Independent Auditor's Report

To the Members of Forbes Aquatech Limited

Report on the audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Forbes Aquatech Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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, 2024 the profit (including other 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 financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the 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 is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, 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. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended. In our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid/provided by the Company to its directors during the year under the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, 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; and

(c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our 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 the course of our audit we did not come across any instance of audit trail feature being tampered with.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Vignesh. N

Vignesh Neelakantan
Partner
Membership No: 195711
Place: Mumbai
Date: May 08, 2024
ICAI UDIN: 24195711BKJPZZ8138

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Forbes Aquatech Ltd:)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all items of Property, Plant and Equipment are verified once in every two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) held in the name of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, with regards to the nature and size of its inventories, the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.

(b) During the year, the Company did not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from any banks on the basis of security of its current assets. Accordingly, paragraph 3(ii)(b) of the Order is not applicable.

(iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or given guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, reporting under paragraph (iv) of the Order is not applicable.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues referred above were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, outstanding dues of sales tax and Excise duty that have not been deposited by the Company on account of disputes are given below *:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)*	Period to which the amount relates (Financial Year)	Forum where dispute is pending
The Uttarakhand VAT Act, 2005	Sales Tax	17.98	2008-09	Joint Commissioner of Commercial Tax, Dehradun
Central Excise Act, 1944	Excise Duty	108.28	2007-08	Commissioner Excise

**As represented by Management.*

(viii) According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

(ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not taken any loans from any lender during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and based on our examination of the records of the Company, no term loans were obtained or utilised during the year by the Company. Accordingly, paragraph 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, no funds have been raised on short term basis by the Company.

(e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.

(x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.

(xi) (a) According to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the year or up to the date of the Report.

(c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order is not applicable.

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

(xiii) According to the information and explanations given to us and based on the audit procedures performed by us, transactions with the related parties during the year were in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.

(xiv) (a) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and accordingly clause (b) is not applicable.

(xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order are not applicable.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.

(c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Direction 2016) does not have any Core Investment Company ('CIC') as part of the Group. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.

(xvii) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not incurred any cash losses in the current financial year. The Company had incurred cash loss of Rs. 22.32 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us and based on audit procedures performed by us, the Company was not required to spend any amount in terms of Section 135 of the Act during the year. Accordingly, second proviso to sub-section (5) of section 135 of the said Act and paragraph 3(xx)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any ongoing project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

(xxi) This Report is issued on the standalone financial statements of the Company. Accordingly, paragraph 3(xxi) of the Order is not applicable.

For BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Vignesh - N

Vignesh Neelakantan
Partner
Membership No: 195711

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 08, 2024
ICAI UDIN: 24195711BKJPZZ8138

Annexure - B to the Independent Auditors' Report
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Forbes Aquatech Ltd**)

Report on the Internal Financial Controls 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 financial statements of **Forbes Aquatech Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024 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.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 BATLIBOI & PUROHIT
Chartered Accountants
Firm Reg. No.: 101048W

Vignesh. V.

Vignesh Neelakantan
Partner
Membership No:195711

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

Place: Mumbai
Date: May 08, 2024
ICAI UDIN: 24195711BKJPZZ8138

Forbes Aquatech Limited
Balance Sheet as at March 31, 2024

₹ in Lacs

	Particulars	Notes	As at March 31, 2024 ₹	₹	As at March 31, 2023 ₹	₹
	ASSETS					
	Non-current Assets					
(a)	Property, plant and equipment	4		111.68		147.29
(b)	Capital work-in-progress			-		-
(c)	Intangible assets	5		0.01		0.01
(d)	Right of Use Assets	6		3.18		41.96
(e)	Financial assets					
	(i) Other financial assets	8	17.41	17.41	17.41	17.41
(f)	Tax assets					
	(i) Deferred Tax Asset (Net)	16	110.10		111.45	
	(ii) Income Tax Asset (Net)	20	20.62	130.72	17.89	129.34
(g)	Other non-current assets	11		24.57		24.57
	Total Non-current Assets			**287.57**		**360.57**
	Current Assets					
(a)	Inventories	9		152.46		155.72
(b)	Financial assets					
	(i) Trade receivables	7	206.25		106.78	
	(ii) Cash and cash equivalents	10	43.36		395.08	
	(iii) Other financial assets	8	402.92	652.53	131.99	633.85
(c)	Current tax assets (Net)	20		-		-
(d)	Other current assets	11		6.72		7.28
				811.71		796.85
	Total Current Assets			**811.71**		**796.85**
	Total Assets			**1,099.28**		**1,157.42**
	EQUITY AND LIABILITIES					
	Equity					
(a)	Equity share capital	12	56.51		56.51	
(b)	Other Equity	13	985.68		976.10	
	Equity attributable to owners of the Company			1,042.19		1,032.61
	Total Equity			**1,042.19**		**1,032.61**
	Liabilities					
	Non-current Liabilities					
(a)	Financial Liabilities					
	(i) Lease liabilities		0.00	0.00	3.63	3.63
(b)	Provisions	15		6.95		7.45
(c)	Other non-current liabilities	17		-		-
	Total Non-current Liabilities			**6.95**		**11.08**
	Current liabilities					
(a)	Financial liabilities					
	(i) Borrowings	18	-		-	
	(ii) Lease liabilities		3.63		41.15	
	(iii) Trade and other payables:					
	- Total outstanding Dues to small and micro enterprises	19	1.21		18.89	
	- Total outstanding dues of creditors other than Micro and small enterprises		19.24		18.66	
	(iv) Other financial liabilities	14	22.67	46.75	33.05	111.74
(b)	Provisions	15		1.57		0.22
(c)	Current tax liabilities (Net)	20		-		0.00
(d)	Other current liabilities	17		1.82		1.77
				50.14		113.73
	Total Current Liabilities			**50.14**		**113.73**
	Total Liabilities			**57.09**		**124.81**
	Total Equity and Liabilities			**1,099.28**		**1,157.42**

Significant accounting policies 3

The notes referred to above form an integral part of the financial statements

As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Regn No.101048W

Vignesh Neelakantan
Partner
Membership No. 195711
Place: Mumbai
Date: 08.05.2024

BATLIBOI & PUROHIT * CHARTERED ACCOUNTANTS * Mumbai

FORBES AQUATECH LTD.

For and on behalf of the Board of Directors.

Suresh Redhu
Chairman
DIN: 06607351

Srinivas S. Ayyagari
Director
DIN: 10185293

Forbes Aquatech Limited
Statement of Profit and Loss for the year ended 31st March, 2024

₹ in Lacs

			Notes	Year 2023-24 ₹	Year 2022-23 ₹
I		**Income**			
		Revenue from Operations	21	547.58	482.30
		Other income and other gains / (losses)	22	14.95	9.34
		Total Income		**562.53**	**491.64**
II		**Expenses**			
		Cost of materials consumed	23.1	294.44	238.76
		Purchases of stock-in-trade	23.2	4.97	5.69
		Changes in inventories of finished goods, stock-in-trade and work-in-progress	23.3	0.17	0.04
		Employee benefits expense	24	35.67	48.11
		Finance costs	25	2.24	6.48
		Depreciation and amortisation expense	26	61.77	77.45
		Other expenses	27	150.17	214.88
		Total expenses		**549.43**	**591.42**
III		**Profit/(Loss) before exceptional items and tax**		**13.10**	**(99.78)**
		Add/ (Less) : Exceptional items		-	-
IV		**Profit/(Loss) before tax**		**13.10**	**(99.78)**
		Less: Tax expense			
	(1)	Current tax		2.02	-
	(2)	Deferred tax	28	3.41	(25.65)
	(3)	MAT credit entitlement		(2.02)	-
				3.41	**(25.65)**
V		**Profit/(Loss) for the year**		**9.69**	**(74.13)**
VI		**Other Comprehensive Income/(Loss)**			
A		Items that will not be reclassified to profit or loss			
	(a)	Remeasurements gains/ (Losses) of the defined benefit plans		**(0.14)**	**(0.57)**
	(b)	Income tax relating to items that will not be reclassified to profit or loss		0.04	0.15
				(0.11)	**(0.42)**
B		Items that may be reclassified to profit or loss			
		Income tax relating to items that may be reclassified to profit or loss		-	-
				-	-
		Total other comprehensive income/(loss) (A + B)		**(0.11)**	**(0.42)**
		Total comprehensive income/(loss) for the year (V+VI)		**9.58**	**(74.55)**
		Earnings per equity share			
		(1) Basic (in ₹)	30	1.71	(13.12)
		(2) Diluted (in ₹)		1.71	(13.12)

The notes referred to above form an integral part of the financial statements

For and on behalf of the Board of Directors.

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Regn No.101048W

Vignesh Neelakantan
Partner
Membership No. 195711
Place: Mumbai
Date: 08.05.2024

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Suresh Redhu
Chairman
DIN: 06607351

Srinivas S. Ayyagari
Director
DIN: 10185293

Forbes Aquatech Limited
Cash Flow Statement for the year ended 31st March, 2024

₹ in Lacs

		Year ended March 31, 2024	Year ended March 31, 2023
A	**Cash flows from operating activities**		
	Profit/(Loss) before tax	13.10	(99.78)
	Adjustments for:		
	Finance costs recognised in profit or loss	2.24	6.48
	Interest Income	(15.49)	(8.43)
	CWIP written off	-	5.73
	Profit on Sale of Assets	-	(0.02)
	Profit on Disposal of ROU assets	-	(1.16)
	Loss on Sale of Assets	11.65	0.10
	Remeasurements of the defined benefit plans	(0.14)	(0.57)
	Depreciation and amortisation of non-current assets	61.77	77.45
		73.12	**(20.19)**
	Movements in assets & liabilities:		
	(Increase)/decrease in trade and other receivables	(99.47)	472.36
	(Increase)/decrease in inventories	3.25	38.30
	(Increase)/decrease in current Other Assets	0.56	1.34
	(Increase)/decrease in non current financial Other Assets	-	10.76
	(Increase)/decrease in current Other Financial Assets	(270.24)	(130.00)
	Increase/ (Decrease) in trade and other payables	(27.49)	(29.60)
	Increase/(Decrease) in provisions	0.85	0.19
	Increase/(Decrease) in other liabilities	0.05	(5.99)
		(392.48)	357.35
	Cash generated from operations	**(319.35)**	**337.16**
	Income taxes paid	(4.76)	(4.01)
	Net cash generated by operating activities	**(324.11)**	**333.15**
B	**Cash flows from investing activities**		
	Interest received	14.81	6.44
	Payments for property, plant and equipment and Capital Work in progress	(0.39)	(9.14)
	Proceeds from disposal of property, plant and equipment	1.36	0.41
	Net cash (used in)/generated by investing activities	**15.78**	**(2.30)**
C	**Cash flows from financing activities**		
	Net increase / (decrease) in working capital borrowings	-	-
	Proceeds paid on Buy back of equity shares	-	-
	Tax Paid on Buy Back of equity Shares	-	-
	Lease rental Payments	(43.39)	(59.10)
	Interest paid	-	-
	Net cash used in financing activities	(43.39)	(59.10)
	Net increase in cash and cash equivalents (A+B+C)	(351.72)	271.76
	Cash and cash equivalents at the beginning of the year	395.08	123.32
	Cash and cash equivalents at the end of the year	**43.36**	**395.08**

The notes referred to above form an integral part of the financial statements
As per our report of even date
For Batliboi & Purohit
Chartered Accountants
ICAI Firm Regn No.101048W

Vignesh Neelakantan
Partner
Membership No. 195711
Place: Mumbai
Date: 08.05.2024

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors.

FORBES AQUATECH LTD.

Suresh Redhu
Chairman
DIN: 06607351

Srinivas S. Ayyagari
Director
DIN: 10185293

Forbes Aquatech Limited

Statement of changes in equity

A. Equity share capital

Current Year: April 1, 2023 to March 31, 2024 ₹ in Lacs

Particulars	Year 2023-24
Balance as at April 1, 2023	56.51
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year on account of Buy back of shares	-
Balance as at March 31, 2024	56.51

Previous Year: April 1, 2022 to March 31, 2023

Particulars	Year 2022-23
Balance as at April 1, 2022	56.51
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	-
Changes in equity share capital during the year on account of Buy back of shares	-
Balance as at March 31, 2023	56.51

B. Other Equity ₹ in Lacs

	Attributable to owners of the company						
	Reserves and surplus				Items of Other Comprehensive Income		
	General reserve	Capital Redemption Reserve	Retained earnings	Total	Other items of other comprehensive income- Remeasurement of defined benefit	Total	Total Other Equity
Current Year: April 1, 2023 to March 31, 2024							
Balance at April 1, 2023	255.00	43.50	678.20	976.70	(0.59)	(0.59)	976.10
Profit for the year	-	-	9.69	9.69	-	-	9.69
Other comprehensive income for the year, net of income tax	-	-	-	-	(0.11)	(0.11)	(0.11)
Total comprehensive income for the year	-	-	9.69	9.69	(0.11)	(0.11)	9.58
Utilised for Buy Back of Shares	-	-	-	-	-	-	-
Tax Paid/ Payable on Buy back of shares	-	-	-	-	-	-	-
Transfer to Capital redemption reserve on account of Buyback of Shares	-	₹ in Lacs	-	-	-	-	-
Balance at March 31, 2024	255.00	43.50	687.89	986.39	(0.70)	(0.70)	985.68
Previous Year: April 1, 2022 to March 31, 2023							
Balance at April 1, 2022	255.00	43.50	752.33	1,050.83	(0.17)	(0.17)	1,050.66
Profit for the year	-	-	(74.13)	(74.13)	-	-	(74.13)
Other comprehensive income for the year, net of income tax	-	-	-	-	(0.42)	(0.42)	(0.42)
Total comprehensive income for the year	-	-	(74.13)	(74.13)	(0.42)	(0.42)	(74.55)
Utilised for Buy Back of Shares	-	-	-	-	-	-	-
Tax Paid/ Payable on Buy back of shares	-	-	-	-	-	-	-
Transfer to Capital redemption reserve on account of Buyback of Shares	-	-	-	-	-	-	-
Balance at March 31, 2023	255.00	43.50	678.20	976.70	(0.59)	(0.59)	976.10

As per our report of even date

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Regn No.101048W

Vignesh Neelakantan
Partner
Membership No. 195711
Place: Mumbai
Date: 08.05.2024

For and on behalf of the Board of Directors.

Suresh Redhu
Chairman
DIN: 06607351

Srinivas B. Ayyagari
Director
DIN: 10185293

1. Reporting entity

Forbes Aquatech Limited (the 'Company') is a Company domiciled in India, with its registered office situated at No. 143, C-4, Bommasandra Industrial Area, Off. Hosur Road, Bangalore – 560099. The Company is a 89.49% subsidiary of M/s Eureka Forbes Limited, a Company incorporated under the Companies Act, 1956. The Company is primarily involved in manufacturing of Non electric water purifier.

The manufacturing facility of the Company is located at Lal Tappar Industrial Area in the State of Uttarakhand.

2. Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 08th May, 2024.

Details of the Company's accounting policies are included in Note 3.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities and defined benefit plan assets measured at fair value.

d. Use of estimates and judgements

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2024 is included in the following notes:
-Note 16 – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
-Note 31 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes the management that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors.

The finance team regularly reviews significant unobservable inputs and valuation adjustments.

Significant valuation issues are reported to the Company's Board of Directors.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following note:

- Note 39 – financial instruments.

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

3. Significant accounting polices

a. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from the translation of the equity investments which are recognised at fair value through OCI (FVOCI).

b. Financial instruments

i. *Recognition and initial measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. *Classification and subsequent measurement*

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company does not have any financial assets within this category.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

On initial recognition of an equity investment that is not held for trading, the Company has elected to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. The Company does not have any financial assets within this category.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amotised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. The Company does not have any fixed liabilities under the category of FVTPL.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

iii. *Derrecogniton*

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. *

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II of the Companies Act, 2013
Plant and machinery (including moulds)	15 years	15 years
Office equipments	5 years	5 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Computer server	6 years	6 years
Vehicles- Motor car	5 years	8 years
Electric fittings	10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

d. Intangible assets

i. Acquired intangible

Intangible assets comprise purchased technical know how are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Intangible assets are amortised over a period of 10 years for technical know how and 3 years for others.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
The comparison of cost and net realisable value is made on an item-by-item basis.

f. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit loss on:
-financial assets measured at amortised cost.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a *pro rata* basis.

An impairment loss in respect of assets other than goodwill for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g. Employee benefits

i. *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

ii. *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

h. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

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

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

i. Revenue

Revenue from the sale of goods in the course of ordinary activities is recognised at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods.

Revenue from services are recognised in the accounting period in which service are rendered. For fixed price contracts, revenue is recognised based on actual services provided to the end of the reporting period as a proportion of the total services to be provided.

Dividend income is recognised when the right to receive payment is established and known.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

j. Leases

As a lessee:

The Company has adopted Ind AS 116 - Leases, with effect from April 01, 2019. The Company did not have any impact on transition date ie. April 01, 2019 on account of adoption of Ind AS 116.

In the statement of profit and loss for the year, instead of rent expenses (as accounted under previous periods), amortisation of right of use has been accounted under depreciation and amortisation expenses and unwinding of discount on lease liabilities has been accounted under finance cost.

The Company's leases primarily consist of leases of land and office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a ROU and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and/or low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Currently, ROU assets are being amortised over a period of 3-5 years based on lease term being lower of lease term and estimated useful life of underlying assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing activities in statement of cash flows.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

k. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

I. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable Company, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

m. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

n. Statement of cash flows:

Cash Flows are reported using indirect method, where by profit /loss before tax is adjusted for the effects of transactions of non- cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

Forbes Aquatech Limited
Notes to the financial statements for the period ended March 31, 2024 - continued

4. Property, plant and equipment and Capital Work in Progress

(i) Property, plant and equipment

₹ in Lacs

Cost or deemed cost	Electric Installations	Plant and machinery	Mould, Pattern & Dies	Furniture and fixtures	Computers	Vehicles	Office Equipments	Total
	₹	₹	₹	₹	₹	₹	₹	₹
As at 1st April 2022	6.07	82.41	295.00	17.85	9.68	13.38	21.75	446.13
Additions	-	12.09	-	-	-	-	-	12.09
Disposals	-	-	-	-	4.86	6.98	-	11.84
As at March 31, 2023	6.07	94.50	295.00	17.85	4.81	6.40	21.75	446.38
Additions	-	-	-	-	-	-	0.39	0.39
Disposals	-	-	45.55	-	-	-	-	45.55
As at March 31, 2024	6.07	94.50	249.45	17.85	4.81	6.40	22.13	401.22

Accumulated depreciation	Electric Installations	Plant and machinery	Mould,Pattern & Dies	Furniture and fixtures	Computers	Vehicles	Office Equipments	Total
	₹	₹	₹	₹	₹	₹	₹	₹
As at 1st April 2022	4.15	52.26	175.31	14.21	9.15	12.71	19.30	287.10
Charge for the year	0.36	5.45	16.64	0.38	0.18	-	0.34	23.34
Disposals	-	-	-	-	4.73	6.63	-	11.35
As at March 31, 2023	4.51	57.71	191.95	14.59	4.60	6.08	19.64	299.09
Charge for the year	0.36	5.52	16.42	0.35	-	-	0.35	22.99
Disposals	-	-	32.54	-	-	-	-	32.54
As at March 31, 2024	4.87	63.24	175.82	14.94	4.60	6.08	19.99	289.54
Carrying Amount								
As at March 31, 2023	1.56	36.79	103.05	3.26	0.21	0.32	2.10	147.29
As at March 31, 2024	1.20	31.26	73.63	2.92	0.21	0.32	2.15	111.68

(ii) Capital Work in Progress (CWIP)

As at March 31, 2023	-
As at March 31, 2024	-

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

5. Other intangible assets

₹ in Lacs

Cost or deemed cost	Technical Knowhow	Computers Software	Total
	₹	₹	₹
As at 1 April 2022	30.00	0.17	30.17
Additions	-	-	-
As at March 31, 2023	30.00	0.17	30.17
Additions	-	-	-
As at March 31, 2024	30.00	0.17	30.17
Amortisation			
As at 1 April 2022	30.00	0.16	30.16
Charge for the year	-	-	-
As at March 31, 2023	30.00	0.16	30.16
Charge for the year	-	-	-
As at March 31, 2024	30.00	0.16	30.16
Carrying Amount			
As at March 31, 2023	-	**0.01**	**0.01**
As at March 31, 2024	-	**0.01**	**0.01**

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

6. Right of Use Assets

₹ in Lacs

Cost or deemed cost	**Building** ₹	**Total** ₹
As at 1 April 2022	145.93	145.93
Additions/ (Deletion)	66.12	66.12
As at March 31, 2023	212.05	212.05
Additions/ (Deletion)	-	-
As at March 31, 2024	212.05	212.05
Amortisation		
As at 1 April 2022	115.98	115.98
Charge for the year	54.11	54.11
As at March 31, 2023	170.09	170.09
Charge for the year	38.78	38.78
As at March 31, 2024	208.87	208.87
Carrying Amount		
As at March 31, 2023	**41.96**	**41.96**
As at March 31, 2024	**3.18**	**3.18**

Forbes Aquatech Limited
Notes to the financial statements for the period ended March 31, 2024 - continued

₹ in Lacs

7. Trade receivables

Particulars	Current As at March 31, 2024 ₹	Current As at March 31, 2023 ₹
Trade receivables - Others		
Secured, considered good	-	-
Unsecured, considered good	-	1.28
Unsecured, Debts due from related parties	206.25	105.49
Unsecured Doubtful	-	-
Less: Allowance for doubtful debts	-	-
Total	**206.25**	**106.78**

The ageing of trade receivables as on March 31, 2024

Outstanding for following periods from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 Year	1-2 Year	2-3 Year	More Than 3 Yrs	Total Outstanding
(i) Undisputed Trade receivables – considered good	35.11	171.14	-	-	-	-	206.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

The ageing of trade receivables as on March 31, 2023

Outstanding for following periods from due date of payment

Particulars	Not Due	Less than 6 months	6 months - 1 Year	1-2 Year	2-3 Year	More Than 3 Yrs	Total Outstanding
(i) Undisputed Trade receivables – considered good	59.55	47.22	-	-	-	-	106.78
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

8. Other financial assets

₹ in Lacs

Particulars	Non Current As at March 31, 2024 ₹	Non Current As at March 31, 2023 ₹	Current As at March 31, 2024 ₹	Current As at March 31, 2023 ₹
Security deposits - unsecured considered good - to related parties	0.10	0.10	-	-
Security deposits - unsecured considered good	17.31	17.31	-	-
Security deposits - Others	-	-	-	-
Fixed Deposit with Bank (With maturity within 12 months)	-	-	400.24	130.00
Accrued Interest on Fixed Deposit	-	-	2.68	1.99
	17.41	17.41	402.92	131.99

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

₹ In Lacs

9. Inventories

₹ In Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
Inventories (lower of cost and net realisable value)		
Raw materials	152.27	155.35
Finished goods	0.20	0.36
	152.46	155.72

The cost of inventories recognised as an expense includes ₹. 509,729/- (during 2022-2023: ₹. NIL) in respect of write-downs of inventory to net realisable value.

10. Cash and cash equivalents

₹ In Lacs

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks in current accounts	22.65	45.00
Cash on hand	0.00	0.00
Others		
Fixed Deposit with Bank (With original maturity less than 3 months)	20.71	350.08
Total Cash & Cash Equivalents	**43.36**	**395.08**

11. Other assets

₹ In Lacs

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	-	-	0.74	1.18
Balance with statutory/ government authorities	24.57	24.57	5.98	6.10
Total	**24.57**	**24.57**	**6.72**	**7.28**

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

12. Equity Share Capital

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
Equity share capital	56.51	56.51
Total	56.51	56.51
Authorised Share capital :		
20,00,000 fully paid equity shares of ₹ 10 each	200.00	200.00
Issued subscribed and fully paid up:		
565,050 fully paid equity shares of ₹ 10 each (as at March 31, 2023: 565,050)	56.51	56.51
	56.51	56.51

12.1 Fully paid equity shares - Reconciliation of number of shares

Particulars	Number of shares	Share capital ₹
Balance at April 1, 2022	5,65,050	56,50,500
Add: Issued during the year	-	-
Less: Shares extinguished on buy back	-	-
Less: Bought back during the year	-	-
Balance at March 31, 2023	5,65,050	56,50,500
Add: Issued during the year	-	-
Less: Bought back during the year	-	-
Less: Shares extinguished on buy back	-	-
Balance at March 31, 2024	5,65,050	56,50,500

Rights, Preferences and restrictions attached to Equity shares : The Company has one class of Equity shares. Each fully paid equity share has a par value of ₹ 10. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in the proportion of equity shares held by the shareholders.

12.2 Details of shares held by each Shareholder holding more than 5% shares

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd)	5,00,000	88.49%	5,00,000	88.49%
Filtrex Holding Pte Ltd.	65,000	11.50%	65,000	11.50%
	5,65,000	99.99%	5,65,000	99.99%

12.3 Details of shares held by each promoter and Holding company and their changes in holding from the previous year

Promoter Name	As at March 31, 2024		As at March 31, 2023		
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares	% Change during the year
Fully paid equity shares					
Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd)	5,00,000	88.49%	5,00,000	88.49%	-
Filtrex Holding Pte Ltd.	65,000	11.50%	65,000	11.50%	-

12.4 Details of Shares for the period of five years immediately preceding 31.03.2024

Particulars	No of shares
Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	-
Aggregate number and class of shares bought back	4,35,000

13. Other equity ₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
	₹	₹
General reserve		
Balance at beginning of the year	255.00	255.00
Balance at end of the year	**255.00**	**255.00**
Capital Redemption reserve		
Balance at beginning of the year	43.50	43.50
Add: transfer from retained earnings for Buy back of shares	-	-
Balance at end of the year	**43.50**	**43.50**
Retained earnings		
Balance at beginning of year	678.20	752.33
Add/ (less): Profit/ (loss) for the year	9.69	(74.13)
Less: Transfer to Capital redemption reserves on account of Buy-back of Shares	-	-
Less: Utilised for Buy Back of Equity Shares	-	-
Less: Tax Paid/ payable on Buy back of shares	-	-
Balance at end of the year	**687.89**	**678.20**
Items of Other Comprehensive Income		
Balance at beginning of year	(0.59)	(0.17)
Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax	(0.11)	(0.42)
Balance at end of the year	**(0.70)**	**(0.59)**
Total	**985.68**	**976.10**

13 A. Capital management:

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of net debt (borrowings as detailed in Note 18 offset by cash and bank balances) and equity of the Company (comprising issued capital, reserves and retained earnings as detailed in Notes 12 to 13)

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Debt (i)	-	-
Less: Cash and cash equivalent	43.36	395.08
Net debt	-	-
Equity (ii)	1,042.19	1,032.61
Net debt to equity ratio (%)	***NA***	***NA***

FORBES AQUATECH LTD

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

Financial Liabilities

14. Other financial liabilities

₹ in Lacs

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	₹	₹	₹	₹
(a) Others :-				
-Dues to employees	-	-	2.81	9.95
-Unclaimed Dividend	-	-	0.01	0.01
-Dues on account of other contractual liabilities	-	-	19.85	23.08
Total	-	-	22.67	33.05

15. Provisions

₹ in Lacs

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	₹	₹	₹	₹
Employee benefits				
- Compensated Absences	1.22	1.34	0.07	0.08
- Gratuity	5.73	6.11	1.50	0.13
Total	6.95	7.45	1.57	0.22

15.1 Provision for Compensated Absences

Based on past experience the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 Months.

16. Deferred tax balances

₹ in Lacs

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets	121.93	129.38
Deferred tax liabilities	(11.84)	(17.93)
Net	110.10	111.45

Particulars	Property, plant and equipment	Provisions - Impact of expenditure charged to the profit and loss in the current year but allowed for tax on payment basis	On Account of Lease liability	MAT Credit Entitlement	Current year Loss to be set off against future profits	Total
Deferred tax (liabilities)/assets in relation to:						
Net balance April 1, 2022	(19.78)	1.94	0.65	102.85	-	85.65
Recognised in profit or (loss)	1.86	(0.10)	0.09	-	23.81	25.65
MAT Credit	-	-	-	-	-	-
Recognised in other comprehensive income	-	0.15	-	-	-	0.15
Closing balance March 31, 2023	(17.93)	1.99	0.73	102.85	23.81	111.45
Recognised in profit or (loss)	6.09	0.18	(0.62)	-	(9.07)	(3.41)
MAT Credit	-	-	-	2.02	-	2.02
Recognised in other comprehensive income	-	0.04	-	-	-	0.04
Closing balance March 31, 2024	(11.84)	2.21	0.12	104.87	14.73	110.10

17. Other Liabilities

₹ in Lacs

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
	₹	₹	₹	₹
(a) Deposit from employees for company's assets	-	-	-	-
(b) Advances from customers	-	-	0.69	0.37
(c) Statutory liabilities (Contributions to PF, Pension, ESIC, withholding Taxes, VAT etc.)	-	-	1.14	1.40
Total	-	-	1.82	1.77

18. Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Secured - at amortised cost	₹	₹
(a) Loans repayable on demand		
-from banks (Cash credit/ Buyers credit) refer (i) below	-	-
Total	-	-

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACC

19. Trade payables

₹ in Lacs

Particulars	Current	
	As at March 31, 2024 ₹	As at March 31, 2023 ₹
Trade payables (including acceptances) (Refer note below for dues to Micro and Small Enterprises)	20.44	37.55
Trade payables to related parties (Refer note 33)	-	-
Total	**20.44**	**37.55**

The average credit period for purchase of certain goods (other than MSME) is 45 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

19.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to MSME suppliers as on year end	0.46	18.15
(ii) Interest due on unpaid principal amount to MSME suppliers as on year end	0.74	0.74
(iii) The amount of interest paid along with the amounts of the payment made to the MSME suppliers beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year (without adding the interest under MSME Development Act)	-	-
(v) The amount of interest accrued and remaining unpaid as on year end	-	-
(vi) The amount of interest due and payable to be disallowed under Income Tax Act, 1961	-	-

The ageing of trade and other payables as on March 31, 2024.

Outstanding for following periods from due date of payment

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total Outstanding
MSME	1.21	-	-	-	-	1.21
Others	13.27	0.06	-	-	-	13.33
Disputed Dues - Others	-	-	-	-	5.91	5.91
Disputed Dues - MSME	-	-	-	-	-	-

The ageing of trade and other payables as on March 31, 2023.

Outstanding for following periods from due date of payment

Particulars	Not Due	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total Outstanding
MSME	18.89	-	-	-	-	18.89
Others	12.71	-	-	-	-	12.71
Disputed Dues - Others	-	-	-	-	5.91	5.91
Disputed Dues - MSME	-	-	-	-	-	-

20. Income tax assets and liabilities

₹ in Lacs

Particulars	Non Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Income tax assets (Net)				
Advance income-tax (Net of provision of taxation)	20.62	17.89	-	-
Total	20.62	17.89	-	-
Current tax Liabilities (Net)				
Provision for Taxation (Net of Advance Tax)	-	-	-	0.00
	-	-	-	0.00

BATLIBOI & PUROHIT Mumbai CHARTERED ACC

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

21. Revenue from operations

₹ in Lacs

	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
(a) Sale of product		
- Finished Goods	407.06	310.91
- Traded Goods	6.23	7.13
(b) Sale of services	131.17	155.82
(c) Other operating revenues		
Scrap sales	3.13	8.44
Total	**547.58**	**482.30**

22. Other Income and other gains/ (losses)

₹ in Lacs

Other Income	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Interest income from financial assets at amortised cost:		
Bank deposits	15.49	8.43
Profit on Sale of assets	-	0.02
Profit on Disposal of ROU assets	-	1.16
Misc Income	0.02	-
	15.51	**9.61**

Other gains/(losses)	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Net foreign exchange gains/(losses)	(0.56)	(0.28)
	(0.56)	(0.28)
	14.95	**9.34**

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

23. Cost of materials consumed

₹ in Lacs

		For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
23.1	Material consumption		
	Raw Materials		
	Opening Stock	155.35	193.61
	Add: Purchases	291.36	200.51
	Less: Closing Stock	152.27	155.35
		294.44	238.76
23.2	Purchase of traded products	4.97	5.69
23.3	Finished Goods		
	Opening Stock	0.36	0.40
	Less: Closing Stock	0.20	0.36
	Changes in inventories of finished goods, work-in-progress and stock-in-trade.	0.17	0.04
	Total	**299.58**	**244.49**

24. Employee benefits expense

₹ in Lacs

Particulars	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Salaries and Wages	30.56	40.33
Contribution to provident and other funds	2.52	2.87
Staff Welfare Expenses	2.59	4.92
Total	35.67	48.11

25. Finance costs

₹ in Lacs

	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Interest on bank cash credit	-	-
Interest on lease liabilities	2.24	6.48
Other borrowing costs	-	-
Total	**2.24**	**6.48**

26. Depreciation and amortisation expense

₹ in Lacs

Particulars	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Depreciation of property, plant and equipment (Note 4)	22.99	23.34
Amortisation on Right of Use of Assets (Note 6)	38.78	54.11
Total depreciation and amortisation	61.77	77.45

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

27. Other expenses

₹ in Lacs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹	₹
Electricity	5.84	7.87
Rent	0.21	3.22
Repairs and Maintenance :-		
Building	-	13.53
Machinery	2.92	1.93
Others	7.67	11.32
Insurance	1.64	1.34
Payment to Auditors (Refer details Below)	2.38	4.48
Printing and Stationery	0.40	0.55
Communication cost	0.57	0.86
Travelling and Conveyance	0.15	0.07
Legal and Professional Fees	4.51	8.08
Vehicle Running Expenses	0.73	3.89
Rates and taxes, excluding taxes on income	0.82	2.24
Information Technology Expenses	-	-
Other Establishment Expenses	0.30	1.17
Contractual Labour Charges	103.23	144.94
Loss on Sale of assets	11.65	0.10
Security Charges	7.15	8.70
Directors' Sitting Fees	-	0.60
Total	**150.17**	**214.88**

Payments to auditors	For the year ended March 31, 2024	For the year ended March 31, 2023
	₹	₹
a) For audit	2.38	2.38
b) For taxation matters	-	0.60
c) For Certification and other services	-	-
d) For Limited review	-	1.50
Total	**2.38**	**4.48**

28. Income taxes

28. Income tax recognised in profit or loss

₹ in Lacs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		
In respect of the current year	2.02	-
In respect of prior years	-	-
	2.02	-
Deferred tax		
In respect of the current year	3.41	(25.65)
	3.41	(25.65)
Minimum Alternate Tax entitlement	(2.02)	-
Total income tax expense recognised in the current year	**3.41**	**(25.65)**

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

29 Tax expense

₹ in Lacs

(a) Amounts recognised in profit and loss

Particulars	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Current income tax	2.02	-
Less: MAT Credit entitlement	(2.02)	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	3.41	(25.65)
Deferred tax expense	3.41	(25.65)
Tax expense for the year	**3.41**	**(25.65)**

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2024			For the year ended March 31, 2023		
	Before tax ₹	Tax (expense) benefit ₹	Net of tax ₹	Before tax ₹	Tax (expense) benefit ₹	Net of tax ₹
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(0.14)	(0.04)	(0.11)	(0.57)	(0.15)	(0.42)
	(0.14)	**(0.04)**	**(0.11)**	**(0.57)**	**(0.15)**	**(0.42)**

(c) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2024 ₹	For the year ended March 31, 2023 ₹
Profit before tax	**13.10**	**(99.78)**
Tax using the Company's domestic tax rate (Current year 26.00% and Previous Year 26.00%)	3.41	(25.94)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Adjustment for Current tax of prior year expenses allowed during CY	-	-
Tax on Remeasurements gains/ (Losses) of the defined benefit plans		-
Tax impact for loss incurred during the year	-	-
Tax on temporary differences	-	-
Tax rate change	-	0.29
Readjustment of opening deferred taxes	0.01	-
Others	-	-
Total income tax expense recognised in the current year	**3.41**	**(25.65)**

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

₹ in Lacs

(d) Movement in deferred tax balances

	Net balance April 1, 2023	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other - Utilised against tax payable	31-Mar-24 Net	31-Mar-24 Deferred tax asset	31-Mar-24 Deferred tax liability
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Deferred tax asset									
Property, plant and equipment	(17.93)	6.09	-	-	-	-	(11.84)	-	(11.84)
Others - MAT Credit entilement	102.85	-	-	-	-	2.02	104.87	104.87	-
On Account of Lease liability	0.73	(0.62)	-	-	-	-	0.12	0.12	-
Current year Loss to be set off against future profits	23.81	(9.07)	-	-	-	-	14.73	14.73	-
Others - Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	1.99	0.18	0.04	-	-	-	2.21	2.21	-
Tax assets (Liabilities)	**111.45**	**(3.41)**	**0.04**	**-**	**-**	**2.02**	**110.10**	**121.93**	**(11.84)**
Set off tax									
Net tax assets	**111.45**	**(3.41)**	**0.04**	**-**	**-**	**2.02**	**110.10**	**121.93**	**(11.84)**

(e) Movement in deferred tax balances

	Net balance April 1, 2022	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Acquired in business combinations	Other - Utilised against tax payable	31-Mar-23 Net	31-Mar-23 Deferred tax asset	31-Mar-23 Deferred tax liability
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Deferred tax asset									
Property, plant and equipment	(19.78)	1.86	-	-	-	-	(17.93)	-	(17.93)
Others - MAT Credit entitlement	102.85	-	-	-	-	-	102.85	102.85	-
On Account of Lease liability	0.65	0.09	-	-	-	-	0.73	0.73	-
Current year Loss to be set off against future profits	-	23.81	-	-	-	-	23.81	23.81	-
Others - Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	1.94	(0.10)	0.15	-	-	-	1.99	1.99	-
Tax assets (Liabilities)	**85.65**	**25.65**	**0.15**	**-**	**-**	**-**	**111.45**	**129.38**	**(17.93)**
Set off tax									
Net tax assets	**85.65**	**25.65**	**0.15**	**-**	**-**	**-**	**111.45**	**129.38**	**(17.93)**

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Forbes Aquatech Limited

Notes to the financial statements for the period ended March 31, 2024 - continued

30: Earnings per share (EPS)

i. Profit attributable to Equity Shareholders ₹ in Lacs

	March 31, 2024 ₹	March 31, 2023 ₹
Profit attributable to equity Shareholders:	9.69	(74.13)
Profit attributable to equity shareholders for basic earnings	**9.69**	**(74.13)**

ii. Weighted average number of ordinary shares

	March 31, 2024 ₹	March 31, 2023 ₹
Issued ordinary shares at April 1	5,65,050	5,65,050
Effect of shares issued as Bonus shares	-	-
Effect of Buy back of equity shares	-	-
Weighted average number of shares at March 31, 2024 for basic EPS	**5,65,050**	**5,65,050**
Effect of Dilution	-	-
Weighted average number of shares at March 31, 2024 after effect of dilution	**5,65,050**	**5,65,050**

Basic and Diluted earnings per share

	March 31, 2024 ₹	March 31, 2023 ₹
Basic earnings per share	1.71	-13.12
Diluted earnings per share	1.71	-13.12

BATLIBOI & PUROHIT
Mumbai
CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Forbes Aquatech Limited
Notes to the financial statements for the period ended March 31, 2024 - continued

31	**Contingent liability and commitments**	**As at 31.03.2024**	**As at 31.03.2023**
		₹ in Lacs	**₹ in Lacs**
	Contingent Liabilities (to the extent not provided for)		
	Disputed Sales Tax demands	17.98	17.98
	Disputed Central Excise demands	108.28	108.28
		126.25	**126.25**

32 Commitments (to the extent not provided for)

Estimated amount of contracts remaining to be executed on Capital accounts and not provided for amounting **₹ Nil** *(Previous year ₹ Nil)*.

33 As required by the Ind AS 24 on the "Related Party Disclosures", the list of related parties and their transactions is attached.

34 The Company was set up with the objective of manufacturing Non electric water purifiers. This is the only activity performed and is thus also the main source of risks and returns. Accordingly, the Company has a single reportable segment. Further, as the Company does not operate in more than one geographical segment hence the relevant disclosures as per Ind AS 108 are not applicable to the company.

35 In accordance with Ind AS 116 disclosures in respect of Leases are made below :

Operating Leases

Leases as Lessee

a. The Company has taken certain premises on cancellable and Non - cancellable operating lease basis. In the agreements there are no terms for purchase option or any restriction such as those concerning dividend and additional debts. Lease agreement of the Company do not contain any variable lease payment or any residual value guarantee. The Company has not entered into any sub-lease agreement.

b. Information in respect of leases for which right- of use of assets and corresponding lease liabilities have been recognised are as follows:

Particulars	**As at 31.03.2024 (₹ in Lacs)**	**As at 31.03.2023 (₹ in Lacs)**
Additions to Rights-of-use of assets during the year (Commercial premises)	-	77.45
Deletion to Rights-of-use of assets during the year (Commercial premises)	-	11.33
Amortisation of right-of-use of assets during the year	38.78	54.11
Interest Expenses (unwinding of discount) on lease liabilities	2.24	6.48
Lease rental expenses relating to short term leases/ low value assets	0.21	3.22
Total Cash outflows in respect of leases (including short term leases)	43.60	62.32
Carrying amount right-of-use of assets at year end (commercial premises)	3.18	41.96

36 The company does not have any transactions with struck off companies.

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

37 Ratios:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reason for variance more than 25%
Current Ratio	16.19	7.01	131%	Working capital improved on account of reduction in lease liability and vendor payments.
Debt-Equity Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Debt Service Coverage Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Return on Equity Ratio (%)	0.92%	-6.97%	87%	Refer note (a) below.
Inventory turnover ratio	1.94	1.40	39%	Increase in Finished product sales
Trade Receivables turnover ratio	3.50	1.23	185%	Better Realisation
Trade payables turnover ratio	10.33	4.60	125%	Refer note (a) below.
Net capital turnover ratio	0.72	0.71	2%	Not Applicable
Net profit ratio	1.77%	-15.37%	88%	Refer note (a) below.
Return on Capital employed (%)	0.98%	-5.87%	83%	
Return on investment (%)	16.95%	-131.94%	87%	

Note (a): In the preceding financial year, the Company made strategic investments in job work expansion. While this venture did not yield the anticipated results, the Company promptly took corrective action. During the last quarter of FY23, the Company ceased this expansion and responsibly surrendered additional leased premises.

The above ratios are calculated based on below formulae.

Ratio	Formula
Current ratio (times)	Current assets divided by current liabilities.
Debt-equity ratio (times)	Total debt divided by equity.
Debt service coverage ratio (times)	Earnings available for debt service divided by debt service. Earning for debt service = Net profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest +other adjustments like loss on sale of PP&E etc. Debt service = Interest and principal repayments including lease payments.
Return on equity (%)	Net profit after tax reduced by preference dividend (if any) divided by average shareholders equity.
Inventory turnover ratio (times)	COGS divided by average inventory.
Trade receivables turnover ratio (times)	Credit sales divided by average trade receivable.
Trade payable turnover ratio (times)	Credit purchases divided by average trade payable.
Net capital turnover ratio (times)	Sales divided by working capital. working capital =current assets minus current liabilities.
Net profit ratio (%)	Net profit after tax divided by sales.
Return on capital employed (%)	Earnings before interest and tax divided by capital employed. capital employed =tangible net worth + total debt + deferred tax liability.
Return on investment (%)*	Based on time weighted rate of return (TWRR) method.

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

38. Employee benefit obligation

₹ in Lacs

	As at 31 March 2024		As at 31 March 2023	
	Non-current	**Current**	**Non-current**	**Current**
Compensated absences	1.22	0.07	1.34	0.08
Gratuity	5.73	1.50	6.11	0.13
	6.95	**1.57**	**7.45**	**0.22**

(i) *Defined benefit plan - Gratuity*

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is an unfunded plan.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

₹ in Lacs

	As at 31 March 2024	As at 31 March 2023
Present value of obligation as at the beginning of the year	**6.24**	**6.00**
Current service cost	0.38	0.43
Interest expense	0.46	0.43
Total amount recognised in profit or loss	**0.84**	**0.86**
Remeasurements		
(Gain)/loss from change in financial assumptions	0.07	(0.10)
Experience (gains)/losses	0.07	0.67
(Gain)/loss from change in Demographic assumpti	-	-
Total amount recognised in other comprehensive income	**0.14**	**0.57**
Benefit payments	-	(1.18)
Present value of obligation as at the end of the year	**7.23**	**6.24**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.21%	7.34%
Salary growth rate	5.50%	5.50%
Retirement age	58 years	58 years
Withdrawal rates	2.00%	2.00%
Weighted average duration of defined benefit obliga	5 years	5 years

Assumptions regarding future mortality rates are based on Indian Assured Lives Mortality :- 100% of IALM (2012-14) {*PY: 100% of IALM (2012-14)*} Ultimate as published by Insurance Regulatory and Development Authority (IRDA).

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

The actuarial valuation is carried out yearly by an independent actuary. The discount rate used for determining the present value of obligation under the defined benefit plan is determined by reference to market yields at the end of the reporting period on Indian Government Bonds. The currency and the term of the government bonds is consistent with the currency and term of the defined benefit obligation.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

₹ in Lacs

	As at 31 March 2024	**As at 31 March 2023**
Discount rate (0.50% increase)	(0.26)	(0.25)
Discount rate (0.50% decrease)	0.28	0.27
Future salary growth (0.50% increase)	0.28	0.27
Future salary growth (0.50% decrease)	(0.26)	(0.25)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(ii) *Defined contribution plan*

The Company also has certain defined contribution plan. Contributions are made to provident fund and employee state insurance scheme for employees at the spcified rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs. 192,668/- (31 March 2023: Rs. 221,227/-).

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

39. Financial Instrument - Fair value and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financials liabilities, including their levels of in the fair vale hierarchy :

As at 31 March 2024 *₹ in Lacs*

	Carrying amount			
	FVOCI - equity instruments	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount
Financial assets not measured at fair value				
Trade receivables	-	206.25	-	206.25
Cash and cash equivalents	-	43.36	-	43.36
Other financial assets	-	17.41	-	17.41
	-	267.02	-	267.02
Financial liabilities not measured at fair value				
Borrowings	-	-	-	-
Trade payables	-	-	20.44	20.44
Other financial liabilities	-	-	22.67	22.67
Lease liabilities	-	-	3.63	3.63
	-	-	46.74	46.74

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

As at 31 March 2023 *₹ in Lacs*

	Carrying amount			
	FVOCI - equity instruments	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount
Financial assets not measured at fair value				
Trade receivables	-	106.78	-	106.78
Cash and cash equivalents	-	395.08	-	395.08
Other financial assets	-	17.41	-	17.41
	-	519.26	-	519.26
Financial liabilities not measured at fair value				
Borrowings	-	-	-	-
Trade payables	-	-	37.55	37.55
Other financial liabilities	-	-	33.05	33.05
Lease liabilities	-	-	41.15	41.15
	-	-	111.74	111.74

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

BATLIBOI & PUROHIT ★ Mumbai ★ CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. ★

B. Measurment of fair values

Valuation techniques and significant unobservable inputs

Financial instruments measured at fair value

The company does not have any Investment.

Forbes Aquatech Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments :
- Credit risk
- Liquidity risk
- Market risk
- Interest risk

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company conduct yearly risk assessment activities to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has a system in place to ensure risk identification and ongoing periodic risk assessment is carried out. The Board of directors periodically monitors the risk assessment.

i) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss.

The carrying amounts of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was:

₹ in Lacs

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables	206.25	106.78
Cash and cash equivalents	43.36	395.08
Loans	-	-
Other financial assets	17.41	17.41

The maximum exposure to credit risk for trade receivables at the reporting date by geographic region of the Company was:

Particulars	As at 31 March 2024	As at 31 March 2023
Within India	206.25	106.78

The maximum exposure to credit risk for trade receivables, cash and cash equivalents and other bank balances at the reporting date by type of counterparty was:

Particulars	As at 31 March 2024	As at 31 March 2023
Product Marketing company	206.25	106.78
Bank balances and deposits with bank	43.36	395.08

Trade receivables

Customer credit risk is managed as per Company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, estabilishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairement loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account historical experience with customers.

Trade receivables are typically unsecured as the Company does not hold collateral as security. Since the Company derives it significant revenue from a related party, the Company is not exposed to significant credit risk.

The age of trade and other receivables at the reporting date was:

Particulars	As at 31 March 2024	As at 31 March 2023
Not due	35.11	59.55
0-30 days	72.29	10.86
31-90 days	64.91	22.47
more than 90 days	33.94	13.89
	206.25	**106.78**

Bank balances and deposits with banks

Credit risk from balances with banks is managed by the company's finance department as per Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Forbes Aquatech Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees in lakhs, unless otherwise stated)

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31 March 2024

₹ in Lacs

			Contractual cash flows				
	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	-	-	-	-	-	-	-
Trade payables	20.44	20.44	20.44	-	-	-	-
Other financial liabilities	22.67	22.67	22.67	-	-	-	-
Lease liabilities	3.63	3.63	3.63		-	-	-
	46.74	**46.74**	**46.74**	-	-	-	-

As at 31 March 2023

₹ in Lacs

			Contractual cash flows				
	Carrying amount	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Borrowings	-	-	-	-	-	-	-
Trade payables	37.55	37.55	37.55	-	-	-	-
Other financial liabilities	33.05	33.05	33.05	-	-	-	-
Lease liabilities	41.15	41.15	18.53	18.99	3.63		
	111.74	**111.74**	**89.12**	**18.99**	**3.63**	-	-

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Market risk is attributable to all market risk sensitive financial instruments including foreign currency payables, deposits with banks and borrowings. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which purchases are denominated and the functional currency of Company. The functional currency of the Company is Indian Rupees. The Company is primarily exposed to foreign currency fluctuation between the USD and Indian Rupees

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) as reported to the management is as follows:

₹ in Lacs

	As at 31 March 2024	As at 31 March 2023
Financial liabilities		
Trade payables	-	-
	-	-

Sensitivity analysis

A 10% appreciation of the USD as indicated below, against Indian Rupees would have decreased gain by the amounts shown below:

Particulars	Profit or loss
31 March 2024	
USD (10% strengthening)	-
31 March 2023	
USD (10% strengthening)	-

A 10% depreciation of the USD against Indian Rupees would have had the equal but opposite effect on the above currency to the amounts shown above, on basis that all other variables remain constant.

BATLIBOI & PUROHIT * Mumbai * CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD. *

Forbes Aquatech Limited
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Indian Rupees, unless otherwise stated)

iv) Interest risk

₹ in Lacs

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows

	As at 31 March 2024	As at 31 March 2023
Fixed rate instruments		
Financial assets		
Deposit with banks	-	-
	-	-
Variable-rate instruments		
Financial liabilities		
Borrowings	-	-
	-	-

Cash flow sensitivity analysis for variable-rate instruments

An increase of 100 basis points in interest rates at the reporting date would have decreased gain as at year end by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Profit or loss
31 March 2024	
Variable-rate instruments	-
Cash flow senstivity	-
31 March 2023	
Variable-rate instruments	-
Cash flow senstivity	-

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.

40. Previous year figures have been regrouped where ever necessary.
As per our report of even date

For Batliboi & Purohit
Chartered Accountants
ICAI Firm Regn No.101048W

Vignesh Neelakantan
Partner
Membership No. 195711
Place: Mumbai
Date: 08.05.2024

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors.

Suresh Redhu
Chairman
DIN: 06607351

Srinivas G. Ayyagari
Director
DIN: 10185293

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Details required under Ind AS 24 on the "Related Party Disclosures" - referred in Note no. 33 forming integral part of financial statement: Notes to the financial statements for the year ended March 31, 2024- continued.

(I) Name of related Party and nature of relationship where control exists are as under :

A Holding Company

Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd) - (Holding Company w.e.f 01 February, 2022)

B Other Related Parties (where transactions have taken place during the year)

C Company having significant influence

Lunolux Limited (w.e.f 22 November, 2021)

Filtrex Holdings Pte Limited

₹ in Lacs

(II) Transactions with Related Parties for the year ended March 31, 2024

Nature of Transactions	Related Party Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd) ₹
Purchases	
Goods and Materials	42.57
Services	
Fixed Assets	
	42.57
Sales	
Goods and Materials	409.24
Services Rendered	131.17
Fixed Assets	
	540.41
Expenses	
Rent and other services	0.21
Repairs & Other Expenses	-
Finance Charges	-
Interest on ICD Taken	-
Bad Debts/Advances written off	-
Recovery of Expenses	-
Management Fees/ IT expenses	-
CSR contribution	-
	0.21
Income	
Rent and other services	-
Interest	-
Bad Debts/Advances written back	-
Dividend	-
Misc. Income	-
	-
Finance	
Inter-corporate deposits given	-
Inter-corporate deposits taken	-
Dividend paid	-
Outstanding	
Trade Payables	-
Deposit given	0.10
Advances Received	-
Trade Receivables	206.25

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS

FORBES AQUATECH LTD.

Forbes Aquatech Limited

Details required under Ind AS 24 on the "Related Party Disclosures" - referred in Note no. 33 forming integral part of financial statement: Notes to the financial statements for the year ended March 31, 2023- continued.

(I) Name of related Party and nature of relationship where control exists are as under :

A **Holding Company**

Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd) - (Holding Company w.e.f 01 February, 2022)

B **Other Related Parties (where transactions have taken place during the year)**

C **Company having significant influence**

Lunolux Limited (w.e.f 22 November, 2021)

Filtrex Holdings Pte Limited

(II) **Transactions with Related Parties for the year ended March 31, 2023** *₹ in Lacs*

Nature of Transactions	Related Party Eureka Forbes Limited (Formerly Forbes Enviro Solutions Ltd)
Purchases	
Goods and Materials	40.24
Services	
Fixed Assets	
	40.24
Sales	
Goods and Materials	287.88
Services Rendered	155.82
Fixed Assets	
	443.69
Expenses	
Rent and other services	0.21
Repairs & Other Expenses	-
Finance Charges	-
Interest on ICD Taken	-
Bad Debts/Advances written off	-
Recovery of Expenses	-
Management Fees/ IT expenses	-
CSR contribution	-
	0.21
Income	
Rent and other services	-
Interest	-
Bad Debts/Advances written back	-
Dividend	-
Misc. Income	-
	-
Outstanding	
Trade Payables	-
Deposit given	0.10
Advances Received	-
Trade Receivables	105.49

BATLIBOI & PUROHIT Mumbai CHARTERED ACCOUNTANTS