

Report on Special Purpose Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of **Birla Precision Technologies GMBH** (the "Company"), which comprise the Balance Sheet as at December 31, 2024, the Statement of Profit and Loss, and the Statement of Changes in Equity for the period ended December 31, 2024 and a summary of applicable significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Ind AS Financial Statements"). These Special Purpose Ind AS Financial Statements have been prepared for the limited purpose of **Consolidation into the financial statements of the holding company** as at and for the Period ended December 31, 2024.

In our opinion and to the best of our information and according to the explanations given to us, the Special Purpose Ind AS Financial Statements as at and for the period ended December 31, 2024 are prepared, in all material respects, in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

Basis for Opinion

We conducted our audit of the Special Purpose Ind AS Financial Statements in accordance with the Standards on Auditing (SAs), as 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 Special Purpose Ind AS 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Ind AS Financial Statements.

Management's Responsibility for the Special Purpose Ind AS Financial Statements

The Company's Board of Directors/Management is responsible for the preparation of these Special Purpose Ind AS Financial Statements in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors/Management is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Special Purpose Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Ind AS 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 Special Purpose Ind AS 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 Special Purpose Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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.

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Other matters

This report on the Special Purpose Ind AS Financial Statements has been issued solely for the limited purpose of ***Consolidation into the financials of the holding company*** and is intended solely for the information and use by the managements of the Company and the Holding Company. It should not be used for any other purpose or provided to other parties.

For S S Surana & CO

ICAI Firm registration number:

Chartered Accountants

Firm Registration No. 0001079C

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Partner

Manoj Saraf

Membership No.:100785

UDIN: 25100785BMIRAJ2762

Place :Mumbai

Date : 22nd May 2025

Birla Precision Technologies GMBH

Special Purpose Balance sheet as at 31st March 2025

Sr. No.	Particulars	Note No.	In EURO	In INR
			As at 31.03.2025	As at 31.03.2025
I.	ASSETS			
	CURRENT ASSETS			
(a)	Inventories	15	70,066.67	64,68,877.28
(b)	Financial assets			
	(i) Trade receivables	3	684.87	63,230.35
	(ii) Cash and cash equivalents	4	367.31	33,911.75
	(ii) Other Financial Assets	5	3,780.00	3,48,986.99
(c)	Current tax assets (Net)	6	11,503.24	10,62,032.03
	Total - Current Assets		86,402.09	79,77,038.40
	Total Assets		86,402.09	79,77,038.40
II.	EQUITY AND LIABILITIES			
	EQUITY			
(a)	Equity share capital	7	25,000.00	21,49,847.50
(b)	Other equity	8	(2,29,888.32)	(2,10,66,079.69)
	Total - Equity		(2,04,888.32)	(1,89,16,232.19)
	LIABILITIES			
	Current Liabilities			
(a)	Financial liabilities			
	(i) Borrowings	9	1,50,573.00	1,39,01,592.00
	(ii) Trade payables	10	1,40,717.41	1,29,91,678.59
(b)	Other current liabilities	11	-	-
(c)	Provisions	12	-	-
	Total - Current Liabilities		2,91,290.41	2,68,93,270.59
	Total Equity and Liabilities		86,402.09	79,77,038.40
Significant Accounting Policies and Notes to Accounts form an integral part of the Financial Statements			-	-
			1 to 21	
As per our attached report of even date			For & on Behalf of	
For M/s. S S Surana & CO			Birla Precision Technologies GMBH	
Chartered Accountants				
Firm Registration No. 001076C				
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Manoj Saraf Partner Membership No. 100785 UDIN 25100785BMIRAJ2762 Place: Mumbai Date : 22nd May 2025			Santosh Kumar Director DIN No. 08686131	

Special Purpose Profit and Loss for the year ended

Sr. No.	Particulars	Note No.	In EURO	In INR
			For the year ended 31st March 2025	For the year ended 31st March 2025
I.	INCOME			
	Revenue from operations	13	1,72,514.96	1,55,52,747.29
	Other income		-	-
	Total Income		1,72,514.96	1,55,52,747.29
II.	EXPENSES			
	Purchases of Stock-in-Trade	14	1,30,056.38	1,17,24,977.42
	Changes in Inventories of Finished Goods, Semi-Finished Goods and Stock-in-Trade	15	(43,304.25)	(40,75,059.10)
	Employee benefits expense	16	70,440.66	63,50,439.31
	Finance costs	17	930.41	83,879.29
	Other expenses	18	74,481.12	59,21,514.90
	Total Expenses		2,32,604.32	2,00,05,751.82
III.	Profit / (Loss) before exceptional items and tax		(60,089.36)	(44,53,004.53)
IV.	Exceptional item	21	-	-
V.	Profit / (Loss) before tax (III - IV)		(60,089.36)	(44,53,004.53)
VI.	Tax expense:			
	(1) Current tax		13,530.40	12,19,806.63
VII.	Profit/(Loss) for the period (V-VI)		(73,619.76)	(56,72,811.16)
VIII.	OTHER COMPREHENSIVE INCOME			
	(i) Items that will not be reclassified to profit or loss		-	-
	Related to employee benefits		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Total Other Comprehensive Income net of tax		-	-
	Total Comprehensive income for the year, net of tax (VII+VIII)		(73,619.76)	(56,72,811.16)
	Earnings per equity share:			
	(1) Basic EPS (₹)			
	(2) Diluted EPS (₹)			

Significant Accounting Policies and Notes to Accounts form an integral part of the Financial Statements

As per our attached report of even date
For M/s. S S Surana & CO
Chartered Accountants
Firm Registration No. 001076C

MANOJ KUMAR GIRDHARILAL SARAF

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Manoj Saraf
Partner
Membership No. 100785
UDIN 25100785BMIRAJ2762
Place: Mumbai
Date : 22nd May 2025

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For and on behalf of the Board
Birla Precision Technologies GMBH

Santhosh Kumar

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Santosh Kumar
Director
DIN No. 08686131

Birla Precision Technologies GMBH**Statement of Changes in Equity for the year ended 31st March 2025**

(B) OTHER EQUITY						
Birla Precision GMBH						
Reserves and Surplus						
Sr. No.	Particulars	Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at 1st April 2024	-	-	-	(1,56,268.56)	(1,56,268.56)
Add:	Profit for the year				(73,619.76)	(73,619.76)
Add:	Other Comprehensive Income				-	-
	Total Comprehensive Income	-	-	-	(2,29,888.32)	(2,29,888.32)
Less:	Issue of Bonus shares					-
Less:	Transfer to general reserves					-
	As at 31st March 2025	-	-	-	(2,29,888.32)	(2,29,888.32)

Birla Precision GMBH						
Reserves and Surplus						
Sr. No.	Particulars	Capital Reserves	Securities Premium Reserve	General Reserves	Retained Earnings	Total Other Equity
	As at 1st April 2024	-	-	-	(1,53,93,268.53)	(1,53,93,268.53)
Add:	Profit for the year				(56,72,811.16)	(56,72,811.16)
Add:	Other Comprehensive Income				-	-
	Total Comprehensive Income	-	-	-	(2,10,66,079.69)	(2,10,66,079.69)
Less:	Issue of Bonus shares					-
Less:	Transfer to general reserves					-
	As at 31st March 2025	-	-	-	(2,10,66,079.69)	(2,10,66,079.69)

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Birla Precision Technologies GMBH

Note 1 Background of the Company

Birla Precision Technologies Limited GMBH (hereinafter referred to as BPTL GMBH) is wholly owned subsidiary of Birla Precision Technologies Limited. The company was incorporated on 30th November 2021. The company is into business of trading of cutting tools.

Note 2 Significant Accounting Policies

a Statement of compliance

The company has prepared the financial statement for the period ended 31st December 2022 in accordance with Indian Accounting Standard (Ind AS) under the Companies (Indian Accounting Standards) Rule 2015. Since this is the first year the comparative figure is not given.

The maintenance of accounts and audit is not mandatory in the country of incorporation, hence the data is compiled and prepared based on the available financial details.

b Statement of compliance

These financial statements have been prepared on the historical cost basis.

The financial statement is presented in Euro which is the functional currency of the company.

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

c Exchange Rate

The exchange rate used for revenue and expenses is taken on average rate and for closing balance at the year end rate, the exchange difference is accounted as exchange gain or loss in the income statement.

e Current tax

The current tax is taken as paid by the company as per the rule of the country of incorporation.

f Inventories

Inventories are taken as valued and certified by the management.

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Birla Precision Technologies GMBH			
Notes forming part of the Financial Statements for the period ended 31st March 2025			
Note 3	TRADE RECEIVABLES		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	Unsecured, considered good :		
	Considered good	-	-
	Considered doubtful	-	-
	Less: Provision for doubtful debts	-	-
		-	-
	Other considered good	684.87	63,230.35
	Total	684.87	63,230.35
Note 4	CASH AND CASH EQUIVALENTS		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
A)	Balances with Banks	367.31	33,911.75
B)	Deposits with Banks	-	-
	Total	367.31	33,911.75
Note 5	OTHER FINANCIAL ASSETS		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	<u>Current</u>		
	Unsecured; considered good :		
	Deposits with Others	3,780.00	3,48,986.99
	Total - Current	3,780.00	3,48,986.99
Note 6	CURRENT TAX ASSETS (NET)		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	Tax deducted at source	4,395.39	4,05,802.62
	VAT Refundable	7,107.85	6,56,229.41
	Total	11,503.24	10,62,032.03
Note 15	INVENTORIES		
Sr. No.	Particulars	As at 31st Dec. 2022	As at 31st Dec. 2022
	Raw Materials and Components	-	-
	Semi-Finished Goods	-	-
	Finished Goods	70,066.67	64,68,877.28
	Stock-in Trade	-	-
	Stores, Cutting Tools and Packing Materials	-	-
	Total	70,066.67	64,68,877.28
9.1	Undisputed trade receivables - considered good		
	Less than 6 Months	-	-
	6 Months - 1 year	-	-
	1 - 2 years	-	-
	2 - 3 years	-	-
	More than 3 years	-	-
	Total	-	-
9.2	Disputed trade receivables - considered good		
	Less than 6 Months	-	-
	6 Months - 1 year	-	-
	1 - 2 years	-	-
	2 - 3 years	-	-
	More than 3 years	-	-
	Total	-	-
	OTHER BANK BALANCES		

Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	Balances in Margin Money Account	-	-
	Balances in UP DDU Account	-	-
	Total	-	-
The Company has received amount of ` 264.79 Lakhs during the previous financial year for utilising the funds to UP DDU project but the same cannot be utilised due to Covid Pandemic Situations and the same was returned in current financial year.			
Note 7	EQUITY SHARE CAPITAL		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
A)	AUTHORISED SHARE CAPITAL		
	25000 Equity Shares as fully paid-up of Euro 1 Each	-	-
	Total	-	-
B)	ISSUED, SUBSCRIBED & PAID UP SHARE CAPITAL		
	25000 Equity Shares as fully paid-up of Euro 1 Each	25,000.00	21,49,847.50
	Total	25,000.00	21,49,847.50
Note 8	OTHER EQUITY		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
A)	General Reserves	-	-
B)	Retained Earnings	(2,29,888.32)	(2,10,66,079.69)
	Total (A to D)	(2,29,888.32)	(2,10,66,079.69)
	Subtotal (B)	1,50,573.00	1,39,01,592.00
	Total - Current	1,50,573.00	1,39,01,592.00
	Others	1,110.45	1,02,521.85
	Total - Current	1,40,717.41	1,29,91,678.59
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	<u>Current</u>		
	Advances from Customers	-	-
	Payable to employees	-	-
	Statutory Liabilities	-	-
	Total - Current	-	-
Note 12	PROVISIONS		
Sr. No.	Particulars	As at 31.03.2025	As at 31.03.2025
	<u>Current</u>		
A)	Provision for Employee Benefits		
	Gratuity	-	-
	Leave benefits	-	-
	Sub Total	-	-
B)	Provision for expenses	-	-
	Total - Current	-	-

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Note 13	REVENUE FROM OPERATIONS		
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
	Sale of Products	1,12,360.96	1,01,29,681.60
	Sale of Services	60,154.00	54,23,065.69
	Other operating revenue	-	-
	Revenue from operations	1,72,514.96	1,55,52,747.29
Note 14	PURCHASES OF STOCK-IN-TRADE		
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
	Files	1,30,056.38	1,17,24,977.42
	Total	1,30,056.38	1,17,24,977.42
Note 15	CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI-FINISHED GOODS AND STOCK-IN-TRADE		
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
	Inventories at the end of the year		
	Finished Goods (Includes goods in transit of Euro 25000)	70,066.67	64,68,877.28
	Semi-Finished Goods	-	-
	Stock-in-Trade	-	-
		70,066.67	64,68,877.28
	Inventories at the beginning of the year		
	Finished Goods	26,762.42	23,93,818.18
	Semi-Finished Goods	-	-
	Stock-in-Trade	-	-
		26,762.42	23,93,818.18
	Change in Inventories		
	Finished Goods	(43,304.25)	(40,75,059.10)
	Semi-Finished Goods	-	-
	Stock-in-Trade	-	-
	Total	(43,304.25)	(40,75,059.10)
Note 16	EMPLOYEE BENEFITS EXPENSE		
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
	Salaries, Wages and Bonus	39,485.09	35,59,700.71
	Contribution to Provident and Other Funds	30,955.57	27,90,738.60
	Staff Welfare Expenses	-	-
	Total	70,440.66	63,50,439.31
Note 17	FINANCE COSTS		
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
	Interest Expenses:		
	Fixed Loan	-	-
	Other	-	-
	Bank charges	930.41	83,879.29
	Total	930.41	83,879.29

Note 18		OTHER EXPENSES	
Sr. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2025
A)	Administrative, Selling and Other Expenses:		
	Rent	17,974.34	16,20,441.31
	Rates and taxes	-	-
	Postage and telephone	-	-
	Stores, cutting tools and packing materials consumed	-	-
	Insurance	-	-
	Travelling and conveyance	17,918.99	16,15,451.34
	Foreign travelling expenses	-	-
	Vehicle expenses	-	-
	Advertisement , publicity etc.	-	-
	Sales promotion and other selling expenses	-	-
	Sales commission	20,794.02	18,74,644.02
	Freight on sales	10,826.50	9,76,041.84
	Training and welfare expenses	-	-
	Training expenses skill of poor youth	-	-
	Legal and professional fees	5,805.54	5,23,387.05
	Security services	-	-
	Software maintenance expenses	771.12	69,518.81
	Sundry balances written off	-	-
	Exchange rate variation loss (Net)	(802.67)	(8,65,547.28)
	Miscellaneous expenses	1,193.28	1,07,577.81
	Sub Total (B)	74,481.12	59,21,514.90
	Total (A+B)	74,481.12	59,21,514.90

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Birla Precision Technologies GMBH

Note 19 Related Party Transaction

The related party transaction is with the wholly owned parent company, the details are as below

Nature of Balance /Transactions	Euro	INR
1. Share Capital	25,000.00	21,49,847.50
2. Purchase	1,30,056.38	1,17,24,977.42
3. Creditors	1,39,606.96	1,28,89,156.74
4. Unsecured Loan	1,50,573.00	1,39,01,592.00

Note 20 The Accumulated losses of the company Euro 54315 is exceeding the equity capital, the parent company has provided additional fund by way of unsecured loan to meet the cash flow of the company and management of the holding company has committed to support the cash flow and hence the accounts are prepared on the going concern basis.

Note 21 The Debtors, Creditors and advances balances are subject to confirmation.

As per our attached report of even date

For M/s. S S Surana & CO

Chartered Accountants

Firm Registration No. 001076C

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Manoj Saraf

Partner

Membership No. 100785

Place: Mumbai

UDIN: 25100785BMIRAJ2762

22nd May 2025

For & on Behalf of

Birla Precision Technologies GMBH

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Santosh Kumar

Director

DIN No. 08686131