidation approach and methodology. These restatements would enable consistency and comparability of information for the current and previous years.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.forcemotors.com/investor/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes								
4. Name of the national and international codes / certifications/ labels/ standards (e.g., Foresat Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	All our plants are certified for ISO 14001:2015, ISO 45001:2018 and IATF 16949.								

Business Responsibility & Sustainability Reporting (Contd.)

5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has set the following goals and targets-# Net zero in the Operations - The Company is committed to achieve net zero GHG emission in the Operations by 2050. 50% reduction in scope 1 & 2 emission intensity by 2030 to the baseline of year 2023-24 50% renewable electrical energy in the Operations by 2027 with respect to base year of 2023-24 Reduction of emission during use of vehicle life 13% reduction of CO₂ emissions (direct use phase emission) by 2033 by light commercial vehicles - Net zero carbon emission (direct use phase emission) by 2050 by light and medium commercial vehicles Water neutrality - Achieve water neutrality in own operations by 2035 5% reduction of net freshwater consumption year-on-year - base year 2023-24 Zero waste to landfill - To achieve zero waste to landfill by 2030 - All Operating Locations Diversity, Equity and Inclusion - Increase share of women work force to 10% by 2027 to the baseline year of 2023-24 Training and Development - Increase average training hours per employee to 32 hours by 2030 to the baseline year of 2023-24 Sustainable Supply Chain Management - Implement 100% screening of all new suppliers on ESG criteria by 2027. - Assessment of all the critical suppliers on ESG criteria by 2027.																																								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The Company has set the goals and targets in 2024-25. Performance against these goals and targets were tracked and substantial improvement observed as follows: <table><tr><th>Parameter</th><th>Unit</th><th>2024-2025</th><th>2023-2024</th><th>Remark</th></tr><tr><td>Emission intensity</td><td>tCO₂e/₹ crores</td><td>5.81</td><td>7.44</td><td>22% Reduction</td></tr><tr><td>Emission per equivalent vehicle</td><td>tCO₂e</td><td>0.76</td><td>1.34</td><td>43% Reduction</td></tr><tr><td>Emission avoided</td><td>tCO₂e</td><td>5,743</td><td>1,311</td><td>4 times improvement in emissions avoidance</td></tr><tr><td>Renewable energy</td><td>%</td><td>13.47%</td><td>3%</td><td>Comparison with respect to Total electrical energy</td></tr><tr><td>Water consumption</td><td>KL</td><td>4,43,371</td><td>4,78,077</td><td>7.2% Reduction</td></tr><tr><td>Water consumption per equivalent vehicle</td><td>KL</td><td>10.78</td><td>11.91</td><td>9% Reduction</td></tr><tr><td>Women workforce</td><td>%</td><td>7%</td><td>3%</td><td>4% increase in women workforce</td></tr></table>	Parameter	Unit	2024-2025	2023-2024	Remark	Emission intensity	tCO ₂ e/₹ crores	5.81	7.44	22% Reduction	Emission per equivalent vehicle	tCO ₂ e	0.76	1.34	43% Reduction	Emission avoided	tCO ₂ e	5,743	1,311	4 times improvement in emissions avoidance	Renewable energy	%	13.47%	3%	Comparison with respect to Total electrical energy	Water consumption	KL	4,43,371	4,78,077	7.2% Reduction	Water consumption per equivalent vehicle	KL	10.78	11.91	9% Reduction	Women workforce	%	7%	3%	4% increase in women workforce
Parameter	Unit	2024-2025	2023-2024	Remark																																						
Emission intensity	tCO ₂ e/₹ crores	5.81	7.44	22% Reduction																																						
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Women workforce	%	7%	3%	4% increase in women workforce																																						

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Business Responsibility & Sustainability Reporting (Contd.)

At Force Motors Limited, we have an unwavering commitment to creating a sustainable future for all our stakeholders: our customers, employees, suppliers, shareholders, the society and community that we are part of, and the earth we inhabit. As a part of this commitment, we have launched several initiatives on sustainability, and have put in dedicated teams to rigorously pursue the sustainability targets, some of which are outlined here. Achieving Net Zero emissions by 2050, is a focus area of our sustainability commitment. This initiative will involve transitioning to 50% renewable electrical energy by 2026, while taking significant steps to reduce our carbon footprint as we traverse the sustainability roadmap. Our resource conservation efforts will aim at achieving water neutrality and elimination of landfill waste by 2035. Fostering diversity and inclusivity at workplace is critically important, and we will increase female representation in our workforce to 10% by 2027. Safeguarding the well-being and safety of all employees in our organisation will also be an ongoing focus area. By 2027, we will ensure assessment of all our critical and new suppliers on ESG requirements, ensuring that our partners also align with our sustainability values. Our governance strategy is designed to drive continuous improvement and innovation in all aspects of our value chain.

With these initiatives, we aim to set a high standard for a sustainable, responsible, and resilient future for all our stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Prasan Abhaykumar Firodia - Managing Director
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	All the sustainability related issues are overseen by Mr. Prasan Firodia (Managing Director), who is a Board Member. The Corporate Social Responsibility Committee reviews CSR activities as per the Annual plan. Mr. Rishi Luharuka President, Group Chief Financial Officer is the head of Sustainability Activities.

#The forward-looking statement presented in this report outlines the Company's estimates and expectations based on reasonable assumptions and past performance.

However, these projections are subject to change due to factors such as sectoral shifts, regional market conditions, government regulations and other incidental considerations. It is important to note that these statements should not be considered as guarantee of future performance.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually / Half yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies are being reviewed periodically or on need basis and being monitored by the Board of Directors as and when required. In the assessment, the efficacy of policies is also being reviewed and necessary changes are incorporated from time to time.									Periodically or on need basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	P1		P2		P3		P4		P5	P6		P7		P8		P9		
	Yes - The Company complies with all applicable laws of the land it operates in.																	

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No.								

Business Responsibility & Sustainability Reporting (Contd.)

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

*The Processes and Policies of the company are reviewed and evaluated from time to time by respective departments internally and are updated whenever required. The Board considers suggestions, recommendations of the management before approving these policies. We intend to conduct an independent assessment of our policies in due course.

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

*Please refer the comment given under question 12

SECTION C: PRINCIPLE WISE PERFORMANCE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Familiarisation programmes, Business presentation on quarterly basis aiming for awareness of business structure, Industrial developments, company business of its product line and Sustainability update. Further, updates on business of its subsidiaries and joint ventures. Continuous updates on regulatory changes and changing roles and responsibilities of Board Members especially Independent Directors. Sustainability performance and way ahead.	100.0%
Key Management Personnel	4	Focus on keeping the Key Managerial Personnel well informed on the matters relating to our governing norms, risk metrics, Code of Conduct, and Insider Trading Code and other related matter. Sustainability performance and further path for improvement.	100.0%
Employees other than BoD and KMPs	773	Sustainability Awareness, Basic Safety, Fire Fighting and Emergency Preparedness, IATF 16949 Awareness, Prevention of Sexual Harassment Awareness session	61%
Workers	134	Basic Safety, Fire Fighting and Emergency Preparedness, First Aid Health Awareness and Safety Awareness, Sustainability Awareness, Electrical Safety	69%

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions, in the financial year, in the following format:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGBRC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty / Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding Fee	NIL	NIL	NIL	NIL	NIL

Business Responsibility & Sustainability Reporting (Contd.)

Non-Monetary					
	NGBRC Principle	Name of the regulatory / enforcement agencies / judicial institutions	Amount (in `)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL

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

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

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

Yes, the Company has an anti-corruption and anti-bribery policy that covers bribery, gifts and hospitality, facilitation payments and political contributions. The policy applies to all employees, consultants, contractors, trainees, retainers, workers, third parties, and the Board of Directors. It covers ways to raise a concern, training and communication, and the monitoring and review mechanism of the policy.

[Anti_Bribery_Anti_Corruption_Policy.pdf \(forcemotors.com\)](#)

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

	2024-25	2023-24
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest

	2024-25		2023-24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

Not applicable since there were no cases of corruption and conflicts in 2024-25

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	2024-25	2023-24
Number of days of accounts payable	35	43

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

Parameter	Metrics	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Concentration of purchases	a. Purchases from trading houses as a % of total purchases	0.55%	0.42%
	b. Number of trading houses where purchases are made from	740	620
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	33.69%	27.18%
Concentration of sales	a. Sales to dealers / distributors as % of total sales	55.02%	55.72%
	b. Number of dealers / distributors to whom sales are made	640	604
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	21.55%	23.08%

Business Responsibility & Sustainability Reporting (Contd.)

Parameter	Metrics	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Share of RPTs in	Purchases (Purchases with related parties / Total Purchases)	6.40%	6.49%
	Sales (Sales to related parties / Total Sales)	0.88%	0.09%
	Loans & Advances (Loans & Advances given to related parties / Total Loans & Advances)	0	0
	Investments (Investments in related parties / Total Investments)	0	0

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

	2024-25	2023-24	Details of improvements in environmental and social impacts
R&D	5%	6%	a. Development of vehicles with lower emission, CNG based models, electric vehicles. b. Development of safety features like Electronic Stability Program (ESP), Airbags, ABS, etc. c. New Ambulance Models, Disaster management vehicles, First aid fire respondent vehicle.
Capex	53.08%	75.77%	d. Vehicles for defense sector, school buses as per new regulations

- A. Does the entity have procedures in place for sustainable sourcing? (Yes / No)

Yes. The Company has well-defined approach to engage with suppliers in ethical, responsible, fair, transparent, legal, and sustainable manner. The Company's input materials and services are sourced from suppliers adhering to internal sustainability standards. Our terms and conditions mention that vendor has to fulfill the system of environment and safety as ISO 14001 & OHSAS 18001 requirements along with compliance to the notification of Environment department for ban of plastics used in packaging material.

Internal process of supplier selection on ESG criteria which defines company's approach for supplier ESG requirements and acceptance criteria for suppliers.

The supplier Business Partner code of conduct defines the requirements that a supplier needs to adhere to. It covers parameters such as Human Rights, Health and Safety, bribery, resource & energy consumption, water quality, consumption and management, air quality, responsible chemical management, waste reduction, reuse and recycling, animal welfare biodiversity, land use and deforestation, responsible sourcing of raw materials and business ethics.

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

68.0%

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

Plastic waste - Plastic waste is generated during the manufacturing and packaging materials used in our products. Currently, we are registered for plastic EPR and gaining credits from recyclers after submission of data to statutory bodies.

E-waste—All e-waste generated at the manufacturing facilities is disposed off as per regulatory requirements.

Hazardous waste—All hazardous waste generated from manufacturing facilities is safely disposed off as per regulatory requirements.

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

EPR is applicable for

- Plastic packaging material
- Used oil

The requirements under mentioned EPR are fulfilled.

FY 2023-24 data have been restated due to changes in data applicability, consolidation approach and methodology. These restatements would enable consistency and comparability of information for the current and previous years.

Business Responsibility & Sustainability Reporting (Contd.)

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

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

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	4,088	3,955	96.75%	4,088	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	156	142	91.03%	156	100.00%	156	100%	0	0.00%	0	0.00%
Total	4,244	4,097	96.54%	4,244	100.00%	156	3.67%	0	0.00%	0	0.00%
Other than Permanent Employees											
Male	1,365	0	0.00%	325	23.81%	0	0.00%	0	0.00%	0	0.00%
Female	396	0	0.00%	0	0.00%	396	100%	0	0.00%	0	0.00%
Total	1,761	0	0.00%	325	18.46%	396	22.49%	0	0.00%	0	0.00%

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

Category	% Of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	396	396	100.00%	396	100.00%	0	0.00%	0	0.00%	0	0.00%
Female	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	396	396	100.00%	396	100.00%	0	0.00%	0	0.00%	0	0.00%
Other than Permanent Workers											
Male	1,434	0	0.00%	15	1.05%	0	0.00%	0	0.00%	0	0.00%
Female	1	0	0.00%	0	0.00%	1	100%	0	0.00%	0	0.00%
Total	1,435	0	0.00%	15	1.05%	1	0.06%	0	0.00%	0	0.00%

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

	2024-25	2023-24
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.16%	0.18%

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

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

*Percentage covered as applicable to employees

Business Responsibility & Sustainability Reporting (Contd.)

3. Accessibility of workplaces

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

Yes, as per current disability strength.

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

Yes. The Company is committed to providing equal opportunities in employment and creating an inclusive work environment and the guidelines are laid in the the Company's Code of Conduct.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	75.00%	75.00%	0	0
Total	75.00%	75.00%	0.00%	0.00%

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

	Yes/ No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Company has a Whistle-blower Policy and Prevention of Sexual Harassment at Workplace (POSH) Policy. The grievances related to sexual harassment are resolved as per the POSH policy. For all other grievances the Site Human Resource Personnel is the grievance redressal officer. The workers and employees can submit their grievances to the officer. The officer discusses and resolves the grievances every month.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	2024-25			2023-24		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of associations or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of associations or Union (D)	% (D/C)
Total Permanent Employees	4,244	0	0.00%	4,028	0	0.00%
Male	4,088	0	0.00%	3,909	0	0.00%
Female	156	0	0.00%	119	0	0.00%
Total Permanent Workers[#]	396	367	92.67%	445	418	93.93%
Male	396	367	92.67%	445	418	93.93%
Female	0	0	0.00%	0	0	0.00%

[#]As made available to company

8. Details of training given to employees and workers:

Category	2024-25					2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/A)
Employees										
Male	5,460	3,308	60.59%	3,860	70.70%	5,515	5,515	100.00%	2,777	50.40%
Female	552	392	71.01%	458	82.97%	214	214	100.00%	141	65.90%
Total	6,012	3,700	61.54%	4,318	71.82%	5,729	5,729	100.00%	2,918	50.90%

Business Responsibility & Sustainability Reporting (Contd.)

Category	2024-25					2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/A)
Workers										
Male	388	268	69.07%	133	34.28%	1,991	1,991	100.00%	19	1.00%
Female	0	0	0	0	0	0	0	0.00%	0	0.00%
Total	388	268	69.07%	133	34.28%	1,991	1,991	100.00%	19	1.00%

Note: Safety training given to other than employees and workers is not part of above data.

9. Details of performance and career development reviews of employees and worker

Category	2024-25			2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	4,088	3,820	93.44%	3909	3,866	98.90%
Female	156	123	78.85%	119	112	94.12%
Total	4,244	3,943	92.91%	4,028	3,978	98.76%
Workers						
Male	396	0	0.0%	445	0	0.0%
Female	0	0	0.0%	0	0	0.0%
Total	396	0	0.0%	445	0	0.0%

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
- Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Details of questions as below:

- Yes, we do have ISO 45001:2018 occupational health and safety management system implemented in the Company at all operational locations.
- Across all manufacturing plants, Hazard Identification & Risk Assessment (HIRA) is in place for Routine and Non-Routine activities performed in plants.

Work Related Hazards throughout manufacturing plant are also identified through:

- Process Hazard Analysis
- Job Safety Analysis
- Safety Inspections
- Equipment Inspections
- Internal & External Safety Audits

- Electrical Safety Audits
- Apex & division specific Safety Committee Members & their meetings
- Hazardous installation inspection.
- Yes, we have processes for workers to report the work-related hazards.
- Yes, employees and workers have access to non-occupational / medical services facility.

11. Details of safety related incidents, in the following format

Safety Incident/Number	Category	2024-25	2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.08	0
	Workers*	0.12	0.67
Total recordable work-related injuries	Employees	1	0
	Workers*	1	7
No. of fatalities	Employees	0	0
	Workers*	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers*	0	0

*Including the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has taken the following initiatives to ensure a safe & healthy work place:

Business Responsibility & Sustainability Reporting (Contd.)

- Conduct Internal Safety Audits for Hazard Identification
- Conduct Safety Committee Rounds for Hazard Identification
- Safety Review Meetings with Top Management
- Incident Investigation & Emergency Preparedness
- Conduct Mock Drills
- Conduct Safety Awareness Training Programs
- Conduct various Motivational Safety Campaign Programs throughout the year
- Issue & Monitoring Safety Work Permits
- Conducting frequent rounds in areas where contractor works are being conducted
- Mi – Safe app which is software has been implemented to identify and resolve unsafe act or unsafe working condition and support to track and control the unsafe acts / conditions thus proactively ensure safety at workplace.

13. Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	NA	0	0	NA
Health and Safety	0	0	NA	0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.0%
Working conditions	100.0%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

A. Incident Investigation and Learning:

- Thorough investigation of all safety incidents is conducted following an Incident Investigation process.
- Learnings from incidents are shared across the organisation to prevent similar incidents in the future (horizontal deployment).
- Key recommendations from incident investigations are communicated through mandated actions, utilizing visual communication methods to highlight critical safety information.

- Confirmation of implemented recommendations is ensured with evidence, followed by regular audits to verify the closure effectiveness of recommendations.
- Actions from incidents are implemented through entire organisation for wider deployment of recommendations critical to preventing similar incidents in the future.

B. Corrective Action for Unsafe Observations:

- Unsafe acts and conditions identified during safety observations are addressed with timely closure and corrective actions.
- Sample audits are conducted to confirm the effectiveness of implemented corrective actions.
- Mi – Safe app which is software has been implemented to identify and resolve unsafe act or unsafe working condition and support to track and control the unsafe acts / conditions thus proactively ensure safety at workplace

#FY 2023-24 data have been restated due to changes in data applicability, consolidation approach and methodology. These restatements would enable consistency and comparability of information for the current and previous years.

Business Responsibility & Sustainability Reporting (Contd.)

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS.

1. Describe the process for identifying key stakeholder groups of the entity.

The Company has formulated a stakeholder engagement process to develop long term relationships and create value for the stakeholders. The Company identifies individuals or group of individuals as their stakeholders, both external and internal, who are impacted by the Company's products, services and business operations. Our key stakeholders include but are not limited to Shareholders, Employees and Workers, Customers and Dealers, Business partners, Government and Regulatory authorities, Industry associations, Media and Community. The Company has conducted extensive stakeholder analysis through cross functional workshops by involving groups of various levels and functions including senior leadership.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (annually, half yearly, quarterly, others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and Investors	No	- General meetings/Postal Ballot Communication/ Annual Reports - Written Communications via e-mails/letters - Newspaper - Dissemination of Information on website of Stock Exchanges - Press Releases	Regular / need basis	• Dissemination of information having a bearing on the performance / operations of the Company including price sensitive information, updating Shareholders on various statutory requirements with respect to their shareholding in the Company, addressing shareholders, addressing them at the General Meetings.
Employees and Workers	No	- Employee newsletters - Intranet Portal - Cultural events - Trainings and performance management system - Functional and cross-functional committees - Emails, written communication	Daily / need based	• Training and skill development • Employee well-being and development • Health and Safety • Rewards and recognition • Reviews • Fulfillment of responsibility as per assigned task
Customers, Dealers and Service Centers	No	- Direct consumer calls - Customer satisfaction surveys - Complaint handling & feedback - Marketing and Advertising - Email Communication - Conference	Continuous	• Understanding the expectations of the customers • Better product/service
Regulator/ Government / Civil societies/ Policy Maker	No	- Annual reports - Communications with regulatory bodies - Formal dialogues - Association Meetings - In-person and virtual meetings	As and when required	• Compliance with laws and regulations • Suggestions on upcoming regulatory framework
NGOs and Communities	Yes	- Donations and Philanthropy Work - CSR interventions and initiatives - Community development through various events	Continuous	• Understand the impact of the operations, grievances, and initiatives to be taken under CSR activities
Suppliers/services providers/Business partners	No	- Contractor and Supplier meets - Regular interaction through phone, e-mail and in person - Supplier Audits	Continuous	• Smooth functioning to achieve organisational goals. • Understand the challenges and uninterrupted raw material supply

Business Responsibility & Sustainability Reporting (Contd.)

Stakeholder Group	Whether identified as vulnerable and marginalised group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (annually, half yearly, quarterly, others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Experts/Academic and Research Institutions	No	- Email Communication - Meetings	As and when required	- Understand the improvement areas for the products manufactured. - Collaboration for research and development
Media	No	- Press Conference - Written communication	As and when required	Communication of progress through press releases and interviews
Industry Associations	No	- Meetings - Email Communication	As and when required	- Understanding / Sharing of leading industry practices - Participation in meetings, conferences, etc. - Sectoral approach for policy / changes / requirements

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2024-25			2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	4,244	4,244	100.00%	4,028	4,028	100.00%
Other than permanent	1,761	1,761	100.00%	1,701	1,701	100.00%
Total Employees	6,005	6,005	100.00%	5,729	5,729	100.00%
Workers						
Permanent	396	396	100.00%	445	445	100.00%
Other than permanent	1,435	1,435	100.00%	1,546	1,546	100.00%
Total Workers	1831	1831	100.00%	1,991	1,991	100.00%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2024-25					2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	4,244	0	0.00%	4,244	100.00%	4,028	0	0.00%	4,028	100.00%
Male	4,088	0	0.00%	4,088	100.00%	3,909	0	0.00%	3,909	100.00%
Female	156	0	0.00%	156	100.00%	119	0	0.00%	119	100.00%
Other than Permanent	1,761	1761	100.00%	0	0.00%	1,701	0	0.00%	1,701	100.00%
Male	1,365	1365	100.00%	0	0.00%	1,606	0	0.00%	1,606	100.00%
Female	396	396	100.00%	0	0.00%	95	0	0.00%	95	100.00%
Workers										
Permanent	396	0	0.00%	396	100.00%	445	0	0.00%	445	100.00%
Male	396	0	0.00%	396	100.00%	445	0	0.00%	445	100.00%
Female	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent	1,435	0	0.00%	1,435	100.00%	1,546	0	0.00%	1,546	100.00%
Male	1434	0	0.00%	1434	100.00%	895	0	0.00%	895	100.00%
Female	1	0	0.00%	1	100.00%	0	0	0.00%	0	0.00%

Business Responsibility & Sustainability Reporting (Contd.)

3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	48,05,000	1	19,50,000
Key Management Personnel	2 #	1,24,38,177	0	0
Employees other than BoD and KMP	5,449	5,76,318	552	87,788
Workers	1,830	71,140	1	94,499

KMPs other than Managing Director

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	2024-25	2023-24
Gross wages paid to females as % of total wages	3.02%	2.04%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The Company has a Human Rights Policy which covers the necessary details.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes. The Company has grievances handling Policy which covers the necessary details.

6. Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	NIL	NIL	NA	NIL	NIL	NA
Discrimination at workplace	NIL	NIL	NA	NIL	NIL	NA
Child Labour	NIL	NIL	NA	NIL	NIL	NA
Forced Labour/ Involuntary Labour	NIL	NIL	NA	NIL	NIL	NA
Wages	NIL	NIL	NA	NIL	NIL	NA
Other human rights related issues	NIL	NIL	NA	NIL	NIL	NA

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2024-25	2023-24
Total complaints reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	NIL	NIL
Complaints on POSH as a % of female employee/ workers	NIL	NIL
Complaints on POSH upheld	NIL	NIL

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

It is covered as a part of various policies like Human Rights, Grievances Handling, POSH, Code of Conduct, Whistle blower etc.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Business partner code of conduct which covers all essential details including Human Rights.

Business Responsibility & Sustainability Reporting (Contd.)

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

The assessment was conducted by the entity and no significant risks/ concerns were identified.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	2024-25	2023-24
From renewable sources			
Total electricity consumption (A)	GJ	28,441	6,593
Total fuel consumption (B)	GJ		
Energy consumption through other sources (C)	GJ	-	-
Total energy consumed from renewable sources (A+B+C)	GJ	28,441	6,593
From non-renewable sources			
Total electricity consumption (D)	GJ	1,82,660	2,16,773
Total fuel consumption (E)	GJ	1,28,796	1,27,447
Energy consumption through other sources (F)	GJ	-	-
Total energy consumed from non-renewable sources (D+E+F)	GJ	3,11,456	3,44,220
Total energy consumed (A+B+C+D+E+F)	GJ	3,39,896	3,50,814
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)	GJ/₹ in lacs	0.44	0.50
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumption/ revenue from operations adjusted for PPP)	GJ/USD in million	87.71	101.34

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Performance, Achieve and Trade (PAT) Scheme is not applicable for the Company.

Business Responsibility & Sustainability Reporting (Contd.)

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Unit	2024-25	2023-24
Water withdrawal by source			
(i) Surface water	Kl	0	0
(ii) Groundwater	Kl	0	0
(iii) Third party water	Kl	4,40,981	4,73,164
(iv) Seawater / desalinated water	Kl	0	0
(v) Others	Kl	4317	6571
Total volume of water withdrawal (i + ii + iii + iv + v)	Kl	4,45,298	4,79,735
Total volume of water consumption	Kl	4,43,371	4,78,077
Water intensity per rupee of turnover (Water consumed / revenue from operations)	kl/₹ in lacs	0.55	0.68
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Water consumed / revenue from operations adjusted for PPP)	kl/ USD in million	114.91	138.12

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

4. Provide the following details related to water discharged:

Parameter	2024-25	2023-24
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) To Produced water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

Parameter	2024-25	2023-24
(iv) Sent to third parties [#]	1927	1658
- No treatment	1927	1658
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kiloliters)	1,927	1,658

[#]Effluent is discharged to Mahindra World City (Common treatment plant), at Chennai plant.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has installed advanced effluent and sewage treatment plants and the recycled water is used in toilets, for gardening and horticulture purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	2024-25	2023-24
NOx	MT	3.8	2.1
Sox	MT	1.8	1.4
Particulate matter (PM)	MT	7.4	5.3
Persistent organic pollutants (POP)	MT	-	-
Volatile organic compounds (VOC)	MT	-	-
Hazardous air pollutants (HAP)	MT	-	-
Others – please specify	-	-	-

Note 1: Monitoring of additional stacks ,also, the air emissions are directly proportional to the operating hours of the locations which has increased.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Not Applicable

Business Responsibility & Sustainability Reporting (Contd.)

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2024-25	2023-24
* Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	9,649	8,928
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	36,887	43,114
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total scope 1 and scope 2 GHG emissions/ revenue from operations)	MT CO ₂ e / ₹ in lacs	0.06	0.07
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (Total scope 1 and scope 2 GHG emissions/ revenue from operations adjusted for PPP)	MT CO ₂ e / USD in million	12.01	15.04

***Note1:** Emissions are recategorized based on source of emission

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. The Company has consumed electricity from renewable sources and avoided 5500 tCO₂e emissions, which could have been due to non-renewable electricity consumption.

Other initiatives taken are:

- 1) Installation of energy efficient air compressors,
- 2) Elimination of idle running of machines
- 3) Replacement of old conventional lights to LED lights
- 4) Installation of VFD and energy efficient motors in cooling towers
- 5) VFD installation in cooling tower pumps and installation of chillers
- 6) The Company has also entered into Power Purchase Agreement with Tata Power in procuring solar power through Open Access.
- 7) Other various energy consumption reduction drives.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2024-25	2023-24
Total Waste generated (in metric tonnes)		
Plastic waste (A)	567	528
E-waste (B)	1.8	4.89
Bio-medical waste (C)	0.01	0.05
Construction and demolition waste (D)	-	-
Battery waste (E)	14.07	6.83
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	565.95	564.15
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	16,611	15,025
Total (A+B + C + D + E + F + G + H)	17,760	16,129
Waste intensity per rupee of turnover (Total waste generated / revenue from operations) MT / Rs.n lacs	0.02	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/ revenue from operations adjusted for PPP)	4.58	4.66
Waste intensity in terms of physical output		

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste		
(i) Recycled	17,159	15,505
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	17,159	15,505

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration (with energy recovery)	214	243
Incineration (without energy recovery)	20	48
(ii) Landfilling	93	75
(iii) Other disposal operations	21	43
Total	349	410

Note 1: Intensity calculation based on Operational revenue

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable

Business Responsibility & Sustainability Reporting (Contd.)

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

All the waste is collected at the source of generation and segregated into different categories and sub-categories of - Hazardous waste and Non-hazardous waste at the designated sites till disposal.

Applicable rule and regulations for disposing hazardous and non-hazardous waste are followed. The waste management practices are followed and regulated as per the requirement of respective state authorities where we operate.

The hazardous substances and chemicals are not included as a part of supply of material at the product design stage. Designing of the product/process are planned considering less generation of waste, where applicable.

The waste water coming out of processes are treated in advanced wastewater treatment plant to achieve the treated waste water parameters prescribed by respective state authorities / as directed in authorisation.

There are various controls for the air pollutants as per authorisation. Apart from the same, all wastes are monitored qualitatively and quantitatively and process is established through various checks and balances.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Sr No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
None of our operations are located around the ecologically sensitive areas.			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Yes, the Company is compliant with all the applicable environmental law/regulations.				

#FY 2023-24 data have been restated due to changes in data applicability, consolidation approach and methodology. These restatements would enable consistency and comparability of information for the current and previous years.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT.

Essential Indicators

1. A. Number of affiliations with trade and industry chambers/ associations.

Five

B. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Automotive Research Association of India	National
2	Mahratta Chamber of Commerce, Industries and Agriculture	State
3	Indo German Chamber of Commerce	National
4	Society of Indian Automobile Manufacturers	National
5	Confederation of Indian Industry	National

Business Responsibility & Sustainability Reporting (Contd.)

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	-	-
NIL	-	-

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Sr No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

Community stakeholders may use any of the available channels of communication to raise grievances. As a Company that values social responsibility, Force Motors has been engaged with various CSR initiatives that benefit the communities at large. These initiatives have covered a broad range of areas for benefit of the communities.

FML has process for internal and external communication which outlines the communication channels including community grievances part of the process is as covered under management system

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2024-25	2023-24
Directly sourced from MSMEs/ small producers	5.68%	7.4%
Directly from within India	55.02%	58.0%

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The consumer complaint monitoring mechanism is a part of the IATF manual.

- a. **Complaints reported at Call Centre:** Consumer complaints are received at the Company's Call centre, which is available for 24x7 and in multiple languages, viz, English, Hindi, Marathi, Tamil, Malayalam, Kannada & Telugu.

The complaint received through Toll Free Number is registered by call centre and a complaint number is allotted. It is escalated to respective dealer with copy to respective Territory Service Manager (TSM), Regional Service Manager (RSM) and copy is marked to Head Office (HO) Service, for information.

Customer complaint is directly attended by dealer and Territory Service Manager (TSM) & Regional Service Manager (RSM) co-ordinate for closure.

These complaints are monitored at Head Office (HO) Service for expediting closure on daily basis by following up with Territory Service Manager (TSM) & Regional Service Manager (RSM)s.

On monthly basis region wise Management Information System (MIS) is prepared based on response time, resolution time and customer complaint details.

After the closure of complaint, the dealer / Territory Service Manager (TSM) / Regional Service Manager (RSM) communicate to Call centre for closure in records.

Business Responsibility & Sustainability Reporting (Contd.)

- b. **Written Complaints** – Complaints received other than call centre i.e., through letter, / email / telephonic call at Head Office (HO) are compiled. The customer complaints are recorded in excel sheet.
- The complaint is studied and referred to respective field staff / dealer for complete totality report after vehicle inspection.
- After receiving respective field staff /dealer vehicle inspection report, corrective actions are taken to resolve the complaint.
- After the complaint is resolved the concerned field staff / dealer obtains customer satisfaction note and sends it to the Head Office (HO)-service for closing the same.
- In case of any technical help required, Territory Service Manager (TSM) / Regional Service Manager (RSM) raise Product Complaint Report (PCR) and takes up with Head Office (HO) Service
- c. **Comments on social media handles** - Facebook, Instagram & LinkedIn (responses made by social media agency and passed onto HO team for further action)

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100.0%
Safe and responsible usage	100.0%
Recycling and/or safe disposal	Under progress

3. **Number of consumer complaints in respect of the following:**

	2024-25		Remarks	2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data Privacy	NIL	NIL		NIL	NIL	
Advertising	NIL	NIL		NIL	NIL	
Cyber Security	NIL	NIL		NIL	NIL	
Delivery of essential services	NIL	NIL		NIL	NIL	
Restrictive Trade Practices	NIL	NIL		NIL	NIL	
Unfair Trade Practices	NIL	NIL		NIL	NIL	
Other*	37	34	Sub-judice (pending before the court)	31	29	Sub-judice (pending before the court)

*Consumer forum complaints

4. **Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	NIL	NIL
Forced recalls	NIL	NIL

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, we have a policy to manage the cybersecurity and risks related to the data privacy.

<https://www.forcemotors.com/privacy-policy/>

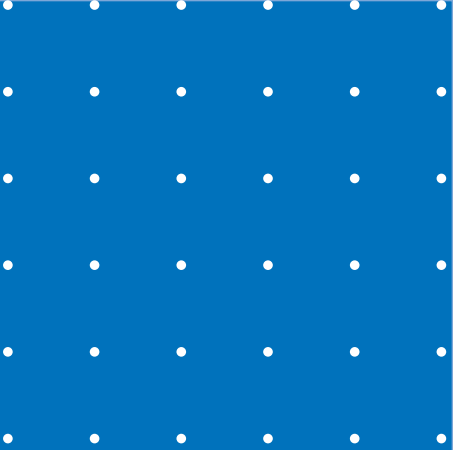
6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

NA

7. **Provide the following information relating to data breaches:**

- Number of instances of data breaches
- Percentage of data breaches involving personally identifiable information of customers
- Impact, if any, of the data breaches

NA



Financial Statements



Independent Auditors' Report

To the Members of Force Motors Limited

Report on the Audit of Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Force Motors Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2025, the statement of profit & loss (including other comprehensive income), standalone statement of changes in equity and the statement of cash flows for the year then ended, notes to the standalone financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the profit and total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1.	Contingent Liability The Company has duties and taxes litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter. (Refer Note 31(a) to standalone financial statements)	Our procedures included, but were not limited to, the following: - Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. - Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. - Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; - Our own teams of tax experts assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

Independent Auditors' Report (Contd.)

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
2.	Intangible assets Product development costs are incurred on new vehicle platforms; engines are recognised as intangible assets only when technical feasibility has been established. The costs capitalised during the year include technical know-how expenses, materials, direct Labour, inspecting and testing charges, designing and other direct expenses incurred on respective projects, up to the date the intangible asset is capitalised. The capitalisation of product development cost is considered to be a key audit matter given that the assessment of the capitalisation criteria set out in Ind AS 38 Intangible Assets is made at an early stage of product development and there are inherent challenges with accurately predicting the future economic benefit, which must be assessed as probable for capitalisation to commence. (Refer note 2{f} and note 5 of the standalone financial statements)	Our audit approach consisted of evaluation of design and implementation of controls, and testing the operating effectiveness around initiation of capitalisation of the product development cost including management's validation of relevant data elements and benchmarking the assumptions; The audit procedures included: • Obtained the list of approved project wise details and verify the completeness and accuracy of cost data with respect to various system generated reports. • Inspected the respective approvals for initiation of capitalisation including government approvals (DSIR) where applicable; • Reviewed the cost allocation for the year and determined that costs capitalised are directly attributable. • Tested on sample basis costs incurred towards projects i.e. in respect of manpower cost, we verified hours booked on respective projects, hourly rates for respective persons and sample vouchers / invoices for directly attributable expenses. • We reviewed judgments used by the Management for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects, including appropriateness of past / present useful life applied in calculation of amortization. • After carrying out above audit procedures, we concluded that relevant criteria for capitalisation have been met.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT AND BOARD OF DIRECTOR'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Independent Auditors' Report (Contd.)

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors 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 material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

Independent Auditors' Report (Contd.)

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors for the year ended 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) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The standalone financial statements disclose the impact of pending litigations on the financial position of the company— Refer Note 31(a) to the standalone financial statements
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Company - Refer Note 42 to standalone financial statements.
 - iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended
 - a. The management has represented to us that, to the best of its knowledge and belief, no funds 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 of the Company has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 such audit procedures performed that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above contain any material misstatement.
 - v. The final dividend paid by the Company during the year in respect to the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 45 to the standalone financial statements, the Board of Directors of the Company have proposed a final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
 - vi. With respect to clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, the requirement under proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 of mandatory audit trail in the Company accounting software, based on our

Independent Auditors' Report (Contd.)

examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the

Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No.105215W/W100057

Parag Pansare

Partner

Membership No.: 117309

UDIN: 25117309BMJDGW4172

Pune, April 25 ,2025

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Force Motors Limited for the Year Ended March 31, 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of FORCE MOTORS LIMITED of even date)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation 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, and on the basis of our examination of records of the Company the Company has a regular program of physical verification of Property, plant and equipment by which all the Property, Plant and Equipment are verified in a phased manner over a period of three years. Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of Property, plant and equipment is reasonable having regards to the size of the Company and nature of assets
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as reported in note 2 of financial statements are held in the name of the Company.
- (d) 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 not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) According to the information and explanations given to us by Management, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) As informed to us, the inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year at regular intervals. In our opinion the coverage and procedure of such verification by the management is reasonable and procedures and coverage followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the 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 or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

- iii. 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 not provided any guarantee or security or granted any advances in the nature of loans other than loans or advances to employees as per company's policy, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Further as informed to us the Company has not made any investment, not provided any guarantees or not provided security in connection with the loan during the year. Accordingly, paragraph 3(iii)(a), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f) of the Order is not applicable. With respect to reporting under 3(iii)(b) in respect loans and advances given to employees as per company's policy does not prima facie appears to prejudicial to the company's interest of the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- v. In our opinion and according to the information and explanations given to us, in respect of deposits or amounts which are deemed to be deposits, the company has complied with the directives of the Reserve Bank of India and the provision of Sections 73 to 76 of the Companies Act 2013, and the rules framed there under, wherever applicable. As informed to us, no order has been passed against the Company, by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- vii (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employee's State Insurance, Income-Tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited with the appropriate authorities.

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Force Motors Limited for the Year Ended March 31, 2025 (Contd.)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March, 2025 for a period of more than six months from the date they became payable except for the statement of arrears as mentioned below.

Statement of Arrears of Statutory Dues Outstanding for More than Six Month

Name of the Statute	Nature of the Dues	Amount (Rs in Lacs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Tax Payable as per Demand u/s 154	1.64	AY- 2023-24	05/09/2024	Not paid as on 31 March, 2025

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount* (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	402.70	1990-1991, 1998-2000, 2013-2014, 2014-2015, 2017-2018	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)
		0.23	1995-1996	Appellate Authority upto Commissioner's level
Sales Tax Law	Sales Tax	21.10	1997-1998, 2016-2017, 2017-2018, 2003-2004	Appellate Authority upto Commissioner's level
		6.38	2003-2004	Commercial Tax Appellate Board
Custom Act, 1962	Custom Duty	16.90	2004-2005, 2012-2013	Customs, Excise & Service Tax Appellate Tribunal (CESTAT)
		655.68	2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023	Appellate Authority upto Commissioner's level

*amounts are as per demand orders including penalty wherever quantified in the Order.

- viii. In our opinion and according to the information and explanations given to us, there are no transactions which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion and according to the information and explanations given to us by the Management, Company has not defaulted in repayment of intercorporate deposits / loans or other borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion, according to the information and explanations given to us by the Management, and basis our examination of the records of the Company, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender or government or government authority
- (c) In our opinion and according to the information and explanations given to us by the Management, term loans were applied for the purpose for which the loans were obtained
- (d) In our opinion and according to the information and explanations given to us by the Management and on an overall examination of the balance sheet, funds raised on short term basis have not been utilised for long term purposes

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Force Motors Limited for the Year Ended March 31, 2025 (Contd.)

- (e) In our opinion and according to the information and explanations given to us by the Management and on an overall examination of the balance sheet of the Company the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act
- (f) In our opinion and according to the information and explanations given to us by the Management and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies as defined under the Act.
- x. (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and basis our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanation given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.
- (b) According to information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. According to the information and explanations given to us, The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanation provided to us and our audit procedures, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. (a) According to the information and explanations given to us, and based on our examination of the records of the Company, company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR). Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) According to the information and explanations given to us, and basis our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, and according to the information and explanation given to us, in the group, no companies forming part of the promoter/promoter group of the Company which are CICs'. Accordingly, clause 3(xvi)(d) of the Order is not applicable.
- xvii. According to the information and explanations given to us, and basis examination of the records of the Company, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year accordingly, reporting under paragraph 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable.
- xix. In our opinion and according to the information and explanations given to us and 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 standalone 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 material uncertainty

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of Force Motors Limited for the Year Ended March 31, 2025 (Contd.)

exists as on the date of the audit report that Company is 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.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

- xx. (a) There is no unspent amount which was required to be transferred to a Fund specified in Schedule VII Companies act in compliance with second proviso to sub-section (5) of section 135 of the Companies act, accordingly reporting

under paragraph 3(xx)(a) of the Order is not applicable to the Company.

- (b) There is no unspent amount under sub-section (5) of section 135 of Companies act pursuant to any ongoing project which was required to be transferred to special account in compliance with sub-section (6) of section 135 of the Companies act, Accordingly reporting under paragraph 3(xx) (b) of the Order is not applicable to the Company.

For **Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No.105215W/W100057

Parag Pansare

Partner

Membership No.: 117309

UDIN: 25117309BMJDGW4172

Pune, April 25, 2025

Annexure “B” to the Independent Auditor’s Report on the Standalone Financial Statements of Force Motors Limited for the Year Ended March 31, 2025

(Referred to in paragraph 2(A) (f) (under ‘Report on Other Legal and Regulatory Requirements’ section of our report to of even date)

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

OPINION

We have audited the internal financial controls with reference to standalone financial statements of **FORCE MOTORS LIMITED (“the Company”)** as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company and such company incorporated in India which is its joint operation company have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March, 2025, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

MANAGEMENT’S AND BOARD OF DIRECTORS RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective company’s Management and Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Company.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone 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 control 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.

For **Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No.105215W/W100057

Parag Pansare

Partner

Membership No.: 117309

UDIN: 25117309BMJDGW4172

Pune, April 25, 2025

Standalone Balance Sheet as at March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	3	1,52,366	1,57,110
(b) Capital Work-in-progress	3	9,254	2,579
(c) Investment Property	4	651	686
(d) Other Intangible Assets	5	43,876	45,345
(e) Intangible Assets under development	5	19,469	14,506
(f) Financial Assets			
(i) Investments	6	17,794	16,639
(ii) Other Financial Assets	13	11,453	1,388
(g) Other Non-current Assets	9	7,979	6,154
Total Non-current Assets		2,62,842	2,44,407
2. Current Assets			
(a) Inventories	10	1,18,376	1,16,319
(b) Financial Assets			
(i) Trade Receivables	11	17,434	10,406
(ii) Cash and Cash equivalents	12	49,980	44,176
(iii) Bank Balance other than (ii) above	12	86	60
(iv) Loans and Advances	7	24	2
(v) Other Financial Assets	13	58,218	20,237
(c) Current Tax Assets (Net)	8	952	568
(d) Other Current Assets	9	12,272	12,171
Total Current Assets		2,57,342	2,03,939
Total Assets		5,20,184	4,48,346
II EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	14	1,318	1,318
(b) Other Equity	15	3,09,044	2,31,295
Total Equity		3,10,362	2,32,613
2. Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	134	38,177
(ii) Other Financial Liabilities	17	170	169
(b) Deferred Tax Liabilities (Net)	8	32,489	10,315
(c) Other Non-current Liabilities	20	416	221
(d) Provisions	18	4,089	3,257
Total Non-current Liabilities		37,298	52,139
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,609	14,273
(ii) Trade Payables	19		
- Total outstanding dues of Micro and Small enterprises		3,208	2,686
- Total outstanding dues other than Micro and Small enterprises		75,151	82,743
(iii) Other Financial Liabilities	17	2,553	3,472
(b) Other Current Liabilities	20	66,858	41,250
(c) Provisions	18	23,145	19,170
Total Current Liabilities		1,72,524	1,63,594
Total Liabilities		2,09,822	2,15,733
Total Equity and Liabilities		5,20,184	4,48,346

See accompanying notes forming part of the Financial Statements

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As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

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

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I INCOME			
(a) Revenue from Operations	21	8,07,123	6,99,165
(b) Other Income	22	5,656	3,910
Total Income		8,12,779	7,03,075
II EXPENSES			
(a) Cost of Materials consumed		5,95,864	5,23,150
(b) Changes in Inventories of Finished Goods and Work-in-progress	23	(1,153)	(10,703)
(c) Employee benefits expense	24	59,189	53,334
(d) Finance costs	25	2,587	6,214
(e) Depreciation and Amortisation expense	26	28,024	26,675
(f) Other expenses	27	55,724	50,799
(g) Expenditure included in the above items capitalised		(11,723)	(8,237)
Total Expenses		7,28,512	6,41,232
III Profit / (Loss) before exceptional items and tax		84,267	61,843
IV Exceptional Items	28	39,457	-
V Profit / (Loss) Before Tax		1,23,724	61,843
VI Tax Expense	8		
(a) Current Tax		44,148	11,510
(b) Deferred Tax		(407)	10,157
(c) Taxation in respect of earlier years		(14)	7
Total Tax Expense		43,727	21,674
VII Profit / (Loss) for the year		79,997	40,169
VIII Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
(i) Re-measurements of net defined benefit liability		(452)	(224)
(ii) Equity instrument through Other Comprehensive Income		885	750
		433	526
(b) Income tax relating to items that will not be reclassified to Profit or Loss			
(i) Taxes on re-measurements of net defined benefit liability		158	78
(ii) Taxes on Equity instrument through Other Comprehensive Income		(204)	(87)
		(46)	(9)
Total Other Comprehensive Income		387	517
IX Total Comprehensive Income for the year [comprising Profit / (Loss) and Other Comprehensive Income for the year]		80,384	40,686
X Basic and Diluted Earnings per Equity Share [Nominal value per share ₹ 10] ₹	29	607.13	304.86

See accompanying notes forming part of the Financial Statements

1 - 47

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Standalone Statement of Changes in Equity for the Year Ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2023	Changes in Equity Share Capital during the year	Balance as at March 31, 2024
1,318	-	1,318	-	1,318
Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2024	Changes in Equity Share Capital during the year	Balance as at March 31, 2025
1,318	-	1,318	-	1,318

B. OTHER EQUITY

Particulars	Reserves and Surplus			Equity Instruments through Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at April 01, 2023	5,920	34,629	1,48,572	2,806	1,91,927
Profit / (Loss) for the year	-	-	40,169	-	40,169
Other Comprehensive Income (Net of tax)	-	-	(146)	663	517
Dividends	-	-	(1,318)	-	(1,318)
Balance as at March 31, 2024	5,920	34,629	1,87,277	3,469	2,31,295
Balance as at April 01, 2024	5,920	34,629	1,87,277	3,469	2,31,295
Profit / (Loss) for the year	-	-	79,997	-	79,997
Other Comprehensive Income (Net of tax)	-	-	(294)	681	387
Dividends	-	-	(2,635)	-	(2,635)
Balance as at March 31, 2025	5,920	34,629	2,64,345	4,150	3,09,044

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat

Company Secretary

Sanjay Kumar Bohra

Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Standalone Statement of Cash Flows for the Year Ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	1,23,724	61,843
Adjustments for		
Depreciation and Amortisation expense	28,024	26,675
Net exchange differences (unrealised)	59	71
Interest Income	(2,261)	(734)
Dividend Income on Equity Securities	(35)	(28)
Loss / (Gain) on disposal of Property, Plant and Equipment	548	127
Finance Costs	2,587	6,214
Inventory write down	1,260	11
Operating Profit before Working Capital adjustments	1,53,906	94,179
Working Capital adjustments		
Increase / Decrease in		
Trade Receivables	(7,042)	9,280
Inventories	(3,317)	(33,675)
Other Financial Assets	(47,450)	5,681
Other Non-financial Assets	(101)	2,223
Trade Payables	(7,055)	10,918
Financial Liabilities	(3)	50
Non-financial Liabilities	25,802	21,776
Provisions	4,356	5,866
Cash generated from Operations	1,19,096	1,16,298
Income Tax (paid) / Refund (Net)	(21,984)	(15,179)
Net Cash flow from / (used in) Operating Activities	97,112	1,01,119
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant and Equipment and Intangible Assets	(36,690)	(20,838)
Proceeds from sale of Property, Plant and Equipment and Intangible Assets	185	351
Interest received	1,616	709
Investments	(269)	-
Dividends received	35	28
Net Cash flow from / (used in) Investing Activities	(35,123)	(19,750)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) borrowings (Net)	(50,766)	(43,086)
Interest paid	(2,783)	(6,515)
Dividends paid	(2,635)	(1,318)
Net Cash flow from / (used in) Financing Activities	(56,184)	(50,919)
Net Increase/(Decrease) in Cash and Cash equivalents	5,805	30,450
Cash and Cash equivalents at beginning of the financial year	44,175	13,725
Cash and Cash equivalents at end of the financial year	49,980	44,175
Cash and Cash equivalents as per Note No.12	49,980	44,176
Effects of exchange rate fluctuations on Cash and Cash equivalents held	-	(1)
	49,980	44,175

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Notes to Standalone Financial Statements for the Year Ended March 31, 2025

1. THE CORPORATE INFORMATION

Force Motors Limited (“the Company”) is a Public Limited Company domiciled and incorporated in India. The Registered Office of the Company is situated at Mumbai-Pune Road, Akurdi, Pune - 411035. The Company’s ordinary shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Company is a fully, vertically integrated automobile company, with expertise in design, development and manufacture of the full spectrum of vehicles, automotive components and aggregates. Its range of products includes Light Commercial Vehicles (LCV), Multi-Utility Vehicles (MUV), Small Commercial Vehicles (SCV) and Special Vehicles (SV).

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has disclosed accounting policy information material to its financial statements in accordance with amendments in Ind AS 1 as notified in the Companies (Indian Accounting Standards) Amendment Rules, 2023.

(a) Statement of Compliance

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“the Act”) [the Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

(b) Basis of Preparation

The financial statements have been prepared on the historical cost basis, except certain financial instruments and defined benefit plans, which are measured at fair values.

These financial statements have been prepared on a Going Concern basis.

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act.

These standalone financial statements were approved by the Board of Directors and authorised for issue, on April 25, 2025.

(c) Revenue Recognition

(i) Sales

Revenue towards satisfaction of performance obligation is measured at transaction price. Amounts disclosed as revenue are net of Value Added Taxes, Goods and Services Tax (GST), Returns, Discounts, Rebates and Incentives. The Company recognises revenue, when it has transferred to the buyer the significant risks and rewards associated with the

ownership of goods, no significant performance obligation is pending and the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Company.

Trade Receivables that do not contain a significant financing component are measured at transaction price.

(ii) Other Incomes

Other incomes are recognised when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably.

(iii) Cost Recognition

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalised where appropriate internally generated capital items (tangible and intangible assets) and various product development projects undertaken by the Company, for the introduction of new products and development of Engines and existing product variants.

(d) Inventories

Inventories are valued at lower of their cost or net realisable value. The cost of raw materials, stores and consumables is measured on moving weighted average basis.

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished Goods and work-in-progress are carried at cost or net realisable value, whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

(e) Property, Plant and Equipment

Property, plant and equipment, except land, are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be, less accumulated depreciation and amortisation. Freehold land is carried at cost of acquisition.

Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

Costs incurred to manufacture property, plant and equipment and intangibles are reduced from the total expense under the head 'Expenditure included in above items capitalised' in the Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

(f) Intangible Assets

Intangible Assets acquired are stated at acquisition cost, less accumulated amortisation and impaired losses, if any.

Intangible Assets internally generated

Expenditure incurred by the Company on development of know-how researched, is recognised as an intangible asset, only if future economic benefits attributable to the use of such know-how are probable to flow to the Company and the costs/expenditure can be measured reliably.

(g) Investment Property

Investment property is measured at cost less accumulated depreciation.

(h) Impairment of assets

Assets are tested periodically for impairment. Impairment is carried out whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(i) Depreciation & Amortisation

(i) Property, Plant and Equipment

- The Depreciation on Property, Plant and Equipment is provided on straight-line method and as per Schedule-II to the Companies Act, 2013.
- Leasehold land is amortised over the period of lease.

(ii) Intangible Assets

- Software and their implementation costs are written off over the period of 5 years.
- Technical Know-how acquired and internally generated is amortised over the useful life of the assets, not exceeding 10 years.

(j) Borrowing Costs

Cost of borrowings incurred for acquisition, construction or production of qualifying asset is capitalised.

(k) Research and Development Expenses

Revenue expenditure on Research and Development is charged off as an expense in the year in which incurred and

capital expenditure is grouped with Assets under appropriate heads and depreciation is provided as per rates applicable.

(l) Leases

(i) Where the Company is the Lessee

- The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
- The right-of-use asset is subsequently depreciated using the straight-line method over the useful life of the right-of-use asset or the end of the lease term.

Short-term leases and leases of low-value assets

- The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) Where the Company is the Lessor

Lease rentals are recognised in the Statement of Profit and Loss. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

(m) Investment in Subsidiary and Joint Venture

The Company has elected to recognise its investments in Subsidiary and Joint Venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

(n) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(o) Earnings per Share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the period.

(p) Foreign currency transactions

Transactions and balances

- (i) Foreign Currency transactions are recorded at the rate of exchange on the date of the transaction.
- (ii) Monetary items of Assets and Liabilities booked in foreign currency are translated in to rupee at the exchange rate prevailing at the Balance Sheet date.
- (iii) Exchange difference resulting from settlement of such transaction and from translation of monetary items of Assets and Liabilities are recognised in the Statement of Profit and Loss.
- (iv) Exchange difference arising on translation of foreign currency liabilities for acquisition of Property, Plant and Equipments are adjusted to the Statement of Profit and Loss.
- (v) The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance.

(q) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to nearest lacs, unless otherwise stated.

(r) Employee Benefits

Defined benefit plans

- (i) The accruing liability of Gratuity is covered by Employees Group Gratuity Scheme of Life Insurance Corporation of India (LIC) and the premium is accounted for in the year of accrual. The additional liability, if any, due to deficit in the Plan assets managed by LIC as compared to the present value of accrued liability on the basis of actuarial valuation, is recognised and provided for.
- (ii) Provident fund contributions are made to Company's Provident Fund Trust. The contributions are accounted for as defined benefit plans and are recognised as employee benefits expense when they are due. Deficits, if any, of the fund as compared to liability on

the basis of an independent actuarial valuation is to be additionally contributed by the Company.

- (iii) Current service cost and net interest on defined benefit obligation are directly recognised in the Statement of Profit and Loss.
- (iv) Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Defined contribution plans

- (i) The Company's superannuation scheme is a defined contribution plan. The contributions are recognised as employee benefit expense when they are due.
- (ii) Benefits in respect of compensated absence payable after 12 months are provided for, based on valuation, as at the Balance Sheet date, made by independent actuaries.
- (iii) Defined contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority and recognised as expense as and when due.

(s) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements. Deferred tax liabilities are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred taxes are recognised in profit or loss, except to the extent that it relate to the items that are recognised in other comprehensive income or directly in equity, in this case, the current and deferred taxes are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

asset, if there is convincing evidence that the Company will pay normal income tax against which the MAT paid will be adjusted.

(t) Provisions and Contingent Liabilities

(i) Provision

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or liabilities, which are frivolous claims, but required disclosure, are disclosed considering the relevant Accounting Standards.

(u) Incentives

Incentives are considered / recorded as income on the basis of sanction order received from the Government Authority.

(v) Financial instruments

Equity investments at fair value through other comprehensive income

These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognised in the Statement of Profit and Loss, when the right to receive payment has been established. When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

(w) Fair value measurement

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as;

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(x) Use of estimates and judgements

Detailed information about accounting judgements, estimates and assumption is included in the relevant notes.

- (i) Estimation of defined benefit obligation – refer Note No.37.
- (ii) Estimation of provision for warranty claims – refer Note No.18.
- (iii) Estimated useful life and residual value of property, plant and equipments -refer Note No.2(i) (i) above.
- (iv) Estimated useful life of intangible assets- refer Note No.2(i) (ii) above.
- (v) Estimation of provision for Tax expenses - refer Note No.2(s) above.

Estimation and underlying assumptions are reviewed on on-going basis. Revisions to estimates are recognised prospectively.

(y) Recent accounting pronouncements

For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CURRENT YEAR)

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Aircrafts	Total	Capital Work-in-Progress
	Freehold	Leasehold								
Gross carrying amount										
Balance as at April 01, 2024	868	2,553	34,853	3,04,272	2,158	6,242	1,392	4,668	3,57,006	2,579
Additions	-	-	381	14,070	71	1,810	152	-	16,484	9,076
Disposals / Adjustments	-	-	-	3,658	20	653	49	-	4,380	2,401
Balance as at March 31, 2025	868	2,553	35,234	3,14,684	2,209	7,399	1,495	4,668	3,69,110	9,254
Accumulated depreciation										
Balance as at April 01, 2024	-	251	14,651	1,76,993	1,635	3,302	1,186	1,878	1,99,896	
Depreciation for the year	-	32	1,242	18,218	118	594	71	221	20,496	
Disposals / Adjustments	-	-	-	3,203	18	379	48	-	3,648	
Balance as at March 31, 2025	-	283	15,893	1,92,008	1,735	3,517	1,209	2,099	2,16,744	
Carrying amounts (Net)										
As at March 31, 2025	868	2,270	19,341	1,22,676	474	3,882	286	2,569	1,52,366	9,254
As at March 31, 2024	868	2,302	20,202	1,27,279	523	2,940	206	2,790	1,57,110	2,579

Notes :

- Refer Note No.35 for Lease.
- Refer Note No.31(b) for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.
- Capital Work-in-progress mainly comprises Plant & Equipment.
- The Title Deeds of Immovable Properties are held in name of the Company.
- The Company has not revalued its Property, Plant and Equipment as at March 31, 2025
- Please refer Note No.5(a)(i) for ageing schedule of Capital Work-in-Progress.

PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (PREVIOUS YEAR)

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Aircrafts	Total	Capital work-in-progress
	Freehold	Leasehold								
Gross carrying amount										
Balance as at April 01, 2023	868	2,553	34,442	2,89,810	2,106	5,715	1,344	4,668	3,41,506	3,866
Additions	-	-	411	14,860	55	1,051	61	-	16,438	2,092
Disposals / Adjustments	-	-	-	398	3	524	13	-	938	3,379
Balance as at March 31, 2024	868	2,553	34,853	3,04,272	2,158	6,242	1,392	4,668	3,57,006	2,579
Accumulated depreciation										
Balance as at April 01, 2023	-	219	13,427	1,60,079	1,516	3,056	1,129	1,656	1,81,082	
Depreciation for the year	-	32	1,222	17,085	121	521	69	222	19,272	
Disposals / Adjustments	-	-	(2)	171	2	275	12	-	458	
Balance as at March 31, 2024	-	251	14,651	1,76,993	1,635	3,302	1,186	1,878	1,99,896	
Carrying amounts (Net)										
As at March 31, 2024	868	2,302	20,202	1,27,279	523	2,940	206	2,790	1,57,110	2,579
As at March 31, 2023	868	2,334	21,015	1,29,731	590	2,659	215	3,012	1,60,424	3,866

Notes :

- Refer Note 35 for Lease.
- Refer Note 31(b) for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.
- Capital Work-in-progress mainly comprises Plant & Equipment.
- The Title Deeds of Immovable Properties are held in name of the Company.
- The Company has not revalued its Property, Plant and Equipment as at March 31, 2024.
- Please refer Note 5(a)(i) for ageing schedule of Capital Work-in-Progress.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

4. INVESTMENT PROPERTY

Particulars of Industrial Shed	As at March 31, 2025	As at March 31, 2024
Gross carrying amount		
Opening Balance	1,035	985
Additions	-	50
Disposals / Adjustments	-	-
Closing Balance	1,035	1,035
Accumulated depreciation		
Opening Balance	349	317
Depreciation for the year	35	34
Disposals / Adjustments	-	2
Closing Balance	384	349
Carrying amounts (Net)	651	686

Information regarding income and expenditure of Investment Property

Particulars	As at March 31, 2025	As at March 31, 2024
Rental income derived from investment property	371	353
Direct operating expenses (including repairs and maintenance) generating rental income	2	5
Income arising from investment property before depreciation and indirect expenses	369	348
Less: Depreciation	35	34
Income from investment property	334	314

Leasing arrangements

The Company's investment property consists of industrial property situated at Chakan, Pune. Refer Note No.35 (a).

Fair Value

The Company's investment property is at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties and Ready Recknor rates for the relevant survey numbers in those location, instead of valuation by a registered valuer, and consequently classified as a Level-2 valuation.

Particulars	As at March 31, 2025	As at March 31, 2024
Industrial Property	2,902	2,902

Reconciliation of fair value

Particulars	Industrial property
Opening Balance	2,902
Change in fair value	-
Closing Balance	2,902

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

5. INTANGIBLE ASSETS (CURRENT YEAR)

Particulars	Software	Technical Know-how acquired	Technical know-how internally generated	Total	Intangible Assets under development
Gross carrying amount					
Balance as at April 01, 2024	6,082	18,160	58,732	82,974	14,506
Additions	780	1,077	4,167	6,024	8,383
Disposals / Adjustments	-	-	-	-	3,420
Balance as at March 31, 2025	6,862	19,237	62,899	88,998	19,469
Accumulated amortisation					
Balance as at April 01, 2024	5,305	8,409	23,915	37,629	
Amortisation for the year	315	1,317	5,861	7,493	
Disposals / Adjustments	-	-	-	-	
Balance as at March 31, 2025	5,620	9,726	29,776	45,122	
Carrying amounts (Net)					
As at March 31, 2025	1,242	9,511	33,123	43,876	19,469
As at March 31, 2024	777	9,751	34,817	45,345	14,506

Notes:

- Intangible Assets under development mainly comprises internally generated technical know-how.
- Refer Note No.31(b) for disclosure of contractual commitments for the acquisition of Intangible Assets.
- The Company has not revalued its Intangible Assets as at March 31, 2025.
- Please refer Note No.5(a)(ii) for ageing schedule of Intangible Assets under Development

INTANGIBLE ASSETS (PREVIOUS YEAR)

Particulars	Software	Technical Know-how acquired	Technical know-how internally generated	Total	Intangible Assets under development
Gross carrying amount					
Balance as at April 01, 2023	5,891	16,019	56,656	78,566	11,501
Additions	191	2,141	2,076	4,408	4,420
Disposals / Adjustments	-	-	-	-	1,415
Balance as at March 31, 2024	6,082	18,160	58,732	82,974	14,506
Accumulated amortisation					
Balance as at April 01, 2023	5,037	7,244	17,979	30,260	
Amortisation for the year	268	1,165	5,936	7,369	
Disposals / Adjustments	-	-	-	-	
Balance as at March 31, 2024	5,305	8,409	23,915	37,629	
Carrying amounts (Net)					
As at March 31, 2024	777	9,751	34,817	45,345	14,506
As at March 31, 2023	854	8,775	38,677	48,306	11,501

Notes:

- Intangible Assets under development mainly comprises internally generated technical know-how.
- Refer Note 31(b) for disclosure of contractual commitments for the acquisition of Intangible Assets.
- The Company has not revalued its Intangible Assets as at March 31, 2024.
- Please refer Note No.5(a)(ii) for ageing of Intangible Assets under Development

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

5(a) AGEING SCHEDULE FOR CAPITAL WORK-IN-PROGRESS (CWIP) AND INTANGIBLE ASSETS UNDER DEVELOPMENT

(i) Ageing schedule of Capital Work-in-Progress:

Sr. No.	Capital Work in Progress	Amount in CWIP for a period of				Total
		Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Projects in progress as at March 31, 2025	9,053	201	-	-	9,254
2	Projects temporarily suspended as at March 31, 2025	-	-	-	-	-
3	Projects in progress as at March 31, 2024	2,432	89	58	-*	2,579
4	Projects temporarily suspended as at March 31, 2024	-	-	-	-	-

(ii) Ageing schedule of Intangible Assets under development:

Sr. No.	Intangible Assets under Development	Amount in CWIP for a period of				Total
		Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Projects in progress as at March 31, 2025	8,702	2,340	1,009	7,418	19,469
2	Projects temporarily suspended as at March 31, 2025	-	-	-	-	-
3	Projects in progress as at March 31, 2024	3,694	3,048	1,218	6,546	14,506
4	Projects temporarily suspended as at March 31, 2024	-	-	-	-	-

6. FINANCIAL ASSETS: INVESTMENTS (NON-CURRENT)

	As at March 31, 2025	As at March 31, 2024
A. Investments at Fair Value through Other Comprehensive Income (FVTOCI)		
(a) Unquoted Equity Shares (fully paid)		
(i) 1 (March 31, 2024 : 1) Equity Share of ₹ 10, fully paid in MAN Truck & Bus India Pvt. Ltd.	-*	-*
(ii) 50,000 (March 31, 2024: 50,000) Equity Shares of ₹ 10 each, fully paid in Pithampur Auto Cluster Ltd.	5	5
(iii) 5 (March 31, 2024: 5) Equity Shares of ₹ 50 each, fully paid in Mittal Tower Premises Co-operative Society Ltd.	-*	-*
(iv) 26,87,421 (March 31, 2024: Nil) Equity Shares of ₹ 10 each, fully paid in T P Surya Ltd.	269	-
(b) Quoted Equity Shares (fully paid)		
3,47,187 (March 31, 2024: 3,47,187) Equity Shares of ₹ 2 each, fully paid in ICICI Bank Ltd.	4,681	3,795
Total FVTOCI Investments	4,955	3,800
B. Investments at Cost		
Unquoted Equity Shares (fully paid)		
(a) In Subsidiary		
8,80,200 (March 31, 2024: 8,80,200) Equity Shares of ₹ 10 each, fully paid in Tempo Finance (West) Pvt. Ltd.	89	89
(b) In Joint Venture		
12,75,00,000 (March 31, 2024: 12,75,00,000) Equity Shares of ₹ 10 each, fully paid in Force MTU Power Systems Pvt. Ltd.	12,750	12,750
Total Investments at Cost	12,839	12,839
Total Investments	17,794	16,639
Aggregate book value of quoted investments	27	27
Aggregate market value of quoted investments	4,681	3,795
Aggregate value of unquoted investments	13,113	12,844
Aggregate amount of impairment in the value of investments	-	-

The fair value of the investments in unquoted equity shares have been estimated using valuation technique which approximates its carrying value. For determination of fair values of quoted equity investments, the investments classified as FVTOCI. Refer Note No.38.

Investment in subsidiary and joint venture is accounted at cost in accordance with "Ind-AS 27" Separate financial statements.

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

7. FINANCIAL ASSETS: LOANS AND ADVANCES

	As at March 31, 2025	As at March 31, 2024
Current		
(a) Other Loans and Advances		
(i) Considered Good - Unsecured	24	2
(ii) Credit impaired (Doubtful)	-	-
Total Current Loans and Advances	24	2
Total Loans and Advances	24	2

8. CURRENT AND DEFERRED TAX

	As at March 31, 2025	As at March 31, 2024
A. Statement of Profit or Loss		
(a) Current Tax		
(i) Current Income Tax charge	44,148	11,510
(ii) Taxation in respect of earlier years	(14)	7
(b) Deferred Tax		
Relating to origination and reversal of temporary differences	(407)	10,157
Income Tax expense reported in the Statement of Profit or Loss	43,727	21,674
(c) Other Comprehensive Income (OCI)		
Deferred Tax related to items recognised in OCI during the year		
(i) Re-measurements on defined benefit plan	158	78
(ii) Quoted Equity Instruments	(204)	(87)
Income Tax recognised in OCI	(46)	(9)

	As at March 31, 2025	As at March 31, 2024
B. Balance Sheet		
(a) Current Tax Assets		
Advance Income Tax	952	568
Total Current Tax Assets (Net)	952	568
(b) Current Tax Liabilities		
Provision for Income Tax	-	-
Total Current Tax Liabilities (Net)	-	-
(c) Deferred Tax		
(i) Deferred Tax Assets (DTA)	3,134	25,070
(ii) Deferred Tax Liabilities (DTL)	(35,623)	(35,385)
Net Deferred Tax Assets / (Liabilities)	(32,489)	(10,315)

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit for the year ended March 31, 2025 and March 31, 2024

	As at March 31, 2025	As at March 31, 2024
Accounting Profit Before Tax	1,23,724	61,843
(a) Tax as per Income Tax Act	43,234	21,611
(b) Tax Expense		
(i) Current Tax	44,148	11,510
(ii) Deferred Tax	(407)	10,157
(iii) Taxation in respect of earlier years	(14)	7
Total Tax Expense	43,727	21,674
(c) Difference (a) - (b)	(493)	(63)
(d) Tax Reconciliation		
(i) Permanent Dis-allowances	(534)	(82)
(ii) Allowances and accelerated deductions	27	26
(iii) Taxation in respect of earlier years	14	(7)
Total	(493)	(63)

Deferred Tax Assets and Liabilities are as follows:

	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets / (Liabilities) in relation to		
Deferred Tax relates to the following: DTA / (DTL)		
(a) Property, Plant and Equipment and Intangible Assets under Development	(35,120)	(35,086)
(b) Provision for doubtful advances	38	38
(c) Dis-allowance u/s 43B of the Income Tax Act	2,511	1,913
(d) MAT credit entitlement	559	23,093
(e) Others	26	26
(f) Quoted Equity Instrument through Other Comprehensive Income	(503)	(299)
Net Deferred Tax Assets/(Liabilities)	(32,489)	(10,315)

Significant components of net Deferred Tax Assets and Liabilities for the year ended March 31, 2025 are as follows:

Movement in temporary differences	As at April 01, 2024	Recognised in Profit or Loss during 2024-25	Recognised in Other Compre- hensive Income during 2024-25	MAT credit utilised	As at March 31, 2025
Property, Plant and Equipment and Intangible Assets under Development.	(35,086)	(34)	-	-	(35,120)
Provision for doubtful advances	38	-	-	-	38
Dis-allowance u/s 43B of the Income Tax Act	1,913	440	158	-	2,511
MAT credit entitlement	23,093	-	-	(22,534)	559
Others	26	-	-	-	26
Quoted Equity Instrument through Other Comprehensive Income	(299)	-	(204)	-	(503)
	(10,315)	406	(46)	(22,534)	(32,489)

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

9. OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Capital Advances		
Considered Good - Unsecured	5,762	3,937
(b) Others	2,217	2,217
Total Non-current Other Assets	7,979	6,154
Current		
(a) Advances recoverable in cash or kind		
(includes Taxes, Duties, Refunds, Suppliers Advance, etc.)		
(i) Considered Good - Unsecured	12,272	11,920
(ii) Doubtful	108	108
	12,380	12,028
Less: Provision for doubtful advances	108	108
	12,272	11,920
(b) Gratuity Asset (Refer Note No.37)	-	251
(excess of funded value over liability)		
Total Current Other Assets	12,272	12,171
Total Other Assets	20,251	18,325

10. INVENTORIES (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) Raw Materials and Components *	86,200	86,024
(b) Finished Goods	15,738	14,743
(c) Work-in-progress	11,042	10,884
(d) Stores and Spares	5,396	4,668
* [Include Goods in transit: ₹ 34,208 lacs (March 31, 2024: ₹ 28,392 lacs)].		
Total Inventories	1,18,376	1,16,319

The write-down of inventories to net realisable value during the year amounted to ₹ 1,260 lacs (March 31, 2024: ₹ 11 lacs). The write-down are included in the cost of material consumed or changes in inventories of finished goods and work-in-progress.

11. TRADE RECEIVABLES (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) From Related Parties - Considered Good - Unsecured	8,871	2,654
(b) Others - Considered Good - Unsecured	8,563	7,752
(c) Which have significant increase in Credit Risk (Doubtful)	-	-
	17,434	10,406
Less: Provision for doubtful receivables	-	-
Total Trade Receivables (Refer Note No.11(a) for Ageing schedule)	17,434	10,406
Trade Receivables are not credit impaired.		

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

11(a) AGEING SCHEDULE OF TRADE RECEIVABLES:

Sr. No.	Particulars	As at March 31, 2025							
		Total Receivables	Unbilled (net of advance)	Not due	Outstanding for following periods from due date of payment				
					Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years
					4	5	6	7	8
		1=2+3+9	2	3					9=4 to 8
a)	Undisputed Trade Receivables								
	i) considered good	17,434	-	6,534	8,118	338	658	504	1,282
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-
b)	Disputed Trade Receivables								
	i) considered good	-	-	-	-	-	-	-	-
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-
	Total Trade Receivables	17,434	-	6,534	8,118	338	658	504	1,282

Sr. No.	Particulars	As at March 31, 2024							
		Total Receivables	Unbilled (net of advance)	Not due	Outstanding for following periods from due date of payment				
					Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years
					4	5	6	7	8
		1=2+3+9	2	3					9=4 to 8
a)	Undisputed Trade Receivables								
	i) considered good	10,406	-	5,093	1,321	2,079	586	666	661
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-
b)	Disputed Trade Receivables								
	i) considered good	-	-	-	-	-	-	-	-
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-
	Total Trade Receivables	10,406	-	5,093	1,321	2,079	586	666	661

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

12. CASH AND CASH EQUIVALENTS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) Cash and Cash equivalents		
(i) Balances with Banks	17,476	7,672
(ii) Short term deposit with Banks - maturity less than three months	32,500	36,500
(iii) Cash on hand	4	4
	49,980	44,176
(b) Other Bank balances		
(i) Unpaid Dividend Accounts	75	60
(ii) Margin Money and Security deposits (having maturity within 12 months)	11	-
	86	60
Total Cash and Cash equivalents	50,066	44,236

13. OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Security Deposits		
(i) Considered Good - Unsecured	1,436	1,370
(ii) Which have significant increase in Credit Risk (doubtful)	-	-
(b) Fixed Deposits with Financial Institution	10,000	-
(c) Margin Money and Security deposits (having maturity beyond 12 months)	17	18
Total Non-current Other Financial Assets	11,453	1,388
Current		
(a) Security Deposits		
Considered Good - Unsecured	45	46
(b) Fixed Deposits with Financial Institution	47,500	-
(c) Interest accrued on deposits	673	28
(d) Government Incentives	10,000	20,163
Total Current Other Financial Assets	58,218	20,237
Total Other Financial Assets	69,671	21,625

14. EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorised		
2,00,00,000 (March 31, 2024 : 2,00,00,000) Equity Shares of ₹ 10 each	2,000	2,000
Issued		
1,32,13,802 (March 31, 2024 : 1,32,13,802) Equity Shares of ₹ 10 each	1,321	1,321
Subscribed and Paid-up		
1,31,76,262 (March 31, 2024 : 1,31,76,262) Equity Shares of ₹ 10 each fully paid up	1,318	1,318
[of the above 2,00,918 (March 31, 2024 : 2,00,918) Equity Shares are allotted as fully paid shares pursuant to a contract without payment being received in cash and 57,29,934 (March 31, 2024 : 57,29,934) Equity Shares are allotted as fully paid Bonus Shares by capitalisation of reserves]		
[These allotments were made before earlier financial year and not in the period of five years preceding March 31, 2025 or March 31, 2024].		
Add: Amount paid for forfeited Shares	-*	-*
Total Equity Share Capital	1,318	1,318

Note: Offer on Rights basis for 17,932 (March 31, 2024 : 17,932) Equity Shares of ₹ 10 each is kept in abeyance as per the provisions of Section 126 of the Act.

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period (Equity Shares of ₹ 10 each)**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹)	Number	(₹)
Shares outstanding at the beginning of the year	1,31,76,262	1,318	1,31,76,262	1,318
Issued/Reduction during the year	-	-	-	-
Shares outstanding at the end of the year	1,31,76,262	1,318	1,31,76,262	1,318

(b) **Terms/rights attached to Equity Shares**

The Company has issued equity shares. All equity shares issued rank pari-passu in respect of distribution of dividend and repayment of capital. 1,30,32,914 Equity Shares are quoted equity shares with no restriction on transfer of shares. 27,600 Equity Shares are 'A' equity shares, which are transferrable only to permanent employees of the Company. 1,15,748 Equity Shares are Second 'A' equity shares which are transferrable to permanent employees, who have put in five years of service with the Company.

(c) 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.

(d) **Shares held by holding/ultimate holding company and/or their subsidiaries/associates**

The Company is a subsidiary of Jaya Hind Industries Pvt. Ltd., which holds 57.38% (March 31, 2024 : 57.38%), 75,59,928 (March 31, 2024 : 75,59,928) shares in the Company.

(e) **Details of shareholder holding more than 5% shares**

Name of Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares of ₹ 10 each fully paid	% of Holding	No. of Shares of ₹ 10 each fully paid	% of Holding
Jaya Hind Industries Pvt. Ltd.	75,59,928	57.38%	75,59,928	57.38%

(f) **Shareholding of Promoters**

Shares held by Promoters at the end of the year						% change during the year ended March 31, 2025
Sr. No.	Promoter name	As at March 31, 2025		As at March 31, 2024		
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Jaya Hind Industries Pvt. Ltd.	75,59,928	57.38%	75,59,928	57.38%	-
2	Mr. Abhaykumar Navalmal Firodia	2,64,351	2.01%	2,64,351	2.01%	-
3	Mr. Prasan Abhaykumar Firodia	2,20,763	1.68%	2,20,763	1.68%	-

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

15. OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
I. Reserves and Surplus		
(a) Securities Premium	5,920	5,920
(b) General Reserve	34,629	34,629
(c) Retained Earnings		
(i) Opening balance	1,87,277	1,48,572
(ii) Net Profit / (Loss) for the year	79,997	40,169
(iii) Comprehensive income for the year	(294)	(146)
	2,66,980	1,88,595
Adjustments		
Equity Dividend	2,635	1,318
	2,635	1,318
Closing Balance	2,64,345	1,87,277
II. Equity instruments through Other Comprehensive Income		
Opening Balance	3,469	2,806
Adjustments		
FVTOCI Equity Investments - change in fair value	681	663
Closing Balance	4,150	3,469
Total Other Equity	3,09,044	2,31,295

- **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Account.
- **General Reserve:** General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilised by the Company in accordance with the Companies Act, 2013.
- **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, net of transfer to general reserve and dividend distributions made to the shareholders.

16. FINANCIAL LIABILITIES: BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Loans from Banks (Secured / Unsecured)	134	23,177
(b) Loans and advances from related parties (Inter Corporate Deposits)-(Unsecured)	-	15,000
Total Non-current Borrowings	134	38,177
Current		
(a) Current maturities of Non-current Borrowings		
(i) Loans from Banks (Secured / Unsecured)	1,609	7,940
(ii) Non-convertible Debentures (Secured)	-	6,333
Total current maturities of Non-current Borrowings	1,609	14,273
Total Current Borrowings	1,609	14,273
Total Borrowings [Refer Note No.39(b) for maturity pattern of Borrowings]	1,743	52,450

- Term Loans are secured by hypothecation, by way of exclusive first charge on specific Plant and Machinery, being movable properties, secured as a continuing security for the repayment of Term Loans together with interest. Outstanding term loan is repayable on monthly instalments over a period of thirteen months.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

- 190 (5.85%) Secured Unlisted Rated Redeemable Non-convertible Debentures of ₹ 100 lacs each aggregating ₹ 19,000 lacs, issued on February 15, 2021 have been fully redeemed on due date (i.e. on February 15, 2025).
- Working Capital Loans are secured by hypothecation of Company's stock of raw materials, work-in-progress, finished goods, consumable stores, spares, bills receivable and book debts, both present and future. The Fund Based Limits are payable on demand to the Banks.
- Inter corporate deposits (unsecured) from Holding Company have been repaid.
- The Company has used the borrowed funds for the specific purpose for which it was taken as at the balance sheet date.
- The quarterly returns or statements, of current assets, filed by the Company with Banks or financial institutions are in agreement with the Books of accounts of the Company.

17. OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Security Deposits	170	169
Total Non-current Other Financial Liabilities	170	169
Current		
(a) Deposits matured but not claimed	1	1
(b) Interest on Borrowings		
(i) Accrued but not due on Loans	1	198
(ii) Accrued but not due on NCD	-	42
(iii) Accrued and due on unclaimed deposits	- *	- *
(c) Unclaimed dividend	75	59
(d) Creditors for Capital Goods	1,705	2,424
(e) Security deposits	372	330
(f) Other payables	399	418
Total Current Other Financial Liabilities	2,553	3,472
Total Other Financial Liabilities	2,723	3,641

18. PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Provision for Employee benefits (Refer Note No. 37)	3,995	3,167
(b) Provision for Product Warranties	94	90
Total Non-current Provisions	4,089	3,257
Current		
(a) Provision for Employee benefits (Refer Note No.37)	1,821	862
(b) Provision for Product Warranties	452	410
(c) Provision for Other expenses	20,872	17,898
Total Current Provisions	23,145	19,170
Total Provisions	27,234	22,427

Provisions for Post Retirement benefits includes Gratuity, Leave Encashment, etc.

The provision for warranties is based on the estimates made from the technical evaluation and historical data.

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Movement in Product Warranties

	As at March 31, 2025	As at March 31, 2024
Product Warranties		
(a) Opening balance	500	261
(b) Additional provision made during the year	468	448
(c) Amount paid during the year	(315)	(203)
(d) Amount written back	(107)	(6)
Closing balance	546	500

19. TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of Micro and Small enterprises	3,208	2,686
(b) Related Parties	1,836	1,733
(c) Total outstanding dues other than Micro and Small enterprises	73,315	81,010
[Includes payable for Goods in transit : ₹ 34,208 lacs (March 31, 2024: ₹ 28,392 lacs) and liability towards bills discounted with Bank.]		
Total Trade Payables	78,359	85,429

Trade Payables Ageing Schedule:

Particulars	As at March 31, 2025					
	Outstanding for following periods from due date of payment					Total
	Not due	Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) MSME	3,168	-	-	-	-	3,168
(b) Others	75,086	65	-	-	-	75,151
(c) Disputed dues - MSME	-	-	-	-	40	40
(d) Disputed dues - Others	-	-	-	-	-	-
Total	78,254	65	-	-	40	78,359

Particulars	As at March 31, 2024					
	Outstanding for following periods from due date of payment					Total
	Not due	Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) MSME	2,646	-	-	-	-	2,646
(b) Others	81,214	1,511	1	-*	17	82,743
(c) Disputed dues - MSME	-	-	-	-	40	40
(d) Disputed dues - Others	-	-	-	-	-	-
Total	83,860	1,511	1	-*	57	85,429

Refer Note No.32 for disputed dues.

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

20. OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Service Coupon Liability	416	221
Total Non-current Other Liabilities	416	221
Current		
(a) Advances against order and deposits	56,274	32,980
(b) Statutory dues	9,689	7,783
(c) Service Coupon Liability	895	487
Total Current Other Liabilities	66,858	41,250
Total Other Liabilities	67,274	41,471

	As at March 31, 2025	As at March 31, 2024
Movement in Service Coupon Liability		
Free Service Coupons		
(a) Opening balance	708	631
(b) Additional provisions made during the year	1,029	586
(c) Amount paid during the year	(430)	(290)
(d) Amount short / (Written back)	4	(219)
Closing balance	1,311	708

21. REVENUE FROM OPERATIONS

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Sale of Products	800,692	693,229
(b) Other Operating Revenue		
(i) Service charges	156	194
(ii) Others	6,275	5,742
Total Revenue from Operations	807,123	699,165

22. OTHER INCOME

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest income	2,339	924
(b) Dividend income from Equity Investments designated at FVTOCI	35	28
(c) Gain on Exchange fluctuation (net)	617	670
(d) Lease / Rental income	1,229	1,094
(e) Profit on sale of assets	42	43
(f) Others	1,394	1,151
Total Other Income	5,656	3,910

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

23. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Stock		
(a) Finished Goods	14,743	6,233
(b) Work-in-progress	10,884	8,691
	25,627	14,924
Closing Stock		
(a) Finished Goods	15,738	14,743
(b) Work-in-progress	11,042	10,884
	26,780	25,627
Total Changes in Inventories of Finished Goods and Work-in-progress	(1,153)	(10,703)

24. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries, Wages and Bonus	54,556	48,949
(b) Contribution to Provident, Other Funds and Schemes	3,388	3,128
(c) Staff welfare expenses	1,245	1,257
Total Employee Benefits Expense	59,189	53,334

25. FINANCE COSTS

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest expense	2,216	6,059
(b) Interest on Income Tax	353	54
(c) Other borrowing costs	18	101
Total Finance Costs	2,587	6,214

Borrowing cost of ₹ Nil (March 31, 2024 : ₹ 83 lacs), at the actual borrowing rates, has been capitalised during the current financial year.

26. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Depreciation on Property, Plant and Equipment	20,496	19,272
(b) Amortisation of Intangible Assets	7,493	7,369
(c) Depreciation on Investment Property	35	34
Total Depreciation and Amortisation Expense	28,024	26,675

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

27. OTHER EXPENSES

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Consumption of Stores and Spares	11,775	13,422
(b) Fabrication and Processing charges	5,486	4,556
(c) Power and Fuel	5,212	5,731
(d) Forwarding charges	6,425	5,628
(e) Lease / Rent	1,259	1,590
(f) Rates and Taxes	198	226
(g) Insurance	1,243	1,094
(h) Repairs and Maintenance		
(i) Plant and Machinery	2,964	2,745
(ii) Buildings	797	426
(iii) Others	206	201
(i) Publicity and Sales promotion	2,159	2,222
(j) Payment to Auditors (Refer details below)	51	40
(k) Commission to Non-executive Directors	75	75
(l) Donation [Includes donation under Section 182 of the Companies Act, 2013: ₹ 300 lacs (March 31, 2024: ₹ 560 lacs)]	1,351	568
(m) Expenditure on Corporate Social Responsibility (Refer Note No.43)	875	47
(n) Loss on sale of assets	591	171
(o) Other / Miscellaneous Expenses	15,057	12,057
Total Other Expenses	55,724	50,799

Details of payments to Auditors

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Audit fees	21	20
(b) Taxation matters	1	1
(c) Limited review, other professional services and certification work	28	18
(d) Reimbursement of expenses	1	1
Total payments to Auditors	51	40

28. EXCEPTIONAL ITEMS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Government Incentives	39,457	-
Total Exceptional Items	39,457	-

Exceptional Items (₹ 39,457 lacs) for the year ended on March 31, 2025, represents Incentives / assistance granted/sanctioned by the Government of Madhya Pradesh, as per the Madhya Pradesh Industrial Investment Promotion Assistance Scheme, 2010. Sanction Orders dated February 21, 2025 were issued granting/sanctioning the amount of assistance of ₹ 14,021 lacs, for FY 2022-23 and ₹ 25,436 lacs for FY 2023-24 (totalling to ₹ 39,457 lacs). Out of the said sanctioned amount of ₹ 39,457 lacs, the Company has received disbursement amounting to ₹ 29,457 lacs.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

29. EARNINGS PER SHARE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Profit / (Loss) attributable to Equity Shareholders	79,997	40,169
(b) Weighted average number of Equity Shares used as Denominator	1,31,76,262	1,31,76,262
(c) Basic and Diluted Earnings Per Share of nominal value of ₹ 10 each : ₹	607.13	304.86

30. EXPENDITURE CAPITALISED

Amount capitalised represents expenditure allocated out of employee cost and other expenses, incurred in connection with capital items and various product development projects undertaken by the Company for the introduction of new products as well as development of engine and existing product variants.

31. CONTINGENT LIABILITIES AND COMMITMENTS

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Contingent Liabilities		
Claims against the Company not acknowledged as debts		
(i) Taxes and Duties	8,069	7,492
(ii) Others (including Court cases pending)	3,759	3,237
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	17,200	10,456

- (c) The Company has initiated arbitration proceedings, against an entity, in relation to an agreement relating to transfer of technology. In the said arbitration, the Company has claimed various reliefs. The Respondent therein has also claimed various reliefs, by way of a counterclaim. The Company denies each and every allegation of such entity including but not limited to the counterclaim and the Company shall deal with/ defend the said allegations/counterclaim appropriately.

The Board of Directors is of the opinion that the said allegations/counterclaim of the entity can be successfully resisted by the Company.

This note/disclosure is made as a matter of caution and without prejudice to the rights of the Company or without the Company, in any way admitting the said allegations/counterclaim or any part thereof. The information, which is usually required to be disclosed, as per Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) is not disclosed, as such disclosure may prejudice seriously, the outcome of the litigation (said arbitration proceedings).

32. DISCLOSURE AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006

On the basis of information received as to the status as Micro, Small and Medium Enterprises, from suppliers of the Company along with a copy of the Memorandum filed by the said suppliers, as per the provisions of Section 8 of the Micro, Small and Medium Enterprises Development Act, 2006 (the Act), dues to Micro, Small and Medium Enterprises are as under: -

	As at March 31, 2025	As at March 31, 2024
(a) The amounts remaining unpaid to Micro and Small Enterprises as at the end of the year		
(i) Principal	3,208	2,686
(ii) Interest	-	-
(b) Amount of interest - paid by the Company, accrued and remaining unpaid and amount of further interest remaining due and payable in the succeeding years until such date when the interest dues above are actually paid.	-	-

The proceedings initiated by one of the suppliers, claiming to be a small scale enterprise, as per the provisions of Section 18 of the Act, culminated into an award of claim for ₹ 157 lacs with interest. The Company has not accepted the said liability. The Company has a major counter-claim against the said supplier amounting to about ₹ 906 lacs, which being unearned income, is not accounted. The award is challenged by the Company, as per

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

the provisions of the Act and proceedings are pending before the Hon'ble District Judge, Pune, and before the Hon'ble High Court of Judicature at Bombay.

33. FOREIGN EXCHANGE DIFFERENCES

The amount of net exchange differences included in the Profit / Loss for the year on Revenue account is ₹ 620 lacs Credit (March 31, 2024 : ₹ 649 lacs Credit) and on Capital account is ₹ 2 lacs Debit (March 31, 2024 : ₹ 21 lacs Credit).

34. EXPENDITURE ON RESEARCH AND DEVELOPMENT

The Company's expenditure on its research and development activity during the year under report was as follows:

	As at March 31, 2025	As at March 31, 2024
(a) Capital Expenditure	12,495	7,836
(b) Revenue Expenditure	17,182	17,081

(The above expenditure is grouped with other non-R&D expenditure under various heads of Capital and Revenue expenditures.)

As per the Indian Accounting Standard (Ind AS 38) – Intangible Assets, the Company has recognised Intangible Assets, arising out of in-house Research and Development activities of the Company, by capitalising the revenue expenditure, amounting to ₹ 7,758 lacs (March 31, 2024 : ₹ 4,996 lacs).

As the development activity, of few projects, is continued, these assets are considered as Capital Work-in-progress, and will be amortised over the period of their life, after the completion of the development phase.

35. LEASES

Operating Leases

As a Lessor

(a) Industrial Shed at Chakan

The Company has entered into a Lease Agreement for Industrial shed at Chakan, Pune, for a period of 10 years. The Lease Agreement provides for a refundable interest free deposit of ₹ 169 lacs, clause for escalation of lease rental and a non-terminable lock-in period of 36 months. The Lease income has been recognised in the Statement of Profit and Loss.

Future minimum lease rentals receivable as at the Balance Sheet date is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Not later than one year	389	370
(b) Later than one year but not later than five years	1,760	1,677
(c) Later than five years	1,105	1,578
Total	3,254	3,625

(b) Freehold Land

Out of the freehold land at Akurdi, Pune

2,700 sq. mtrs. (cost ₹ 1,374) of land is given on lease to Maharashtra State Electricity Distribution Company Limited for 99 years, w.e.f. August 01, 1989. Lease rentals are recognised in the Statement of Profit and Loss.

19,000 sq. mtrs. (cost ₹ 9,669) of land is given on lease to Navalmal Firodia Memorial Hospital Trust for 25 years, w.e.f. August 12, 2014. Lease rentals are recognised in the Statement of Profit and Loss.

Out of the freehold land at Chakan, Pune

600 sq. mtrs. of land including Shed thereon given on lease to Maharashtra State Electricity Distribution Company Limited, Rajgurunagar, Taluka Khed, District Pune, for 99 years as per lease deed dated March 16, 2020. Lease rentals are recognised in the Statement of Profit and Loss.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

These leased properties are not considered as investment property, considering the substance over form, the purpose and immateriality of lease rentals, area and cost relative to the total area and cost of the freehold land at the respective places.

As a Lessee

Leasehold land

The Company has entered into Lease Agreements for Industrial Land, at Pithampur in Madhya Pradesh. The Company, being a Lessee, may surrender the leased area after giving Lessor 3 months notice period in writing. The lease premium is not refundable to Company in case of early termination of agreement by the Company. The Lessor is also entitled to terminate the Lease Agreement, if the Lessee defaults the terms and conditions of the Lease Agreement. The lease expense has been recognised in the Statement of Profit and Loss.

36. RELATED PARTY DISCLOSURES (AS REQUIRED BY IND AS 24)

(I) Names of the related party and nature of relationship where control exists:

Name of the Related Party	Nature of relationship
(A) Jaya Hind Industries Pvt. Ltd.	Holding Company
(B) Tempo Finance (West) Pvt. Ltd.	Subsidiary Company
(C) Force MTU Power Systems Pvt. Ltd.	Joint Venture Company

(II) List of other related parties

Name of the Related Party	Nature of relationship
(A) Key Management Personnel (KMP)	
(a) Abhaykumar Navalmal Firodia	Chairman
(b) Prasan Abhaykumar Firodia	Managing Director
(c) Vallabh R. Bhanshali	Director
(d) Mukesh M. Patel	Director
(e) Sonia Prashar	Director
(f) Arvind Mahajan (upto September 27, 2024)	Director
(g) Lt. Gen. (Retd.) (Dr.) D. B. Shekatkar (upto February 12, 2025)	Director
(h) Prashant V. Inamdar	Executive Director (Operations)
(i) Sanjay Kumar Bohra	Chief Financial Officer
(j) Nikhil Deshpande (upto July 30, 2024)	Company Secretary
(k) Rohan Sampat (w.e.f. July 31, 2024)	Company Secretary
(B) Other Entities with whom there are transactions in the current year	
(a) Pinnacle Industries Ltd.	Entity controlled by KMP of Parent Company
(b) Instor India Pvt. Ltd. (Earlier known as Kider (India) Pvt. Ltd.)	Entity controlled by KMP of Parent Company
(c) Bajaj Tempo Limited Provident Fund	Post employment benefit Trust
(d) Amar Prerana Trust	Entity controlled by KMP of Company
(e) Navalmal Firodia Memorial Hospital Trust	Entity controlled by KMP of Company
(f) Veerayatan	Entity controlled by KMP of Company
(C) Other Entities with whom there are no transactions in the current year	
(a) VDL Pinnacle Engineering India Pvt. Ltd.	Entity controlled by KMP of Parent Company
(b) AAPF One Act Kinder Foundation	Entity controlled by KMP of Company
(c) PSAA Propeties LLP	Entity controlled by KMP of Company
(d) Jaya Hind International B.V.	Holding Company's subsidiary
(e) LMG Manufacturing GmbH	Holding Company's subsidiary
(f) Jaya Hind Montupet Pvt. Ltd.	Holding Company's subsidiary

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(III) Transactions with related parties (Amounts including taxes)

Name of related Parties	As at March 31, 2025		As at March 31, 2024	
	Amount of transaction during the year	Balance as at March 31, 2025 Receivables/ (Payables)	Amount of transaction during the year	Balance as at March 31, 2024 Receivables/ (Payables)
(A) Holding Company				
Jaya Hind Industries Pvt. Ltd.				
(a) Purchase of Capital Goods	58		272	
(b) Purchase of Raw Materials, Components, Processing charges & Others	17,855		15,449	
(c) Sundry Sales	741		690	
(d) Sale of Tools / Jigs	67		-	
(e) Service Charges recovered	152	(511)	106	(656)
(f) Processing Charges recovered	85	816	57	244
(g) Dividend paid	1,512		756	
(h) Lease / Rent recovered	809		712	
(i) Expenses recovered	5		4	
(j) Repayment of Inter Corporate Deposits (ICDs)	15,000		-	(15,000)
(k) Interest on ICDs	1,350		1,354	
(B) Joint Venture Company				
Force MTU Power Systems Pvt. Ltd.				
(a) Service charges/Expenses recovered	487		544	
(b) Royalty for use of Trademark	-*	2,595	-*	2,149
(c) Reimbursement of expenses	-*		-*	
(C) Key Management Personnel				
(a) Remuneration				
(i) Short term employee benefits (including Commission)	3,431		2,098	
(ii) Post employment benefits	87	(2,784)	38	(1,643)
(iii) Other long-term benefits	116		53	
(b) Others				
(i) Dividend paid	97	-	49	-
(ii) Sitting fees	21	-	29	-
(iii) Professional Fees	29	-	11	-
(iv) Commission	75	(75)	75	(75)
(D) Other Entities				
(a) Pinnacle Industries Ltd.				
(i) Purchase of Capital Goods	469		371	
(ii) Purchase of Raw Materials, Components & Others	33,472		28,728	
(iii) Sales	8,256	(1,006)	88	(1,050)
(iv) Lease / Rent recovered	249	5,460	217	262
(v) Reimbursement of Expenses	-*		-	
(vi) Processing Charges recovered	-		1	

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Name of related Parties	As at March 31, 2025		As at March 31, 2024	
	Amount of transaction during the year	Balance as at March 31, 2025 Receivables/ (Payables)	Amount of transaction during the year	Balance as at March 31, 2024 Receivables/ (Payables)
(b) Instor India Pvt. Ltd. (Earlier known as Kider (India) Pvt. Ltd.)				
Purchase of Raw Materials, Components & Others	1,353	(319)	596	(27)
(c) VDL Pinnacle Engineering India Pvt. Ltd.				
Purchase of Capital Goods	-	-	6	(11)
(d) Bajaj Tempo Limited Provident Fund				
Contribution to Provident Fund	1,210	(110)	1,035	(91)
(e) Navalmal Firodia Memorial Hospital Trust				
Lease / Rent recovered	-*	-	-*	-
(f) Veerayatan				
Service Charges recovered	4	-	1	-
(g) Amar Prerana Trust				
(i) Charges for use of Training facilities	63	-	-	-
(ii) Donation	1,000	-	-	-

Note: All transactions are at arms length in line with the Related Party Transaction Policy of the Company.

37. EMPLOYEE BENEFITS

(A) Defined Contribution Plans

An amount of ₹ 582 lacs (March 31, 2024 : ₹ 582 lacs) is recognised as an expense and included in "Employees Benefits Expense" in the Statement of Profit and Loss.

(B) Defined Benefit Plans

(a) The amounts recognised in Balance Sheet are as follows:

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Amount to be recognised in Balance Sheet				
Present value of defined benefit obligation	8,679	36,721	7,593	33,442
Less: Fair value of plan assets	7,961	37,267	7,844	34,361
Amount to be recognised as Liability or (Asset)	718	(546)	(251)	(919)
(ii) Amount to be reflected in Balance Sheet				
Liabilities	718	(546)	(251)	(919)
Assets	-	-	-	-
Net Liability/(Asset)	718	(546)	(251)	(919)

* Not considered in the books, being excess of plan assets over defined benefit obligation.

-* Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Employee Benefits Expense				
Current service cost	662	1,259	569	1,082
(ii) Acquisition (Gain)/ Loss	-	-	-	-
(iii) Finance cost				
Net Interest (Income)/Expense	(23)	(180)	(64)	(202)
Transfer in / (out)	10	-	(11)	-
Net periodic benefit cost recognised in the Statement of Profit and Loss	649	1,079	494	880

* Not considered in the books, being excess of plan assets over defined benefit obligation.

(c) The amounts recognised in the Statement of Other Comprehensive Income (OCI):

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Opening amount recognised in OCI outside Statement of Profit and Loss	-	-	-	-
(ii) Re-measurements for the year-obligation (Gain)/Loss	472	1,449	178	321
(iii) Re-measurements for the year-plan asset (Gain)/Loss	(20)	(946)	46	228
(iv) Total re-measurements Cost/(Credit) for the year recognised in OCI	452	503	224	549
(v) Less: Accumulated balances transferred to retained earnings	452	503	224	549
Closing balances [re-measurements (Gain)/Loss recognised in OCI]	-	-	-	-

* Not considered in the books, being excess of plan assets over defined benefit obligation.

(d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund (Funded)	Gratuity Plan (Funded)	Provident Fund (Funded)
(i) Present value of obligation as at the beginning of the year	7,593	33,442	6,987	30,589
(ii) Acquisition adjustment	-	-	-	-
(iii) Transfer in / (out)	(6)	(188)	(11)	46
(iv) Interest cost	526	2,283	494	2,169
(v) Past service cost	-	-	-	-
(vi) Current service cost	662	1,259	569	1,082
(vii) Employee Contribution	-	1,950	-	1,788
(viii) Curtailment cost / (credit)	-	-	-	-
(ix) Settlement cost/ (credit)	-	-	-	-
(x) Benefits paid	(568)	(3,474)	(624)	(2,554)
(xi) Re-measurements on obligation - (Gain) / Loss	472	1,449	178	322
Present value of obligation as at the end of the year	8,679	36,721	7,593	33,442

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

- (e) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund (Funded)	Gratuity Plan (Funded)	Provident Fund (Funded)
(i) Fair value of the plan assets as at beginning of the year	7,844	34,361	7,751	31,905
(ii) Acquisition adjustments	-	-	-	-
(iii) Transfer in/(out)	(16)	(188)	- *	46
(iv) Interest income	549	2,463	558	2,371
(v) Contributions	225	3,159	227	2,821
(vi) Mortality charges and taxes	(7)	-	(8)	-
(vii) Benefits paid	(654)	(3,474)	(638)	(2,554)
(viii) Amount paid on settlement	-	-	-	-
(ix) Return on plan assets, excluding amount recognised in Interest Income - Gain / (Loss)	20	946	(46)	(228)
Fair value of plan assets at the end of the year	7,961	37,267	7,844	34,361
Actual return on plan assets	569		513	

- (f) Net interest (income) /expenses

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Interest (income) / expense – obligation	526	2,283	494	2,169
(ii) Interest (income) / expense – plan assets	(549)	(2,463)	(558)	(2,371)
Net interest (Income) / Expense for the year	(23)	(180)	(64)	(202)

* Not considered in the books, being excess of plan assets over defined benefit obligation.

Basis used to determine the overall expected return:

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year discount rate. Expected return of 7.20% has been used for the valuation purpose.

- (g) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

Gratuity	As at March 31, 2025	As at March 31, 2024
(i) Discount rate	6.70%	7.20%
(ii) Expected return on plan assets	7.20%	7.40%
(iii) Salary growth rate *	8%	8%
(iv) Attrition rate - for Bargainable Staff & others	10%	10%
(v) Attrition rate - Workers	2%	2%

*The estimates of future salary increase considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- * Denotes amount less than ₹ 50,000/-.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Provident Fund	As at March 31, 2025	As at March 31, 2024
(i) Discount rate	6.70%	7.20%
(ii) Interest rate	8.25%	8.25%
(iii) Yield spread	0.50%	0.50%
(iv) Attrition rate - for Bargainable Staff & others	10%	10%
(v) Attrition rate - Workers	2%	2%

Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of Obligation (PVO). Sensitivity analysis is done by varying (increasing/decreasing) one parameter by 50/100 basis points (0.50/1%).

(h) Change in assumption

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity	Provident Fund	Gratuity	Provident Fund
(i) Discount rate				
Increase by 1%	8,243	-	7,213	-
Decrease by 1%	9,164	-	8,013	-
Increase by 0.5%	-	36,355	-	33,109
Decrease by 0.5%	-	37,105	-	33,791
(ii) Salary increase rate				
Increase by 1%	9,073	-	7,935	-
Decrease by 1%	8,316	-	7,277	-
(iii) Withdrawal rate				
Increase by 1%	8,652	-	7,578	-
Decrease by 1%	8,709	-	7,608	-
(iv) Expected future interest rate of Provident Fund				
Increase by 0.5%	-	37,080	-	33,774
Decrease by 0.5%	-	36,362	-	33,110

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

38. FINANCIAL INSTRUMENTS - FAIR VALUES

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities with it's classification.

	Carrying Value as at		Fair Value as at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial Assets				
(a) Fair value through Other Comprehensive Income (FVTOCI)				
Equity Investments	4,955	3,800	4,955	3,800
(b) Amortised cost				
i) Trade Receivables	17,434	10,406	17,434	10,406
ii) Loans	24	2	24	2
iii) Other Financial Assets	69,671	21,625	69,671	21,625
iv) Cash and cash equivalents	49,980	44,176	49,980	44,176
v) Other Bank Balances	86	60	86	60
Total	1,42,150	80,069	1,42,150	80,069
Financial Liabilities				
Amortised cost				
i) Non-current Borrowings	134	38,177	134	38,177
ii) Current Borrowing	1,609	14,273	1,609	14,273
iii) Trade Payable	78,359	85,429	78,359	85,429
iv) Other Financial Liabilities	2,723	3,641	2,723	3,641
Total	82,825	1,41,520	82,825	1,41,520

The following methods and assumptions were used to estimate the fair values:

The fair values of Trade Payables, Trade Receivables, Cash and Cash equivalents and Other Bank Balances, are reasonable approximation of fair value due to the short-term maturities of these instruments.

Investment in subsidiary and joint venture are accounted at cost in accordance with Ind AS 27 Separate Financial Statements, accordingly investment in subsidiary and joint venture are not fair valued.

Allowance for credit loss on Trade Receivables, is taken into account, on the basis of credit worthiness of the customer individual.

Borrowings represents ICD, Term Loans from Bank and NCD obtained at market rates of interest available for debt on similar terms, credit risk and remaining maturities. As of reporting date, the fair value of borrowings is measured at amortised cost, which is reasonable approximation of fair value.

Fair value hierarchy and valuation techniques used

(a) Financial Assets and Liabilities measured at fair value

	Level	As at March 31, 2025	As at March 31, 2024
Financial Assets			
i) FVTOCI Investments - Quoted	Level 1	4,681	3,795
ii) FVTOCI Investments - Unquoted	Level 3	274	5
Total		4,955	3,800

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(b) Financial Assets and Liabilities measured at amortised cost for which fair value is disclosed

	Level	As at March 31, 2025	As at March 31, 2024
Financial Assets measured at amortised cost			
i) Loans	Level 2	24	2
ii) Other Financial Assets	Level 2	69,671	21,625
Total		69,695	21,627

(c) Financial Liabilities measured at amortised cost

	Level	As at March 31, 2025	As at March 31, 2024
i) Non-current Borrowings	Level 2	134	38,177
ii) Current Borrowings	Level 2	1,609	14,273
iii) Other Financial Liabilities	Level 2	2,723	3,641
Total		4,466	56,091

The fair values disclosed in level 2 category are calculated using discounted cash flow method. These fair values reasonably approximate to the carrying values of financial assets and liabilities measured at amortised cost.

During the year ended March 31, 2025, there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

39. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policy and Objectives

The Company's principal financial liabilities comprise of Borrowings, Trade and Other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Trade and Other receivables and Cash and Cash equivalents, which are derived directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The management of these risks is overseen by the senior management, which is advised by a team of senior officials. The Risk Management team oversees the policies and systems, on a regular basis to reflect changes in market conditions and Company's activities and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Board of Directors reviews and agrees policies for managing each of these risks, which is summarised below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and Cash equivalents, Trade Receivables, Financial Assets measured at amortised cost	Ageing analysis Credit ratings [Refer Note No.39 (a)]	Diversification of Credit Limits and Letters of Credit, Sales on cash basis and against securities.
Liquidity risk	Borrowings and Other Financial Liabilities	Cash flow forecasts [Refer Note No.39 (b)]	Availability of committed credit lines and borrowing facilities
Market risk – foreign exchange	Recognised Financial Assets and Liabilities not denominated in Indian Rupee	Cash flow forecasting Sensitivity analysis [Refer Note No.40]	Company's net forex exposure is covered by natural hedge
Market risk – interest rate	Loans and advances on Cash Credit Account, Term Loan from Bank and NCD.	Cash flow forecasting & Sensitivity analysis	Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements
	As the borrowings were at fixed rate of interest, the Company is not exposed to interest rate risk, except the changes linked to Repo, MCLR, SOFR rates, etc.		
Market risk – equity prices	Investments in Equity Securities	Sensitivity analysis [Refer Note No.39 (c)]	Portfolio diversification. The overall exposure is not material.
Commodity risk	Procurement of steel and other metals	Budgeted consumption & its impact on finished product.	A well controlled review process is in place for analysing the price trend and market intelligence and accordingly the procurement strategy is adopted. The overall exposure is not material.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(a) Credit Risk

The table summarises ageing of Trade Receivable:

	Not due	Less than 1 year	More than 1 year	Total
As at March 31, 2025				
Gross Carrying Amount	6,534	8,456	2,444	17,434
Allowance for doubtful debts	-	-	-	-
Net	6,534	8,456	2,444	17,434
As at March 31, 2024				
Gross Carrying Amount	5,093	3,400	1,913	10,406
Allowance for doubtful debts	-	-	-	-
Net	5,093	3,400	1,913	10,406

The Cash and Cash equivalents are held with Scheduled Banks and Non-banking Financial Institution with an external rating of "AAA". Thus, the Company considers that its Cash and Cash equivalents have low credit risks.

(b) Liquidity Risk

The table summarises the maturity profile of Company's financial liabilities based on contractual un-discounted payments.

	As of March 31, 2025				
	Carrying amount	On demand	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	1,743	-	1,609	134	1,743
Other Financial Liabilities	2,723	76	2,477	170	2,723
Trade and Other Payables	78,359	-	78,359	-	78,359

	As of March 31, 2024				
	Carrying amount	On demand	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	52,450	-	14,273	38,177	52,450
Other Financial Liabilities	3,641	60	3,412	169	3,641
Trade and Other Payables	85,429	-	85,429	-	85,429

(c) Market Risk : Equity Price Risk

At the reporting date, the exposure to unquoted equity securities at fair value was ₹ 274 lacs.

At the reporting date, the exposure to quoted equity securities at fair value was ₹ 4,681 lacs. A decrease/increase of 15% on the Bank Nifty market index could have an impact of approximately ₹ 804 lacs on the OCI or equity attributable to the Company. These changes would not have an effect on profit or loss.

40. FOREIGN CURRENCY SENSITIVITY ANALYSIS

Currency	Net exposure in foreign currency		Net exposure in ₹	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	(6,55,290)	21,43,692	(563)	1,796
EUR	23,80,341	31,53,507	2,246	2,874

Currency	Sensitivity %	Impact on profit (strengthening)*		Impact on profit (weakening)*	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	5%	28	(90)	(28)	90
EUR	5%	(112)	(144)	112	144
		(84)	(234)	84	234

(* Strengthening/ weakening of foreign currency).

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

41. CAPITAL MANAGEMENT

The Company's capital includes issued Equity Capital, Share Premium and Free Reserves.

The Company's policy is to meet the financial covenants attached to the interest-bearing borrowings by maintaining a strong capital base. The Company aims to sustain investor, creditor and market confidence so as to leverage such confidence for future capital/debt requirements.

Management monitors the return on capital earned, the capital/debt requirements for various business plans under consideration and determines the level of dividends to equity shareholders.

No changes were made in the objectives, policies or processes for managing capital during the financial years ended on March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Shareholder's Equity as reported in Balance Sheet	3,10,362	2,32,613
Net Debt:		
Short-term Debt	-	-
Long-term Debt (including current portion of long-term debt)	1,743	52,450
Gross Debt:	1,743	52,450
Less: Cash and Bank Balances	50,066	44,236
Less: Fixed Deposits with Financial Institutions	57,500	-
Net Debt / (Net Cash and Bank balances)	(1,05,823)	8,214

42. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

All amounts which became due, for transfer to the credit of Investor Education and Protection Fund, as of March 31, 2025, have been transferred to that fund, except a sum of ₹ 0.60 lacs (March 31, 2024 : ₹ 0.60 lacs) being amount of 5 Nos. (March 31, 2024 : 5 Nos.) fixed deposits and interest thereon amounting to ₹ 0.25 lacs (March 31, 2024 : ₹ 0.25 lacs). In view of the directives received from the Government Authorities, these amounts are not transferred to the Fund, being involved in an investigation.

43. The Company has contributed ₹ 875 lacs (March 31, 2024 : ₹ 47 lacs) towards Corporate Social Responsibility (CSR), which is shown in "Other Expenses" [Note No.27 (m)] to the Notes to Financial Statements.

Sr. No.	Description	For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Gross amount required to be spent by the Company during the year	529	7
(b)	Amount required to be set-off for the financial year, if any [out of surplus of previous financial years]	67	7
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years (net of set off)	(67)	(20)
(d)	Total CSR obligation for the financial year	462	-
(e)	Amount of expenditure incurred during the year *	875	47
(f)	Shortfall/(Surplus) at the end of the year	(413)	(47)
	Less: Amount remained unutilised *	125	-
(g)	Net Shortfall / (Surplus) at the end of the year	(288)	(67)
(h)	Reason for shortfall	NA	NA
(i)	Nature of CSR activities:		
(i)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	625	-
(ii)	Promoting education including special education *	250	21
(iii)	Eradicating hunger, poverty and malnutrition (promoting health care, including preventive health care and sanitation)	-	26
Total		875	47

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Sr. No.	Description	For the year ended March 31, 2025	For the year ended March 31, 2024
(j)	Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(k)	Whereas provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-
(l)	Amount available for set off in succeeding financial years	288	67

*The Company has transferred ₹ 250 lacs for the ongoing project during the financial year 2024-25, out of which ₹ 125 lacs was utilised as on March 31, 2025 and the remaining amount of ₹ 125 lacs will be utilised in the financial year 2025-26.

44. ADDITIONAL REGULATORY INFORMATION

(a) Loans and Advances in the nature of Loan to Related Parties

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 as on March 31, 2025.

(b) Relationship with Struck off Companies

As per our knowledge, the Company do not have any transactions with struck off companies.

(c) Registration of charges or satisfaction with Registrar of Companies

The Company has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

(d) Compliance with number of layers of Companies

The Company complies 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.

(e) Compliance with approved Scheme (s) of Arrangements Accounted as per Scheme & Ind AS

Neither the Company has approached to nor any Competent Authority has approved any scheme of arrangements so as to account for in the books of account of the Company, in order to disclose any deviation in that regard.

(f) Loans, Guarantee, Security given by Company to Intermediary and it is giving to others on behalf of Company

The Company has neither advanced nor loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(g) Crypto Currency or Virtual Currency

The Company has neither traded nor invested in Crypto currency or Virtual currency during the financial year.

(h) Benami Property

The Company does not have any Benami property, and hence no proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(i) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(j) Key Financial Ratios

Sr. No.	Ratio	Formula used	2024-25	2023-24	% change	Reason for change in the ratios by more than 25%
(i)	Current Ratio	Current Assets	1.49	1.25	20%	
		Current Liabilities				
(ii)	Debt-Equity Ratio	Total Debt	0.01	0.23	(98%)	Improvement in ratio is attributable to improved financial performance and repayment/prepayment of debts.
		Shareholders equity				
(iii)	Debt Service Coverage Ratio	Earning available for debt service excluding Exceptional items and Non-cash Operating Expenses	2.19	2.34	(6%)	
		Debt service				
(iv)	Return On Equity	Net Profit Before Taxes and Exceptional items	0.31	0.29	7%	
		Average Shareholders Equity				
(v)	Inventory Turnover Ratio	Net Sales	6.82	6.97	(2%)	
		Average Inventory				
(vi)	Trade Receivable Turnover Ratio	Net Sales	57.52	46.08	25%	Improvement in ratio is attributable to overall improvement in sales, better collection efforts and credit management processes.
		Average Accounts Receivable				
(vii)	Trade Payable Turnover Ratio	Material consumption	7.28	6.54	11%	
		Average Trade Payables				
(viii)	Net Capital Turnover Ratio	Net Sales	9.44	17.18	(45%)	Improvement in ratio is attributable to overall improvement in sales and better working capital management.
		Working Capital				
(ix)	Net Profit Ratio	Net Profit Before Exceptional items	0.07	0.06	18%	
		Net Sales				
(x)	Return on Capital Employed	Earning before Interest, Taxes and Exceptional items	0.35	0.30	16%	
		Capital Employed				
(xi)	Return on Investment in Quoted Equity Shares	Return on Trade Investment	0.22	0.23	(4%)	
		Average fair value of Trade Investment				

Notes to Standalone Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

45. DIVIDEND

The Board of Directors has recommended payment of Dividend of ₹ 40 per fully paid Equity Shares (March 31, 2024: ₹ 20). This proposed dividend is subject to the approval of Shareholders in the ensuing Annual General Meeting. This dividend is not recognised in the books of account at the end of the reporting period.

46. The Company is operating in a Single Segment.

47. Previous year's figures have been re-grouped, re-arranged and re-classified wherever necessary.

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Rohan Sampat

Company Secretary

Sanjay Kumar Bohra

Chief Financial Officer

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Form AOC - 1

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

Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

Part "A" : Subsidiaries

1.	Sr. No.	1
2.	Name of the subsidiary	Tempo Finance (West) Pvt. Ltd.
3.	The date since when subsidiary was acquired	August 14, 2012
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	Same as per the Holding Company's reporting period
5.	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
6.	Share Capital	133
7.	Reserves and Surplus	562
8.	Total Assets	694
9.	Total Liabilities	694
10.	Investments	--
11.	Turnover (Total Revenue)	50
12.	Profit before taxation	50
13.	Provision for taxation	13
14.	Profit after taxation	37
15.	Proposed Dividend	--
16.	% of shareholding	66.43%

1.	Names of subsidiaries which are yet to commence operations	N.A.
2.	Names of subsidiaries which have been liquidated or sold during the year	N.A.

PART “B” : ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Joint Venture	Force MTU Power Systems Pvt. Ltd.
1.	Latest Audited Balance Sheet date	March 31, 2025
2.	Shares of Joint Venture held by the Company on the year end.	
	(a) No.	12,75,00,000 Equity Shares of ₹ 10 each
	(b) Amount of Investment in Joint Venture	-
	(c) Extend of Holding %	51%
3.	Description of how there is significant influence	There is a significant influence by virtue of joint control
4.	Reason why the Joint venture is not consolidated	N.A.
5.	Net worth attributable to Shareholding as per latest Audited Balance Sheet	5,358
6.	Profit/(Loss) for the year	101
	(a) Considered in Consolidation	52
	(b) Not considered in Consolidation	N.A.
1.	Names of Associates or Joint Ventures which are yet to commence operations	N.A.
2.	Names of Associates or Joint Ventures which have been liquidated or sold during the year	N.A.

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia
Chairman
DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Independent Auditors' Report

To the Members of Force Motors Limited

Report on the Audit of Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of Force Motors Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), and a joint venture, which comprise the consolidated Balance Sheet as at March 31, 2025, the consolidated statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements and financial information of such subsidiary and joint venture as were audited by the other auditors the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2025, the consolidated profit and total comprehensive income, changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Group and the joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of reports of the other auditors referred to in paragraph (a) of the Other Matters section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/ consolidated financial statements of components audited by them were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, 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.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1.	Contingent Liability The Company has in duties and taxes litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, it is considered to be a key audit matter. (Refer Note 32(a) to consolidated financial statements)	Our procedures included, but were not limited to, the following: - Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. - Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. - Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; - Our own teams of tax experts assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

Independent Auditors' Report (Contd.)

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
2.	Intangible assets Product development costs incurred on new vehicle platforms; engines are recognised as intangible assets only when technical feasibility has been established. The costs capitalised during the year include technical know-how expenses, materials, direct Labour, inspecting and testing charges, designing and other direct expenses incurred on respective projects, up to the date the intangible asset is capitalised. The capitalisation of product development cost is considered to be a key audit matter given that the assessment of the capitalisation criteria set out in Ind AS 38 Intangible Assets is made at an early stage of product development and there are inherent challenges with accurately predicting the future economic benefit, which must be assessed as probable for capitalisation to commence. (Refer note 2(g) and note 5 of the consolidated financial statements)	Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness around initiation of capitalisation of the product development cost including management's validation of relevant data elements and benchmarking the assumptions; The audit procedures included: • Obtained the list of approved project wise details and verify the completeness and accuracy of cost data with respect to various system generated reports. • Inspected the respective approvals for initiation of capitalisation including government approvals (DSIR) where applicable; • Reviewed the cost allocation for the year and determined that costs capitalised are directly attributable. • Tested on sample basis costs incurred towards projects i.e. in respect of manpower cost, we verified hours booked on respective projects, hourly rates for respective persons and sample vouchers / invoices for directly attributable expenses. • We reviewed judgments used by the Management for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects, including appropriateness of past / present useful life applied in calculation of amortization. • After carrying out above audit procedures, we concluded that relevant criteria for capitalisation have been met.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the annual report but does not include the financial statements and the auditor's report thereon. The annual report is expected to be made available to us after the date of this audit report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

MANAGEMENT'S AND BOARD OF DIRECTORS RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

Independent Auditors' Report (Contd.)

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of Group and joint venture 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and its joint venture.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors.
- Conclude on the appropriateness of Management's and Board of Directors 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 ability of the Group to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its Joint Venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company 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 the Holding Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance the Holding Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report (Contd.)

OTHER MATTERS

The financial statements and other financial information, in respect of a subsidiary, whose financial statements include total net assets (before consolidation adjustments) of Rs. 694.01 Lakhs as at March 31, 2025, and total revenue (before consolidation adjustments) of Rs. 50.08 Lakhs and net cash inflows (before consolidation adjustments) amounting to Rs. 36.07 lakhs for the year ended on that date respectively, as considered in the consolidated financial statements have been audited by other independent auditors which have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit (including other comprehensive income) of Rs. 54.69 Lakhs for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of a joint venture. These financial statements and other financial information have been audited by other independent auditors which have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiary and joint venture is based solely on the report of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statement and the other financial information of subsidiary company and joint venture incorporated in India as were audited by other auditors, referred in the Other Matters paragraph above we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company for the year ended March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group and joint venture companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with respect to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". which is based on auditors' reports of the Company, subsidiary company and joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Holding Company and subsidiary company incorporated in India.

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary and joint ventures as noted in the Other Matters paragraph:

- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group – Refer Note 32(a) to the consolidated financial statements during the year ended 31 March 2025
- ii. The Group did not have any material long-term contracts including derivative contracts for which there were any material foreseeable losses during the year March 31, 2025.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and joint venture incorporated in India - Refer Note 43 to consolidated financial statements during the year March 31, 2025
- iv. With respect to clause (e) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended:

Independent Auditors' Report (Contd.)

- a. The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds 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 of the Holding Company has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused us believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. The final dividend paid by the Holding Company during the year in respect for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend.
 - vi. With respect to clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, the requirement under proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 of mandatory audit trail in the Company accounting software, based on our examination which included test checks and that performed by the respective auditors of the subsidiary, and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, the company, subsidiary and joint ventures have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates and joint ventures/joint operations did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention
2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and entities included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

As stated in note 46 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Pune, April 25, 2025

For Kirtane & Pandit LLP
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 25117309BMJDGZ2836

Annexure 'A' to the Independent Auditor's Report on the Consolidated Financial Statements of Force Motors Limited for the Year Ended March 31, 2025

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Force Motors Limited of even date)

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

OPINION

In conjunction with our audit of the consolidated financial statements of the Force Motors Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which is its subsidiary company and Joint Venture, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements/financial information of subsidiary company, and, joint venture company as were audited by the other auditors, the Holding Company and such companies incorporated in India which is its subsidiary company and its joint venture companies have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note") to the extent applicable.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Management and Board of Directors of the Company, its subsidiary company and Joint Venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary company and joint venture in terms of their reports referred to in the Other Matters paragraph below to the extent applicable, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

Annexure 'A' to the Independent Auditor's Report on the Consolidated Financial Statements of Force Motors Limited for the Year Ended March 31, 2025 (Contd.)

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 control 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.

OTHER MATTERS

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as subsidiary company and joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary and joint venture incorporated in India to the extent applicable.

Our opinion is not modified in respect of these matters.

For **Kirtane & Pandit LLP**

Chartered Accountants

Firm Registration No.105215W/W100057

Parag Pansare

Partner

Membership No.: 117309

UDIN: 25117309BMJDGZ2836

Pune, April 25, 2025

Consolidated Balance Sheet as at March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
I ASSETS			
1. Non-current Assets			
(a) Property, Plant and Equipment	3	1,52,366	1,57,110
(b) Capital Work-in-progress	3	9,254	2,579
(c) Investment Property	4	651	686
(d) Goodwill		1	1
(e) Other Intangible Assets	5	43,876	45,345
(f) Intangible Assets under development	5	19,469	14,506
(g) Financial Assets			
(i) Investments	6	10,313	9,103
(ii) Other Financial Assets	13	11,453	1,388
(h) Other Non-current Assets	9	7,979	6,154
Total Non-current Assets		2,55,362	2,36,872
2. Current Assets			
(a) Inventories	10	1,18,376	1,16,319
(b) Financial Assets			
(i) Trade Receivables	11	17,434	10,406
(ii) Cash and Cash equivalents	12	50,655	44,816
(iii) Bank Balance other than (ii) above	12	86	60
(iv) Loans and Advances	7	24	2
(v) Other Financial Assets	13	58,237	20,255
(c) Current Tax Assets (Net)	8	952	568
(d) Other Current Assets	9	12,272	12,171
Total Current Assets		2,58,036	2,04,597
Total Assets		5,13,398	4,41,469
II EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	14	1,318	1,318
(b) Other Equity	15	3,02,025	2,24,196
(c) Equity attributable to owners of the Company		3,03,343	2,25,514
(d) Non-controlling Interest	21	233	221
Total Equity		3,03,576	2,25,735
2. Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	134	38,177
(ii) Other Financial Liabilities	17	170	169
(b) Deferred Tax Liabilities (Net)	8	32,489	10,315
(c) Other Non-current Liabilities	20	416	221
(d) Provisions	18	4,089	3,257
Total Non-current Liabilities		37,298	52,139
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	1,609	14,273
(ii) Trade Payables	19		
- Total outstanding dues of Micro and Small enterprises		3,208	2,686
- Total outstanding dues other than Micro and Small enterprises		75,151	82,743
(iii) Other Financial Liabilities	17	2,553	3,472
(b) Other Current Liabilities	20	66,858	41,250
(c) Provisions	18	23,145	19,171
Total Current Liabilities		1,72,524	1,63,595
Total Liabilities		2,09,822	2,15,734
Total Equity and Liabilities		5,13,398	4,41,469

See accompanying notes forming part of the Consolidated Financial Statements

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As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia
Chairman
DIN 00025179

Place: Pune
Date: April 25, 2025

Place: Pune
Date: April 25, 2025

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

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I INCOME			
(a) Revenue from Operations	22	8,07,173	6,99,213
(b) Other Income	23	5,656	3,910
Total Income		8,12,829	7,03,123
II EXPENSES			
(a) Cost of Materials consumed		5,95,864	5,23,150
(b) Changes in Inventories of Finished Goods and Work-in-progress	24	(1,153)	(10,703)
(c) Employee benefits expense	25	59,189	53,334
(d) Finance costs	26	2,587	6,214
(e) Depreciation and Amortisation expense	27	28,024	26,675
(f) Other expenses	28	55,724	50,800
(g) Expenditure included in the above items capitalised		(11,723)	(8,237)
Total Expenses		7,28,512	6,41,233
III Profit / (Loss) before share of Profit / (Loss) of Joint Venture and exceptional items		84,317	61,890
IV Share of Profit / (Loss) of Joint Venture		52	(1,383)
V Profit / (Loss) before exceptional items and tax		84,369	60,507
VI Exceptional Items	29	39,457	-
VII Profit / (Loss) Before Tax		1,23,826	60,507
VIII Tax Expense	8		
(a) Current Tax		44,161	11,522
(b) Deferred Tax		(407)	10,157
(c) Taxation in respect of earlier years		(14)	7
Total Tax Expense		43,740	21,686
IX Profit / (Loss) for the year		80,086	38,821
X Attributable to			
(a) Owners of the Company		80,074	38,809
(b) Non-controlling interest	21	12	12
		80,086	38,821
XI Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
(i) Re-measurements of net defined benefit liability		(452)	(224)
(ii) Equity instrument through Other Comprehensive Income		885	750
(iii) Share of Other Comprehensive Income of Joint Venture		4	4
		437	530
(b) Income tax relating to items that will not be reclassified to Profit or Loss			
(i) Taxes on re-measurements of net defined benefit liability		158	78
(ii) Taxes on Equity instrument through Other Comprehensive Income		(204)	(87)
(iii) Share in taxes on Other Comprehensive Income of Joint Venture		(1)	(1)
		(47)	(10)
Total Other Comprehensive Income		390	520
Total Comprehensive Income for the year (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		80,476	39,341
XII Attributable to			
(a) Owners of the Company		80,464	39,329
(b) Non-controlling interest	21	12	12
		80,476	39,341
XIII Basic and Diluted Earnings per equity share	30	607.71	294.54
[Nominal value per share ₹ 10] ₹			

See accompanying notes forming part of the Consolidated Financial Statements

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As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia
Chairman
DIN 00025179

Place: Pune
Date: April 25, 2025

Place: Pune
Date: April 25, 2025

Consolidated Statement of Changes in Equity for the Year Ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2023	Changes in Equity Share Capital during the year	Balance as at March 31, 2024
1,318	-	1,318	-	1,318
Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2024	Changes in Equity Share Capital during the year	Balance as at March 31, 2025
1,318	-	1,318	-	1,318

B. OTHER EQUITY

Particulars	Reserves and Surplus			Equity instruments through Other Comprehensive Income	Total	Non-controlling interest
	Securities Premium	General Reserve	Retained Earnings			
Balance as at April 01, 2023	5,920	34,711	1,42,749	2,805	1,86,185	209
Profit / (Loss) for the year	-	-	38,809	-	38,809	12
Other Comprehensive Income (Net of tax)	-	-	(143)	663	520	-
Dividends	-	-	(1,318)	-	(1,318)	-
Transfer to General Reserve	-	5	(5)	-	-	-
Balance as at March 31, 2024	5,920	34,716	1,80,092	3,468	2,24,196	221
Balance as at April 01, 2024	5,920	34,716	1,80,092	3,468	2,24,196	221
Profit / (Loss) for the year	-	-	80,074	-	80,074	12
Other Comprehensive Income (Net of tax)	-	-	(291)	681	390	-
Dividends	-	-	(2,635)	-	(2,635)	-
Transfer to General Reserve	-	5	(5)	-	-	-
Balance as at March 31, 2025	5,920	34,721	2,57,235	4,149	3,02,025	233

As per our separate report of even date

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune

Date: April 25, 2025

Place: Pune

Date: April 25, 2025

Consolidated Statement of Cash Flows for the Year Ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before tax	1,23,826	60,507
Adjustments for		
Depreciation and Amortisation expense	28,024	26,675
Net exchange differences (unrealised)	59	71
Interest Income	(2,261)	(734)
Dividend Income on Equity Securities	(35)	(28)
Loss/(Gain) on disposal of Property, Plant and Equipment	548	127
Finance Costs	2,587	6,214
Inventory write down	1,260	11
Share of (Profit) / Loss in Joint Venture	(52)	1,383
Operating Profit before Working Capital adjustments	1,53,956	94,226
Working Capital adjustments		
Increase/Decrease in		
Trade Receivables	(7,042)	9,280
Inventories	(3,317)	(33,675)
Other Financial Assets	(47,450)	5,972
Other Non-financial Assets	(102)	2,223
Trade Payables	(7,055)	10,918
Financial Liabilities	(3)	50
Non-financial Liabilities	25,802	21,775
Provisions	4,356	5,866
Cash generated from Operations	1,19,145	1,16,635
Income Tax (paid) / Refund (Net)	(21,998)	(15,190)
Net cash flow from / (used in) Operating Activities	97,147	1,01,445
B. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property, Plant & Equipment and Intangible Assets	(36,690)	(20,838)
Proceeds from sale of Property, Plant & Equipment and Intangible Assets	185	351
Interest received	1,616	709
Investments	(269)	-
Dividends received	35	28
Net Cash flow from / (used in) Investing Activities	(35,123)	(19,750)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/(Repayment of) borrowings (Net)	(50,766)	(43,086)
Interest paid	(2,783)	(6,515)
Dividends paid	(2,635)	(1,318)
Net Cash flow from/(used in) Financing Activities	(56,184)	(50,919)
Net Increase/(Decrease) in Cash and Cash equivalents	5,840	30,776
Cash and Cash equivalents at beginning of the financial year	44,815	14,039
Cash and Cash equivalents at end of the financial year	50,655	44,815
Cash and Cash equivalents as per Note 12	50,655	44,816
Effects of exchange rate fluctuations on Cash and Cash equivalents held	-	(1)
	50,655	44,815

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

Place: Pune

Date: April 25, 2025

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia
Chairman
DIN 00025179

Place: Pune

Date: April 25, 2025

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025

1. GROUP INFORMATION

Holding Company:

Force Motors Limited ("the Company") is a Public Limited Company domiciled and incorporated in India. The Registered Office of the Company is situated at Mumbai-Pune Road, Akurdi, Pune - 411035. The Company's ordinary shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

The Company is a fully, vertically integrated automobile company, with expertise in design, development and manufacture of the full spectrum of automotive components, aggregates and vehicles. Its range of products includes Light Commercial Vehicles (LCV), Multi-Utility Vehicles (MUV), Small Commercial Vehicles (SCV) and Special Vehicles (SV).

Subsidiary Company:

Tempo Finance (West) Private Limited, a Subsidiary Company of Force Motors Limited, is domiciled and incorporated in India, having its Registered Office at Mumbai-Pune Road, Akurdi, Pune - 411035. The Company is engaged in providing financial services.

The Holding Company, the Subsidiary Company together referred to as the Group.

Joint Venture Company:

Force MTU Power Systems Private Limited (FMTU), is a Private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. It is a joint venture between Force Motors Limited and Rolls-Royce Solutions GmbH. The Company is in the business of manufacturing Engines & Generator sets.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The Company has disclosed accounting policy information material to its financial statements in accordance with amendments in Ind AS 1 as notified in the Companies (Indian Accounting Standards) Amendment Rules, 2023.

(a) Statement of Compliance

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [the Companies (Indian Accounting Standards) Rules, 2015] as amended from time to time and other relevant provisions of the Act.

(b) Basis of Preparation

The financial statements have been prepared on the historical cost basis, except certain financial instruments and defined benefit plans, which are measured at fair values.

These financial statements have been prepared on a Going Concern basis.

All assets and liabilities, other than deferred tax assets and liabilities, have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act.

(c) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company, its subsidiary and Joint Venture, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to effect those returns through its power over the investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns.

The consolidated financial statements include results of the subsidiary company, consolidated in accordance with Ind AS 110 (Consolidated Financial Statements) and Ind AS 28 (Investment in Associates and Joint Ventures).

Joint Venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting in accordance with Ind AS 28 (Investment in Associate and Joint Venture).

(d) Revenue Recognition

(i) Sales

Revenue towards satisfaction of performance obligation is measured at transaction price. Amounts disclosed as revenue are net of Value Added Taxes, Goods and Service Taxes (GST), Returns, Discounts, Rebates and Incentives. The Group recognises revenue when it has transferred to the buyer the significant risks and rewards associated with the ownership of goods no significant performance obligation is pending and the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

Trade Receivables that do not contain a significant financing component are measured at transaction price.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(ii) Other Incomes

Other incomes are recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably.

(iii) Cost Recognition

Costs and expenses are recognised when incurred and are classified according to their nature. Expenditure are capitalised where appropriate internally generated capital items (tangible and intangible assets) and various product development projects undertaken by the Company, for the introduction of new products and development of Engines and Existing product variants.

(e) Inventories

Inventories are valued at lower of their cost or net realisable value. The cost of raw materials, stores and consumables is measured on moving weighted average basis.

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials and bought out components are valued at the lower of cost or net realisable value. Cost is determined on the basis of the weighted average method.

Finished Goods and work-in-progress are carried at cost or net realisable value, whichever is lower.

Stores, spares and tools other than obsolete and slow moving items are carried at cost. Obsolete and slow moving items are valued at cost or estimated net realisable value, whichever is lower.

(f) Property, Plant and Equipment

Property, plant and equipment, except land, are carried at historical cost of acquisition, construction or manufacturing cost, as the case may be, less accumulated depreciation and amortisation. Freehold land is carried at cost of acquisition.

Cost represents all expenses directly attributable to bringing the asset to its working condition capable of operating in the manner intended.

Costs incurred to manufacture property, plant and equipment and intangibles are reduced from the total expense under the head 'Expenditure included in above items capitalised' in the Statement of Profit and Loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at regular intervals and adjusted prospectively, if appropriate.

(g) Intangible Assets

Intangible Assets acquired are stated at acquisition cost, less accumulated amortisation and impaired losses, if any.

Intangible Assets internally generated:

Expenditure incurred by the Group on development of know-how researched, is recognised as an intangible asset, only if the future economic benefits attributable to the use of such know-how are probable to flow to the Group and the costs/ expenditure can be measured reliably.

(h) Investment Property

Investment property is measured at cost less accumulated depreciation.

(i) Impairment of assets

Assets are tested periodically for impairment. Impairment is carried out whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(j) Depreciation & Amortisation

(i) Property, Plant and Equipment

- The Depreciation on Property, Plant and Equipment is provided on straight-line method and as per Schedule-II to the Companies Act, 2013.
- Leasehold land is amortised over the period of lease.

(ii) Intangible Assets

- Software and their implementation costs are written off over the period of 5 years.
- Technical Know-how acquired and internally generated is amortised over the useful life of the assets, not exceeding 10 years.

(k) Borrowing Costs

Cost of borrowings incurred for acquisition, construction or production of qualifying asset is capitalised.

(l) Research and Development Expenses

Revenue expenditure on Research and Development is charged off as an expense in the year in which it is incurred and capital expenditure is grouped with Assets under appropriate heads and depreciation is provided as per rates applicable.

(m) Leases

(i) Where the Group is the Lessee

- The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

- The right-of-use asset is subsequently depreciated using the straight-line method over the useful life of the right-of-use asset or the end of the lease term.

Short-term leases and leases of low-value assets

- The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) Where the Group is the Lessor

Lease rentals are recognised in the Statement of Profit and Loss. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

(n) Investment in Subsidiary and Joint Venture

The Company has elected to recognise its investments in Subsidiary and Joint Venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

(o) Cash and Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(p) Earnings per Share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the period.

(q) Foreign currency transactions

Transactions and balances

- Foreign Currency transactions are recorded at the rate of exchange on the date of the transaction.
- Monetary items of Assets and Liabilities booked in foreign currency are translated in to rupee at the exchange rate prevailing at the Balance Sheet date.

- Exchange difference resulting from settlement of such transaction and from translation of monetary items of Assets and Liabilities are recognised in the Statement of Profit and Loss.
- Exchange difference arising on translation of foreign currency liabilities for acquisition of Property, Plant and Equipments are adjusted to the Statement of Profit and Loss.
- The date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance.

(r) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Group's functional currency. All amounts disclosed in the financial statements and notes have been rounded off to nearest lacs, unless otherwise stated.

(s) Employee Benefits

Defined benefit plans

- The accruing liability of Gratuity is covered by Employees Group Gratuity Scheme of Life Insurance Corporation of India (LIC) and the premium is accounted for in the year of accrual. The additional liability, if any, due to deficit in the Plan assets managed by LIC as compared to the present value of accrued liability on the basis of actuarial valuation, is recognised and provided for.
- Provident fund contributions are made to Group's Provident Fund Trust. The contributions are accounted for as defined benefit plans and are recognised as employee benefits expense when they are due. Deficits, if any, of the fund as compared to liability on the basis of an independent actuarial valuation is to be additionally contributed by the Group.
- Current service cost and net interest on defined benefit obligation are directly recognised in the Statement of Profit and Loss.
- Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

Defined contribution plans

- (i) The Group's superannuation scheme is a defined contribution plan. The contributions are recognised as employee benefit expenses when they are due.
- (ii) Benefits in respect of compensated absence payable after 12 months are provided for, based on valuation, as at the Balance Sheet date, made by independent actuaries.
- (iii) Defined contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority and recognised as expense as and when due.

(t) Hire Purchase

The Group follows Equated Balance Method for the implicit rate for accounting the income from Hire Purchase. Directions and guidelines issued by the Reserve Bank of India in respect of income recognition, asset classification and provision for bad and doubtful debts have been followed.

(u) Taxation

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the tax base of assets and liabilities and their carrying amount in the financial statements. Deferred tax liabilities are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred taxes are recognised in profit or loss, except to the extent that it relate to the items that are recognised in other comprehensive income or directly in equity, in this case, the current and deferred taxes are also recognised in other comprehensive income or directly in equity respectively.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax against which the MAT paid will be adjusted.

(v) Provisions and Contingent Liabilities

(i) Provision

A provision is recorded when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled as and when warranty claims will arise. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or liabilities, which are frivolous claims, but required disclosure, are disclosed considering the relevant Accounting Standards.

(w) Incentives

Incentives are considered / recorded as income on the basis of sanction order received from the Government Authority.

(x) Financial instruments

Equity investments at fair value through other comprehensive income

These include financial assets that are equity instruments and are irrevocably designated as such upon initial recognition. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income, net of applicable income taxes.

Dividends from these equity investments are recognised in the Statement of Profit and Loss, when the right to receive payment has been established. When the equity investment is derecognised, the cumulative gain or loss in equity is transferred to retained earnings.

(y) Fair value measurement

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as;

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

(z) Use of estimates and judgements

Detailed information about accounting judgements, estimates and assumption is included in the relevant notes.

- (i) Estimation of defined benefit obligation – refer Note No.38.

- (ii) Estimation of provision for warranty claims – refer Note No.18.
- (iii) Estimated useful life and residual value of property, plant and equipments - refer Note No.2(j)(i) above.
- (iv) Estimated useful life of intangible assets- refer Note No.2(j) (ii) above.
- (v) Estimation of provision for Tax expenses - refer Note No.2 (u) above.

Estimation and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

(aa) Recent accounting pronouncements

For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025

(All amounts in ₹ lacs, unless otherwise stated)

3. PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (CURRENT YEAR)

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Aircrafts	Total	Capital work-in-progress
	Freehold	Leasehold								
Gross carrying amount										
Balance as at April 01, 2024	868	2,553	34,853	3,04,272	2,158	6,242	1,392	4,668	3,57,006	2,579
Additions	-	-	381	14,070	71	1,810	152	-	16,484	9,076
Disposals / Adjustments	-	-	-	3,658	20	653	49	-	4,380	2,401
Balance as at March 31, 2025	868	2,553	35,234	3,14,684	2,209	7,399	1,495	4,668	3,69,110	9,254
Accumulated depreciation										
Balance as at April 01, 2024	-	251	14,651	1,76,993	1,635	3,302	1,186	1,878	1,99,896	
Depreciation for the year	-	32	1,242	18,218	118	594	71	221	20,496	
Disposals / Adjustments	-	-	-	3,203	18	379	48	-	3,648	
Balance as at March 31, 2025	-	283	15,893	1,92,008	1,735	3,517	1,209	2,099	2,16,744	
Carrying amounts (Net)										
As at March 31, 2025	868	2,270	19,341	1,22,676	474	3,882	286	2,569	1,52,366	9,254
As at March 31, 2024	868	2,302	20,202	1,27,279	523	2,940	206	2,790	1,57,110	2,579

Notes:

- Refer to Note No.36 for Lease.
- Refer to Note No.32(b) for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.
- Capital Work-in-progress mainly comprises Plant & Equipment.
- The Title Deeds of Immovable Properties are held in name of the Company.
- The Group has not revalued its Property, Plant and Equipment as at March 31, 2025.
- Please refer Note No.5(a)(i) for ageing schedule of Capital Work-in-Progress.

PROPERTY, PLANT & EQUIPMENT AND CAPITAL WORK-IN-PROGRESS (PREVIOUS YEAR)

Particulars	Land		Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Aircrafts	Total	Capital work-in-progress
	Freehold	Leasehold								
Gross carrying amount										
Balance as at April 01, 2023	868	2,553	34,442	2,89,810	2,106	5,715	1,344	4,668	3,41,506	3,866
Additions	-	-	411	14,860	55	1,051	61	-	16,438	2,092
Disposals / Adjustments	-	-	-	398	3	524	13	-	938	3,379
Balance as at March 31, 2024	868	2,553	34,853	3,04,272	2,158	6,242	1,392	4,668	3,57,006	2,579
Accumulated depreciation										
Balance as at April 01, 2023	-	219	13,427	1,60,079	1,516	3,056	1,129	1,656	1,81,082	
Depreciation for the year	-	32	1,222	17,085	121	521	69	222	19,272	
Disposals / Adjustments	-	-	(2)	171	2	275	12	-	458	
Balance as at March 31, 2024	-	251	14,651	1,76,993	1,635	3,302	1,186	1,878	1,99,896	
Carrying amounts (Net)										
As at March 31, 2024	868	2,302	20,202	1,27,279	523	2,940	206	2,790	1,57,110	2,579
As at March 31, 2023	868	2,334	21,015	1,29,731	590	2,659	215	3,012	1,60,424	3,866

Notes:

- Refer to Note No.36 for Lease.
- Refer to Note No.32(b) for disclosure of contractual commitments for the acquisition of Property, Plant & Equipment.
- Capital Work-in-progress mainly comprises Plant & Equipment.
- The Title Deeds of Immovable Properties are held in name of the Company.
- The Group has not revalued its Property, Plant and Equipment as at March 31, 2024.
- Please refer Note No.5(a)(i) for ageing schedule of Capital Work-in-Progress.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

4. INVESTMENT PROPERTY

Particulars of Industrial Shed	As at March 31, 2025	As at March 31, 2024
Gross carrying amount		
Opening Balance	1,035	985
Additions	-	50
Disposals / Adjustments	-	-
Closing Balance	1,035	1,035
Accumulated depreciation		
Opening Balance	349	317
Depreciation for the year	35	34
Disposals / Adjustments	-	2
Closing Balance	384	349
Carrying amounts (Net)	651	686

Information regarding income and expenditure of Investment Property

Particulars	As at March 31, 2025	As at March 31, 2024
Rental income derived from investment property	371	353
Direct operating expenses (including repairs and maintenance) generating rental income	2	5
Income arising from investment property before depreciation and indirect expenses	369	348
Less: Depreciation	35	34
Income from investment property	334	314

Leasing Arrangements

The Group's investment property consists of industrial property situated at Chakan, Pune. Refer to Note No.36(a).

Fair Value

The Group's investment property is at a location where active market is available for similar kind of properties. Hence, fair value is ascertained on the basis of market rates prevailing for similar properties and Ready Recknor rates for the relevant survey numbers in those location, instead of valuation by a registered valuer, and consequently classified as a Level-2 valuation.

Particulars	As at March 31, 2025	As at March 31, 2024
Industrial Property	2,902	2,902

Reconciliation of fair value

Particulars	Industrial property
Opening Balance	2,902
Change in fair value	-
Closing Balance	2,902

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

5. INTANGIBLE ASSETS (CURRENT YEAR)

Particulars	Software	Technical know-how acquired	Technical know-how internally generated	Total	Intangible Assets under development
Gross carrying amount					
Balance as at April 01, 2024	6,082	18,160	58,732	82,974	14,506
Additions	780	1,077	4,167	6,024	8,383
Disposals / Adjustments	-	-	-	-	3,420
Balance as at March 31, 2025	6,862	19,237	62,899	88,998	19,469
Accumulated Amortisation					
Balance as at April 01, 2024	5,305	8,409	23,915	37,629	
Amortisation for the year	315	1,317	5,861	7,493	
Disposals / Adjustments	-	-	-	-	
Balance as at March 31, 2025	5,620	9,726	29,776	45,122	
Carrying amounts (Net)					
As at March 31, 2025	1,242	9,511	33,123	43,876	19,469
As at March 31, 2024	777	9,751	34,817	45,345	14,506

Notes:

- Intangible Assets under development mainly comprises internally generated technical know-how.
- Refer to Note No.32(b) for disclosure of contractual commitments for the acquisition of Intangible Assets
- The Group has not revalued its Intangible Assets as at March 31, 2025.
- Please refer Note No.5(a) (ii) for ageing schedule of Intangible Assets under Development.

INTANGIBLE ASSETS (PREVIOUS YEAR)

Particulars	Software	Technical know-how acquired	Technical know-how internally generated	Total	Intangible Assets under development
Gross carrying amount					
Balance as at April 01, 2023	5,891	16,019	56,656	78,566	11,501
Additions	191	2,141	2,076	4,408	4,420
Disposals / Adjustments	-	-	-	-	1,415
Balance as at March 31, 2024	6,082	18,160	58,732	82,974	14,506
Accumulated Amortisation					
Balance as at April 01, 2023	5,037	7,244	17,979	30,260	
Amortisation for the year	268	1,165	5,936	7,369	
Disposals / Adjustments	-	-	-	-	
Balance as at March 31, 2024	5,305	8,409	23,915	37,629	
Carrying amounts (Net)					
As at March 31, 2024	777	9,751	34,817	45,345	14,506
As at March 31, 2023	854	8,775	38,677	48,306	11,501

Notes:

- Intangible Assets under development mainly comprises internally generated technical know-how.
- Refer to Note No.32(b) for disclosure of contractual commitments for the acquisition of Intangible Assets
- The Group has not revalued its Intangible Assets as at March 31, 2024.
- Please refer Note No.5(a) (ii) for ageing schedule of Intangible Assets under Development.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

5(a) AGEING SCHEDULE OF CAPITAL WORK-IN-PROGRESS (CWIP AND INTANGIBLE ASSETS UNDER DEVELOPMENT)

(i) Ageing Schedule of Capital Work-in-Progress:

Sr. No.	Capital Work-in-progress	Amount in CWIP for a period of				Total
		Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Projects in progress as at March 31, 2025	9,053	201	-	-	9,254
2	Projects temporarily suspended as at March 31, 2025	-	-	-	-	-
3	Projects in progress as at March 31, 2024	2,432	89	58	-*	2,579
4	Projects temporarily suspended as at March 31, 2024	-	-	-	-	-

(ii) Ageing Schedule of Intangible Assets under development:

Sr. No.	Intangible Assets under development	Amount in CWIP for a period of				Total
		Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
1	Projects in progress as at March 31, 2025	8,702	2,340	1,009	7,418	19,469
2	Projects temporarily suspended as at March 31, 2025	-	-	-	-	-
3	Projects in progress as at March 31, 2024	3,694	3,048	1,218	6,546	14,506
4	Projects temporarily suspended as at March 31, 2024	-	-	-	-	-

6. FINANCIAL ASSETS: INVESTMENTS (NON-CURRENT)

(A) Investments at fair value through Other Comprehensive Income (FVTOCI)		As at March 31, 2025	As at March 31, 2024
(a) Unquoted Equity Shares (fully paid)			
(i)	1 (March 31, 2024: 1) Equity Share of ₹ 10, fully paid in MAN Truck & Bus India Pvt. Ltd.	- *	- *
(ii)	50,000 (March 31, 2024: 50,000) Equity Shares of ₹ 10 each, fully paid in Pithampur Auto Cluster Ltd.	5	5
(iii)	5 (March 31, 2024: 5) Equity Shares of ₹ 50 each, fully paid in Mittal Tower Premises Co-operative Society Ltd.	- *	- *
(iv)	26,87,421 (March 31, 2024: Nil) Equity Shares of ₹ 10 each, fully paid in T P Surya Ltd.	269	-
(b) Quoted Equity Shares (fully paid)			
	3,47,187 (March 31, 2024: 3,47,187) Equity Shares of ₹ 2 each, fully paid in ICICI Bank Ltd.	4,681	3,795
Total FVTOCI Investments		4,955	3,800
(B) Investments at Cost			
Unquoted Equity Shares (fully paid)			
In Joint Venture			
	12,75,00,000 (March 31, 2024: 12,75,00,000) Equity Shares of ₹ 10 each, fully paid in Force MTU Power Systems Pvt. Ltd. (Refer Note No. 48)	5,358	5,303
Total Investments		10,313	9,103
Aggregate book value of quoted investments		27	27
Aggregate market value of quoted investments		4,681	3,795
Aggregate value of unquoted investments		5,632	5,308
Aggregate amount of impairment in the value of investments		-	-

The fair value of the investments in unquoted equity shares have been estimated using valuation technique which approximates its carrying value. For determination of fair values of quoted equity investments, the investments classified as FVTOCI. Refer Note No. 39.

-* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

7. FINANCIAL ASSET: LOANS AND ADVANCES

	As at March 31, 2025	As at March 31, 2024
Current:		
(a) Other Loans and Advances		
(i) Considered Good - Unsecured	24	2
(ii) Credit impaired (Doubtful)	-	-
Total Current Loans and Advances	24	2
Total Loans and Advances	24	2

8. CURRENT AND DEFERRED TAX

	As at March 31, 2025	As at March 31, 2024
(A) Statement of Profit or Loss		
(a) Current Tax:		
(i) Current Income Tax charge	44,161	11,522
(ii) Taxation in respect of earlier years	(14)	7
(b) Deferred Tax:		
Relating to origination and reversal of temporary differences	(407)	10,157
Income Tax expense reported in the Statement of Profit or Loss	43,740	21,686
(c) Other Comprehensive Income (OCI)		
Deferred Tax related to items recognised in OCI during the year		
(i) Re-measurements on defined benefit plan	158	78
(ii) Quoted Equity Instruments	(204)	(87)
(iii) Share in taxes on Other Comprehensive Income of Joint Venture	(1)	(1)
Income Tax recognised in OCI	(47)	(10)
	As at March 31, 2025	As at March 31, 2024
(B) Balance Sheet		
(a) Current Tax Assets		
Advance Income Tax (Net)	952	568
Total Current Tax Assets (Net)	952	568
(b) Current Tax Liabilities		
Provision for Income Tax	-	-
Total Current Tax Liabilities (Net)	-	-
(c) Deferred Tax		
(i) Deferred Tax Assets (DTA)	3,134	25,070
(ii) Deferred Tax Liabilities (DTL)	(35,623)	(35,385)
Net Deferred Tax Assets / (Liabilities)	(32,489)	(10,315)

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Reconciliation of tax expense and the accounting profit for the year ended March 31, 2025 and March 31, 2024

	As at March 31, 2025	As at March 31, 2024
Accounting Profit Before Tax	1,23,826	60,507
(a) Tax as per Income Tax Act	43,246	21,623
(b) Tax Expense		
(i) Current Tax	44,161	11,522
(ii) Deferred Tax	(407)	10,157
(iii) Taxation in respect of earlier years	(14)	7
Total Tax Expense	43,740	21,686
(c) Difference (a-b)	(494)	(63)
(d) Tax Reconciliation		
(i) Permanent Dis-allowances	(535)	(82)
(ii) Allowances and accelerated deductions	27	26
(iii) Taxation in respect of earlier years	14	(7)
Total	(494)	(63)

Deferred Tax Assets and Liabilities are as follows:	Balance Sheet	
Deferred Tax Assets / (Liabilities) in relation to	As at March 31, 2025	As at March 31, 2024
Deferred Tax relates to the following: DTA/(DTL)		
(a) Property, Plant and Equipment and Intangible Assets under Development	(35,120)	(35,086)
(b) Provision for doubtful advances	38	38
(c) Dis-allowance u/s 43B of the Income Tax Act	2,511	1,913
(d) MAT credit entitlement	559	23,093
(e) Others	26	26
(f) Quoted Equity Instrument through Other Comprehensive Income	(503)	(299)
Net Deferred Tax Assets/(Liabilities)	(32,489)	(10,315)

Significant components of net Deferred Tax Assets and Liabilities for the year ended March 31, 2025 are as follows:

Movement in temporary differences	As at April 01, 2024	Recognised in Profit or Loss during 2024-25	Recognised in Other Comprehensive Income during 2024-25	MAT credit utilised	As at March 31, 2025
Property, Plant and Equipment and Intangible Assets under Development	(35,086)	(34)	-	-	(35,120)
Provision for doubtful advances	38	-	-	-	38
Dis-allowance u/s 43B of the Income Tax Act	1,913	440	158	-	2,511
MAT credit entitlement	23,093	-	-	(22,534)	559
Others	26	-	-	-	26
Quoted Equity Instrument through Other Comprehensive Income	(299)	-	(204)	-	(503)
	(10,315)	406	(46)	(22,534)	(32,489)

The deferred tax liability on taxable temporary difference relating to investment in subsidiary is not provided since the Group is able to control the timing of the reversal of temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future. The deferred tax liability of ₹ 130 lacs (March 31, 2024: ₹ 122 lacs) has not been recognised.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

9. OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Capital Advances		
Considered Good - Unsecured	5,762	3,937
(b) Others	2,217	2,217
Total Non-current Other Assets	7,979	6,154
Current		
(a) Advances recoverable in cash or kind (includes Taxes, Duties, Refunds, Suppliers Advance, etc.)		
(i) Considered Good - Unsecured	12,272	11,920
(ii) Doubtful	108	108
	12,380	12,028
Less: Provision for doubtful advances	108	108
	12,272	11,920
(b) Gratuity Asset (Refer Note No.38) (excess of funded value over liability)	-	251
Total Current Other Assets	12,272	12,171
Total Other Assets	20,251	18,325

10. INVENTORIES (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) Raw Materials and Components*	86,200	86,024
(b) Finished Goods	15,738	14,743
(c) Work-in-progress	11,042	10,884
(d) Stores and spares	5,396	4,668
* [Include Goods in transit: ₹ 34,208 lacs (March 31, 2024: ₹ 28,392 lacs)]		
Total Inventories	1,18,376	1,16,319

The write-down of inventories to net realisable value during the year amounted to ₹ 1,260 lacs (March 31, 2024: ₹ 11 lacs). The write-down are included in the cost of material consumed or changes in inventories of finished goods and work-in-progress.

11. TRADE RECEIVABLES (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) From Related Parties - Considered Good -Unsecured	8,871	2,654
(b) Others - Considered Good - Unsecured	8,563	7,752
(c) Which have significant increase in Credit Risk (doubtful)	-	-
	17,434	10,406
Less: Provision for Doubtful Receivables	-	-
Total Trade Receivables (Refer Note No.11(a) for ageing schedule)	17,434	10,406
Trade Receivables are not credit impaired.		

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

11(a): AGEING SCHEDULE OF TRADE RECEIVABLES:

Sr. No.	Particulars	As at March 31, 2025								
		Total Receivables	Unbilled (net of advance)	Not due	Outstanding for following periods from due date of payment					
					Upto 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total outstanding
		1=2+3+9	2	3	4	5	6	7	8	9=4 to 8
a)	Undisputed Trade Receivables									
	i) considered good	17,434	-	6,534	8,118	338	658	504	1,282	10,900
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-	-
b)	Disputed Trade Receivables	-	-	-	-	-	-	-	-	-
	i) considered good	-	-	-	-	-	-	-	-	-
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-	-
Total Trade Receivables		17,434	-	6,534	8,118	338	658	504	1,282	10,900

Sr. No.	Particulars	As at March 31, 2024								
		Total Receivables	Unbilled (net of advance)	Not due	Outstanding for following periods from due date of payment					
					Upto 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total outstanding
		1=2+3+9	2	3	4	5	6	7	8	9=4 to 8
a)	Undisputed Trade Receivables									
	i) considered good	10,406	-	5,093	1,321	2,079	586	666	661	5,313
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-	-
b)	Disputed Trade Receivables	-								
	i) considered good	-	-	-	-	-	-	-	-	-
	ii) which have significant increase in credit risk	-	-	-	-	-	-	-	-	-
	iii) credit impaired	-	-	-	-	-	-	-	-	-
Total Trade Receivables		10,406	-	5,093	1,321	2,079	586	666	661	5,313

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

12. CASH AND CASH EQUIVALENTS (CURRENT)

	As at March 31, 2025	As at March 31, 2024
(a) Cash and Cash equivalents		
(i) Balances with Banks	17,482	7,678
(ii) Short term deposit with Banks - maturity less than three months	33,169	37,133
(iii) Cash on hand	4	5
	50,655	44,816
(b) Other Bank balances		
(i) Unpaid Dividend Accounts	75	60
(ii) Margin Money and Security deposits (having maturity within 12 months)	11	-
	86	60
Total Cash and Cash equivalents	50,741	44,876

13. OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Security Deposits		
(i) Considered Good - Unsecured	1,436	1,370
(ii) Which have significant increase in credit risk (doubtful)	-	-
(b) Fixed Deposits with Financial Institution	10,000	-
(c) Margin Money and Security deposits (having maturity beyond 12 months)	17	18
Total Non-current Other Financial Assets	11,453	1,388
Current		
(a) Security Deposits		
Considered Good - Unsecured	45	46
(b) Fixed Deposits with Financial Institution	47,500	-
(c) Interest accrued on deposits	692	46
(d) Government Incentives	10,000	20,163
Total Current Other Financial Assets	58,237	20,255
Total Other Financial Assets	69,690	21,643

14. EQUITY SHARE CAPITAL

	As at March 31, 2025	As at March 31, 2024
Authorised		
2,00,00,000 (March 31, 2024: 2,00,00,000) Equity Shares of ₹ 10 each	2,000	2,000
Issued		
1,32,13,802 (March 31, 2024: 1,32,13,802) Equity Shares of ₹ 10 each	1,321	1,321
Subscribed and Paid-up		
1,31,76,262 (March 31, 2024: 1,31,76,262) Equity Shares of ₹ 10 each fully paid up	1,318	1,318
[of the above 2,00,918 (March 31, 2024: 2,00,918) Equity Shares are allotted as fully paid shares pursuant to a contract without payment being received in cash and 57,29,934 (March 31, 2024: 57,29,934) Equity Shares are allotted as fully paid Bonus Shares by capitalisation of reserves]		
[These allotments were made before earlier financial year and not in the period of five years preceding March 31, 2025 or March 31, 2024].		
Add: Amount paid for forfeited Shares	- *	- *
Total Equity Share Capital	1,318	1,318

Note: Offer on Rights basis for 17,932 (March 31, 2024: 17,932) Equity Shares of ₹ 10 each is kept in abeyance as per the provisions of Section 126 of the Act.

* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period (Equity Shares of ₹ 10 each)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹)	Number	(₹)
Shares outstanding at the beginning of the year	1,31,76,262	1,318	1,31,76,262	1,318
Issued/Reduction during the year	-	-	-	-
Shares outstanding at the end of the year	1,31,76,262	1,318	1,31,76,262	1,318

(b) Terms/rights attached to Equity Shares

The Company has issued equity shares. All equity shares issued rank pari-passu in respect of distribution of dividend and repayment of capital. 1,30,32,914 Equity Shares are quoted equity shares with no restriction on transfer of shares. 27,600 Equity Shares are 'A' equity shares, which are transferrable only to permanent employees of the Company. 1,15,748 Equity Shares are Second 'A' equity shares which are transferrable to permanent employees, who have put in five years of service with the Company.

(c) 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.

(d) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

The Company is a subsidiary of Jaya Hind Industries Private Limited, which holds 57.38% (March 31, 2024: 57.38%), 75,59,928 (March 31, 2024: 75,59,928) shares in the Company.

(e) Details of shareholder holding more than 5% shares

Name of shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares of ₹ 10 each fully paid	% of Holding	No. of Shares of ₹ 10 each fully paid	% of Holding
Jaya Hind Industries Private Limited	75,59,928	57.38%	75,59,928	57.38%

(f) Shareholding of Promoters

Shares held by Promoters at the end of the year						% change during the year ended March 31, 2025
Sr. No.	Promoter name	As at March 31, 2025		As at March 31, 2024		
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Jaya Hind Industries Private Limited	75,59,928	57.38%	75,59,928	57.38%	-
2	Mr. Abhaykumar Navalmal Firodia	2,64,351	2.01%	2,64,351	2.01%	-
3	Mr. Prasan Abhaykumar Firodia	2,20,763	1.68%	2,20,763	1.68%	-

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

15. OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
I Reserves and Surplus		
(a) Securities Premium	5,920	5,920
(b) General Reserve		
(i) Opening balance	34,716	34,711
(ii) Add: Transferred from retained earnings	8	8
	34,724	34,719
(iii) Less: Transferred to non-controlling interest	3	3
Closing balance	34,721	34,716
(c) Retained Earnings		
(i) Opening balance	1,80,092	1,42,749
(ii) Net Profit / (Loss) for the year	80,086	38,821
(iii) Comprehensive income for the year	(291)	(143)
	2,59,887	1,81,427
Adjustments		
(i) Equity Dividend	2,635	1,318
(ii) Transfer to General Reserve	8	8
	2,57,244	1,80,101
Less: Transferred to non-controlling interest	9	9
Closing Balance	2,57,235	1,80,092
II Equity instruments through Other Comprehensive Income		
Opening Balance	3,468	2,805
Adjustments		
FVTOCI equity investments - change in fair value	681	663
Closing Balance	4,149	3,468
Total Other Equity	3,02,025	2,24,196

- **Securities Premium:** The amount received in excess of face value of the equity shares is recognised in Securities Premium Account.
- **General Reserve:** General Reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed / utilised by the Group in accordance with the Companies Act, 2013.
- **Retained Earnings:** Retained earnings are the profits that the Company has earned till date, net of transfer to general reserve and dividend distributions made to the shareholders.

16. FINANCIAL LIABILITIES: BORROWINGS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Loans from Banks (Secured / Unsecured)	134	23,177
(b) Loans and Advances from related parties (Inter Corporate Deposits)-(Unsecured)	-	15,000
Total Non-current Borrowings	134	38,177
Current		
(a) Current maturities of Non-current Borrowings		
(i) Loans from Bank (Secured)	1,609	7,940
(ii) Non-convertible Debentures (Secured)	-	6,333
Total Current maturities of Non-current Borrowings	1,609	14,273
Total Current Borrowings	1,609	14,273
Total Borrowings [Refer Note No.40(b) for maturity pattern of Borrowings]	1,743	52,450

- Term Loans are secured by hypothecation, by way of exclusive first charge on specific Plant and Machinery, being movable properties, secured as a continuing security for the repayment of Term Loans together with interest. Outstanding term loan is repayable on monthly instalments over a period of thirteen months.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

- 190 (5.85%) Secured Unlisted Rated Redeemable Non-convertible Debentures of ₹ 100 lacs each aggregating ₹ 19,000 lacs, issued on February 15, 2021 have been fully redeemed on due date (i.e. on February 15, 2025).
- Working Capital Loans are secured by hypothecation of Company's stock of raw materials, work-in-progress, finished goods, consumable stores, spares, bills receivable and book debts, both present and future. The Fund Based Limits are payable on demand to the Banks.
- Inter corporate deposits (unsecured) from Holding Company have been repaid.
- The Company has used the borrowed funds for the specific purpose for which it was taken as at the balance sheet date.
- The quarterly returns or statements, of current assets, filed by the Company with Banks or financial institutions are in agreement with the Books of accounts of the Company.

17. OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Security Deposits	170	169
Total Non-current Other Financial Liabilities	170	169
Current		
(a) Deposits matured but not claimed	1	1
(b) Interest on borrowings		
(i) Accrued but not due on Loans	1	198
(ii) Accrued but not due on NCD	-	42
(iii) Accrued and due on unclaimed deposits	-*	-*
(c) Unclaimed dividend	75	59
(d) Creditors for Capital Goods	1,705	2,424
(e) Security Deposits	372	330
(f) Other payables	399	418
Total Current Other Financial Liabilities	2,553	3,472
Total Other Financial Liabilities	2,723	3,641

18. PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Non-current		
(a) Provision for Employee benefits (Refer Note No. 38)	3,995	3,167
(b) Provision for Product warranties	94	90
Total Non-current Provisions	4,089	3,257
Current		
(a) Provision for Employee benefits (Refer Note No. 38)	1,821	862
(b) Provision for Product warranties	452	410
(c) Provision for Other expenses	20,872	17,899
Total Current Provisions	23,145	19,171
Total Provisions	27,234	22,428

Provisions for Post Retirement benefits includes Gratuity, Leave Encashment, etc.

The provision for warranties is based on the estimates made from the technical evaluation and historical data.

-* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Movement in Product Warranties

	As at March 31, 2025	As at March 31, 2024
Product Warranties		
(a) Opening balance	500	261
(b) Additional provision made during the year	468	448
(c) Amount paid during the year	(315)	(203)
(d) Amount written back	(107)	(6)
Closing balance	546	500

19. TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of Micro and Small enterprises	3,208	2,686
(b) Related Parties	1,836	1,733
(c) Total outstanding dues of other than Micro and Small enterprises [Includes payable for Goods in transit: ₹ 34,208 lacs (March 31, 2024: ₹ 28,392 lacs) and liability towards bills discounted with Bank]	73,315	81,010
Total Trade Payables	78,359	85,429

Trade Payables ageing Schedule

Particulars		As at March 31, 2025					Total
		Outstanding for following periods from due date of payment					
		Not due	Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a)	MSME	3,168	-	-	-	-	3,168
(b)	Others	75,086	65	-	-	-	75,151
(c)	Disputed dues - MSME	-	-	-	-	40	40
(d)	Disputed dues - Others	-	-	-	-	-	-
Total		78,254	65	-	-	40	78,359

Particulars		As at March 31, 2024					Total
		Outstanding for following periods from due date of payment					
		Not due	Upto 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a)	MSME	2,646	-	-	-	-	2,646
(b)	Others	81,214	1,511	1	-*	17	82,743
(c)	Disputed dues - MSME	-	-	-	-	40	40
(d)	Disputed dues - Others	-	-	-	-	-	-
Total		83,860	1,511	1	-*	57	85,429

Refer Note No.33 for disputed dues.

-* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

20. OTHER LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Non-current		
Service Coupon Liability	416	221
Total Non-current Other Liabilities	416	221
Current		
(a) Advances against order and deposits	56,274	32,980
(b) Statutory dues	9,689	7,783
(c) Service Coupon Liability	895	487
Total Current Other Liabilities	66,858	41,250
Total Other Liabilities	67,274	41,471

	As at March 31, 2025	As at March 31, 2024
Movement in Service Coupon Liability		
Free Service Coupons		
(a) Opening balance	708	631
(b) Additional provisions made during the year	1,029	586
(c) Amount paid during the year	(430)	(290)
(d) Amount short / (Written back)	4	(219)
Closing balance	1,311	708

21. NON-CONTROLLING INTEREST (NCI)

	As at March 31, 2025	As at March 31, 2024
Tempo Finance (West) Private Limited		
Non-controlling Interest (%)	33.57%	33.57%
Current Assets	694	657
Current Liabilities	-*	-*
Net Assets	694	657
Net Assets attributable to NCI	233	221
Net Profit for the period of Tempo Finance (West) Private Limited	37	35
Net Profit attributable to NCI	12	12

22. REVENUE FROM OPERATIONS

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Sale of Products	8,00,692	6,93,229
(b) Interest income	50	46
(c) Other Operating Revenue		
(i) Service charges	156	194
(ii) Others	6,275	5,744
Total Revenue from Operations	8,07,173	6,99,213

- *Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

23. OTHER INCOME

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest income	2,339	924
(b) Dividend income from Equity Investments designated at FVTOCI	35	28
(c) Gain on Exchange fluctuation	617	670
(d) Lease / Rental income	1,229	1,094
(e) Profit on sale of assets	42	43
(f) Others	1,394	1,151
Total Other Income	5,656	3,910

24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Stock		
(a) Finished Goods	14,743	6,233
(b) Work-in- progress	10,884	8,691
	25,627	14,924
Closing Stock		
(a) Finished Goods	15,738	14,743
(b) Work-in- progress	11,042	10,884
	26,780	25,627
Total Changes in Inventories of Finished Goods and Work-in-progress	(1,153)	(10,703)

25. EMPLOYEE BENEFITS EXPENSE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries, Wages and Bonus	54,556	48,949
(b) Contribution to Provident, Other Funds and Schemes	3,388	3,128
(c) Staff Welfare expenses	1,245	1,257
Total Employee Benefits Expense	59,189	53,334

26. FINANCE COSTS

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest expense	2,216	6,059
(b) Interest on Income Tax	353	54
(c) Other borrowing costs	18	101
Total Finance Costs	2,587	6,214

Borrowing cost of ₹ Nil (March 31, 2024: ₹ 83 lacs), at the actual borrowing rates, has been capitalised during the current financial year.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

27. DEPRECIATION AND AMORTISATION EXPENSE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Depreciation on Property, Plant and Equipment	20,496	19,272
(b) Amortisation of Intangible Assets	7,493	7,369
(c) Depreciation on Investment Property	35	34
Total Depreciation and Amortisation Expense	28,024	26,675

28. OTHER EXPENSES

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Consumption of Stores and Spares	11,775	13,422
(b) Fabrication and Processing Charges	5,486	4,556
(c) Power and Fuel	5,212	5,731
(d) Forwarding Charges	6,425	5,628
(e) Lease / Rent	1,259	1,590
(f) Rates and Taxes	198	226
(g) Insurance	1,243	1,094
(h) Repairs and Maintenance		
(i) Plant and Machinery	2,964	2,745
(ii) Buildings	797	426
(iii) Others	206	201
(i) Publicity and Sales promotion	2,159	2,222
(j) Payments to Auditors (Refer details below)	51	40
(k) Commission to Non-executive Director	75	75
(l) Donation [Includes donation under Section 182 of the Companies Act, 2013: ₹ 300 lacs (March 31, 2024: ₹ 560 lacs)]	1,351	568
(m) Expenditure on Corporate Social Responsibility (Refer Note No. 44)	875	47
(n) Loss on sale of assets	591	171
(o) Other / Miscellaneous Expenses	15,057	12,058
Total Other Expenses	55,724	50,800

Details of payments to Auditors

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Audit Fees	21	20
(b) Tax Audit Fees	1	1
(c) Limited review, other professional services and certification work	28	18
(d) Reimbursement of expenses	1	1
Total payments to Auditors	51	40

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

29. EXCEPTIONAL ITEMS

	For the year ended March 31, 2025	For the year ended March 31, 2024
Government Incentives	39,457	-
Total Exceptional Items	39,457	-

Exceptional Items (₹ 39,457 lacs) for the year ended on March 31, 2025, represents Incentives / assistance granted/sanctioned by the Government of Madhya Pradesh, as per the Madhya Pradesh Industrial Investment Promotion Assistance Scheme, 2010. Sanction Orders dated February 21, 2025 were issued granting/sanctioning the amount of assistance of ₹ 14,021 lacs, for FY 2022-23 and ₹ 25,436 lacs for FY 2023-24 (totalling to ₹ 39,457 lacs). Out of the said sanctioned amount of ₹ 39,457 lacs, the Company has received disbursement amounting to ₹ 29,457 lacs.

30. EARNINGS PER SHARE

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Profit / (Loss) attributable to Equity Shareholders	80,074	38,809
(b) Weighted average number of Equity Shares used as Denominator	1,31,76,262	1,31,76,262
(c) Basic and Diluted Earnings Per Share of nominal value of ₹ 10 each: ₹	607.71	294.54

31. EXPENDITURE CAPITALISED

Amount capitalised represents expenditure allocated out of employee cost and other expenses, incurred in connection with capital items and various product development projects undertaken by the Company for the introduction of new products as well as development of engine and existing product variants.

32. CONTINGENT LIABILITIES AND COMMITMENTS

	As at March 31, 2025	As at March 31, 2024
(a) Contingent Liabilities		
Claims against the Group not acknowledged as debts		
(i) Taxes and Duties	8,069	7,492
(ii) Others (including Court cases pending)	3,759	3,237
(b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	17,200	10,456

- (c) The Company has initiated arbitration proceedings, against an entity, in relation to an agreement relating to transfer of technology. In the said arbitration, the Company has claimed various reliefs. The Respondent therein has also claimed various reliefs, by way of a counterclaim. The Company denies each and every allegation of such entity including but not limited to the counterclaim and the Company shall deal with/ defend the said allegations/counterclaim appropriately.

The Board of Directors is of the opinion that the said allegations/counterclaim of the entity can be successfully resisted by the Company.

This note/disclosure is made as a matter of caution and without prejudice to the rights of the Company or without the Company, in any way admitting the said allegations/counterclaim or any part thereof. The information, which is usually required to be disclosed, as per Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) is not disclosed, as such disclosure may prejudice seriously, the outcome of the litigation (said arbitration proceedings).

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

33. DISCLOSURE AS PER THE REQUIREMENT OF SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISE DEVELOPMENT ACT, 2006

On the basis of information received as to the status as Micro, Small and Medium Enterprises, from suppliers of the Group along with a copy of the Memorandum filed by the said suppliers, as per the provisions of Section 8 of the Micro, Small and Medium Enterprises Development Act, 2006 (the Act), dues to Micro, Small and Medium Enterprises are as under:

	As at March 31, 2025	As at March 31, 2024
(a) The amounts remaining unpaid to Micro and Small Enterprises as at the end of the year		
(i) Principal	3,208	2,686
(ii) Interest	-	-
(b) Amount of interest - paid by the Company, accrued and remaining unpaid and amount of further interest remaining due and payable in the succeeding years until such date when the interest dues above are actually paid.	-	-

The proceedings initiated by one of the suppliers, claiming to be a small scale enterprise, as per the provisions of Section 18 of the Act, culminated into an award of claim for ₹157 lacs with interest. The Company has not accepted the said liability. The Company has a major counter-claim against the said supplier amounting to about ₹ 906 lacs, which being unearned income, is not accounted. The award is challenged by the Company, as per the provisions of the Act and proceedings are pending before the Hon'ble District Judge, Pune, and before the Hon'ble High Court of Judicature at Bombay.

34. FOREIGN EXCHANGE DIFFERENCES

The amount of net exchange differences included in the Profit / Loss for the year on Revenue account is ₹ 620 lacs Credit (March 31, 2024: ₹ 649 lacs Credit) and on Capital account is ₹ 2 lacs Debit (March 31, 2024: ₹ 21 lacs Credit).

35. EXPENDITURE ON RESEARCH AND DEVELOPMENT

The Group's expenditure on its Research and Development activity during the year under report was as follows:

	As at March 31, 2025	As at March 31, 2024
(a) Capital Expenditure	12,495	7,836
(b) Revenue Expenditure	17,182	17,081

(The above expenditure is grouped with other non-R&D expenditure under various heads of capital and revenue expenditures.)

As per the Indian Accounting Standard (Ind AS 38) – Intangible Assets, the Group has recognised Intangible Assets, arising out of in-house Research and Development activities of the Group, by capitalising the revenue expenditure, amounting to ₹ 7,758 lacs (March 31, 2024: ₹ 4,996 lacs).

As the development activity, of few projects, is continued, these assets are considered as Capital Work-in-progress, and will be amortised over the period of their life, after the completion of the development phase.

36. LEASES

Operating Leases

As a Lessor

(a) Industrial Shed at Chakan

The Group has entered into a Lease Agreement for Industrial shed at Chakan, Pune, for a period of 10 years. The Lease Agreement provides for a refundable interest free deposit of ₹ 169 lacs, clause for escalation of lease rental and a non-terminable lock-in period of 36 months. The Lease income has been recognised in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Future minimum lease rentals receivable as at the Balance Sheet date is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Not later than one year	389	370
(b) Later than one year but not later than five years	1,760	1,677
(c) Later than five years	1,105	1,578
Total	3,254	3,625

(b) Freehold land

Out of the freehold land at Akurdi, Pune;

2700 sq. mtrs. (cost ₹ 1,374) of land has been given on lease to Maharashtra State Electricity Distribution Company Limited for 99 years, w.e.f. August 01, 1989. Lease rentals are recognised in the Statement of Profit and Loss.

19,000 sq. mtrs. (cost ₹ 9,669) of land has been given on lease to Navalmal Firodia Memorial Hospital Trust for 25 years, w.e.f. August 12, 2014. Lease rentals are recognised in the Statement of Profit and Loss.

Out of the freehold land at Chakan, Pune

600 sq. mtrs. of land including Shed thereon given on lease to Maharashtra State Electricity Distribution Company Limited, Rajgurunagar, Taluka Khed, District Pune, for 99 years as per lease deed dated March 16, 2020. Lease rentals are recognised in the Statement of Profit and Loss.

These leased properties are not considered as investment property, considering the substance over form, the purpose and immateriality of lease rentals, area and cost relative to the total area and cost of the freehold land at the respective places.

As a Lessee

Leasehold land

The Group has entered into Lease Agreement for industrial land, at Pithampur in Madhya Pradesh. The Group being a lessee may surrender the leased area after giving Lessor 3 months notice period in writing. The lease premium is not refundable to Group in case of early termination of agreement by the Group. The Lessor is also entitled to terminate the Lease Agreement, if the Lessee defaults the terms and conditions of the Lease Agreement. The lease expense has been recognised in the Statement of Profit and Loss.

37. RELATED PARTY DISCLOSURES (AS REQUIRED BY IND AS 24)

(I) Names of the related party and nature of relationship where control exists

Name of the Related Party	Nature of relationship
(A) Jaya Hind Industries Pvt. Ltd.	Holding Company
(B) Tempo Finance (West) Pvt. Ltd.	Subsidiary Company
(C) Force MTU Power Systems Pvt. Ltd.	Joint Venture Company

(II) List of other related parties with whom there are transactions in the current year

Name of the Related Party	Nature of relationship
(A) Key Management Personnel (KMP)	
(a) Abhaykumar Navalmal Firodia	Chairman
(b) Prasan Abhaykumar Firodia	Managing Director
(c) Vallabh R. Bhanshali	Director
(d) Mukesh M. Patel	Director
(e) Sonia Prashar	Director
(f) Arvind Mahajan (upto September 27, 2024)	Director
(g) Lt. Gen. (Retd.) (Dr.) D. B. Shekatkar (upto February 12, 2025)	Director

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Name of the Related Party	Nature of relationship
(h) Prashant V. Inamdar	Executive Director (Operations)
(i) Sanjay Kumar Bohra	Chief Financial Officer
(j) Nikhil Deshpande (upto July 30, 2024)	Company Secretary
(k) Rohan Sampat (w.e.f. July 31, 2024)	Company Secretary
(B) Other Entities	
(a) Pinnacle Industries Ltd.	Entity controlled by KMP of Parent Company
(b) Instor India Pvt. Ltd. (Earlier known as Kider (India) Pvt. Ltd.)	Entity controlled by KMP of Parent Company
(c) Bajaj Tempo Limited Provident Fund	Post employment benefit Trust
(d) Amar Prerana Trust	Entity controlled by KMP of Company
(e) Navalmal Firodia Memorial Hospital Trust	Entity controlled by KMP of Company
(f) Veerayatan	Entity controlled by KMP of Company
(C) Other Entities with whom there are no transactions in the current year	
(a) VDL Pinnacle Engineering India Pvt. Ltd.	Entity controlled by KMP of Parent Company
(b) AAPF One Act Kinder Foundation	Entity controlled by KMP of Company
(c) PSAA Propeties LLP	Entity controlled by KMP of Company
(d) Jaya Hind International B.V.	Holding Company's subsidiary
(e) LMG Manufacturing GmbH	Holding Company's subsidiary
(f) Jaya Hind Montupet Pvt. Ltd.	Holding Company's subsidiary

(III) Transactions with related parties (Amounts including taxes)

Name of related parties	March 31, 2025		March 31, 2024	
	Amount of transaction during the year	Balance as at March 31, 2025 Receivables/ (Payables)	Amount of transaction during the year	Balance as at March 31, 2024 Receivables/ (Payables)
(A) Holding Company				
Jaya Hind Industries Private Limited				
(a) Purchase of Capital Goods	58		272	
(b) Purchase of Raw Materials, Components, Processing charges & Others	17,855		15,449	
(c) Sundry Sales	741		690	
(d) Sale of Tools / Jigs	67		-	
(e) Service Charges recovered	152	(511)	106	(656)
(f) Processing Charges recovered	85	816	57	244
(g) Dividend paid	1,512		756	
(h) Lease / Rent recovered	809		712	
(i) Expenses recovered	5		4	
(j) Repayment of Inter Corporate Deposits (ICDs)	15,000		-	(15,000)
(k) Interest on ICDs	1,350		1,354	
(B) Joint Venture Company:				
Force MTU Power Systems Pvt. Ltd.				
(a) Service charges/Expenses recovered	487		544	
(b) Royalty for use of Trademark	-*	2,595	-*	2,149
(c) Reimbursement of expenses	-*		-*	

-* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Name of related parties	March 31, 2025		March 31, 2024	
	Amount of transaction during the year	Balance as at March 31, 2025 Receivables/ (Payables)	Amount of transaction during the year	Balance as at March 31, 2024 Receivables/ (Payables)
(C) Key Management Personnel				
(a) Remuneration				
(i) Short term employee benefits (including Commission)	3,431		2,098	
(ii) Post employment benefits	87	(2,784)	38	(1,643)
(iii) Other long-term benefits	116		53	
(b) Others				
(i) Dividend paid	97	-	49	-
(ii) Sitting fees	21	-	29	-
(iii) Professional Fees	29	-	11	-
(iv) Commission	75	(75)	75	(75)
(D) Other Entities				
(a) Pinnacle Industries Pvt. Ltd.				
(i) Purchase of Capital Goods	469		371	
(ii) Purchase of Raw Materials, Components & Others	33,472		28,728	
(iii) Sales	8,256	(1,006)	88	(1,050)
(iv) Lease / Rent recovered	249	5,460	217	262
(v) Reimbursement of Expenses	-*		-	
(vi) Processing Charges recovered	-		1	
(vii) Interest received	-		17	
(b) Instor India Pvt. Ltd. (Earlier known as Kider (India) Pvt. Ltd.)				
Purchase of Raw Materials, Components & Others	1,353	(319)	596	(27)
(c) VDL Pinnacle Engineering India Pvt. Ltd.				
Purchase of Capital Goods	-	-	6	(11)
(d) Bajaj Tempo Limited Provident Fund				
Contribution to Provident Fund	1,210	(110)	1,035	(91)
(e) Navalmal Firodia Memorial Hospital Trust				
Lease / Rent recovered	-*	-	-*	-
(f) Veerayatan				
Service charges recovered	4	-	1	-
(g) Amar Prerana Trust				
(i) Charges for use of Training facilities	63	-	-	-
(ii) Donation	1,000	-	-	-

Note: All transactions are at arms length in line with the Related Party Transaction Policy of the Group.

-* Denotes amount less than ₹ 50,000/-

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

38. EMPLOYEE BENEFITS

(A) Defined Contribution Plans

An amount of ₹ 582 lacs (March 31, 2024: ₹ 582 lacs) is recognised as an expense and included in "Employees Benefits Expense" in the Statement of Profit and Loss.

(B) Defined Benefit Plans

(a) The amounts recognised in Balance Sheet are as follows:

		As at March 31, 2025		As at March 31, 2024	
		Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i)	Amount to be recognised in Balance Sheet				
	Present value of defined benefit obligation	8,679	36,721	7,593	33,442
	Less: Fair value of plan assets	7,961	37,267	7,844	34,361
	Amount to be recognised as Liability or (Asset)	718	(546)	(251)	(919)
(ii)	Amount to be reflected in Balance Sheet				
	Liabilities	718	(546)	(251)	(919)
	Assets	-	-	-	-
	Net Liability/(Asset)	718	(546)	(251)	(919)

*Not considered in the books, being excess of plan assets over defined benefit obligation.

As the Group is not entitled for any surplus in provident fund scheme, Group has not recorded, any asset for excess of plan assets over provident fund liability.

(b) The amounts recognised in the Statement of Profit and Loss are as follows:

		For the year ended March 31, 2025		For the year ended March 31, 2024	
		Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i)	Employee Benefit Expense				
	Current service cost	662	1,259	569	1,082
(ii)	Acquisition (Gain) / Loss	-	-	-	-
(iii)	Finance cost				
	Net Interest (Income) / Expense	(23)	(180)	(64)	(202)
	Transfer in / (out)	10	-	(11)	-
	Net periodic benefit cost recognised in the Statement of Profit and Loss	649	1,079	494	880

*Not considered in the books, being excess of plan assets over defined benefit obligation.

(c) The amounts recognised in the Statement of Other Comprehensive Income (OCI):

		For the year ended March 31, 2025		For the year ended March 31, 2024	
		Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i)	Opening amount recognised in OCI outside Statement of Profit and Loss	-	-	-	-

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(ii) Re-measurements for the year-obligation (Gain)/Loss	472	1,449	178	321
(iii) Re-measurements for the year-plan assets (Gain)/Loss	(20)	(946)	46	228
(iv) Total re-measurements cost / (credit) for the year recognised in OCI	452	503	224	549
(v) Less: Accumulated balances transferred to Retained Earnings	452	503	224	549
Closing balances [re-measurements (Gain)/ Loss recognised in OCI]	-	-	-	-

*Not considered in the books, being excess of plan assets over defined benefit obligation.

- (d) **The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:**

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Present value of obligation as at the beginning of the year	7,593	33,442	6,987	30,589
(ii) Acquisition adjustment	-	-	-	-
(iii) Transfer in/(out)	(6)	(188)	(11)	46
(iv) Interest cost	526	2,283	494	2,169
(v) Past service cost	-	-	-	-
(vi) Current service cost	662	1,259	569	1,082
(vii) Employee Contribution	-	1,950	-	1,788
(viii) Curtailment cost/(credit)	-	-	-	-
(ix) Settlement cost/(credit)	-	-	-	-
(x) Benefits paid	(568)	(3,474)	(624)	(2,554)
(xi) Re-measurements on obligation - (Gain) / Loss	472	1,449	178	322
Present value of obligation as at the end of the year	8,679	36,721	7,593	33,442

- (e) **Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:**

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Fair value of the plan assets as at beginning of the year	7,844	34,361	7,751	31,905
(ii) Acquisition adjustment	-	-*	-	-
(iii) Transfer in/(out)	(16)	(188)	-*	46
(iv) Interest income	549	2,463	558	2,371
(v) Contributions	225	3,159	227	2,821
(vi) Mortality charges and taxes	(7)	-	(8)	-
(vii) Benefits paid	(654)	(3,474)	(638)	(2,554)
(viii) Amount paid on settlement	-	-	-	-

* Denotes amount less than ₹ 50,000/-.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

	As at March 31, 2025		As at March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(ix) Return on plan assets, excluding amount recognised in Interest Income - Gain / (Loss)	20	946	(46)	(228)
Fair value of plan assets at the end of the year	7,961	37,267	7,844	34,361
Actual return on plan assets	569		513	

(f) Net interest (Income) /Expenses:

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Gratuity Plan (Funded)	Provident Fund* (Funded)	Gratuity Plan (Funded)	Provident Fund* (Funded)
(i) Interest (income) / expense – obligation	526	2,283	494	2,169
(ii) Interest (income) / expense – plan assets	(549)	(2,463)	(558)	(2,371)
Net interest (income) / expense for the year	(23)	(180)	(64)	(202)

*Not considered in the books, being excess of plan assets over defined benefit obligation.

Basis used to determine the overall expected return:

The net interest approach effectively assumes an expected rate of return on plan assets equal to the beginning of the year discount rate. Expected return of 7.20% has been used for the valuation purpose.

(g) Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

Gratuity:

	As at March 31, 2025	As at March 31, 2024
(i) Discount rate	6.70%	7.20%
(ii) Expected return on plan assets	7.20%	7.40%
(iii) Salary growth rate *	8%	8%
(iv) Attrition rate - for Bargainable Staff & Others	10%	10%
(v) Attrition rate - Workers	2%	2%

*The estimates of future salary increase considered in actuarial valuation taken into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Provident Fund:

	As at March 31, 2025	As at March 31, 2024
(i) Discount rate	6.70%	7.20%
(ii) Interest rate	8.25%	8.25%
(iii) Yield spread	0.50%	0.50%
(iv) Attrition rate - Bargainable Staff & Others	10%	10%
(v) Attrition rate - Workers	2%	2%

Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present Value of Obligation (PVO). Sensitivity analysis is done by varying (increasing/decreasing) one parameter by 50/100 basis points (0.50/1%).

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(h) Change in assumption

	As at March 31, 2025		As at March 31, 2024	
	Gratuity	Provident fund	Gratuity	Provident fund
(i) Discount rate				
Increase by 1%	8,243	-	7,213	-
Decrease by 1%	9,164	-	8,013	-
Increase by 0.5%	-	36,355	-	33,109
Decrease by 0.5%	-	37,105	-	33,791
(ii) Salary increase rate				
Increase by 1%	9,073	-	7,935	-
Decrease by 1%	8,316	-	7,277	-
(iii) Withdrawal rate				
Increase by 1%	8,652	-	7,578	-
Decrease by 1%	8,709	-	7,608	-
(iv) Expected future interest rate of Provident Fund				
Increase by 0.5%	-	37,080	-	33,774
Decrease by 0.5%	-	36,362	-	33,110

39. FINANCIAL INSTRUMENTS - FAIR VALUES

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities with it's classification.

	Carrying Value		Fair Value	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Financial Assets				
(a) Fair value through Other Comprehensive Income (FVTOCI)				
Equity Investments	4,955	3,800	4,955	3,800
(b) Amortised cost				
i) Trade Receivables	17,434	10,406	17,434	10,406
ii) Loans	24	2	24	2
iii) Other Financial Assets	69,690	21,643	69,690	21,643
iv) Cash and Cash equivalents	50,655	44,816	50,655	44,816
v) Other Bank Balances	86	60	86	60
Total	1,42,844	80,727	1,42,844	80,727
Financial Liabilities				
Amortised cost				
i) Non-current Borrowings	134	38,177	134	38,177
ii) Current Borrowing	1,609	14,273	1,609	14,273
iii) Trade Payable	78,359	85,429	78,359	85,429
iv) Other Financial Liabilities	2,723	3,641	2,723	3,641
Total	82,825	1,41,520	82,825	1,41,520

The following methods and assumptions were used to estimate the fair values:

The fair values of Trade Payables, Trade Receivables, Cash and Cash equivalents and other Bank Balances, are reasonable approximation of fair value due to the short-term maturities of these instruments.

Allowance for credit loss on Trade Receivables, is taken into account, on the basis of credit worthiness of the customer individual.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Borrowings represents ICD, Term Loans from Bank and NCD obtained at market rates of interest available for debt on similar terms, credit risk and remaining maturities. As of reporting date, the fair value of borrowings is measured at amortised cost, which is reasonable approximation of fair value.

Fair value hierarchy and valuation techniques used

(a) Financial Assets and Liabilities measured at fair value

	Level	March 31, 2025	March 31, 2024
Financial Assets			
FVTOCI Investments - Quoted	Level 1	4,681	3,795
FVTOCI Investments - Unquoted	Level 3	274	5
Total		4,955	3,800

(b) Financial Assets and Liabilities measured at amortised cost for which fair value is disclosed

	Level	March 31, 2025	March 31, 2024
Financial assets measured at amortised cost			
Loans	Level 2	24	2
Other Financial Assets	Level 2	69,690	21,643
Total		69,714	21,645

(c) Financial Liabilities measured at amortised cost

	Level	March 31, 2025	March 31, 2024
Non-current borrowings	Level 2	134	38,177
Current borrowings	Level 2	1,609	14,273
Other financial liabilities	Level 2	2,723	3,641
Total		4,466	56,091

The fair values disclosed in level 2 category are calculated using discounted cash flow method. These fair values reasonably approximate to the carrying values of financial assets and liabilities measured at amortised cost.

During the year ended March 31, 2025, there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

40. FINANCIAL RISK MANAGEMENT

Financial Risk Management Policy and Objectives

The Group's principal financial liabilities comprise of Borrowings, Trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include Trade and Other receivables, Cash and Cash equivalents and Deposits, which are derived directly from its operations.

Group is exposed to market risk, credit risk and liquidity risk.

The management of these risks is overseen by the senior management, which is advised by a team of senior officials. The Risk Management team oversees the policies and systems, on a regular basis to reflect changes in market conditions and Group's activities and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and Cash equivalents, Trade Receivables, Financial Assets measured at amortised cost.	Ageing analysis Credit ratings [Refer Note No.40(a)]	Diversification of Credit Limits and Letters of Credit, Sales on cash basis and against securities.
Liquidity risk	Borrowings and Other Financial Liabilities	Cash flow forecasts [Refer Note No.40(b)]	Availability of committed credit lines and borrowing facilities.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

Risk	Exposure arising from	Measurement	Management
Market risk – foreign exchange	Recognised Financial Assets and Liabilities not denominated in Indian Rupee	Cash flow forecasting Sensitivity analysis [Refer Note No.41]	Group's net forex exposure is covered by natural hedge.
Market risk – interest rate	Loans and Advances on Cash Credit Account and Term Loan from Bank and NCD.	Cash flow forecasting & Sensitivity analysis	Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements
	As the borrowings were at fixed rate of interest, the Company is not exposed to interest rate risk, except the changes linked to Repo, MCLR, SOFR rates, etc.		
Market risk – equity prices	Investments in Equity Securities	Sensitivity analysis [Refer Note No.40 (c)]	Portfolio diversification. The overall exposure is not material.
Commodity risk	Procurement of steel and other metals.	Budgeted consumption & its impact on finished product.	A well controlled review process is in place for analysing the price trend and market intelligence and accordingly the procurement strategy is adopted. The overall exposure is not material.

(a) Credit Risk

The table summarises ageing for trade receivable:

	Not due	Less than 1 year	More than 1 year	Total
As at March 31, 2025				
Gross Carrying Amount	6,534	8,456	2,444	17,434
Allowance for doubtful debts	-	-	-	-
Net	6,534	8,456	2,444	17,434
As at March 31, 2024				
Gross Carrying Amount	5,093	3,400	1,913	10,406
Allowance for doubtful debts	-	-	-	-
Net	5,093	3,400	1,913	10,406

The Cash and Cash equivalents are held with Scheduled Banks. Thus, the Group considers that it's Cash and Cash equivalents have low credit risks.

b) Liquidity Risk

The table summarises the maturity profile of Group's financial liabilities based on contractual un-discounted payments.

	As of March 31, 2025				
	Carrying amount	On demand	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	1,743	-	1,609	134	1,743
Other Financial Liabilities	2,723	76	2,477	170	2,723
Trade and Other Payable	78,359	-	78,359	-	78,359
	As of March 31, 2024				
	Carrying amount	On demand	Less than 1 year	More than 1 year	Total
Interest bearing borrowings	52,450	-	14,273	38,177	52,450
Other Financial Liabilities	3,641	60	3,412	169	3,641
Trade and Other Payable	85,429	-	85,429	-	85,429

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

c) Market risk: Equity price risk

At the reporting date, the exposure to unquoted equity securities at fair value was ₹ 274 lacs.

At the reporting date, the exposure to quoted equity securities at fair value was ₹ 4,681 lacs. A decrease/ increase of 15% on the bank Nifty market index could have an impact of approximately ₹ 804 lacs on the OCI or equity attributable to the Group. These changes would not have an effect on profit or loss.

41. FOREIGN CURRENCY SENSITIVITY ANALYSIS

Currency	Net exposure in foreign currency		Net exposure in ₹	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	(6,55,290)	21,43,692	(563)	1,796
EUR	23,80,341	31,53,507	2,246	2,874

Currency	Sensitivity %	Impact on profit (strengthening)*		Impact on profit (weakening)*	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD	5%	28	(90)	(28)	90
EUR	5%	(112)	(144)	112	144
		(84)	(234)	84	234

(*Strengthening/ weakening of currency)

42. CAPITAL MANAGEMENT

The Group's capital includes issued Equity Capital, Share Premium and Free Reserves.

The Group's policy is to meet the financial covenants attached to the interest-bearing borrowings by maintaining a strong capital base. The Group's aims to sustain investor, creditor and market confidence so as to be able to leverage such confidence for future capital/debt requirements.

Management monitors the return on capital earned, the capital/debt requirements for various business plans under consideration and determines the level of dividends to equity shareholders.

No changes were made in the objectives, policies or processes for managing capital during the financial years ended on March 31, 2025 and March 31, 2024.

Particulars	As at March 31, 2025	As at March 31, 2024
Total Shareholder's Equity as reported in Balance Sheet	3,03,343	2,25,514
Net Debt:		
Short-term Debt	-	-
Long-term Debt (including current portion of long-term debt)	1,743	52,450
Gross Debt:	1,743	52,450
Less: Cash and Bank Balances	50,741	44,876
Less: Fixed Deposits with Financial Institutions	57,500	-
Net Debt / (Net Cash and Bank balances)	(1,06,498)	7,574

43. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

All amounts which became due, for transfer to the credit of Investor Education and Protection Fund, as of March 31, 2025, have been transferred to that fund, except a sum of ₹ 0.60 lacs (March 31, 2024 : ₹ 0.60 lacs) being amount of 5 Nos. (March 31, 2024: 5 Nos.) fixed deposits and interest thereon amounting to ₹ 0.25 lacs (March 31, 2024: ₹ 0.25 lacs). In view of the directives received from the Government Authorities, these amounts are not transferred to the Fund, being involved in an investigation.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

44. The Company has contributed ₹ 875 lacs (March 31, 2024: ₹ 47 lacs) towards Corporate Social Responsibility (CSR), which is shown in "Other Expenses" [Note No.28 (m)] to the Notes to Financial Statements.

Sr. No.	Description	For the year ended March 31, 2025	For the year ended March 31, 2024
(a)	Gross amount required to be spent by the Company during the year	529	7
(b)	Amount required to be set-off for the financial year, if any [out of surplus of previous financial years]	67	7
(c)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years (net of set off)	(67)	(20)
(d)	Total CSR obligation for the financial year	462	-
(e)	Amount of expenditure incurred during the year	875	47
(f)	Shortfall/(Surplus) at the end of the year	(413)	(47)
	Less: Amount remained unutilised*	125	-
(g)	Net Shortfall / (Surplus) at the end of the year	(288)	(67)
(h)	Reason for shortfall	NA	NA
(i)	Nature of CSR activities:		
(i)	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	625	-
(ii)	Promoting education including special education *	250	21
(iii)	Eradicating hunger, poverty and malnutrition (promoting health care, including preventive health care and sanitation)	-	26
	Total	875	47
(j)	Details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
(k)	Whereas provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	-	-
(l)	Amount available for set off in succeeding financial years	288	67

*The Company has transferred ₹ 250 lacs for the ongoing project during the financial year 2024-25, out of which ₹ 125 lacs was utilised as on March 31, 2025 and the remaining amount of ₹ 125 lacs will be utilised in the financial year 2025-26.

45. ADDITIONAL REGULATORY INFORMATION

(a) **Loans and Advances in the nature of Loan to Related Parties**

The Group 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 as on March 31, 2025.

(b) **Relationship with Struck off Companies**

As per our knowledge, the Group has not entered in to any transactions with Struck off companies as on March 31, 2025.

(c) **Registration of charges or satisfaction with Registrar of Companies**

The Group has no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

(d) **Compliance with number of layers of companies**

The Group 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.

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

(e) Compliance with approved Scheme (s) of Arrangements Accounted as per Scheme & Ind AS

Neither the Group has approached to nor any Competent Authority has approved any scheme of arrangements so as to account for in the books of account of the Group, in order to disclose any deviation in that regard.

(f) Loans, Guarantee, Security given by Company to Intermediary and it is giving to others on behalf of Company

The Group has neither advanced nor loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries).

(g) Crypto Currency or Virtual Currency

The Group has neither traded nor invested in Crypto currency or Virtual currency during the financial year.

(h) Benami Property

The Group does not have any Benami property, and hence no proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(i) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

46. DIVIDEND

The Board of Directors has recommended payment of dividend of ₹ 40 per fully paid equity shares (March 31, 2024: ₹ 20). This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting. This dividend is not recognised in the books of account at the end of the reporting period.

47. ADDITIONAL INFORMATION AS REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013

Name of the entity	Net Assets		Share of Profit or Loss		Share of Comprehensive Income		Share of Total Comprehensive Income	
	As a % of consolidated net assets	Amount ₹	As a % of consolidated Profit or loss	Amount ₹	As a % of consolidated Comprehensive Income	Amount ₹	As a % of consolidated Total Comprehensive Income	Amount ₹
Force Motors Limited	98.01	2,97,524	99.89	79,997	99.23	387	99.89	80,384
Indian Subsidiary:								
Tempo Finance (West) Pvt. Ltd.	0.15	461	0.03	25	0.00	-	0.03	25
Non Controlling Interest (Indian Minority)	0.08	233	0.01	12	0.00	-	0.01	12
Indian Joint Venture:								
Force MTU Power Systems Pvt. Ltd.	1.76	5,358	0.07	52	0.77	3	0.07	55
Total	100.00	3,03,576	100.00	80,086	100.00	390	100.00	80,476

Notes to Consolidated Financial Statements for the Year Ended March 31, 2025 (Contd.)

(All amounts in ₹ lacs, unless otherwise stated)

48. INVESTMENT IN JOINT VENTURE

Interest in Joint Venture

Force Motors Limited has 51% interest in Force MTU Power Systems Private Limited (FMTU). FMTU is a private entity that is not listed on any public exchange.

Following table illustrates the summarised financial information of the Group's investment in FMTU:

Particulars	As at March 31, 2025	As at March 31, 2024
Current Assets	33,600	32,567
Non Current Assets	22,740	23,435
Current Liabilities	38,364	35,884
Non Current Liabilities	7,471	9,719
Revenue	27,435	27,044
Net Income / (Loss)	101	(2,712)
Other Comprehensive Income	6	7
Total Comprehensive Income	107	(2,705)
The above net income includes;		
Sale of products	27,343	26,214
Operating Income	14	15
Other Income	77	815
Cost of material consumed	20,360	23,770
Employee Benefits Expense	1,225	1,198
Other Expenses	5,691	5,719
Income Tax Expenses (credit)	58	(931)
Net Assets of the Joint Venture	10,505	10,398
Proportion of the Company's interest in Joint Venture (Carrying amount of the Company's interest in joint venture)	5,358	5,303

49. The Group is operating in a Single Segment.

50. Previous year's figures have been re-grouped, re-arranged and re-classified wherever necessary.

As per our separate report of even date.

For **KIRTANE & PANDIT LLP**

Chartered Accountants

[FRN: 105215W/W100057]

Parag Pansare

Partner

Membership No.117309

Rohan Sampat
Company Secretary

Sanjay Kumar Bohra
Chief Financial Officer

On behalf of the Board of Directors

Abhaykumar Navalmal Firodia

Chairman

DIN 00025179

Place: Pune
Date: April 25, 2025

Place: Pune
Date: April 25, 2025

NOTES



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