PARAMOUNT SPECIALITY FORGINGS LIMITED

(Formerly Paramount Speciality Forgings LLP)

Date: September 3, 2026

To,
The Manager - Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

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

Sub: Submission of Annual Report of the Company for the Financial Year 2025-26

Dear Sir/Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, we hereby submit the 3rd Annual Report of the Company for the Financial Year ended March 31, 2026 comprising of, inter-alia, Notice of the 3rd AGM of the Company, Board's Report along with its annexures, Independent Auditors' Report, Standalone Audited Financial Statements, including Cash Flow Statements and relevant Notes attached thereto.

Further, in accordance with Regulation 36(1)(b) of the Listing Regulations, a letter providing the web-link, including the exact path where the Annual Report is available, is being sent to the Members, who have not registered their e-mail address with the Depository Participants/ Company/ Registrar and Share Transfer Agents.

The Annual Report for the Financial Year 2025-26 is also being uploaded on the Company's website at https://paramountforge.com.

Kindly take above information on your records.

Thanking You,

Yours Faithfully

For Paramount Speciality Forgings Limited

ALIASGAR ROSHAN HARARWALA
Digitally signed by ALIASGAR ROSHAN HARARWALA
Date: 2026.09.03 16:11:49 +05'30'

Aliasgar Roshan Hararwala
Managing Director
DIN: 00334957

Date: September 3, 2026
Place: Mumbai

PARAMOUNT FORGE®

ANNUAL REPORT
2025-26

PRECISION THAT ENDURES

Built to Perform. Trusted to Last.

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CORPORATE INFORMATION

Directors

Aliasgar Roshan Hararwala
Managing Director (Executive)
DIN: 00393457

Aliasgar Abdulla Bhagat
Chairman cum Director (Executive)
DIN: 00335689

Mohammed Salim Hararwala
Director (Executive)
DIN: 00335357

Nimesh Mukerji (Cessation: April 14, 2026) (Death Due to Cancer)
Independent Director (Non-Executive)
DIN: 07705885

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

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

Satish Madhav Shenoy (Appointment: July 11, 2026)
Independent Director (Non-Executive)
DIN: 00230711

Paramount Speciality Forgings Limited

CIN: L24109MH2023PLC402307
Registered Office:
Unit 711A, 7th Floor, NCP Lodha Supremus Commercial, Lodha New Cuffe Parade, Wadala (East), Mumbai, Maharashtra, India, 400037
Email: compliance@paramountforge.org

Details of Auditors

Statutory Auditor
Kalyaniwala & Mistry LLP

Internal Auditor
Pipalia Singhal & Associates

Cost Auditor
Jitendrarkumar & Associates

Secretarial Auditor
Amit Dharmani & Associates

KMP Details

Farkhanda Abdul Razak Paparkar
Chief Financial Officer

Ankita Anil Patankar
Company Secretary and Compliance Officer (Resignation – April 20, 2026)

Zubin Shah
Company Secretary and Compliance Officer (Appointment – May 29, 2026)

Audit Committee

Kurian Pallathuseril Chandy
Chairman

Satish Madhav Shenoy
Member

Aliasgar Roshan Hararwala
Member

Nomination & Remuneration Committee

Kurian Pallathuseril Chandy
Chairman

Satish Madhav Shenoy
Member

Apurva Pradeep Joshi
Member

Aliasgar Abdulla Bhagat
Member

Stakeholder Relationship Committee

Kurian Pallathuseril Chandy
Chairman

Satish Madhav Shenoy
Member

Aliasgar Roshan Hararwala
Member

CSR Committee

Aliasgar Roshan Hararwala
Chairman

Aliasgar Abdulla Bhagat
Member

Kurian Pallathuseril Chandy
Member

Registrar and Share Transfer Agents

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

Bankers

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

ABOUT THE REPORT

Welcome to the 3rd Annual Report of ParamouWnt Speciality Forgings Limited for the financial year ended March 31,2026

The report presents a comprehensive view of the Company's **business, performance, strategic priorities, governance framework, sustainability initiatives and future outlook.** It reflects Paramount's continued focus on strengthening its position as a manufacturer of precision-engineered forged components serving critical industrial applications across India and international markets.

A Year of Purposeful Progress

FY2025–26 marked another step forward in Paramount's growth journey. The Company continued to invest in **advanced manufacturing infrastructure, testing capabilities, process optimisation and quality systems** to enhance operational flexibility and address increasingly complex, value-added applications.

Paramount also strengthened relationships with existing customers while exploring new sectors and geographies. Its presence across **Oil & Gas, Petrochemicals, Heavy Engineering, Railways and Process Industries** supports a diversified and resilient business model.

Commitment to Governance

Strong governance, transparency and accountability remain central to Paramount's operations. The Company continues to maintain robust internal controls, sound risk management practices and ethical business processes while adhering to applicable statutory and regulatory requirements.

Creating Sustainable Value

Paramount's approach to value creation extends beyond financial performance. The Company remains focused on **manufacturing excellence, product quality, operational efficiency, employee development, innovation and responsible resource utilisation.**

Sustainability continues to be integrated into its long-term strategy through energy efficiency, resource optimisation and responsible manufacturing practices, alongside its commitment to maintaining a safe and performance-driven workplace.

Disclaimer

This report contains forward-looking statements describing our expectations, plans and prospects. They rest on assumptions we believe reasonable and are subject to risks and uncertainties that could cause actual outcomes to differ. We undertake no obligation to update them. This document is for information only and does notconstitute an offer or solicitation in respect of any securities.

Looking Ahead

Paramount remains focused on **expanding manufacturing capacity, strengthening engineering capabilities, enhancing quality and operational excellence, and deepening customer relationships.** Investments in technology, sustainability and people will continue to support the Company's long-term growth and resilience.

As you explore this Annual Report, we hope it provides a clear understanding of Paramount's performance, strategic direction and commitment to sustainable value creation.

For shareholder queries and additional information, please visit the Company's website:
www.paramountforge.com

COMPANY OVERVIEW

Engineering Confidence into Every Critical Connection

> For over three decades, Paramount has built a strong presence in precision-engineered forgings for critical applications across **Oil & Gas, Petrochemicals, Fertilisers, Railways, Heavy Engineering, Nuclear Power, Process Industries and Industrial Manufacturing.**

Its portfolio includes **forged flanges, rolled rings, tube sheets, valve components and closed-die rings,** manufactured using advanced forging presses, hammers, ring rolling mills, heat treatment furnaces, CNC machining centres and comprehensive inspection systems.

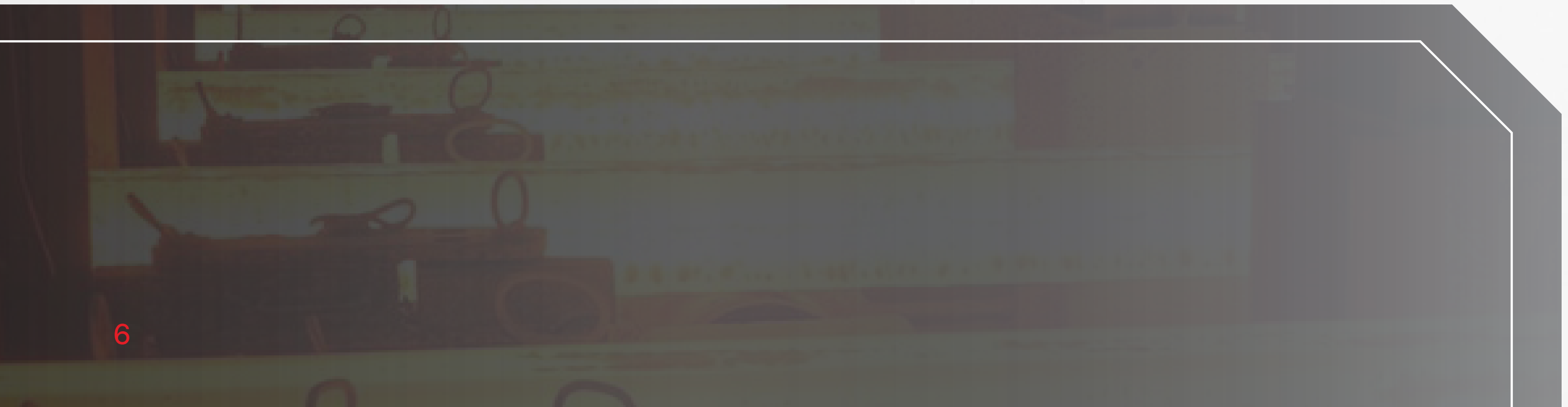
During FY2025–26, Paramount strengthened its manufacturing capabilities with the installation of a **2,000-ton forging press and 10-ton forging hammer** at Khalapur, enabling larger and more complex components and expanding its addressable market.

The Company is also enhancing its technological and quality capabilities through a modern in-house testing laboratory, with **NABL accreditation underway,** supporting stringent quality standards and potential third-party testing opportunities.

With growing capabilities in **specialised alloy steels, stainless steels and nickel-based alloys,** Paramount is moving towards higher-value engineered components while expanding its international presence across the **Middle East, Europe and other industrial markets.**

Sustainability remains a focus, highlighted by the commissioning of a **1.05 MW rooftop solar power project** during the year.

Going forward, Paramount remains focused on **capacity expansion, metallurgical expertise, advanced manufacturing and global customer penetration,** strengthening its position in the specialised industrial forging segment.



KEY FACTS & FIGURES

Precision Measured. Performance Proven.

Team
150

Industry Applications
Catering to 7+ Industrial Sectors

Component Range
1 Kg – 4000 Kg

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

Production Capacity
12,000 MTPA

Export Markets
Canada, Europe, & the Middle East

Domestic Markets
15+ States

Product Diversity
Wide range of Forgings for various Industries

PRODUCT PORTFOLIO

Where Precision Performs

At Paramount Speciality Forgings Limited, every product is engineered with a clear purpose—to deliver uncompromising reliability where performance is critical. Combining metallurgical expertise, precision forging and rigorous quality assurance, the Company manufactures specialised forged components that serve as the backbone of energy, process and industrial infrastructure.

Forged Flanges

Every pipeline, pressure vessel and process plant relies on secure connections capable of operating safely under high pressure and corrosive conditions. Forged flanges form these vital junctions, ensuring leak-proof performance while maintaining the structural integrity of industrial systems.

Manufactured in accordance with international standards and customer-specific specifications, Paramount's flanges are engineered for applications where precision, durability and operational reliability are essential.

Applications
- Oil & Gas Pipelines
- Refineries
- Petrochemical Plants
- LNG Terminals
- Fertiliser Facilities
- Power Plants
- Process Industries

Value Delivered
- High-pressure sealing integrity
- Excellent corrosion resistance
- Dimensional accuracy
- Long operational life
- Reliable performance in critical environments

Rolled Rings

Large industrial systems depend on components capable of sustaining continuous mechanical loads without compromising structural integrity. Rolled rings provide the strength, dimensional stability and fatigue resistance required for rotating and load-bearing applications across heavy engineering industries.

Manufactured through advanced ring-rolling processes, Paramount's rolled rings deliver consistent mechanical properties and superior material utilisation, making them indispensable for high-performance engineering applications.

Applications
- Oil & Gas Equipment
- Heavy Engineering
- Industrial Machinery
- Process Equipment
- Mining Equipment
- Power Generation

Value Delivered
- Superior strength-to-weight ratio
- Excellent fatigue resistance
- Uniform grain flow
- Improved structural integrity
- Extended service life

Tube Sheets

In process industries, efficient heat transfer is fundamental to operational performance. Tube sheets serve as the structural foundation of heat exchangers, condensers and boilers, securely holding tubes while maintaining pressure boundaries under demanding operating conditions.

Paramount manufactures precision-engineered tube sheets designed to meet stringent dimensional tolerances and metallurgical specifications, ensuring dependable performance in critical thermal processing applications.

Applications
- Heat Exchangers
- Boilers
- Condensers
- Petrochemical Plants
- Fertiliser Plants
- Refineries
- Process Industries

Value Delivered
- High dimensional precision
- Pressure containment reliability
- Corrosion resistance
- Enhanced equipment efficiency
- Long-term operational stability

Valve Components

Flow control systems are only as dependable as the components that operate within them. Valve bodies, bonnets, seats and other forged valve components must withstand continuous pressure, temperature variations and corrosive media while maintaining precise sealing performance.

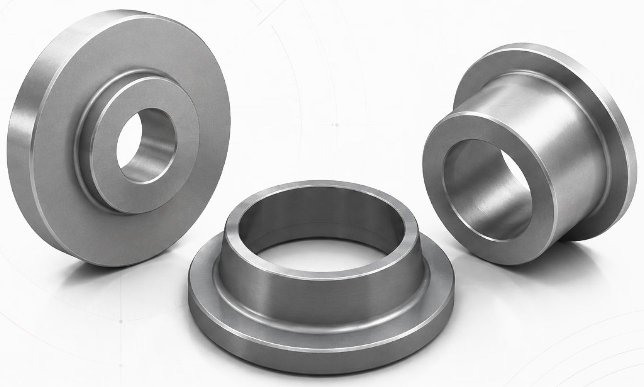
Paramount manufactures forged valve components that combine metallurgical integrity with precision machining, enabling reliable operation across demanding industrial environments where safety and process continuity are paramount.

Applications

- Oil & Gas
- Petrochemical Facilities
- LNG Infrastructure
- Power Plants
- Process Industries
- Chemical Plants

Value Delivered

- High-pressure durability
- Precision machining
- Superior sealing performance
- Enhanced operational safety
- Reduced maintenance requirements



Pressure Vessel Components

Pressure equipment forms the heart of process industries where operational safety and equipment integrity are paramount. Paramount manufactures precision-engineered components used in pressure vessels, reactors, heat exchangers and related equipment operating under high-pressure and high-temperature conditions.

Designed to stringent engineering standards, these components provide the reliability essential for continuous industrial operations.

Typical Applications

- Heat Exchangers
- Reactors
- Boilers
- Condensers
- Pressure Vessels

Value Delivered

- Pressure containment integrity
- Superior metallurgical performance
- Long service life
- High dimensional accuracy

Closed-Die Forgings

Industrial challenges rarely follow standard designs. Critical applications often demand forged components tailored to specific geometries, material grades and operating conditions.

Paramount's closed-die forging capabilities enable the production of customised components that combine near-net-shape manufacturing with superior mechanical properties and exceptional dimensional consistency. Supported by integrated forging, heat treatment, machining and inspection facilities, these engineered solutions help customers improve performance while reducing machining

Applications

- Oil & Gas Equipment
- Industrial Valves
- Heavy Engineering
- Railways
- Process Industries
- Specialised Industrial Equipment
-

Value Delivered

- Customer-specific engineering solutions
- High material utilisation
- Excellent repeatability
- Superior mechanical properties
- Cost-efficient manufacturing for complex geometries

Gear Blanks

The performance of every industrial gearbox begins with a forging capable of delivering consistent mechanical properties and dimensional precision. Paramount manufactures gear blanks that serve as the foundation for high-performance transmission systems used across heavy-duty industrial applications.

Carefully controlled forging processes ensure optimum grain structure, improved machinability and long-term operational reliability.

Typical Applications

- Industrial Gearboxes
- Transmission Systems
- Power Drives
- Mechanical Assemblies

Value Delivered

- Uniform metallurgical structure
- Precision machining capability
- Improved gear performance

INTEGRATED MANUFACTURING

Engineered for Every Scale.

Kamothe Facility

The Centre of Precision Manufacturing

Located in **Navi Mumbai, Maharashtra,** the Kamothe facility serves as Paramount's hub for precision-engineered forged components. Designed for high-volume production with stringent dimensional accuracy, the facility combines closed-die forging and precision machining to manufacture products that meet the demanding requirements of critical process industries.

Location
Navi Mumbai, Maharashtra

Installed Capacity
5,000 MTPA

Component Range
1 kg – 200 kg

Core Capabilities
- Closed-Die Forging
- Precision Machining

Product Portfolio
- Industrial Flanges
- Valve Components
- Custom Engineered Forgings

Serving Industries
Oil & Gas · Petrochemicals · Process Industries · General Engineering

Khalapur Facility

The Engine of Heavy Forging Excellence

Situated in **Khalapur, Raigad, Maharashtra,** the Khalapur facility is purpose-built for manufacturing large and complex forged components. Equipped with advanced open-die forging and automated ring rolling technologies, the facility delivers high-strength engineered products for heavy-duty industrial applications where structural integrity and reliability are paramount.

Location
Khalapur, Raigad, Maharashtra

Installed Capacity
7,000 MTPA

Component Range
200 kg – 4 MT

Core Capabilities
- Open-Die Forging
- Automated Ring Rolling

Product Portfolio
- Seamless Rolled Rings
- Heavy Custom Forgings
- Large Industrial Components

Serving Industries
Wind Energy · Heavy Engineering · Mining · Bearings · Industrial Equipment

Integrated Manufacturing Capability

Together, the Kamothe and Khalapur facilities create a complementary manufacturing ecosystem that combines precision with scale. From compact, high-volume forged components to heavy industrial forgings weighing up to **4 MT**, Paramount delivers end-to-end manufacturing solutions through an integrated production network with a combined installed capacity of **12,000 MTPA**. This dual-facility model provides the flexibility to serve diverse customer requirements while maintaining the highest standards of metallurgical integrity, process control and product quality.

CHAIRMAN'S MESSAGE

Since our inception in 1994, Paramount Speciality Forgings Limited has steadily evolved into a trusted engineering partner for customers operating in some of the world's most demanding industries. Our journey has never been defined by scale alone; it has been shaped by technical expertise, disciplined manufacturing and the confidence our customers continue to place in our capabilities.

Building Competitive Strength

FY2025–26 was a year of meaningful progress. While the global industrial environment continued to witness evolving supply chains, changing geopolitical dynamics and heightened customer expectations, we remained focused on strengthening the foundations of our business.

Investments in manufacturing infrastructure, advanced forging equipment and enhanced testing capabilities reflect a long-term approach towards building a stronger and more resilient organisation. These initiatives expand our engineering capabilities while positioning Paramount to address larger, more sophisticated applications across critical industrial sectors.

Trust Earned Through Performance

In the specialised forging industry, customer confidence is earned over years of consistent execution. Product approvals, stringent quality requirements and long qualification cycles create relationships that extend well beyond individual projects.

Our continued presence across oil & gas, petrochemicals, power, heavy engineering and process industries reflects the trust we have built through dependable quality, technical competence and timely execution. As industries become increasingly demanding, our focus remains on strengthening these relationships while expanding our capabilities to serve emerging opportunities.

Creating Sustainable Value

Growth must be accompanied by responsibility. Alongside capacity expansion, the Company continues integrating sustainability into its manufacturing operations through renewable energy initiatives, resource optimisation and responsible business practices. Our solar power project represents another step towards improving operational efficiency while reducing our environmental footprint.

The Board remains committed to maintaining high standards of governance, prudent capital allocation and ethical business conduct. These principles have guided our journey over the years and will continue to support sustainable value creation for every stakeholder.

Looking Ahead

India's expanding manufacturing ecosystem, increasing investments across energy and infrastructure, and the gradual diversification of global supply chains present significant opportunities for specialised engineering companies. Supported by our ongoing capacity expansion, strengthening export presence and growing metallurgical capabilities, Paramount is well positioned to participate in this next phase of industrial growth.

On behalf of the Board, I extend my sincere gratitude to our customers, employees, business partners, financial institutions and shareholders for their continued trust and unwavering support. Together, we look forward to building an organisation that remains defined by engineering excellence, operational integrity and enduring value.

Warm Regards,

Aliasgar Abdulla Bhagat
Chairman

MANAGING DIRECTOR'S MESSAGE

FY2025–26 has been a year of purposeful execution and strategic investments. As industrial requirements continue to evolve, our focus has remained on strengthening the capabilities that will define Paramount's competitiveness over the coming decade.

Over the years, our business has evolved well beyond conventional flange manufacturing. Today, Paramount manufactures rolled rings, flanges, tube sheets, valve components and customised forged products serving critical applications across oil & gas, petrochemicals, heavy engineering, railways, power and process industries. This diversification has strengthened both our product portfolio and our ability to participate in a broader range of industrial projects.

Expanding Manufacturing Capability

The ongoing expansion at our Khalapur facility represents one of the most significant milestones in our growth journey. The installation of a 10-ton forging hammer and a 2,000-ton forging press will enhance our manufacturing flexibility, improve productivity and enable us to manufacture larger and more complex forged components with greater efficiency. These investments are expected to significantly strengthen our competitive positioning in both domestic and international markets.

Moving Towards Higher Value Engineering

Customer expectations continue to shift towards specialised metallurgy, customised engineering and products capable of performing in increasingly demanding operating environments.

Accordingly, we are expanding our capabilities in complex alloy and nickel-based forgings while increasing our participation in customised applications where engineering expertise creates greater value. This strategic shift supports our objective of improving product mix while strengthening long-term profitability.

Quality Beyond Compliance

Manufacturing excellence extends beyond production capacity. During the year, we commissioned our in-house testing laboratory, significantly enhancing our quality assurance capabilities. Together with our ongoing NABL accreditation process, this investment reinforces our commitment to delivering products that consistently meet the rigorous technical and quality expectations of global customers.

Preparing for the Future

India's manufacturing landscape continues to present compelling opportunities, supported by infrastructure investments, localisation initiatives and expanding global supply chains. Simultaneously, our growing international presence through customer approvals and certifications provides access to newer export markets and specialised engineering applications.

Looking ahead, our priorities remain clear—complete the ongoing expansion, improve capacity utilisation, deepen customer relationships and continue advancing towards higher-value engineering solutions.

Acknowledgement

I extend my heartfelt appreciation to every employee whose dedication and craftsmanship continue to define Paramount's reputation. I also thank our customers, suppliers, bankers and shareholders for their continued confidence in our vision. Together, we will continue strengthening the capabilities that support sustainable growth for years to come.

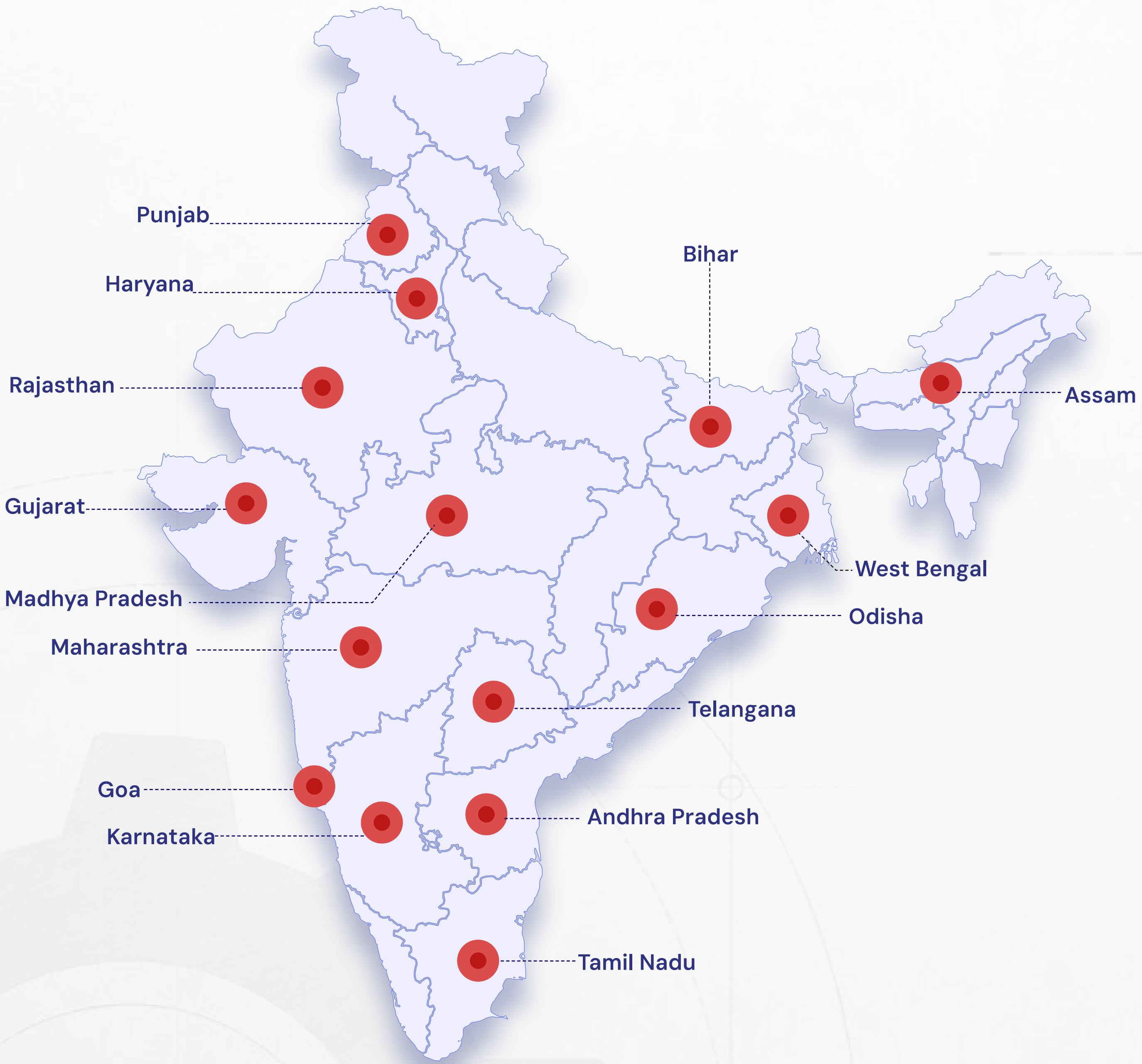
Warm Regards,

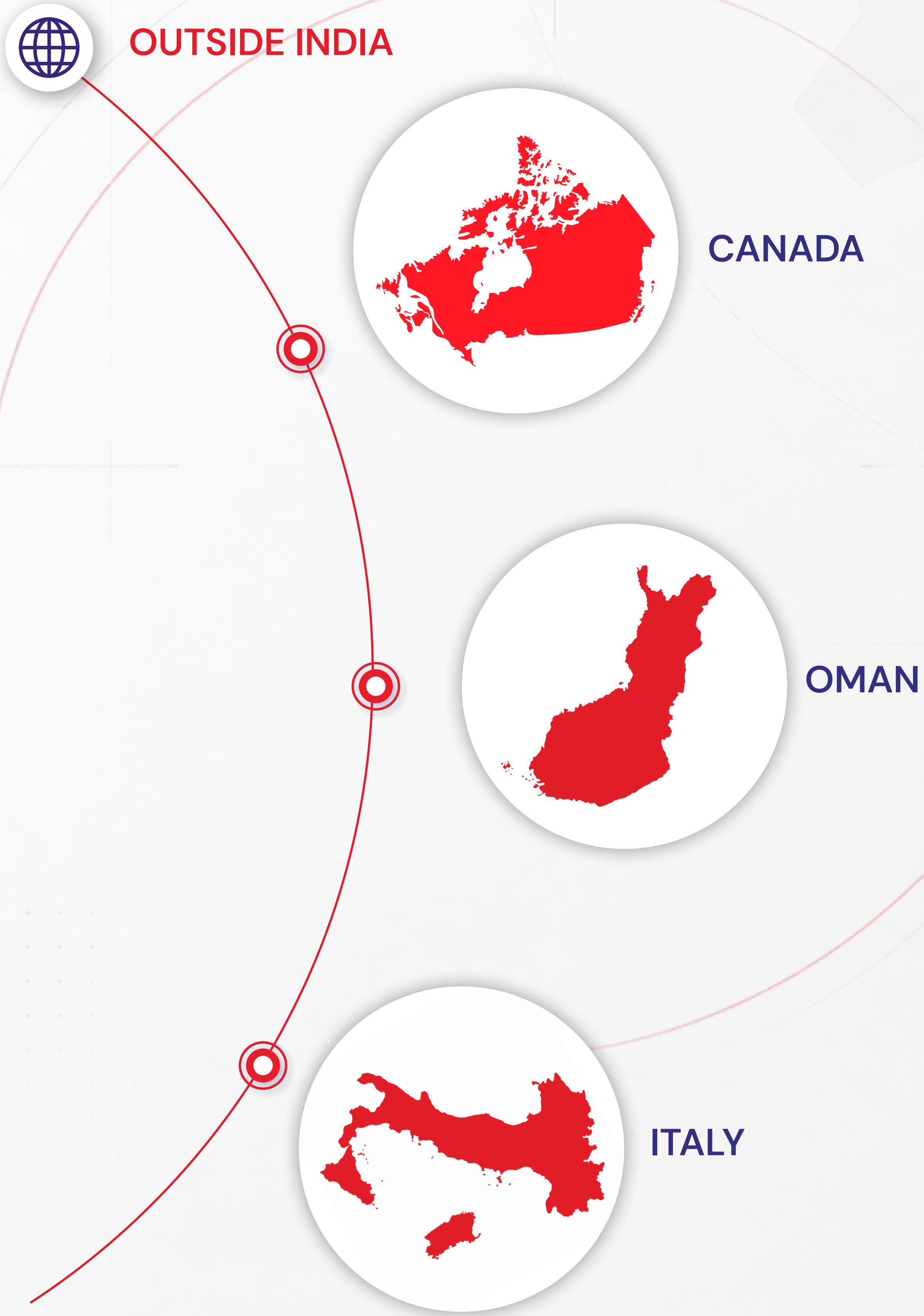
Alisagar Roshan Hararwala

Managing Director

GEOGRAPHICAL FOOTPRINT

Engineering Reliability Across Markets





OUR JOURNEY

1994

Paramount Speciality Forgings Limited was established as a partnership firm, manufacturing precision forged flanges and fittings for the oil & gas sector, laying the foundation for its

1996

The company commissioned its first closed-die forging facility in Navi Mumbai and later expanded with a modern ring-rolling plant in Khopoli, significantly enhancing its manufacturing capabilities.

2010

Paramount strengthened its manufacturing ecosystem by adding in-house CNC & VMC machining centres and a fully integrated machine shop, improving precision, quality, and operational

2019

The company transitioned into a Limited Liability Partnership and further upgraded its infrastructure with a fully automated heat-treatment plant and advanced multi-axis machining facilities.

2023

Paramount was incorporated as a Public Limited Company, marking a significant milestone in its corporate evolution and governance framework.

2024

The company successfully raised **₹32.54 crore** through its IPO and listed on the NSE SME platform. The issue received an overwhelming **40x subscription**, reflecting strong investor confidence.

2025 & Beyond

Paramount aims to expand forging capacity to **20,000 MTPA,** strengthen manufacturing infrastructure, establish an in-house testing laboratory, and capitalize on opportunities across defence, aerospace, engineering, and other high-growth sectors.

VISION & MISSION

Engineering the Future with Purpose

Paramount Speciality Forgings Limited is guided by a vision of becoming one of India's most trusted manufacturers of high-value, precision-engineered forged components for critical industrial applications. As industries continue to demand stronger, lighter and more sophisticated materials, the Company is steadily transforming its capabilities to serve the next generation of engineering challenges.

Building upon its established expertise in carbon, alloy and stainless steel forgings, Paramount is expanding its focus towards **high-complexity metallurgy,** including **nickel-based alloys such as Inconel, Hastelloy and Monel,** where technical expertise, stringent quality standards and application-specific engineering create significant value. This strategic shift is expected to strengthen the Company's presence in specialised industrial applications while enhancing its product mix and long-term competitiveness.

The Company's ongoing investments in advanced manufacturing infrastructure, **including the new forging press, forging hammer and supporting process capabilities,** will enable the production of both high-volume industrial components and specialised, high-value forgings. This balanced manufacturing approach provides the flexibility to efficiently cater to standardized products while expanding into complex engineered components that require superior metallurgical expertise and precision manufacturing.

Looking ahead, Paramount also envisions expanding into **aluminium and titanium forgings,** supported by successful product trials and ongoing investments in dedicated manufacturing systems. These initiatives are aligned with evolving industry requirements for lightweight, high-strength materials across advanced engineering applications.

As the Company's capabilities continue to evolve, it is actively preparing to participate in high-growth sectors such as **Aerospace and Defence**, where stringent quality standards, advanced materials and precision engineering define market leadership. By combining metallurgical excellence, integrated manufacturing and continuous technological advancement, Paramount aims to strengthen its position as a preferred engineering partner for industries where reliability, performance and precision remain indispensable.

Driven by disciplined execution and a long-term

NOTICE OF THE 3RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRD (3RD) ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF PARAMOUNT SPECIALITY FORGINGS LIMITED ("THE COMPANY") WILL BE HELD ON SATURDAY, SEPTEMBER 26, 2026 AT 01:00 P.M. (IST) THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **Adoption of the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026:**

   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

2. **To appoint a Director in place of Mr. Mohammed Salim Hararwala (DIN: 00335357), Executive Director, who retires by rotation and, being eligible, offers himself for re-appointment:**

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

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Mohammed Salim Hararwala (DIN: 00335357), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.**"**

SPECIAL BUSINESS:

3. **Ratification of remuneration payable to M/s. Jitendrakumar & Associates, Cost Auditor of the Company for FY 2026-27:**

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

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and the applicable provisions of the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the remuneration not exceeding ₹1,05,000/- (Rupees One Lakh Five Thousand only), plus applicable GST and reimbursement of out-of-pocket expenses, if any, payable to M/s. Jitendrakumar & Associates, Cost & Management Accountants (Firm Registration No. 101561), appointed by the Board of Directors of the Company at its Meeting held on May 29, 2026, based on the recommendation of the Audit Committee, as the Cost Auditors of the Company for the financial year 2026–27, be and is hereby ratified..

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

4. **Appointment of Mr. Satish Madhav Shenoy (DIN: 00230711) as a Non-Executive Independent Director of the Company:**

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Articles of Association of the Company and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Satish Madhav Shenoy (DIN: 00230711), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from July 11, 2026, and who holds office up to the date of this Annual General Meeting pursuant to Section 161(1) of the Act, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a first term of five (5) consecutive years commencing from July 11, 2026 up to July 10, 2031.

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

5. **To consider and approve the continuation of remuneration payable to Mr. Aliasgar Roshan Hararwala (DIN: 00334957), Managing Director of the Company, for the remaining period of his existing tenure:**

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

   "RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the rules made thereunder, the Articles of Association of the Company and other applicable laws, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the approval and recommendation of the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for the continuation and payment of remuneration to Mr. Aliasgar Roshan Hararwala (DIN: 00334957), Managing Director of the Company, at ₹21,00,000/- (Rupees Twenty-One Lakhs only) per annum, for the period from May 5, 2026 to May 4, 2028, being the remaining period of his existing tenure as Managing Director, on the terms and conditions as more particularly set out in the Explanatory Statement annexed to this Notice.

   RESOLVED FURTHER THAT the aforesaid remuneration shall remain fixed at ₹21,00,000/- (Rupees Twenty-One Lakhs only) per annum during the aforesaid period and no increment, enhancement or revision thereof shall be made pursuant to this approval.

   RESOLVED FURTHER THAT pursuant to clause (i) of the second proviso to Section 197(1) of the Act, consent of the Members be and is hereby accorded for payment of the aforesaid remuneration during the aforesaid period, notwithstanding that, in any financial year comprised therein, the remuneration payable to Mr. Aliasgar Roshan Hararwala, individually or together with the remuneration payable to any other Managing Director, Whole-time Director or Manager, as applicable, may exceed the limits specified therein, the net profits of the Company being computed in accordance with Section 198 of the Act.

   RESOLVED FURTHER THAT the approval accorded under this Resolution shall be subject to the total managerial remuneration payable by the Company in any financial year remaining within the overall limit prescribed under Section 197(1) of the Act, and in the event any further approval or compliance becomes applicable under the Act, the same shall be obtained or undertaken by the Company in accordance with the applicable provisions thereof.

   RESOLVED FURTHER THAT the approval accorded herein relates only to the remuneration payable to Mr. Aliasgar Roshan Hararwala for the remaining period of his existing tenure as Managing Director and shall not constitute his re-appointment or extension of tenure, which shall continue unchanged up to May 4, 2028.

   RESOLVED FURTHER THAT save and except for the remuneration terms specifically approved under this Resolution, all other terms and conditions of appointment of Mr. Aliasgar Roshan Hararwala as Managing Director of the Company shall remain unchanged, subject to the applicable provisions of the Act.

   RESOLVED FURTHER THAT the Board of Directors of the Company, including any Committee thereof, and/or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this Resolution."

For Paramount Speciality Forgings Limited

Sd/-
Zubin Shah
Company Secretary & Compliance Officer
Membership No.: A44200

Place: Mumbai
Date: August 25, 2026

Notes:

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time), companies are allowed to hold AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, AGM shall be conducted through VC/ OAVM.

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

3. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://paramountforge.com/investor-info.html#tab6. The Notice can also be accessed from the websites of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

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

The remote e-voting period begins on Wednesday, September 23, 2026 at 09:00 A.M. and ends on Friday, September 25, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 19, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 19, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

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

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

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

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

iv. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a. If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c. How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      ii. If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a. Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b. "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dipesh@sarvarth.co.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request Mr. Suketh Shetty at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@paramountforge.org.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to compliance@paramountforge.org. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (compliance@paramountforge.org). The same will be replied by the company suitably.
6. Members wishing to speak or express their views during the AGM as a speaker may register by sending their request with details such as name, demat account/folio number, email ID, and mobile number to compliance@paramountforge.org at least seven days prior to the AGM. Only those Members who have registered as speakers will be allowed to speak during the Meeting. The Company reserves the right to limit the number of speakers and the duration of speaking time based on the availability of time at the AGM.

Explanatory Statement

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

Item No. 3:
Pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") read with the applicable provisions of the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have its cost records audited by a Cost Accountant.

Based on the recommendation of the Audit Committee, the Board of Directors of the Company, at its Meeting held on May 29, 2026, appointed M/s. Jitendrakumar & Associates, Cost & Management Accountants (Firm Registration No. 101561), as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2026–27, at a remuneration not exceeding ₹1,05,000/- (Rupees One Lakh Five Thousand only), plus applicable GST and reimbursement of out-of-pocket expenses, if any.

Pursuant to Section 148(3) of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as approved by the Board of Directors, is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing the Ordinary Resolution as set out at Item No. 3 of the Notice.

M/s. Jitendrakumar & Associates have furnished a certificate confirming their eligibility for appointment as Cost Auditors of the Company and have also conducted the cost audit of the Company for the previous financial year.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 4:
Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company ("Board"), at its Meeting held on July 11, 2026, appointed Mr. Satish Madhav Shenoy (DIN: 00230711) as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from July 11, 2026, to hold office up to the date of the ensuing Annual General Meeting in accordance with Section 161(1) of the Companies Act, 2013 ("the Act"). The Board further recommended his appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a first term of five (5) consecutive years commencing from July 11, 2026 up to July 10, 2031, subject to the approval of the Members of the Company.

The Company has received from Mr. Satish Madhav Shenoy his consent to act as a Director in Form DIR-2, an intimation in Form DIR-8 confirming that he is not disqualified from being appointed as a Director under Section 164 of the Act, and a declaration confirming that he meets the criteria of independence prescribed under Section 149(6) of the Act. The requisite confirmation regarding his inclusion in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs and other applicable declarations and confirmations have also been received by the Company. The relevant documents and confirmations were considered by the Nomination and Remuneration Committee and the Board while considering his appointment.

The Company has also received a notice in writing under Section 160 of the Act from a Member proposing the candidature of Mr. Satish Madhav Shenoy for the office of Director of the Company.

Mr. Satish Madhav Shenoy is a Chartered Accountant, Cost Accountant, Company Secretary and Commerce Graduate from Mumbai University and possesses more than 40 years of experience in the areas of internal audit, risk management, forensic investigations, ethics and business finance across public and private sector organisations. He has extensive exposure across diverse sectors, including petroleum, pharmaceuticals, retail, engineering and construction, manufacturing, metals and mining, financial services and other diversified businesses.

Considering his qualifications, extensive professional experience, expertise in audit, risk management, finance and governance, diverse sectoral exposure and overall experience, the Nomination and Remuneration Committee and the Board are of the view that his association would contribute to the effectiveness of the Board and strengthen its oversight and governance capabilities. Accordingly, the Board considers that his appointment as an Independent Director is in the interest of the Company.

In the opinion of the Board, based on the declarations, confirmations and other documents received from Mr. Satish Madhav Shenoy, he fulfils the conditions specified under the Act and the Rules made thereunder for appointment as an Independent Director and is independent of the management of the Company. The Board has also satisfied itself with regard to his integrity, expertise and experience. This conclusion is consistent with the assessment recorded in PSFL's Board papers. Section 150(2) specifically requires the explanatory statement for an Independent Director appointment to disclose the justification for choosing the appointee.

Mr. Satish Madhav Shenoy shall be entitled to sitting fees for attending Meetings of the Board and its Committees, as may be determined by the Board from time to time within the limits prescribed under the Act and the Rules made thereunder, and reimbursement of expenses incurred in connection with participation in such Meetings. No other remuneration or commission is proposed to be paid to him.

Mr. Satish Madhav Shenoy holds 2,000 equity shares in the Company. The terms and conditions of appointment of Mr. Satish Madhav Shenoy as an Independent Director shall be available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the Annual General Meeting and electronically in the manner specified in the Notes to the Notice. The terms and conditions of appointment shall also be made available on the website of the Company, in accordance with the applicable provisions of law.

The additional particulars of Mr. Satish Madhav Shenoy, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings ("SS-2"), are set out in the Annexure to this Notice, which shall form an integral part of this Explanatory Statement. SS-2 requires, among other particulars, qualifications, experience, terms of appointment, remuneration, date of first appointment, shareholding, relationships, Board attendance and other directorships/committee positions, and specifically requires justification for choosing an Independent Director.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

Mr. Satish Madhav Shenoy is concerned or interested, financially or otherwise, in the Resolution relating to his appointment. His relatives may be deemed to be interested in the Resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 5
Mr. Aliasgar Roshan Hararwala (DIN: 00334957) was appointed as the Managing Director of the Company with effect from May 5, 2023, for a period of five years up to May 4, 2028. His existing tenure as Managing Director continues to remain unchanged and no re-appointment or extension of his tenure is proposed under this Item. The Prospectus also records his appointment as Managing Director from May 5, 2023 for a five-year term.

The Members had earlier approved the remuneration payable to Mr. Hararwala in connection with his appointment as Managing Director. The approval in respect of the existing remuneration was operative up to May 4, 2026. Accordingly, approval of the Members is now being sought for continuation and payment of remuneration to him for the remaining period of his existing tenure, i.e., from May 5, 2026 to May 4, 2028.

Pending approval of the Members, no remuneration has been paid to or drawn by Mr. Hararwala for the period commencing from May 5, 2026.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 29, 2026, approved and recommended, subject to the approval of the Members, continuation of remuneration payable to Mr. Hararwala at ₹21,00,000/- (Rupees Twenty-One Lakhs only) per annum for the aforesaid remaining period of his tenure.

The proposed remuneration is the same as the remuneration presently approved/last drawn by Mr. Hararwala and no increment, enhancement or revision is proposed under the present approval.

The principal terms of remuneration proposed to be continued are as follows:

Particulars	Terms
Period	May 5, 2026 to May 4, 2028
Remuneration	₹21,00,000/- (Rupees Twenty-One Lakhs only) per annum

Increment / revision	Nil. The remuneration shall remain fixed at ₹21,00,000/- per annum during the aforesaid period
Annual Leave	30 days' annual leave with pay for every completed service of eleven months
Reimbursement of expenses	Reimbursement, on actual basis, of entertainment, travelling and other expenses incurred in connection with the business of the Company

The Members may further note that the remuneration payable to a Managing Director is subject to the limits prescribed under Section 197 of the Act, the net profits for this purpose being computed in accordance with Section 198 of the Act. Since the applicable percentage of remuneration may vary from financial year to financial year depending upon the net profits of the Company, the approval of the Members is being sought by way of a Special Resolution so that the aforesaid fixed remuneration may continue to be paid during the approved period notwithstanding that, in any financial year, it may exceed the applicable individual or collective limit specified in clause (i) of the second proviso to Section 197(1) of the Act. The approval remains subject to the overall limit prescribed under Section 197(1) and such further approval or compliance as may become applicable under the Act.

The present proposal does not involve any increase in remuneration, re-appointment of Mr. Hararwala or extension of his existing tenure as Managing Director.

Mr. Aliasgar Roshan Hararwala, being the Managing Director to whom the remuneration under Item No. 5 is payable, is concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5. His relatives may also be deemed to be concerned or interested to the extent applicable.

Save and except as stated above, none of the other Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolution, except to the extent of their respective shareholding, if any, in the Company.

The relevant documents and records relating to the appointment and remuneration of Mr. Hararwala, including the earlier Members' approvals and the recommendation/approval of the Nomination and Remuneration Committee and the Board of Directors, shall be available for inspection by the Members in the manner specified in the Notes to this Notice.

The Board of Directors recommends the Special Resolution set out at Item No. 5 of the Notice for approval of the Members.

For Paramount Speciality Forgings Limited

Sd/-
Zubin Shah
Company Secretary & Compliance Officer
Membership No.: A44200

Place: Mumbai
Date: August 25, 2026

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

(Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India)

Name of the Director	Satish Madhav Shenoy	Mohammed Salim Hararwala
DIN	00230711	00335357
Nationality	Indian	Indian
Date of Birth & Age (in years)	January 13, 1963 (63 Years)	September 23, 1978 (48 Years)
Date of first appointment on Board	July 11, 2026	May 5, 2023
Qualification	Chartered Accountant, Cost Accountant and Company Secretary	Diploma in Computer Technology
Brief Profile, Experience and Expertise in specific functional areas	Mr. Satish Madhav Shenoy is a Graduate in Commerce, Chartered Accountant, Cost Accountant and Company Secretary by qualification. He has more than 40+ years of experience in Internal Audit, Risk Management, Forensic & Ethics functions in PSUs (i.e. Hindustan Petroleum) and Private enterprises (i.e. Onida, Lupin, Reliance Retail, L&T and Aditya Birla Group). He has also worked with the Government of India (Ministry of Petroleum) on deputation with the Oil Coordination Committee.	Mr. Mohammed Salim Hararwala has over 25 years of experience in the current business. He had done Diploma in Computer Technology from Maharashtra State Board of Technical Education in the year 1995. He leads manufacturing operations, ensuring alignment with customer needs and organizational goals proficient in ISO standards. He drives process improvements, implementation, and lean-manufacturing. As a vital member of the management, he fosters innovation and excellence in problem solving.
Remuneration sought to be paid	Only Sitting Fee	Rs. 17,16,000/-
Terms and Conditions of reappointment(s)	Appointed as Non- Executive Independent Director for period of 5 years w.e.f. July 11, 2026, not liable to retire by rotation.	Mohammed Salim Hararwala was appointed as Executive Director of the Company liable to retire by rotation and eligible for reappointment
Details of remuneration sought to be paid and remuneration last drawn by such person	Not Applicable	Rs. 17,16,000/-
Number of shares held in the Company as on 31st March 2026	2000 Equity Shares of Rs. 10 each.	13,52,064 Equity shares of Rs. 10 each.
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Not related to any Director or KMP of the Company	Not related to any Director or KMP of the Company
Number of Board meetings attended from his appointment	1 (One) (FY 2026-27)	4 (Four) (FY 2025-26)
List of Directorships held in other companies, as on date of notice	Indoco Remedies Limited Kataline Limited	Nil

Membership/ Chairmanship of Committees of Board of Directors of other companies, as on date of notice	**Indoco Remedies Limited:** Chairman of Audit Committee Chairman of Risk Management Committee **Kataline Limited** Chairman of Audit Committee	Nil
Occupation	Professional	Business
Listed entities from which the Director has resigned in last 3 (three) years	Nil	Nil

For Paramount Speciality Forgings Limited

Sd/-
Zubin Shah
Company Secretary & Compliance Officer
Membership No.: A44200

Place: Mumbai
Date: August 25, 2026

Board's Report

To,
The Members of
Paramount Speciality Forgings Limited

The Board of Directors is pleased to present the 3rd **Board's Report** on the business and operations of Paramount Speciality Forgings Limited ("the Company"), together with the audited financial statements of the Company for the financial year ended March 31, 2026, and the Auditor's Report thereon.

I. Financial Performance and Business Overview

A. Financial Highlights

During the financial year under review, the financial performance of the Company was as follows:

(₹ in Lakhs)

Sr. No.	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
1.	Revenue from operations	11,995.97	10,993.26
2.	Other income	180.76	96.84
3.	**Total income**	**12,176.73**	**11,090.10**
4.	(Less): Total expenses, excluding depreciation and amortisation	11,456.12	10,360.49
5.	Profit before depreciation, amortisation and tax	720.61	729.61
6.	**(Less): Depreciation and amortisation expense**	150.35	142.61
7.	**Profit before tax**	**570.26**	**587.00**
8.	(Less): Tax expense:		
	Current tax	165.00	169.86
	Prior-year tax adjustments	(3.52)	(32.99)
	Deferred tax (benefit)/expense	(16.75)	3.56
	Total tax expense	**144.73**	**140.43**
9.	**Profit after tax**	**425.53**	**446.57**

The Company was not required to prepare consolidated financial statements for the financial year ended March 31, 2026, as it did not have any subsidiary, associate company or joint venture as at March 31, 2026.

B. Details of Companies which have become or ceased to be Subsidiaries, Associates or Joint Ventures during the year:

During the financial year under review, no company became or ceased to be a subsidiary, associate company or joint venture of the Company. Further, as at March 31, 2026, the Company did not have any subsidiary, associate company or joint venture.

Accordingly, the Company was not required to prepare consolidated financial statements under Section 129(3) of the Companies Act, 2013, and the statement containing the salient features of the financial statements of subsidiaries, associates and joint ventures in Form AOC-1 is not applicable to the Company.

C. Highlights of performance of Subsidiaries, Associates and Joint Ventures:

Since the Company did not have any subsidiary, associate company or joint venture during the financial year under review, there is no performance or financial position of any such entity required to be reported.

D. State of Company's Affairs:

For the financial year ended March 31, 2026, standalone gross revenues and other income of the Company is Rs. 121,76,72,632/- (Rupees one hundred and twenty-one crore seventy-six lakh seventy-Two thousand Six Hundred and Thirty-Two only) as compared to Rs. 110,90,10,130.51/- (Rupees one hundred and ten crore ninety lakh ten thousand One Hundred and Thirty point & Five one Paise only) as on March 31, 2025.

The Company has made a standalone net profit of Rs. 4,25,53,248.49 /- (Rupees four crore twenty-five lakh fifty-three thousand Two Hundred and Forty-Eight point & Four Nine Paise only) for the year ended March 31, 2026 as compared to the previous year profit of Rs. 4,46,57,200.48/- (Rupees four crore forty-six lakh fifty-seven thousand Two Hundred point & Four Eight Paise only) for the year ended March 31, 2025.

E. Changes in the nature of business of the Company:
During the financial year under review, there was no change in the nature of the Company's business. The Company continued to be principally engaged in the manufacture and supply of steel forgings and customised forged components, including flanges, rings, blanks, tube sheets, nozzles, valve components and other non-standard forgings.

F. Dividend:
The Board of Directors has not recommended any dividend on the equity shares of the Company for the financial year ended March 31, 2026, with a view to conserving the resources of the Company for its business requirements and future growth.

The Company has adopted a Dividend Distribution Policy, which is available on the website of the Company under the Investor Information section at the following web-link:
https://paramountforge.com/investor-info.html#tab8

G. Transfer to Reserves:
Pursuant to the provisions of Section 134(3)(j) of the Companies Act, 2013, the Board of Directors confirms that no amount has been transferred to the General Reserves of the Company during the Financial Year ended March 31, 2026. The entire net profit earned for the year has been retained in the Profit and Loss Account, to be deployed towards strengthening the operational and financial position of the Company.

H. Particulars of Loans, Investments, Guarantees or Securities under Section 186:
During the Financial Year under review, the Company has not provided any loan or made any investment or given any guarantee or provided any security in respect of any loan to any person as mentioned in Section 186 of the Companies Act, 2013.

I. Particulars of Contracts or Arrangements with Related Parties referred to in Sub-Section (1) of Section 188:
During the financial year under review, No transactions with related parties covered under Section 188(1) of the Companies Act, 2013. None of such transactions was material under the Company's Policy on Related Party Transactions or the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Prior approval of the Audit Committee and the Board of Directors was obtained for the remuneration payable to the promoter employees within specified limits. The actual remuneration paid remained within the approved limits and was periodically placed before the Audit Committee and the Board for review and noting.

Accordingly, there were no transactions requiring disclosure in Form AOC-2.

The Company's Policy on Related Party Transactions is available on its website at: https://paramountforge.com/investor-info.html#tab8

J. Deposits:

i. Deposits covered under Chapter V of the Companies Act, 2013:
During the year under review, the Company has not accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

ii. Deposits not in compliance with Chapter V of the Companies Act, 2013:
During the financial year under review, as the Company has not accepted any deposit during the financial year under review there is no noncompliance with the requirements of Chapter V of the Act.

K. Outstanding Unsecured Loans from Directors and Promoters:
The Company had certain legacy unsecured loan balances outstanding from its Directors and Promoters, originating prior to the conversion of the erstwhile limited liability partnership into the Company. No fresh loan was received from any of the said persons during the financial year under review. The movement in the outstanding balances during the year was as follows:

(₹ in Lakhs)

Sr No.	Name	Capacity	Opening balance as at April 1, 2025	Fresh loan received during the year	Net reduction/ adjustment during the year*	Interest paid	Closing balance as at March 31, 2026
1	Abbasali S. Hararwala	Promoter	66.64	Nil	6.19	Nil	60.45
2	Abdulla A. Bhagat	Promoter	119.98	Nil	14.42	Nil	105.56
3	Hoozefa S. Hararwala	Promoter	66.64	Nil	6.19	Nil	60.45
4	Roshan A. Hararwala	Promoter	80.01	Nil	7.55	Nil	72.46
5	Zahid M. Hararwala	Promoter	80.22	Nil	11.06	Nil	69.16
6	Aliasgar R. Hararwala	Managing Director and Promoter	119.98	Nil	14.42	Nil	105.56
7	Aliasgar A. Bhagat	Director and Promoter	80.01	Nil	7.55	Nil	72.46
8	Mohammed S. Hararwala	Director and Promoter	66.71	Nil	9.59	Nil	57.12
Total			**680.19**	**Nil**	**76.96***	**Nil**	**603.23***

*The figures are presented in lakhs and have been rounded off. Consequently, the aggregate of the individually rounded figures may vary marginally from the total appearing in the audited financial statements.

The net reduction/adjustment during the year includes payments and book adjustments recorded in the respective loan accounts, including the adjustment of amounts relating to the respective Promoter Selling Shareholders' share of expenses incurred in connection with the Offer for Sale undertaken as part of the initial public offering. Such book adjustments did not represent fresh loans received by the Company during the year.

L. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:
No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended 31st March, 2026 till the date of this report.

II. Capital & Shares:

A. Share Capital:
During the financial year under review, there was no change in the authorised share capital or the issued, subscribed and paid-up equity share capital of the Company.

As at March 31, 2026, the authorised share capital of the Company was ₹20,00,00,000, divided into 2,00,00,000 equity shares of ₹10 each.

The issued, subscribed and paid-up equity share capital of the Company was ₹19,68,20,000, divided into 1,96,82,000 fully paid-up equity shares of ₹10 each.

B. Issue of Sweat Equity Shares:
During the financial year under review, the Company did not issue any sweat equity shares.

C. Issue of Shares on Right Basis:
During the financial year under review, the Company did not issue any equity shares by way of a rights issue.

D. Issue of Shares under Employee Stock Option Scheme:
During the financial year under review, the Company did not have any employee stock option scheme, employee stock purchase scheme, stock appreciation rights scheme or any other share-based employee benefit scheme. No options or other share-based awards were outstanding as at March 31, 2026.

The Company had also not provided any money for the purchase or subscription of its shares by employees or by any trustee for the benefit of employees.

E. Issue of Equity Shares with differential rights as to dividend, voting or otherwise:
During the financial year under review, the Company did not issue any equity shares with differential rights as to dividend, voting or otherwise. The Company had only one class of equity shares carrying uniform voting rights.

F. Other Changes in Share Capital:
During the financial year under review, the Company did not undertake any bonus issue, preferential issue, private placement, conversion of securities, buy-back, reduction of share capital, subdivision or consolidation of shares, or variation of shareholders' rights.

G. Transfer of unclaimed / unpaid amounts / shares to the Investor Education and Protection Fund:
During the financial year under review, no amount or shares became due for transfer to the Investor Education and Protection Fund under the applicable provisions of the Companies Act, 2013.

Further, as at March 31, 2026, no equity shares of the Company were lying in any demat suspense account, unclaimed suspense account or other suspense or escrow account, and there was no movement in any such account during the year.

H. Disclosure in respect of Voting Rights not exercised directly by the Employees:
The disclosure relating to voting rights not exercised directly by employees is not applicable, as the Company did not have any employee benefit trust or other scheme under which shares were held by a trustee for the benefit of employees.

I. Utilisation of Proceeds from the Fresh Issue pursuant to the Initial Public Offering:
Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company confirms that, during the financial year under review, there was no deviation or variation in the utilisation of the proceeds raised through the Fresh Issue pursuant to the Initial Public Offering of the Company, from the objects stated in the Prospectus dated September 23, 2024.

There was also no modification in the objects for which the proceeds were raised.

The cumulative utilisation of the Fresh Issue proceeds up to March 31, 2026 was as follows:

(₹ in Lakhs)

Sr. No.	Objects as stated in the Prospectus	Amount allocated as per the Prospectus	Cumulative amount utilised up to March 31, 2026	Unutilised amount as at March 31, 2026
1.	Capital expenditure towards construction of factory shed and purchase of machinery and equipment at the Khalapur Plant	2,381.28	1,785.88	595.40
2.	General corporate purposes	72.38	33.57	38.81
3.	Offer-related expenses	379.52	377.71	1.81
	Total	**2,833.18**	**2,197.16**	**636.02**

As at March 31, 2026, the unutilised Fresh Issue proceeds aggregating to ₹636.02 lakh were temporarily deployed as follows:

Particulars	Amount
Amount placed in fixed deposits	₹578.27 lakh
Amount maintained in bank accounts with HDFC Bank	₹57.75 lakh
Total unutilised proceeds	**₹636.02 lakh**

The above amounts were pending utilisation in accordance with the objects stated in the Prospectus.

The Audit Committee and the Board of Directors periodically review and monitor the utilization and temporary deployment of the unutilized Fresh Issue proceeds.

The Company will continue to ensure that the balance proceeds are utilised only towards the objects stated in the Prospectus and in accordance with the applicable regulatory requirements.

III. Directors, Key Managerial Personnel

A. Directors

i. Board Composition as at March 31, 2026
As at March 31, 2026, the Board of Directors of the Company comprised six Directors with an appropriate combination of Executive and Non-Executive Independent Directors, as set out below:

Category	Number of Directors
Executive Directors	3
Non-Executive Independent Directors	3
— of which, Woman Independent Director	1
Total	**6**

The composition of the Board was in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), to the extent applicable to the Company as an SME-listed entity.

The profiles of the Directors, including their qualifications, experience and areas of expertise, are available on the website of the Company.

ii. Changes in the Board during the Financial Year
During the financial year ended March 31, 2026, there was no change in the composition of the Board of Directors of the Company.

During the year, Mr. Aliasgar Abdulla Bhagat retired by rotation at the Annual General Meeting of the Company held on September 25, 2025 and, being eligible, was re-appointed by the Members. Accordingly, his retirement and re-appointment did not result in any change in the composition of the Board.

There were no other appointments, resignations or cessations of Directors during the financial year under review.

iii. Director Retiring by Rotation at the Ensuing Annual General Meeting
In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Mohammed Salim Hararwala, Executive Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

The requisite particulars and brief profile of Mr. Mohammed Salim Hararwala are provided in the Notice convening the ensuing Annual General Meeting in accordance with the applicable provisions of the Companies Act, 2013, the SEBI Listing Regulations, to the extent applicable, and the Secretarial Standard on General Meetings (SS-2).

iv. Changes in the Board after March 31, 2026 and up to the date of this Report

a. Demise of Mr. Nimesh Mukerji

The Board records with profound sorrow the demise of Mr. Nimesh Mukerji (DIN: 07705885), Non-Executive Independent Director of the Company, on April 14, 2026.

Mr. Mukerji served as Chairman of the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and as a Member of the Audit Committee and the Corporate Social Responsibility Committee. During his association with the Company, he made valuable contributions to the deliberations of the Board and its Committees and to the overall governance of the Company.

The Board places on record its deep appreciation for the valuable services and contribution rendered by Mr. Mukerji during his tenure with the Company and conveys its sincere condolences to his family.

b. Appointment of Mr. Satish Madhav Shenoy

Consequent to the vacancy arising in the office of Independent Director and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on July 11, 2026, appointed Mr. Satish Madhav Shenoy (DIN: 00230711) as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from July 11, 2026.

In accordance with Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Shenoy holds office as an Additional Director up to the date of the ensuing Annual General Meeting or the last date on which the ensuing Annual General Meeting should have been held, whichever is earlier.

Based on the recommendation of the Nomination and Remuneration Committee and the declarations, confirmations and other documents placed before it, the Board is of the opinion that Mr. Shenoy is a person of integrity, possesses the requisite expertise and experience and fulfils the conditions prescribed for appointment as an Independent Director and is independent of the management of the Company.

The Board has recommended to the Members the appointment of Mr. Satish Madhav Shenoy as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from July 11, 2026 up to July 10, 2031, subject to approval of the Members at the ensuing Annual General Meeting.

The requisite particulars, brief profile and other disclosures relating to Mr. Shenoy are provided in the Notice convening the ensuing Annual General Meeting and are also available on the website of the Company.

v. Disqualification and Debarment of Directors

Based on the declarations and disclosures received from the Directors and the certificate obtained from a Practising Company Secretary, none of the Directors of the Company is disqualified from being appointed or continuing as a Director under Section 164 of the Companies Act, 2013.

Further, none of the Directors has been debarred or disqualified from holding the office of Director by the Securities and Exchange Board of India, the Ministry of Corporate Affairs or any other competent authority.

The certificate issued by the Practising Company Secretary in this regard forms part of this Board Report as **Annexure - I**.

B. Key Managerial Personnel

i. Key Managerial Personnel as at March 31, 2026

Pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons were the Key Managerial Personnel of the Company as at March 31, 2026:

Sr. No.	Name	Designation	Date of Appointment
1	Mr. Aliasgar Roshan Hararwala	Managing Director	May 5, 2023
2	Ms. Farkhanda Abdul Razak Pagarkar	Chief Financial Officer	November 11, 2023
3	Ms. Ankita Anil Patankar	Company Secretary & Compliance Officer	November 11, 2023

There was no change in the Key Managerial Personnel of the Company during the financial year ended March 31, 2026.

ii. Changes in Key Managerial Personnel after March 31, 2026

a. Resignation of Ms. Ankita Anil Patankar

Ms. Ankita Anil Patankar resigned from the office of Company Secretary & Compliance Officer of the Company with effect from the close of business hours on April 20, 2026.

The Board places on record its appreciation for the services rendered by Ms. Ankita Anil Patankar during her tenure with the Company and wishes her well in her future endeavours.

b. Appointment of Mr. Zubin Chandulal Shah

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 29, 2026, appointed Mr. Zubin Chandulal Shah (Membership No. A44200) as the Company Secretary & Compliance Officer of the Company with effect from May 29, 2026.

iii. Key Managerial Personnel as at the date of this Report

Accordingly, as at the date of this Report, the Key Managerial Personnel of the Company are as follows:

Sr. No.	Name	Designation
1	Mr. Aliasgar Roshan Hararwala	Managing Director
2	Ms. Farkhanda Abdul Razak Pagarkar	Chief Financial Officer
3	Mr. Zubin Chandulal Shah	Company Secretary & Compliance Officer

C. Independent Directors

i. Declaration of Independence

Pursuant to Section 149(7) of the Companies Act, 2013, all the Independent Directors who were in office during the financial year under review submitted the requisite declarations confirming that they met the criteria of independence prescribed under Section 149(6) of the Act and that there was no change in the circumstances which could affect their status as Independent Directors.

Based on the declarations and disclosures received, the Board is of the opinion that the Independent Directors fulfilled the conditions specified under the Companies Act, 2013 for appointment and continuation as Independent Directors and were independent of the management of the Company.

ii. Compliance with Applicable Codes

The Independent Directors confirmed compliance with the Code for Independent Directors prescribed under Schedule IV to the Companies Act, 2013 and the applicable codes adopted by the Company, including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

iii. Pecuniary Relationship or Transactions with the Company

During the financial year under review, the Non-Executive Independent Directors had no pecuniary relationship or transactions with the Company other than the sitting fees paid to them for attending Meetings of the Board and its Committees.

No commission or other remuneration was paid to the Non-Executive Independent Directors during the year under review.

D. Nomination and Remuneration Policy & Remuneration

i. Nomination and Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and other applicable provisions of law.

The Policy, inter alia, lays down the criteria for identification and appointment of Directors, Key Managerial Personnel and Senior Management, their qualifications, positive attributes and independence, wherever applicable, and provides the framework relating to remuneration and performance evaluation.

There was no change in the Nomination and Remuneration Policy during the financial year under review.

ii. Remuneration during the Financial Year

The remuneration paid to the Directors and Key Managerial Personnel during the financial year under review was in accordance with the applicable approvals and the Nomination and Remuneration Policy of the Company.

During the year under review, the Executive Directors were paid fixed remuneration in accordance with the applicable approvals. No performance-linked incentive, variable pay, bonus or separate perquisite was paid to them.

The Non-Executive Independent Directors were paid only sitting fees for attending Meetings of the Board and its Committees.

iii. Web-link to the Policy

The Nomination and Remuneration Policy of the Company is available on the website of the Company under the Investor Information section at:
https://paramountforge.com/investor-info.html#tab8

iv. Remuneration of Directors and Key Managerial Personnel

The disclosures required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed hereto as **Annexure – II.**

E. Committees of the Board

i. Committees Constituted by the Board

In accordance with the applicable provisions of the Companies Act, 2013, the rules made thereunder and the SEBI Listing Regulations, to the extent applicable to the Company, the Board has constituted the following Committees:

a. Audit Committee;
b. Nomination and Remuneration Committee;
c. Stakeholders Relationship Committee; and
d. Corporate Social Responsibility Committee.

The Committees operate within their respective terms of reference and assist the Board in discharging its responsibilities in the areas entrusted to them.

ii. Composition of Committees as at March 31, 2026

The composition of the Committees as at March 31, 2026 was as follows:

Committee	Chairperson	Other Members
Audit Committee	Mr. Kurian Pallathuseril Chandy	Mr. Nimesh Mukerji; Mr. Aliasgar Roshan Hararwala
Nomination and Remuneration Committee	Mr. Nimesh Mukerji	Mr. Kurian Pallathuseril Chandy; Ms. Apurva Pradeep Joshi
Stakeholders Relationship Committee	Mr. Nimesh Mukerji	Mr. Aliasgar Abdulla Bhagat; Mr. Aliasgar Roshan Hararwala
Corporate Social Responsibility Committee	Mr. Aliasgar Roshan Hararwala	Mr. Aliasgar Abdulla Bhagat; Mr. Nimesh Mukerji

iii. Reconstitution of Committees after March 31, 2026

Consequent to the demise of Mr. Nimesh Mukerji on April 14, 2026 and the resultant vacancies in the Committees of which he was a member or Chairperson, the Board reconstituted the Committees by way of a resolution passed by circulation on August 14, 2026
Pursuant to such reconstitution, the composition of the Committees was as follows:

Committee	Chairperson	Other Members
Audit Committee	Mr. Kurian Pallathuseril Chandy	Mr. Satish Madhav Shenoy; Mr. Aliasgar Roshan Hararwala
Nomination and Remuneration Committee	Mr. Kurian Pallathuseril Chandy	Ms. Apurva Pradeep Joshi; Mr. Satish Madhav Shenoy; Mr. Aliasgar Abdulla Bhagat
Stakeholders Relationship Committee	Mr. Kurian Pallathuseril Chandy	Mr. Satish Madhav Shenoy; Mr. Aliasgar Roshan Hararwala
Corporate Social Responsibility Committee	Mr. Aliasgar Roshan Hararwala	Mr. Aliasgar Abdulla Bhagat; Mr. Kurian Pallathuseril Chandy

iv. Recommendations of the Audit Committee

During the financial year under review, there was no instance where the Board did not accept any recommendation of the Audit Committee.

F. Meetings of the Board and its Committees

i. Number and Dates of Meetings

During the financial year ended March 31, 2026, four Meetings of the Board of Directors were held.

The details of the Board and Committee Meetings held during the financial year are as follows:

Particulars	Number of Meetings	Dates
Board of Directors	4	May 29, 2025; August 23, 2025; November 13, 2025; February 24, 2026
Audit Committee	4	May 29, 2025; August 23, 2025; November 13, 2025; February 24, 2026
Nomination and Remuneration Committee	1	August 23, 2025
Stakeholders Relationship Committee	1	February 16, 2026
Corporate Social Responsibility Committee	1	February 16, 2026

The maximum interval between two consecutive Board Meetings held during the financial year did not exceed the prescribed limit of 120 days.

Certain matters were also considered and approved by way of resolutions passed by circulation, wherever required, in accordance with Section 175 of the Companies Act, 2013 and the applicable provisions of Secretarial Standard-1.

ii. **Attendance of Directors**

The attendance of the Directors at the Board and Committee Meetings during the financial year was as follows:

Name of Director	Board Meetings entitled to attend	Board Meetings attended	Committee Meetings entitled to attend	Committee Meetings attended
Mr. Aliasgar Abdulla Bhagat	4	4	2	2
Mr. Aliasgar Roshan Hararwala	4	4	6	6
Mr. Mohammed Salim Hararwala	4	4	Nil	Nil
Mr. Kurian Pallathuseril Chandy	4	4	5	5
Mr. Apurva Pradeep Joshi	4	4	1	1
Mr. Nimesh Mukerji	4	4	7	7

G. Annual Performance Evaluation

i. **Evaluation by the Board and the Nomination and Remuneration Committee**

Pursuant to Section 134(3)(p), Section 178 and other applicable provisions of the Companies Act, 2013, the annual performance evaluation of the Board as a whole, its Committees and the individual Directors was carried out during the financial year under review.

The evaluation was undertaken through a structured process based on criteria relating, inter alia, to the composition and functioning of the Board and its Committees, participation and contribution of Directors, quality of deliberations, effectiveness of decision-making, flow of information and overall governance effectiveness.

The Nomination and Remuneration Committee reviewed the performance evaluation process, and the Board carried out the evaluation of the Board as a whole, its Committees and individual Directors in accordance with the applicable framework.

The outcome of the evaluation indicated that the Board and its Committees were functioning effectively and collectively possessed an appropriate mix of skills, experience and expertise for the effective governance and oversight of the Company.

ii. **Separate Meeting of Independent Directors**

A separate Meeting of the Independent Directors was held on March 28, 2026, without the presence of Non-Independent Directors and members of management.

At the said Meeting, the Independent Directors, inter alia:

a. reviewed the performance of the Non-Independent Directors;
b. reviewed the performance of the Board as a whole;
c. reviewed the performance of the Chairperson of the Company; and
d. assessed the quality, quantity and timeliness of the flow of information between the management and the Board necessary for the Board to effectively and reasonably perform its duties.

H. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that:

i. In the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
ii. The Directors had selected such accounting policies and applied them consistently and had made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the financial year ended on that date.
iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
iv. The Directors had prepared the annual accounts on a going concern basis.
v. The Directors had laid down internal financial controls to be followed by the Company and, except for the possible effects of the weaknesses reported by the Statutory Auditors, such internal financial controls were, in all material respects, adequate and were operating effectively as at March 31, 2026. The Board's response in respect of the said matters is set out in Point IV(A)(vi)(b) of this Report.
vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

IV. Audit Reports and Auditors:

A. Statutory Audit Report and Board's Comments

i. Statutory Audit Report

M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), Statutory Auditors of the Company, have audited the financial statements of the Company for the financial year ended March 31, 2026.

The Statutory Auditors have expressed an unmodified opinion on the financial statements of the Company for the financial year ended March 31, 2026.

The Auditor's Report also contains certain matters reported pursuant to the applicable provisions of the Companies Act, 2013, the Companies (Auditor's Report) Order, 2020, the Companies (Audit and Auditors) Rules, 2014 and the report on Internal Financial Controls with reference to the financial statements. The Board has taken note of the said matters, and the relevant observations together with the Management / Board's responses thereto are set out below.

ii. Audit Trail in Accounting Software

a. The Statutory Auditors have reported that the Company has used accounting software for maintaining its books of account which has a feature of recording an audit trail (edit log), and that such feature operated throughout the financial year for all relevant transactions recorded in the software.
However, in respect of Cloud 9 ERP software used for financial accounting, the audit trail was not enabled at the database level for recording direct database-level edits.
The Statutory Auditors have further reported that, during the course of their audit, they did not come across any instance of the audit trail feature being tampered with.
Further, the audit trail was preserved in accordance with the applicable statutory requirements for record retention, except to the extent of the period for which compliance relating to daily backup was not adhered to.

b. Management / Board's Response

Management acknowledges that the Company migrated its financial accounting system from Tally to Cloud 9 ERP with effect from October 1, 2025. While the application-level audit trail functionality was enabled and operational, the database-level audit trail functionality for recording direct database-level edits was not enabled during the initial implementation phase. Management has confirmed that the database-level audit trail functionality has since been enabled and is operational.
With regard to daily backup compliance, Management is evaluating suitable options for implementing an automated daily backup mechanism to ensure consistency and reliability of backups and intends to implement the appropriate solution at the earliest.

iii. Immovable Properties not held in the name of the Company

a. The Statutory Auditors have reported that certain immovable properties disclosed in the financial statements continue to stand in the name of **Paramount Speciality Forgings LLP**, the erstwhile entity from which the Company was converted, and that the Company is in the process of transferring the same in its name.

The details of such properties, as reported by the Statutory Auditors, are as follows:

Sr. No.	Description of Property	Value (₹ in Lakhs)	Held in the name of
1	Freehold Land	42.87	Paramount Speciality Forgings LLP
2	Building – Factory, Office and Residential Building	1,125.52	Paramount Speciality Forgings LLP
3	Leasehold Property	10.26	Paramount Speciality Forgings LLP

b. Management / Board's Response
Management has initiated the necessary documentation and legal formalities for transfer of the title deeds in the name of the Company. The requisite formalities are presently in progress and the Company is taking necessary steps for completion of the transfer at the earliest.

iv. Undisputed Statutory Dues

a. The Statutory Auditors have reported that the Company was generally regular in depositing undisputed statutory dues with the appropriate authorities, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Customs Duty, Profession Tax and other applicable statutory dues.

The Statutory Auditors have further reported that, as at March 31, 2026, there were no undisputed statutory dues outstanding for a period of more than six months from the date they became payable, except for certain Provident Fund dues as more particularly detailed in the Auditor's Report.

b. Management / Board's Response
The Board has taken note of the observation of the Statutory Auditors. Management has reviewed the matter and is taking appropriate steps to ensure compliance with the applicable statutory requirements. The Company continues to strengthen its monitoring mechanism for timely deposit of statutory dues.

v. Disputed Income-tax Dues

a. The Statutory Auditors have reported that, as at March 31, 2026, there were no dues of Income-tax outstanding on account of any dispute, except for certain matters which are pending before the Commissioner of Income-tax (Appeals), as more particularly detailed in the Auditor's Report.

b. Management / Board's Response
The matters referred to above relate to income-tax assessments which are under dispute and are pending before the Commissioner of Income-tax (Appeals). The Company is pursuing the said matters in accordance with the applicable legal process and will take appropriate action based on the outcome thereof.

vi. Internal Financial Controls with Reference to the Financial Statements

a. The Statutory Auditors have observed that the Company needs to strengthen the documentation and standardisation of certain key processes and introduce a maker-checker mechanism over the Payroll and Financial Closing Process.

The Statutory Auditors have further noted that the Management has informed them that the Company is in the process of strengthening its overall controls over the aforesaid processes.

Further, in their report on Internal Financial Controls with reference to the financial statements, the Statutory Auditors have reported that, except for the possible effects of the weaknesses referred to above, the Company had, in all material respects, adequate internal financial controls with reference to the financial statements and such controls were operating effectively as at March 31, 2026.

b. Management / Board's Response
Management has initiated steps towards strengthening the documentation and standardisation of the Company's key processes. Further, a maker-checker mechanism is being implemented for the Payroll and Financial Closing Processes with a view to strengthening the control framework and reducing the risk of errors and omissions.

B. Statutory Auditors

i. Appointment and Tenure
M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration No. 104607W/W100166), Mumbai, were appointed as the Statutory Auditors of the Company by the Members at the Annual General Meeting held on **August 20, 2024**, for a term of five consecutive years, to hold office from the conclusion of the said Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year **2029**, in accordance with the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder.

At the time of their appointment, the Company had received the requisite consent and certificate from the Statutory Auditors confirming their eligibility for appointment and compliance with the criteria prescribed under Sections 139 and 141 of the Companies Act, 2013.

Accordingly, M/s. Kalyaniwalla & Mistry LLP continue to hold office as the Statutory Auditors of the Company, and no appointment or re-appointment of Statutory Auditors is proposed at the ensuing Annual General Meeting.

C. Secretarial Auditor

i. Appointment and Tenure
Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, **M/s. Amit Dharmani & Associates, Practising Company Secretaries**, were re-appointed as the Secretarial Auditors of the Company for a term of five consecutive financial years commencing from the financial year **2025–26 up to the financial year 2029–30**.

Based on the recommendation of the Audit Committee, the Board of Directors, at its Meeting held on **May 29, 2025**, approved the re-appointment of M/s. Amit Dharmani & Associates as the Secretarial Auditors of the Company for the aforesaid term. The said re-appointment was subsequently approved by the Members at the Annual General Meeting held on **September 25, 2025**.

Accordingly, M/s. Amit Dharmani & Associates continue to act as the Secretarial Auditors of the Company for the financial year **2025–26**.

ii. Secretarial Audit Report
Pursuant to Section 204 of the Companies Act, 2013 read with the applicable rules made thereunder, the Secretarial Audit Report for the financial year ended **March 31, 2026**, in **Form MR-3**, shall form part of this Report and shall be annexed hereto as **Annexure - III**.

D. Internal Auditor

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions, **M/s. Pipalia Singhal & Associates, Chartered Accountants (Firm Registration No. 114665W)** acted as the Internal Auditors of the Company for the financial year 2025–26.

The Internal Auditors carried out the internal audit in accordance with the scope determined for the financial year under review. The internal audit function assists the Company in reviewing its internal controls, operational and financial processes, risk management practices and compliance systems.

Further, upon receipt of their consent to continue as Internal Auditors, the Board of Directors, at its Meeting held on **May 29, 2026**, re-appointed M/s. Pipalia Singhal & Associates as the Internal Auditors of the Company for the financial year **2026–27**, pursuant to Section 138 of the Companies Act, 2013 read with the applicable rules made thereunder.

E. Cost Auditor and Maintenance of Cost Records

i. Maintenance of Cost Records
Pursuant to Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the Company is required to maintain cost records as specified by the Central Government. Accordingly, the prescribed cost accounts and records have been duly made and maintained by the Company during the financial year under review.

ii. Cost Auditor for the Financial Year 2025–26
Based on the recommendation of the Audit Committee, the Board of Directors, at its Meeting held on **May 29, 2025**, re-appointed **M/s. Jitendrakumar & Associates, Cost Accountants (Firm Registration No. 101561)** as the Cost Auditors of the Company for the financial year **2025–26**, pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended.

The remuneration payable to the Cost Auditors for the financial year 2025–26, as approved by the Board of Directors, was duly **ratified by the Members at the Annual General Meeting held on September 25, 2025**. Section 148(3) provides for appointment of the cost auditor by the Board with remuneration determined by the Members in the prescribed manner.

iii. Cost Audit Report for the Financial Year 2025–26
The Cost Audit Report for the financial year ended March 31, 2026 does not contain any qualification, reservation, adverse remark or observation requiring explanation or comment by the Board.

iv. Cost Auditor for the Financial Year 2026–27
Based on the recommendation of the Audit Committee and upon receipt of the requisite consent, the Board of Directors, at its Meeting held on **May 29, 2026**, appointed **M/s. Jitendrakumar & Associates, Cost Accountants (Firm Registration No. 101561)** as the Cost Auditors of the Company for the financial year **2026–27**, pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended.

The remuneration payable to the Cost Auditors for the financial year 2026–27, as approved by the Board of Directors, is being placed before the Members at the ensuing Annual General Meeting for ratification in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

F. Frauds Reported by Auditors
During the financial year under review, no fraud was reported by the Statutory Auditors, Secretarial Auditor or any other auditor under Section 143(12) of the Companies Act, 2013 read with the applicable provisions thereof.

G. Internal Financial Controls with Reference to the Financial Statements
The Company has established a framework of internal financial controls with reference to the financial statements, having regard to the nature, size and complexity of its operations.

The Statutory Auditors, in their Report on Internal Financial Controls with reference to the financial statements, have observed the need for strengthening the documentation and standardisation of certain key processes and for introducing maker-checker controls over the Payroll and Financial Closing Process.

The Statutory Auditors have further reported that, except for the possible effects of the weaknesses referred to in their Report, the Company had, in all material respects, adequate internal financial controls with reference to the financial statements and such controls were operating effectively as at March 31, 2026.

The Board and the Audit Committee have taken note of the aforesaid observations.
Reference is invited to Point IV (A)(vi)(b) of the above-mentioned point.

The Board and the Audit Committee shall continue to review the strengthening of the internal financial control framework and implementation of the corrective measures.

V. Corporate Social Responsibility

The Company has adopted a Corporate Social Responsibility ("CSR") Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

The Company has constituted a Corporate Social Responsibility Committee to oversee the CSR activities of the Company in accordance with the CSR Policy.

The Annual Report on CSR Activities for the financial year ended March 31, 2026, containing the particulars prescribed under the applicable provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014, forms part of this Report and is annexed hereto as **Annexure IV**.

The CSR Policy of the Company is available on the website of the Company under the Investor Information section at the web-link specified in this Report.
URL: https://paramountforge.com/investor-info.html#tab8

VI. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

i. Conservation of Energy:
Pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo are as follows:

1.	Steps taken or impact on conservation of energy	The Company has undertaken installation of a solar power project with an aggregate capacity of 1,050 KW, of which 150 KW had been commissioned as at March 31, 2026.
2.	Steps taken by the company for utilising alternate sources of energy	The Company has undertaken the aforesaid solar power project towards utilisation of solar energy as an alternate source of energy.
3.	Capital investment on energy conservation equipments	The total capital expenditure towards the solar power project is approximately ₹3 crore.

ii. Technology Absorption:
The management always searches for and takes into consideration new developments in the market and the technology so as to absorb the new technology in carrying out the business activities of the Company.

1.	Efforts made towards technology absorption	During the financial year, the Company strengthened its in-house manufacturing, machining and testing capabilities through installation and commissioning of various machinery and equipment at its machining centre, comprising: (i) Titan VTL – 2.5 metre chuck – 1 No.; (ii) LTV40 CNC Machining Center – LMW – 1 No.; (iii) LL20TL3 CNC Machining Center – LMW – 1 No.; (iv) Vertical Borer Machine – Webster Bennett 60" – 1 No.; (v) Vertical Turret Lathe Machine – Stanko Make – 1 No.; (vi) J5 Vertical Machining Center – LMW – 1 No.; and (vii) CNC Lathe Machine – Ace Designers – 1 No. Further, the Company's in-house testing laboratory along with an integrated machining facility for sample testing was made fully functional.
2.	Benefits derived like product improvement, cost reduction, product development or import substitution	The above initiatives have strengthened the Company's in-house machining and testing capabilities.
3.	Any technology imported during the last three years (Yes/No) (If yes, enter below)	No
a.	The details of technology imported	Not Applicable
b.	The year of import	Not Applicable
c.	Whether the technology been fully absorbed	Not Applicable
d.	If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
4.	Expenditure incurred on Research and Development	Nil

iii. **Foreign Exchange Earnings and Outgo: (In Lakhs)**
Foreign Exchange Earnings - 2006.61
Foreign Exchange Outgo - 284.57

VII. Other Compliances:

A. Disclosure Under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

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

The policy on prevention of sexual harassment at workplace is placed on the website of the Company at https://paramountforge.com/investor-info.html#tab8

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

Sr. No.	Particulars	Remarks
1	No. of complaints received during the year	Nil
2	No. of complaints disposed of during the year	Nil
3	No. of complaints pending as on March 31, 2026	Nil

B. Web Address where the Annual Return of the Company is placed:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company for the financial year ended March 31, 2026 will be available on the website of the Company at: https://paramountforge.com/investor-info.html#tab1

C. Vigil Mechanism & Whistle Blower Policy:

Pursuant to Sections 177(9) and 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Vigil Mechanism / Whistle Blower Policy for its Directors and employees to report genuine concerns.
The mechanism provides adequate safeguards against victimisation of persons using the mechanism and provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company at: https://paramountforge.com/investor-info.html#tab8

During the financial year under review, no complaints were received under the Vigil Mechanism / Whistle Blower Policy.

D. Application made or pending proceedings under the Insolvency and Bankruptcy Code, 2016:

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

E. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions:

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

F. Compliance with Maternity Benefit Act, 1961 with respect to employees of the Company:

The Company has complied with the applicable provisions relating to maternity benefits during the financial year under review. During FY 2025–26, no employee availed maternity leave or made any claim for maternity benefits.

G. Number of employees of the Company:

The gender breakup of the employees is as given below:

Number of male employees	Number of female employees	Number of transgender employees
141	12	0

H. Risk Management
The Company has adopted and implemented a Risk Management Policy which provides a framework for the identification, assessment, monitoring and mitigation of risks that may affect the business and operations of the Company.

The Board oversees the risk management framework and periodically reviews material business, operational, financial, regulatory and other risks and the measures taken for their mitigation.
During the financial year under review, the Board was of the opinion that there were no risks which threatened the existence of the Company.

The Risk Management Policy is available on the website of the Company.

I. Significant and Material Orders
During the financial year under review and up to the date of this Report, no significant or material order was passed by any Regulator, Court or Tribunal which impacted the going concern status of the Company or its operations in future.

J. Compliance with Secretarial Standards
During the financial year under review, the Company complied with the applicable provisions of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and the Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India and approved by the Central Government pursuant to Section 118(10) of the Companies Act, 2013.

K. Code of Conduct For Prevention of Insider Trading in Company's Securities:
In accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("PIT Regulations"), the Company has adopted a Code of Conduct for Prevention of Insider Trading to regulate, monitor and report trading by Designated Persons and other persons covered under the Code and to prevent misuse of Unpublished Price Sensitive Information ("UPSI"). The Company's regulatory framework already recognises the applicability of the SEBI Insider Trading Regulations.

The Company has also implemented and maintains a Structured Digital Database ("SDD") for recording the sharing of UPSI in accordance with Regulations 3(5) and 3(6) of the PIT Regulations. The SEBI LODR framework itself recognises maintenance of information in the SDD under the PIT Regulations.

The Company has designated a Compliance Officer for administering the Code and overseeing compliance with the applicable provisions of the PIT Regulations.

The Company's Code of Conduct for Prevention of Insider Trading is available on its website at https://paramountforge.com/investor-info.html#tab8

L. Certification from CFO/ CEO:

The Company has obtained a Compliance Certificate in accordance with Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from Mr. Aliasgar Roshan Hararwala, Managing Director, and Ms. Farkhanda Abdul Razak Pagarkar, Chief Financial Officer (CFO) of the Company.

The same is enclosed as **Annexure - V** of the Annual Report.

M. Depository System & Registrar and Transfer Agent:
Entire paid-up equity shares i.e. 1,96,82,000 equity shares of the Company are in dematerialized form as on March 31, 2026, and the Company has appointed M/s Purva Share Registry Private Limited as the Registrar and Share Transfer Agent of the Company.

N. Green Initiatives:
In compliance with Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website i.e https://paramountforge.com

Acknowledgements

Your directors wish to thank the stakeholders of the Company for their continued support and co-operation and employees for their dedication and the excellence they have displayed in conducting the business operations of the Company.

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

Sd/-
Aliasgar Roshan Hararwala
Managing Director
DIN: 00334957

Place: Mumbai
Date: August 25, 2026

Sd/-
Aliasgar Abdulla Bhagat
Director (Chairman)
DIN: 00335869

Place: Mumbai
Date: August 25, 2026

Annexure – I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
PARAMOUNT SPECIALITY FORGINGS LIMITED
3, 1, GURU HIMMAT BUILDING, DR. MASCARENHAS ROAD,
ANJIRWADI, MAZGAON, MUMBAI, 400010, MAHARASHTRA, INDIA

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PARAMOUNT SPECIALITY FORGINGS LIMITED having CIN L24109MH2023PLC402307 and having registered office at 3, 1, Guru Himmat Building, Dr. Mascarenhas Road, Anjirwadi, Mazgaon, Mumbai, 400010, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

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

PLACE: UJJAIN
DATE: 20TH AUGUST, 2026

For Amit Dharmani & Associates
Company Secretaries

Sd/-
Amit Dharmani
Proprietor
FCS: 12050
COP: 18179
UDIN: F012050H001168634
Unique Identification No.: S2017MP474100
Peer Review Certificate No.: 7419/2025

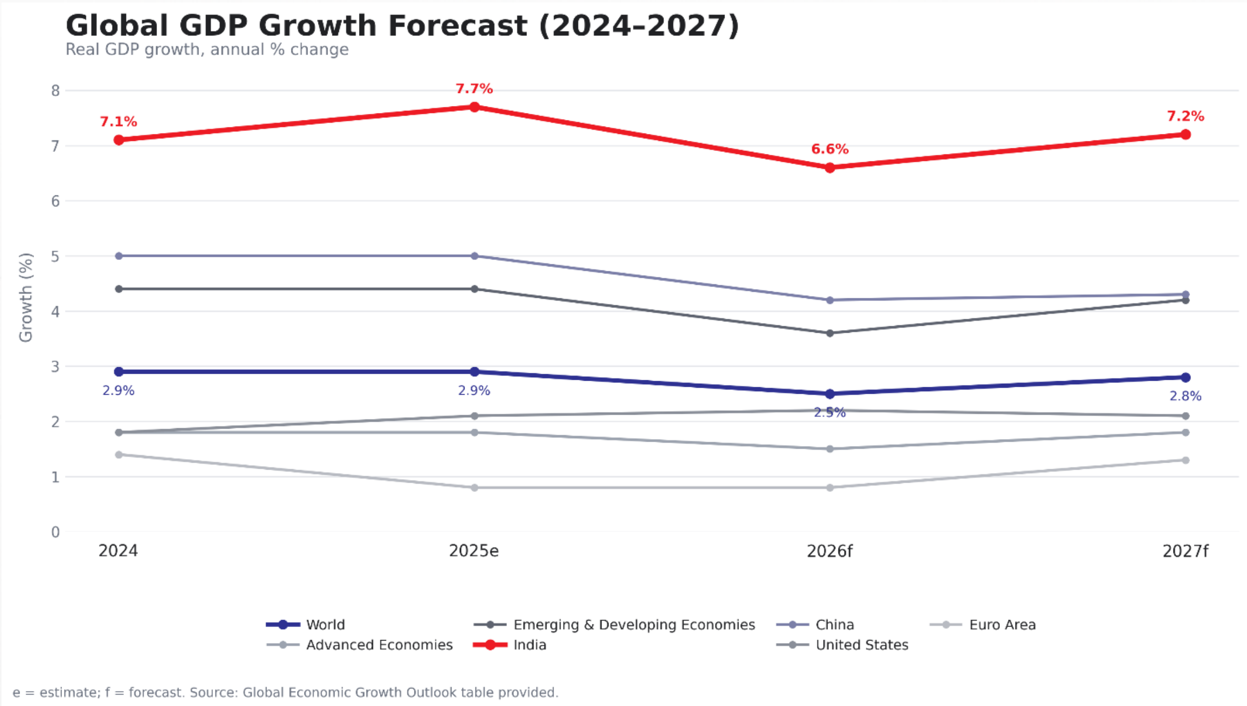
MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview

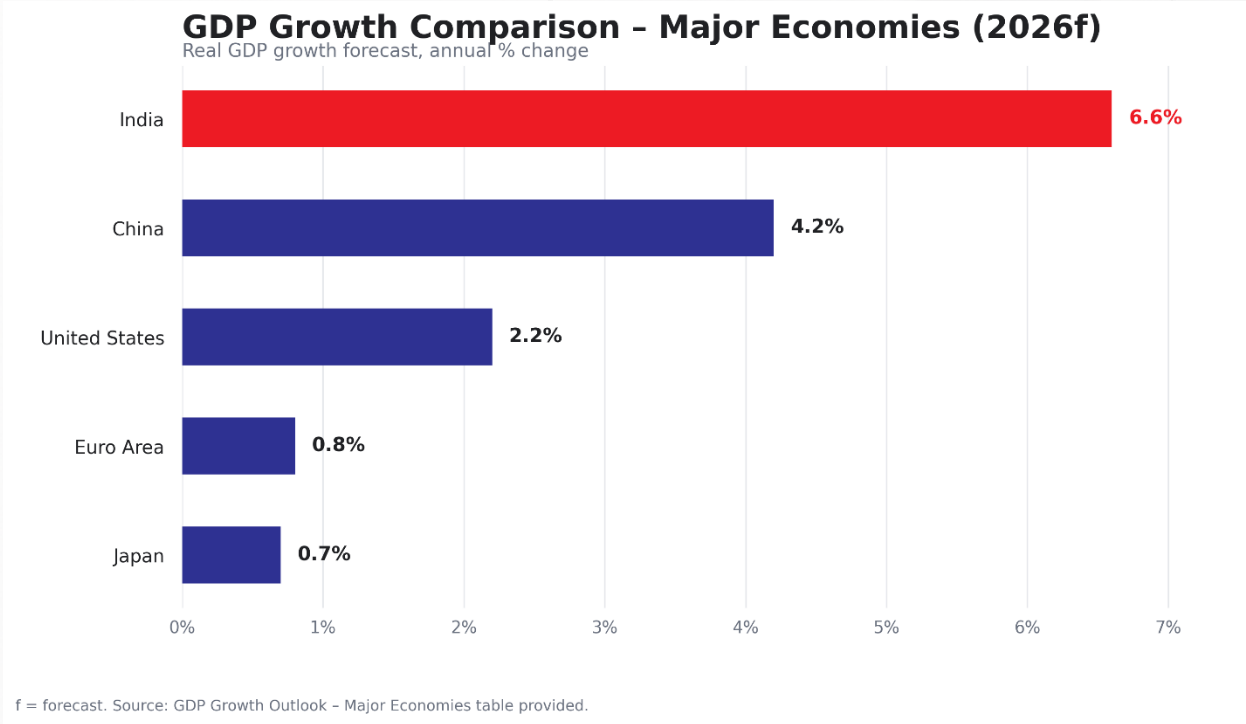
Resilient Growth Amid Trade Realignment and Geopolitical Uncertainty
The global economy entered 2026 with a combination of resilience and heightened uncertainty. While inflationary pressures moderated across several advanced economies and financial conditions gradually improved, geopolitical conflicts, evolving trade policies, elevated public debt, and supply chain reconfiguration continued to shape the global economic landscape. The world economy demonstrated remarkable adaptability despite these headwinds, supported by resilient labour markets, accelerating investments in advanced manufacturing, digitalisation, artificial intelligence, and energy infrastructure.

According to the **IMF World Economic Outlook (July 2026)**, global GDP is projected to grow by **2.9% in 2026**, before improving to **2.8% in 2027**. Emerging Market and Developing Economies (EMDEs) continue to outperform advanced economies, driven by robust domestic demand, infrastructure investments and manufacturing-led growth. India is expected to remain the fastest-growing major economy with GDP growth of **6.6% in 2026** and **7.2% in 2027**, supported by strong domestic consumption and public capital expenditure.

Global manufacturing continued to witness mixed trends. While industrial activity remained subdued across several advanced economies due to weaker consumer demand and elevated financing costs, Asia continued to strengthen its position as the global manufacturing hub. Ongoing supply chain diversification and the "China+1" strategy are encouraging multinational corporations to increase investments across India and Southeast Asia, benefiting engineering-led manufacturers.



Source: World Bank Global Economic Prospects – June 2026 (PDF), OECD Economic Outlook – March 2026



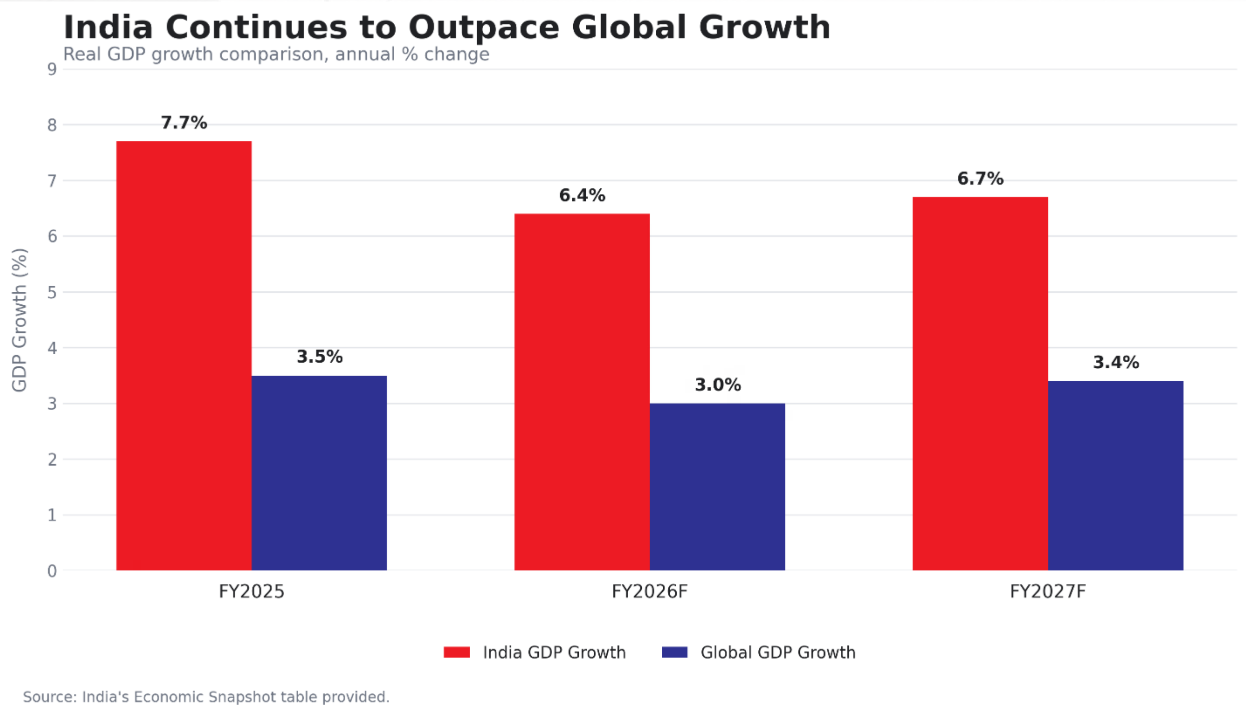
Source: IMF World Economic Outlook – April 2026 , IMF World Economic Outlook Data Mapper

Outlook

Although the global economy continues to navigate geopolitical tensions, evolving trade relationships and commodity price volatility, the long-term outlook for industrial engineering remains constructive. Continued investments in energy infrastructure, process industries and manufacturing capacity are expected to sustain demand for high-integrity forged components, reinforcing the strategic relevance of companies such as Paramount Speciality Forgings Limited that possess specialised engineering capabilities, stringent quality systems and diversified end-market exposure.

Indian Economic Overview

India continued to demonstrate remarkable economic resilience during FY2025–26, reinforcing its position as one of the fastest-growing major economies despite global geopolitical uncertainties and supply chain disruptions. Strong domestic consumption, sustained public capital expenditure, expanding manufacturing activity, and a robust services sector remained the key drivers of economic growth. According to the **IMF World Economic Outlook Update (July 2026)**, India's GDP is projected to grow by **6.4% in FY2026** and **6.7% in FY2027**, substantially outpacing the projected global growth of **3.0%** in 2026.
The Government's continued emphasis on manufacturing competitiveness through initiatives such as **Make in India**, **PM Gati Shakti**, the **National Infrastructure Pipeline (NIP)** and **Production Linked Incentive (PLI)** schemes has accelerated investments across infrastructure, energy, heavy engineering, railways and industrial manufacturing. These structural reforms, coupled with rising private sector investments and increasing localisation of global supply chains, are strengthening India's position as a preferred manufacturing and engineering hub.



Source: IMF World Economic Outlook Update, July 2026.

OUTLOOK

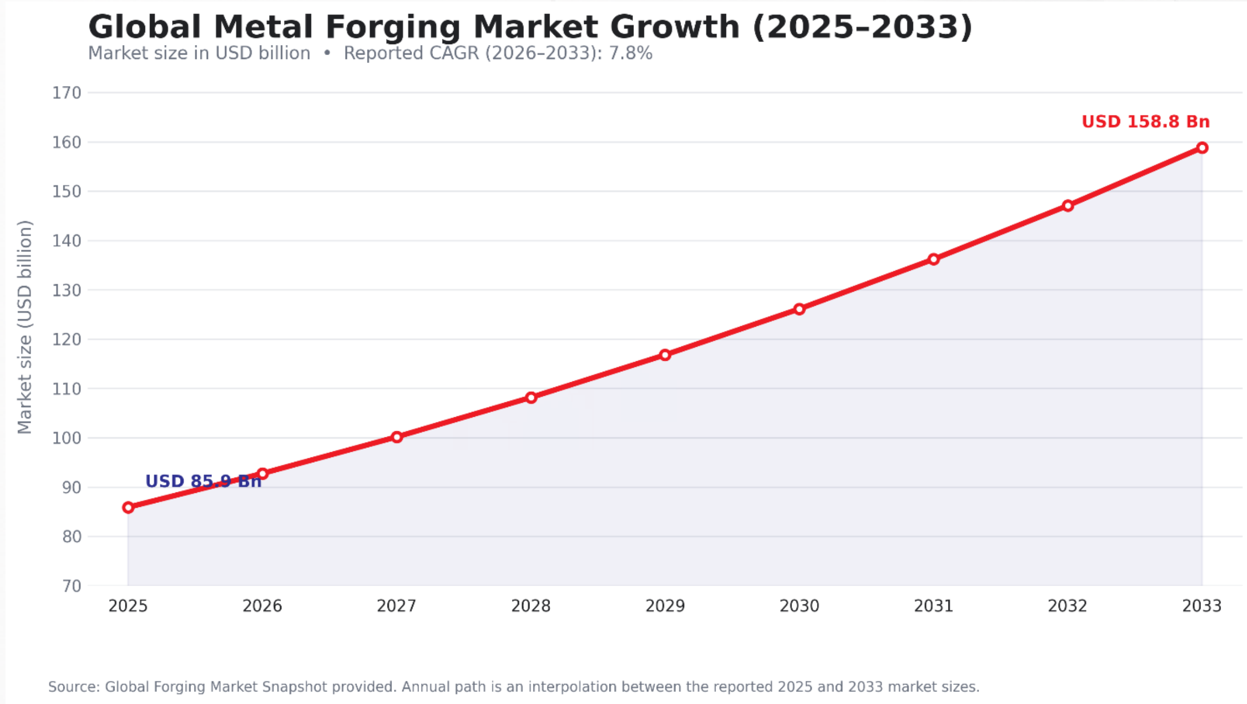
India is projected to remain among the **fastest-growing major economies**, with GDP growth of **6.4% in FY2026**. Increasing investments in **Oil & Gas, power, railways, heavy engineering and process industries** are creating a favourable demand environment for specialised forging manufacturers and India's expanding manufacturing ecosystem and supply-chain diversification initiatives position companies like Paramount Speciality Forgings to capitalise on long-term domestic and export opportunities.

Global Forging Industry

Engineering Strength Driving Critical Industries

The global forging industry continues to expand, driven by increasing investments across **Oil & Gas, aerospace, industrial machinery, transportation, power generation and heavy engineering**. Forged components remain indispensable in mission-critical applications owing to their superior mechanical strength, fatigue resistance and reliability under extreme operating conditions.

According to **Grand View Research**, the global **metal forging market** was valued at **USD 85.9 billion in 2025** and is projected to reach **USD 158.8 billion by 2033**, registering a **CAGR of 7.8%** during 2026–2033. Asia-Pacific accounted for over **53%** of the global market in 2025, supported by strong manufacturing activity across China, India and Southeast Asia. The increasing localisation of supply chains and sustained investments in energy infrastructure are expected to further support demand for precision-engineered forged components.



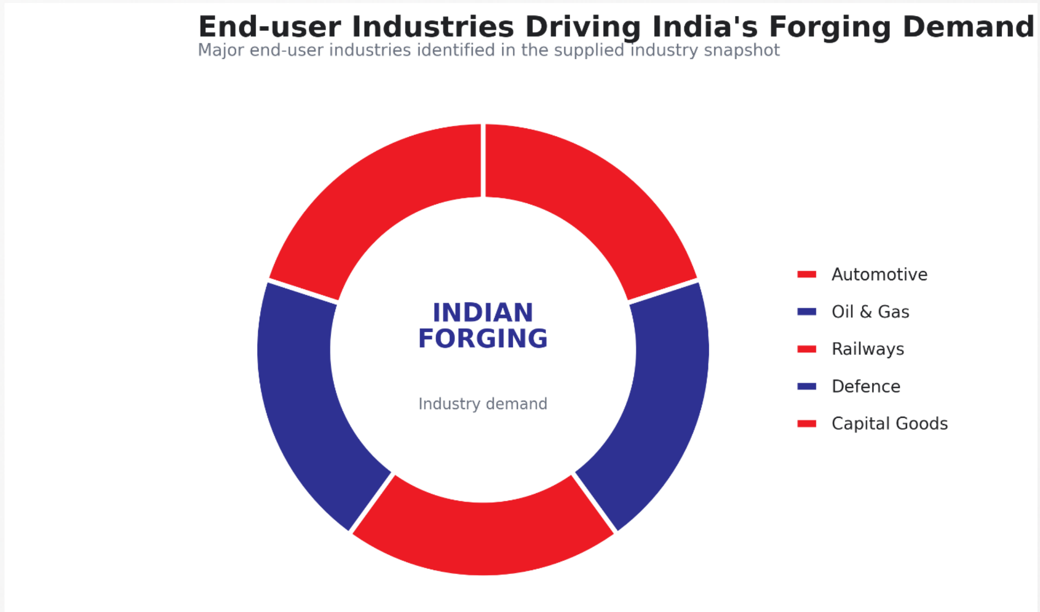
Source: Grand View Research – Metal Forging Market Size & Trends Report (2026–2033)

Indian Forging Industry

Emerging as a Global Manufacturing Hub

India has established itself as one of the world's leading forging destinations, supported by a strong engineering ecosystem, competitive manufacturing costs, skilled workforce and government initiatives such as **Make in India** and the **Production Linked Incentive (PLI)** scheme. The industry caters to diverse end-use sectors including automotive, oil & gas, railways, defence, power, capital goods and industrial equipment.

According to the **Association of Indian Forging Industry (AIFI)**, India is the **second-largest forging producer globally after China**, with approximately **400 forging units**, of which nearly **10% belong to the organised sector**, contributing a significant share of production and exports. Increasing investments in industrial infrastructure, energy security and heavy engineering are expected to strengthen long-term demand for high-quality forged components.



Source: Grand View Research – Metal Forging Market Size & Trends Report (2026–2033)

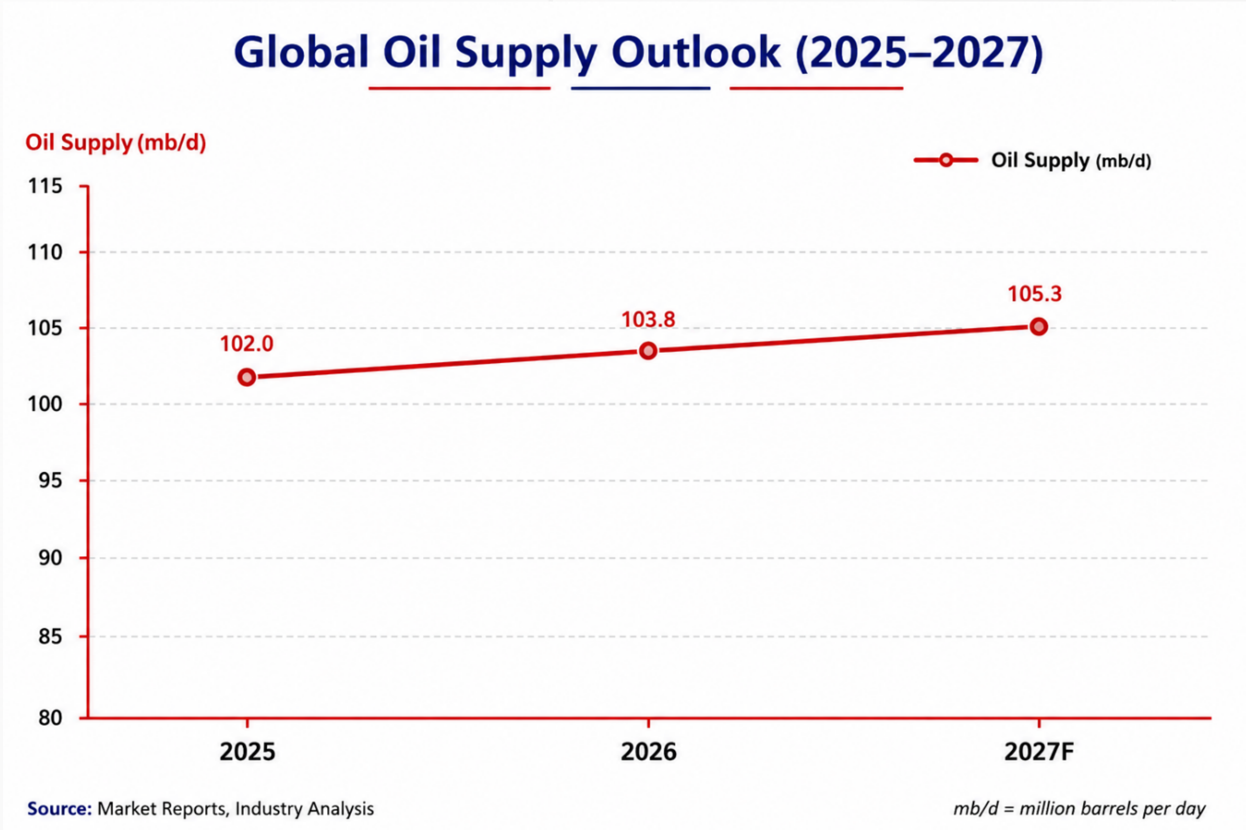
Initiative	Objective	Key Highlights
Make in India	Promote domestic manufacturing and attract investments	Launched to increase manufacturing's contribution to GDP, encourage technology adoption, improve ease of doing business and position India as a global manufacturing destination.
PM Gati Shakti National Master Plan	Integrated infrastructure planning	Brings together 16 ministries on a GIS-based digital platform to improve multimodal connectivity, logistics efficiency and infrastructure development across roads, railways, ports and industrial corridors.
National Infrastructure Pipeline (NIP)	Accelerate infrastructure development	A long-term infrastructure investment programme covering sectors such as energy, transport, urban infrastructure, irrigation and logistics to support economic growth.
National Manufacturing Mission (Union Budget 2025–26)	Strengthen manufacturing competitiveness	Focuses on ease of doing business, technology adoption, skilled workforce development, MSME support and integration with global value chains.
PLI Scheme for Specialty Steel	Promote domestic production of value-added steel	Incentivises investments in coated steel, alloy steel and specialty steel grades to reduce import dependence and strengthen the domestic steel value chain.
Steel Quality Control Orders (QCOs)	Ensure quality standards	Mandates BIS certification for specified steel products to improve product quality, enhance consumer protection and discourage sub-standard imports.
National Logistics Policy (NLP)	Improve logistics efficiency	Aims to reduce logistics costs, improve supply chain efficiency and enhance India's competitiveness in global trade through digital integration and infrastructure improvements.
National Green Hydrogen Mission	Promote clean energy transition	Targets development of green hydrogen production and supporting infrastructure to accelerate decarbonisation of hard-to-abate industries.

Sources: Make in India: https://www.makeinindia.com , PM Gati Shakti: https://gati.shakti.gov.in, National Infrastructure Pipeline: https://www.nipindia.in, Union Budget 2025–26 (National Manufacturing Mission): https://www.indiabudget.gov.in, PLI Scheme for Specialty Steel: https://steel.gov.in , Steel Quality Control Orders: https://steel.gov.in, National Logistics Policy: https://dpiit.gov.in, National Green Hydrogen Mission: https://mnre.gov.in

Oil & Gas Industry Overview

The Oil & Gas industry remains one of the largest end-user markets for specialised forged components, with demand driven by upstream exploration, midstream pipeline infrastructure and downstream refining and petrochemical projects. Despite short-term geopolitical disruptions, long-term investments in LNG, refinery upgrades and energy security continue to support capital expenditure across the global energy value chain.

According to the **International Energy Agency (IEA)**, global oil demand is expected to recover to approximately **105.3 million barrels per day (mb/d) in 2027**, following temporary disruptions in 2026, while global supply is projected to reach **110.3 mb/d**. India continues to strengthen its energy infrastructure through refinery expansions, city gas distribution networks and pipeline projects, creating sustained demand for high-integrity forged components.



Sources: IEA Oil Market Report – June 2026 , Fortune Business Insights – Oil & Gas Market Report

Railway Industry Overview

Railway infrastructure continues to witness significant investment globally, driven by urbanisation, freight efficiency and sustainable transportation initiatives. In India, the Government's continued focus on Dedicated Freight Corridors, station redevelopment, rolling stock modernisation and high-speed rail projects is creating long-term demand for precision-engineered industrial components.

These investments support opportunities for specialised forging manufacturers supplying critical components used in railway infrastructure and engineering applications.

Railway Industry Snapshot

Particulars	Value
Indian Railways Capital Outlay (FY2026–27 Budget)	₹2.65 Lakh Crore
Key Growth Areas	Freight Corridors, Rolling Stock, Electrification

Sources: Union Budget 2026–27 Documents , Ministry of Railways Annual Report

Fertilizer Industry Overview

India remains one of the world's largest fertiliser producers and consumers, supported by rising food demand and government initiatives to improve agricultural productivity. Expansion of fertiliser manufacturing facilities and investments in green ammonia and process plant modernisation continue to create demand for pressure equipment and forged industrial components.
Fertiliser plants represent an important end-user segment requiring high-performance flanges, tube sheets and custom-engineered forgings capable of operating under high-pressure and corrosive environments.

Heavy Engineering Industry Overview

The heavy engineering sector serves as the backbone of industrial infrastructure, supporting power generation, steel, cement, mining, process industries and capital goods manufacturing. Rising investments in infrastructure, energy, industrial automation and manufacturing localisation continue to strengthen demand for engineered equipment and specialised forged components.

India's emphasis on industrial self-reliance, supported by initiatives such as **Make in India**, **PM Gati Shakti** and expanding capital expenditure, is expected to sustain long-term growth in the heavy engineering sector.

Heavy Engineering Industry Snapshot

Particulars	Value
Key End-use Industries	Power, Steel, Cement, Mining, Process Industries
Growth Drivers	Infrastructure, Manufacturing, Industrial Capex

Sources: Ministry of Heavy Industries – Annual Report

Manufacturing Sector Overview

India's manufacturing sector continues to play a pivotal role in the country's economic transformation, supported by policy reforms, rising infrastructure investments and global supply chain diversification. Government initiatives such as **Make in India**, **PM Gati Shakti**, the **National Manufacturing Mission** and Production Linked Incentive (PLI) schemes are strengthening India's position as a preferred global manufacturing hub.

Manufacturing activity remained firmly in expansion during FY2025–26. India's **HSBC Manufacturing PMI** stood at **54.2 in June 2026**, marking the **60th consecutive month** of expansion, reflecting sustained growth in production, new orders and exports. Industrial production also remained robust, with the **Index of Industrial Production (IIP)** growing **5.1% YoY in May 2026**, driven by strong performance in manufacturing and capital goods.

Manufacturing Sector Snapshot

Indicator	Latest
India's Manufacturing PMI (June 2026)	54.2
IIP Growth (May 2026)	5.1% YoY
Key Growth Drivers	Infrastructure, Capital Goods, Energy, Railways

Sources: HSBC India Manufacturing PMI (June 2026) , MoSPI – Index of Industrial Production

Segment-wise Market Size & Opportunity Overview

Paramount Speciality Forgings operates across multiple industrial sectors, enabling the Company to benefit from diversified capital expenditure cycles rather than relying on a single end market. Oil & Gas remains the largest opportunity, complemented by growing investments in petrochemicals, railways, fertilisers and heavy engineering.

Paramount's Industry Opportunity Matrix

Large addressable markets and high-growth sectors supporting long-term forging demand

Industry	Latest Market Size	Forecast / Opportunity	CAGR	Horizon
Oil & Gas	USD 5.37 Tn	USD 19.93 Tn	15.2%	2025 → 2034
Global Metal Forging	USD 85.9 Bn	USD 158.8 Bn	7.8%	2025 → 2033
Petrochemicals	USD 701.1 Bn	USD 975.2 Bn	5.7%	2024 → 2030
Heavy Engineering	USD 48.7 Bn	USD 79.3 Bn	8.5%	2024 → 2030
Indian Railways Capex	₹2.65 Lakh Cr	Increasing	Strategic	FY27 Budget
Fertilizer Industry	Capacity expansion	Green ammonia & urea	Strategic	Strategic opportunity

KEY OPPORTUNITY AREAS
Automotive • Oil & Gas • Railways • Defence • Capital Goods • Petrochemicals • Fertilizers

Source: Industry opportunity data provided. Tn = trillion; Bn = billion; Cr = crore.

Sources: Grand View Research – Metal Forging Market , Fortune Business Insights – Oil & Gas Market , Grand View Research – Petrochemicals Market, IBEF – Capital Goods Industry in India, Union Budget Documents – Ministry of Railways, Department of Fertilizers Annual Report

Industry Opportunities

Structural shifts in global manufacturing and India's growing industrial capabilities present significant long-term opportunities for the forging industry. Rising investments across **Oil & Gas, petrochemicals, railways, power, defence and heavy engineering**, coupled with the **China+1** sourcing strategy, are driving demand for high-quality, precision-engineered forged components. Government initiatives such as **Make in India**, infrastructure-led capital expenditure and increasing localisation of industrial manufacturing further strengthen India's position as a preferred engineering hub. These trends align well with Paramount's expertise in closed-die forging, metallurgy and critical application components.

Key Growth Opportunities

Global supply chain diversification
Oil & Gas & LNG investments
India's manufacturing push
Infrastructure & industrial capex
Import substitution
Renewable & conventional energy investments

Sources: Association of Indian Forging Industry (AIFI) – Industry Insights , Metal Forging Market in India – Lucintel (Research summary)

Industry Challenges

Despite favourable long-term fundamentals, the forging industry continues to face several operational and commercial challenges. Volatility in alloy steel prices, longer customer qualification cycles, stringent quality requirements, increasing energy costs and global competitive pressures continue to influence profitability. In export markets, geopolitical uncertainties, changing tariff regimes and evolving ESG expectations further increase operational complexity. Manufacturers are increasingly focusing on automation, process optimisation, quality certifications and product diversification to strengthen competitiveness.

Key Industry Challenges

Challenge	Impact
Raw material price volatility	Margin pressure
High energy & manufacturing costs	Increased operating costs
Stringent customer qualification	Longer sales cycle
Global competition	Pricing pressure
Skilled manpower availability	Productivity challenges
ESG & sustainability requirements	Higher compliance investments

Sources: Association of Indian Forging Industry (AIFI) – Industry Insights , India Forging & Stamping Market Outlook

PARAMOUNT AT A GLANCE

Established in 1994, Paramount Speciality Forgings Limited has evolved into one of India's specialised manufacturers of open-die and closed-die forged components serving mission-critical industrial applications. Over three decades, the Company has built strong manufacturing capabilities in forged flanges, rolled rings, tube sheets, valve components and customised forgings that cater to demanding operating environments where precision, reliability and metallurgical integrity are non-negotiable.

Operating from manufacturing facilities at Kamothe and Khalapur, Maharashtra, the Company serves customers across oil & gas, petrochemicals, heavy engineering, railways, nuclear power, fertilisers and infrastructure. Supported by advanced forging, machining, heat treatment and testing capabilities, Paramount has established itself as a trusted supplier for engineered components requiring stringent dimensional accuracy and international quality compliance.

During FY26, the Company accelerated its transformation journey by investing in manufacturing expansion, strengthening its in-house testing infrastructure, expanding renewable energy usage and pursuing international registrations that will enable participation in larger global projects. These initiatives are positioning Paramount to move beyond conventional forgings towards larger, technologically complex and higher-value products.

Financial Highlights

During the financial year under review, the financial performance of the Company was as follows:

(₹ in Lakhs)

Sr. No.	Particulars		Year ended March 31, 2026	Year ended March 31, 2025
1.	Revenue from operations		11,995.97	10,993.26
2.	Other income		180.76	96.84
3.	**Total income**		**12,176.73**	**11,090.10**
4.	(Less): Total expenses, excluding depreciation and amortisation		11,456.12	10,360.49
5.	Profit before depreciation, amortisation and tax		720.61	729.61
6.	(Less): Depreciation and amortisation expense		150.35	142.61
7.	**Profit before tax**		**570.26**	**587.00**
8.	(Less): Tax expense:			
		Current tax	165.00	169.86
		Prior-year tax adjustments	(3.52)	(32.99)
		Deferred tax (benefit)/expense	(16.75)	3.56
		Total tax expense	144.73	140.43
9.	**Profit after tax**		**425.53**	**446.57**

BUSINESS OVERVIEW

Paramount manufactures precision forged components that form the backbone of critical industrial infrastructure. Its products are deployed in pressure vessels, pipelines, refineries, petrochemical plants, nuclear facilities, heavy engineering equipment, railways and industrial machinery where product reliability directly influences operational safety and plant uptime.

The Company has gradually diversified beyond conventional flange manufacturing into rolled rings, customised forgings, gear blanks, tube sheets and specialised valve components, thereby expanding its addressable market while improving value addition. Management continues to increase its presence in high-performance alloy steels and nickel-based metallurgical grades, enabling participation in technically demanding applications across domestic and international markets.

Revenue remains well diversified, with Oil & Gas contributing 31.46%, Petrochemicals, Chemicals & Fertilisers 20.82%, Foreign Stockists 17.05%, Others 14.28%, Heavy Engineering 8.66%, Manufacturing 7.45%, Nuclear 0.26% and Power 0.01%, reflecting a balanced customer base across industrial sectors.

BUSINESS MODEL

Paramount operates an integrated manufacturing model that combines engineering expertise, advanced forging technologies and comprehensive quality assurance under one roof.

The value chain begins with sourcing premium-quality steel ingots, billets, rounds and bars from approved manufacturers. These materials undergo precision cutting before entering closed-die, open-die or ring-rolling forging operations depending upon customer specifications. Forged components subsequently pass through automated heat treatment facilities, CNC machining centres and comprehensive inspection processes before final packaging and dispatch.

The Company's integrated operations provide several strategic advantages:

- Superior control over product quality
- Faster production turnaround
- Lower dependence on third-party processors
- Capability to manufacture customised products
- Strong traceability across the manufacturing cycle
- Ability to cater to stringent customer specifications

The ongoing installation of a 10-ton forging hammer and a 2,000-ton forging press is expected to significantly enhance manufacturing flexibility, improve throughput, expand the product range and strengthen competitiveness in larger forged components.

PRODUCT PORTFOLIO

Paramount offers a diversified portfolio of forged products designed for high-pressure, high-temperature and mission-critical industrial environments.

Rolled Rings

Manufactured using advanced radial-axial ring rolling technology, these products include gear rings, slewing rings, tyre rings and turbine rings for heavy engineering and industrial equipment.

Flanges
The Company manufactures a comprehensive range of ANSI and international standard flanges, including weld neck, slip-on, blind, lap joint, threaded, long neck, line spacers, blind spades and drip rings serving pipeline and pressure vessel applications.

Non-Standard Forgings
Custom-engineered forgings such as girth flanges, self-reinforced nozzles, body flanges and specialised pressure equipment components are manufactured according to customer drawings and project specifications.

Valve Components
The Company also manufactures precision forged valve bodies, adaptors, seats, trunnion plates, balls, bonnets, stems and housings for industrial valve manufacturers.
Management is increasingly focusing on specialised alloy steel and nickel-alloy forgings that offer higher value addition and stronger margins while expanding opportunities in nuclear, aerospace and defence applications.

OPERATIONAL PERFORMANCE

FY26 represented another year of operational strengthening as Paramount continued enhancing manufacturing efficiency while executing strategic capacity expansion initiatives.

The Company improved production efficiency by approximately 3–4% during FY26 and intends to achieve further productivity gains through process optimisation and automation. Existing infrastructure is expected to deliver additional output improvements even before the commissioning of new forging equipment.

The major operational milestone remains the expansion of the Khalapur facility through installation of a 10-ton forging hammer and a 2,000-ton forging press. These investments will substantially increase manufacturing capabilities for larger forgings, improve production economics and enable entry into previously inaccessible product categories. Management expects the expansion to support installed capacity of approximately 6,000–8,000 tonnes while opening opportunities for long-term customer contracts.

The Company also continues strengthening customer relationships across oil & gas, nuclear, petrochemicals and heavy engineering while actively pursuing registrations with international energy companies to broaden its export opportunities.

TECHNOLOGY & METALLURGICAL EXCELLENCE

Paramount's competitive strength lies in its ability to manufacture complex forged components across carbon steel, stainless steel, alloy steel and nickel-based metallurgical grades.

The Company operates advanced closed-die forging, open forging and ring-rolling facilities supported by automated heat treatment systems capable of normalising, quenching, tempering, annealing, stress relieving and solution annealing processes. These technologies enable the production of forgings with precise mechanical properties, microstructures and dimensional tolerances required for critical industrial applications.

Management continues expanding capabilities in complex metallurgy and specialised alloy grades, positioning the Company to address higher-value applications across energy, aerospace, defence and heavy engineering sectors. The newly commissioned in-house testing laboratory further strengthens metallurgical validation through comprehensive chemical, mechanical, corrosion and metallographic testing.

QUALITY & CERTIFICATIONS

Quality remains fundamental to Paramount's manufacturing philosophy. The Company follows internationally recognised quality systems throughout procurement, forging, machining, testing and dispatch to ensure consistent product performance.

Its manufacturing facilities are certified under ISO 9001, ISO 14001, PED and occupational health & safety standards while maintaining approvals from leading oil & gas companies, EPC contractors and industrial customers.

FY26 marked another significant milestone with the commissioning of a modern in-house testing laboratory capable of conducting chemical analysis, metallography, corrosion testing and mechanical testing. The Company has also applied for NABL accreditation, which will not only strengthen customer confidence but also create opportunities to provide third-party testing services.

RESEARCH & DEVELOPMENT

Innovation at Paramount focuses on expanding metallurgical capabilities, enhancing manufacturing efficiency and developing specialised forged products for evolving industrial applications.

The Company's engineering teams continuously optimise forging processes, tooling designs and heat treatment methodologies to improve productivity while maintaining stringent quality standards. Recent investments in advanced forging equipment, automated manufacturing systems and in-house testing infrastructure further strengthen product development capabilities.

Management is also working towards developing forgings in complex alloy grades, larger dimensions and customised geometries to address emerging opportunities in defence, aerospace, nuclear energy and international oil & gas markets.

SUSTAINABILITY & ESG

Paramount continues integrating sustainability into its manufacturing operations by reducing energy consumption, lowering emissions and improving resource efficiency.

During FY26, the Company commissioned a 1.05 MW solar power project in phases across its manufacturing facilities. The project is expected to reduce electricity costs by approximately 25–30%, lower carbon emissions and improve long-term operating efficiency. Management also plans to expand installed solar capacity to approximately 1.3–1.4 MW over the coming months, reinforcing its commitment to cleaner manufacturing.

Alongside renewable energy investments, Paramount continues implementing process improvements that optimise energy utilisation, minimise waste generation and support responsible manufacturing practices.

RISK MANAGEMENT

Paramount operates in industries where product quality, execution capability and supply chain reliability are critical. Accordingly, the Company follows a proactive risk management framework focused on operational resilience, customer diversification and continuous capability enhancement.

Key risk mitigation measures include:
- Diversified presence across multiple industrial sectors, reducing dependence on a single end market.
- Continuous expansion into high-value products and specialised metallurgical grades.
- Ongoing international customer registrations to strengthen export opportunities.
- Capacity expansion to improve competitiveness and operational scalability.
- Integrated manufacturing and quality systems ensuring product traceability and compliance.
- Renewable energy investments that reduce exposure to rising energy costs.
- Continuous addition of domestic and international customers to broaden the revenue base.

As the new forging facilities become operational and international approvals progress, the Company expects to strengthen its market position while creating a more diversified and resilient business model capable of supporting long-term sustainable growth.

SWOT Analysis

Strengths	Weaknesses
Specialised forging expertise: Over three decades of experience in manufacturing precision-engineered forged components for mission-critical applications.	**Sector concentration:** A significant share of revenue continues to be derived from the Oil & Gas sector, making performance partially dependent on industry capital expenditure cycles.
Integrated manufacturing capabilities: End-to-end operations encompassing forging, ring rolling, heat treatment, machining, testing and inspection ensure quality, traceability and faster delivery.	**Moderate scale of operations:** Compared with larger listed forging companies, manufacturing scale and financial resources remain relatively limited, impacting economies of scale.
Diversified product portfolio: Wide range of rolled rings, flanges, valve components, tube sheets and customised forgings catering to multiple industrial sectors.	**Capacity expansion under execution:** Benefits from the new forging press and hammer will materialise progressively after successful commissioning and ramp-up.
Strong quality credentials: International certifications, EPC approvals and ongoing NABL accreditation strengthen credibility in highly regulated industries.	**Limited global footprint:** International presence is expanding but remains relatively concentrated compared with global forging peers.
Continuous technological investments: Expansion of forging capacity, advanced testing laboratory and renewable energy initiatives enhance long-term competitiveness and operational efficiency.	

Opportunities	Threats
Expansion into high-value forgings: New 10-ton hammer and 2,000-ton forging press enable larger, complex and higher-margin products.	**Raw material price volatility:** Fluctuations in alloy steel, stainless steel and nickel prices may impact margins if not passed on to customers.
Growing energy and infrastructure investments: Rising investments in oil & gas, petrochemicals, nuclear power, defence, railways and heavy engineering present significant demand opportunities.	**Intense competition:** Competition from established domestic and global forging manufacturers may exert pricing pressure, particularly in standard products.
Export market expansion: Registrations with global energy companies such as ADNOC and increasing overseas approvals can broaden export opportunities.	**Project execution delays:** Delays in customer capex, EPC projects or commissioning of new facilities may defer revenue realisation.
Shift towards specialised metallurgy: Increasing focus on nickel alloys, special steels and customised engineered forgings can improve value addition and profitability.	**Global macroeconomic and geopolitical risks:** Slowdown in industrial investments, trade disruptions or geopolitical tensions could affect export demand and capital expenditure cycles.
Sustainability-led manufacturing: Solar power expansion and energy-efficient operations can reduce operating costs while strengthening ESG positioning.	**Stringent quality requirements:** Failure to maintain international certifications or customer approvals could impact participation in critical industrial projects.

Annexure – II

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

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

Name of the Director	Designation	Ratio
Mr. Aliasgar Roshan Hararwala	Managing Director	6.33:1
Mr. Aliasgar Abdulla Bhagat	Director	6.33:1
Mr. Mohammed Salim Hararwala	Director	5.17:1
Mr. Kurian Pallathuseril Chandy	Independent Director	0
Mr. Nimesh Mukerji	Independent Director	0
Ms. Apurva Pradeep Joshi	Independent Director	0

*For the calculation of the ratio of remuneration of each director to the median remuneration to employees excludes remuneration of Managing Director and Executive Director of the Company.

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

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

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

3. The percentage increase in the median remuneration of employees in the financial year: 0.45 %

4. The number of permanent employees on the rolls of company: 153 (Including one Managing Director, two Executive Directors, one Chief Financial Officer, and one Company Secretary)

5. Average percentile increase already made in the salaries of employees other than the managerial personnel (KMP) in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 0.363%

6. Affirmation that the remuneration is as per the remuneration policy of the Company:

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

Details of Employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also Top 10 employees in terms of remuneration drawn during the year 2025-26:

Name of Employee	Designation	Educational Qualification	Age (in yrs)	Experience (in years)	Date of Joining	Remuneration in FY 2025-26	Previous employment	The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) of rule 5 of companies (Appointment and remuneration of managerial personnel) rules, 2014
Aliasgar R. Hararwala	Managing Director	MBA	48	29	05-05-23	21,00,000	-	12.48
Aliasgar A. Bhagat	Director	SSC	72	52	05-05-23	21,00,000	-	8.25
Roshan A. Hararwala	Promoter	Graduation	89	52	05-05-23	21,00,000	-	8.25
Zahid M. Hararwala	Promoter	Graduation	36	7	05-05-23	21,00,000	-	10.31
Abdulla A. Bhagat	Promoter	Graduation	45	22	05-05-23	21,00,000	-	12.37
Madan Karkhanis	Quality Control Manager	Diploma	56	35	05-05-23	20,65,200	-	-
Tanaji Bhonsale	Head Metallurgist	Diploma	59	35	01-04-25	17,31,022	-	-
Sachin Vaidya	Maintenance Manager	Diploma	48	22	05-05-23	18,88,800	-	-
Farkhanda Pagarkar	CFO	Graduation	53	30	05-05-23	17,87,400	-	-
Mohammed Hararwala	Director	Diploma	48	27	05-05-23	17,16,000	-	6.87

Notes:

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

Annexure - III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

PARAMOUNT SPECIALITY FORGINGS LIMITED
For the Financial Year Ended 31st March, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PARAMOUNT SPECIALITY FORGINGS LIMITED
3, 1, GURU HIMMAT BUILDING, DR. MASCARENHAS ROAD,
ANJIRWADI, MAZGAON, MUMBAI, 400010, MAHARASHTRA, INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PARAMOUNT SPECIALITY FORGINGS LIMITED** having **CIN** L24109MH2023PLC402307 (hereinafter called the Company) for financial year from April 01st, 2025 to March 31st, 2026 (hereinafter referred to as **"the Audit Period"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management of the Company, we hereby report that in our opinion, the Company had during the Audit Period generally complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

1) The Companies Act, 2013 and the Rules made there under;
2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
    c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);
    e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
    f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
    g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period);
    h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);
    i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
5) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**;**
6) The Company has identified the following laws as specifically applicable to the company:

a. The Payment of Wages Act, 1936
b. Employee's State Insurance Act, 1948
c. The Employee's Provident Fund and Miscellaneous Provisions Act, 1952
d. The Payment of Bonus Act, 1965
e. The Payment of Gratuity Act, 1972
f. The Motor Vehicle Act, 1988
g. Food Safety and Standards Act, 2006

We have also examined compliance with the applicable clauses of the following:

I. Secretarial Standards issued by The Institute of Company Secretaries of India;
II. The Listing Agreements entered into by the Company with National Stock Exchange(s);

We further report that:

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

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

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

4. There was no prosecution initiated during the year under review under the Companies Act, 2013 and the Rules, Regulations and Guidelines framed thereunder against/on the Company, its Directors and Officers.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice were given to directors to schedule the Board Meetings, committee meetings, agenda along with the detailed notes on agenda were also sent in advance of seven days, however a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We Further Report that Provident Fund dues pertaining to the employees of the Company, aggregating to Rs. 17,000, were discharged subsequent to the prescribed due dates during the year under review. The Company has represented that the requisite dues have been duly accounted for and the applicable statutory requirements are being complied with. The delay was primarily in the nature of timing difference in remittance.

We further report that as per the explanations given to us and the representations made by the management and relied upon by us, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has not done any such events mentioned below:

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

PLACE: UJJAIN
DATE: 20TH AUGUST, 2026

For Amit Dharmani & Associates
Company Secretaries

Sd/-
Amit Dharmani
FCS 12050
COP 18179
UDIN: F012050H001161528
Unique Identification No.: S2017MP474100
Peer Review Certificate No.: 7419/2025

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

ANNEXURE – A

(To the Secretarial Audit Report of PARAMOUNT SPECIALITY FORGINGS LIMITED for the financial year ended March 31st, 2026)

To,
The Members,
PARAMOUNT SPECIALITY FORGINGS LIMITED
3, 1, GURU HIMMAT BUILDING, DR. MASCARENHAS ROAD,
ANJIRWADI, MAZGAON, MUMBAI, 400010, MAHARASHTRA, INDIA

Our Secretarial Audit Report for the financial year 31st March, 2026 is to be read along with this letter.

Management's Responsibility: -

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

Auditor's Responsibility: -

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

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

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

Disclaimer: -

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

PLACE: UJJAIN
DATE: 20TH AUGUST, 2026

For Amit Dharmani & Associates
Company Secretaries

Sd/-
Amit Dharmani
Proprietor
FCS 12050
COP 18179
UDIN: F012050H001161528
Unique Identification No.: S2017MP474100
Peer Review Certificate No.: 7419/2025

Annexure – IV

Annual Report on Corporate Social Responsibility (“CSR”) Activities for financial year 2025-26

1. Brief outline on CSR Policy of the Company:
   Refer to the CSR policy for Brief outline URL: https://paramountforge.com/investor-info.html#tab8

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Aliasgar Roshan Hararwala	Chairman(Managing Director)	1	1
2	Aliasgar Abdulla Bhagat	Member (Director)	1	1
3	*Nimesh Mukerji	Member (Non-Executive Independent Director)	1	1
4	**Mr. Kurian Pallathuseril Chandy	Member (Non-Executive Independent Director)	0	0

***** Mr. Nimesh Mukerji ceased to be a Member of the Committee consequent to his sad demise on April 14, 2026.

****** Mr. Kurian Pallathuseril Chandy was appointed as a Member of the Committee with effect from May 20, 2026, consequent to the re-constitution of the Committee.

The CSR Committee was re-constituted by the Board vide a resolution passed by circulation on May 20, 2026, to fill the vacancy arising from the demise of Mr. Nimesh Mukerji, and Mr. Kurian Pallathuseril Chandy was inducted as a Member of the Committee in his place.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: https://paramountforge.com/investor-info.html#tab8

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

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs. 6,71,44,809/-**

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135: **Rs. 13,42,896/-**

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

   (d) Amount required to be set off for the financial year, if any: **Rs. 33,359.18/-**

   (e) Total CSR obligation for the financial year (b+c-d): **13,09,536.82/-**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. **13,50,000/-**

   (b) Amount spent in Administrative Overheads: Nil

   (c) Amount spent on Impact Assessment, if applicable: Nil

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 13,50,000/-**

   (e) CSR amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (In Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
13,50,000	NIL	NIL	NIL	NIL	NIL

(f) **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
				Location of the project.							Mode of Implementation - Through Implementing Agency	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	State.	District.	Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Name	CSR Registration number.
							NIL					
	Total											

(g) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				Location of the project.				Mode of implementation - Through implementing agency.	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	State.	District.	Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Name.	CSR registration number.
1.	Distributing Food packets/ grains to needy people, Rural Development, Education, Women Empowerment, Healthcare & Medical Activities and Environment Protection activities.	Education and Food and Women Healthcare	Yes	Maharashtra		Rs. 13,50,000	No	Drishti Foundation	CSR00102170
	Total					13,50,000			

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

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	13,09,536.82
(ii)	Total amount spent for the Financial Year	13,50,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	40,463.18
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	40,463.18

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

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

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

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

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

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

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

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

Sd/-
Aliasgar Abdulla Bhagat
Director (Chairman)
DIN: 00335869

Sd/-
Mr. Aliasgar Roshan Hararwala
DIN: 00334957
(Managing Director)
(Chairman CSR Committee)

Not Applicable
[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable)

Annexure – V

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

The Board of Directors
Paramount Speciality Forgings Limited

We, Aliasgar Roshan Hararwala, Managing Director and Farkhanda A. Pagarkar, the Chief Financial Officer (CFO) of the Company of the Company do hereby certify to the Board that:

1. We have reviewed financial statements and the cash flow statement for the year ending March 31, 2026 and that to the best of their knowledge and belief:
(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
(b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4. We have indicated to the auditors and the Audit committee of the Company.
(a) significant changes in internal control over financial reporting during the year;
(b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Aliasgar Roshan Hararwala
Managing Director
DIN: 00334957

Place: Mumbai
Date: May 29, 2026

Sd/-
Farkhanda Abdul Razak Pagarkar
Chief Financial Officer

Place: Mumbai
Date: May 29, 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PARAMOUNT SPECIALITY FORGINGS LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **PARAMOUNT SPECIALITY FORGINGS LIMITED ("the Company")**, which comprises the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and its cash flows for the year ended on that date.

Basis for Opinion:

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

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our audit
As per AS 2 - 'Valuation of Inventories', inventories should be valued at the lower of cost and the net realisable value. As disclosed in Note 17 of the financial statements, the total inventory as at March 31, 2026 amounts to Rs. 5,119 Lakhs, which represented approximately 40.13% of Company's total assets. The Company deals with various types of forged components including Flanges, Non-standard forgings, Valve components, various types of rings and other customized forgings. The entire inventory valuation (Raw Material, Work In Progress and Finished Goods) is manually ascertained. The measurement of raw material i.e. metallic bars, used by the Company involve certain calculations/ volumetric measurements converting no. of bars in Kgs with the details like length and breadth of the bar. Similarly, Finished Goods and Work In Progress is derived in Kgs by Management. Fixed and Variable Overheads are identified and apportioned to Work In Progress and Finished Goods based on normal capacity/actual production. Due to significance of the area, risk of incorrect valuation and inventory being a sizable part of the balance sheet, we have considered Inventory as a key audit matter.	Our audit procedure included the following: • Understood and evaluated the design and operating effectiveness of controls over physical count and measurement of inventory. • Physically observed inventory measurement and count procedures carried out by Management, to ensure its appropriateness and completeness. Our audit procedures also included obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by Management in respect of differences between book and physical quantities. We have also verified that the physical verification differences are appropriately accounted for in the books of accounts. • Obtained overheads working from Management and verified that all manufacturing expenses incurred are included in overheads working and the basis of apportion of overhead cost to Work In Progress and Finished Goods based on normal capacity/ actual production. • Verified the valuation of checked inventories as per the Company's accounting policy and in accordance with applicable accounting standard.

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

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in **Annexure 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

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

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

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;

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

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

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

      i. The Company does not have any pending litigations, having an impact on its financial position in its financial statements, except other than disclosed in Note 30 to the financial statements.

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

      iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above, contain any material misstatement.

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

vi. Based on our examination which includes test check, the Company has used an accounting software for maintaining its books of account 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 except For Cloud 9 ERP software used for Financial accounting – Audit Trail is not enabled at database level to create log for any direct database level edits.

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

Furthermore, the audit trail has been preserved in compliance with the applicable statutory requirements for record retention, except to the extent of instances mentioned above except for the period for which daily backup compliance was not adhered.

3. In our opinion and according to information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 26124658OCLCWQ5140
Mumbai, May 29, 2026

Annexure 'A' to the Independent Auditor's Report

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2026.

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

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

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

(b) According to the information and explanations given to us, the Company has a program for physical verification of Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner at periodic intervals. During the year the Company has verified certain Property, Plant and Equipment as per the schedule program. In our opinion, the period of verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

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

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

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

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

(e) According to the information and explanations provided to us and based on records of the Company examined by us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions of clause 3 (i) (e) of the Order are not applicable.

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

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

Quarter ended June 30, 2025

(₹ in Lakhs)

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,165.24	821.11	344.13	Refer Note below
Advance to Suppliers	-	-	-	Refer Note below
Advance from Customers	14.97	0.15	14.83	Refer Note below
Creditors	2,225.08	2,689.98	(464.90)	Refer Note below
Stock	3,337.60	3,989.43	(224.03)	Refer Note below
Debtors	2,091.43	2,225.01	(133.58)	Refer Note below

Quarter ended September 30, 2025

(₹ in Lakhs)

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,498.60	1,239.11	259.50	Refer Note below
Advance to Suppliers	2.00	0.09	1.91	Refer Note below
Advance from Customers	16.22	14.44	1.78	Refer Note below
Creditors	2,328.38	2,026.24	302.14	Refer Note below
Stock	3,689.24	4,303.17	(613.94)	Refer Note below
Debtors	2,598.05	2,078.06	519.99	Refer Note below

Quarter ended December 31, 2025

(₹ in Lakhs)

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	866.75	845.19	21.56	Refer Note below
Advance to Suppliers	-	6.37	(6.37)	Refer Note below
Advance from Customers	6.42	8.83	(2.41)	Refer Note below
Creditors	2,340.03	2,477.25	(137.22)	Refer Note below
Stock	4,055.24	4,055.24	-	Refer Note below
Debtors	2,026.21	1,887.39	138.82	Refer Note below

Quarter ended March 31, 2026

(₹ in Lakhs)

Particulars	Balances as per Stock Statement submitted	Balances as per books of account	Differences	Reasons
Sales	1,349.65	1,186.94	162.70	Refer Note below
Advance to Suppliers	29.15	29.20	(0.05)	Refer Note below
Advance from Customers	10.22	75.81	(65.59)	Refer Note below
Creditors	2,904.09	3,193.21	(289.12)	Refer Note below
Stock	4,598.57	4,558.57	40.00	Refer Note below
Debtors	2,672.43	2,512.87	159.56	Refer Note below

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

iii. (a) According to the information and explanations given to us, the Company has not made any investment in, provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. The Company has provided loans to employees during the year as follows;

Particulars	₹ in Lakhs
Aggregate amount granted/provided during the year:	
- Employees	20.19
Balance outstanding as at balance sheet date in respect of above cases:	
- Employees	7.71

(b) According to the information and explanations provided to us and based on the audit procedures performed by us, the terms and conditions of loans granted by the Company during the year to employees are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to employees where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. Further, the Company has not granted advances in the nature of loans to any parties during the year.

(d) According to the information and explanations provided to us, and based on the audit procedures performed by us, there is no overdue amount for more than ninety days in respect of loans granted.

(e) According to the information and explanations provided to us, and based on the audit procedures performed by us, no loans or advances in the nature of loan has been granted by the Company which has fallen due during the year, have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Promoters, related parties as defined in clause (76) of section 2 of the Act. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and based on records of the Company examined by us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Section 185 and 186 of the Act are applicable. Accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public and hence the directives issued by Reserve Bank of India and the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the relevant rules framed thereunder are not applicable. No order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

vi. We have broadly reviewed the books of account and records maintained by the Company in respect of the product covered under the Rules prescribed by the Central Government for the maintenance of cost records under sub section (1) of Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete.

vii. (a) According to the information and explanation given to us and based on records of the Company examined by us, the Company is generally regular in depositing undisputed statutory dues, including dues pertaining to Goods and Services tax ('GST'), Provident fund, Employees's State Insurance, Income-Tax, Duty of Customs, Profession Tax and other statutory dues with the appropriate authorities, wherever applicable and there are no undisputed dues which remained outstanding at at March 31, 2026 for a period of more than six months from the date they became payable except as mentioned below :-

Name of the Statute	Nature of the Dues	₹ in Lakhs	Period to which the amount relates	Due Date	Date of Payment
EPF Act, 1952	Provident Fund	0.03	Apr-2025	15-May-25	-
EPF Act, 1952	Provident Fund	0.05	May-2025	15-Jun-25	-
EPF Act, 1952	Provident Fund	0.05	Jun-2025	15-Jul-25	-
EPF Act, 1952	Provident Fund	0.02	Jul-2025	15-Aug-25	-
EPF Act, 1952	Provident Fund	0.02	Aug-2025	15-Sep-25	-

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no dues outstanding as on March 31, 2026, of income-tax on account of any dispute, except as mentioned below :-

Name of the Statute	Nature of the Dues	₹ in Lakhs	Financial Year	Forum where the dispute is pending
Income Tax Act, 1961	Income-tax	9.23	2012-13	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income-tax	3.67	2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income-tax	13.21	2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income-tax	2.05	2019-20	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income-tax	7.42	2023-24	Commissioner of Income Tax (Appeals)

viii. According to the information and explanations given to us and based on records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

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

(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 other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.

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

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates, or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not raised loans during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and based on records of the Company examined by us, the Company has not raised money through initial public offer or further public offer (including debt instruments) during the year.

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

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

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

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

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

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

xiv. (a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, the provisions of paragraph 3(xvi)(c) of the Order are not applicable.

(d) The Company does not have any Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Hence, the provisions of paragraph 3(xvi)(d) of the Order are not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and therefore reporting under clause 3 (xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has fully spent the required amount toward Corporate Social Responsibility (CSR) in respect of other than ongoing projects. Hence, the provisions of paragraph 3(xx)(a) of the Order are not applicable.

(b) According to the information and explanation provided to us the Company does not have any ongoing project with respect to CSR. Hence, the provisions of paragraph 3 (xx) (b) of the Order are not applicable.

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

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 26124658OCLCWQ5140
Mumbai, May 29, 2026

Annexure 'B' to the Independent Auditor's Report

Referred to in Paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2026.

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

We have audited the internal financial controls with reference to financial statements of **PARAMOUNT SPECIALITY FORGINGS LIMITED (formerly known as Paramount Speciality Forgings LLP)** ("the Company") as at March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that:

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

2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

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

In our opinion, except for the possible effects of the weaknesses described above, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the weaknesses reported above in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2026 financial statements of the Company and these weaknesses does not affect our opinion on the financial statements of the Company.

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No. 124658
UDIN: 26124658OCLCWQ5140
Mumbai, May 29, 2026

Balance Sheet As at 31st March, 2026

(₹ in Lakhs)

Particulars	Note No	As at 31 March 2026	As at 31 March 2025
I EQUITY AND LIABILITIES			
1 Shareholder's Funds			
(a) Share Capital	3	1,968.20	1,968.20
(b) Reserves and Surplus	4	3,655.74	3,230.21
		5,623.94	**5,198.41**
2 Non-current liabilities			
(a) Long-term borrowings	5	179.95	19.98
(b) Long-term provisions	6	94.07	76.96
		274.03	96.94
3 Current liabilities			
(a) Short-term borrowings	7	2,657.36	2,832.19
(b) Trade payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises		1,397.08	1,049.78
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,307.16	2,038.39
(c) Other current liabilities	9	334.75	267.75
(d) Short-term provisions	10	161.02	96.79
		6,857.36	**6,284.91**
Total		**12,755.33**	**11,580.26**
II ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	11(a)	1,294.74	1,242.66
(ii) Intangible assets	11(b)	10.58	12.89
(iii) Capital Work in Progress		1,506.59	126.81
(b) Non-current investments	12	0.09	0.09
(c) Deferred Tax Assets (net)	13	66.85	50.10
(d) Long Term Loans and Advances	14	480.18	164.12
(e) Other non-current assets	15	26.36	6.15
		3,385.39	**1,602.82**
2 Current assets			
(a) Current Investments	16	-	5.00
(b) Inventories	17	5,119.00	4,627.74
(c) Trade receivables	18	2,525.00	2,060.54
(d) Cash and bank balances	19	660.54	2,011.88
(e) Short Term Loans and Advances	20	1,040.21	1,238.24
(f) Other current assets	21	25.19	34.04
		9,369.94	**9,977.44**
Total		**12,755.33**	**11,580.26**
Corporate Information	1		
Significant accounting policies	2		

As per our Report attached

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2026

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

Sd/-	Sd/-
Aliasgar R. Hararwala	**Aliasgar A. Bhagat**
MANAGING DIRECTOR	DIRECTOR
DIN: 00334957	DIN: 00335869
Sd/-	Sd/-
Farkhanda A. Pagarkar	**Zubin C. Shah**
CHIEF FINANCIAL OFFICER	COMPANY SECRETARY
	ICSI M.No: A44200

Mumbai, 29 May 2026

Statement of Profit and Loss for the Year Ended 31st March, 2026

(₹ in Lakhs)

	Particulars	Note No	Year Ended 31 March 2026 (Audited)	Year Ended 31 March 2025 (Audited)
I	Revenue from operations	**22**	11,995.97	**10,993.26**
II	Other Income	23	180.76	96.84
III	**Total Income (I+II)**		**12,176.73**	**11,090.10**
IV	**Expenses:**			
(a)	Cost of Materials Consumed	24(a)	8,082.81	7,394.44
(b)	Change in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24(b)	(211.48)	(679.31)
(c)	Employee benefits expense	25	821.50	785.11
(d)	Finance costs	26	208.79	204.94
(e)	Depreciation and amortization expense	27	150.35	142.61
(f)	Other expenses	28	2,554.50	2,655.31
	Total expenses		**11,606.47**	**10,503.10**
V	**Profit before Tax (III-IV)**		570.26	587.00
VI	**Tax expense:**			
	Current tax		165.00	169.86
	Prior year tax adjustments		(3.52)	(32.99)
	Deferred tax (benefit)		(16.75)	3.56
			144.73	**140.43**
VII	**Profit after Tax (V-VI)**		**425.53**	**446.57**
	EARNINGS PER EQUITY SHARE			
	Nominal value per share Rs. 10			
	Basic and Diluted	29	2.16	2.57

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

As per our Report attached

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2026

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

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

Sd/-
Aliasgar A. Bhagat
DIRECTOR
DIN: 00335869

Sd/-
Farkhanda A. Pagarkar
CHIEF FINANCIAL OFFICER

Sd/-
Zubin C. Shah
COMPANY SECRETARY
ICSI M.No: A44200

Mumbai, 29 May 2026

Statement of Cash Flow for the Year Ended 31st March, 2026

(₹ in Lakhs)

	Particulars	31 March 2026	31 March 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit Before Tax	570.26	587.00
	Adjustments for:		
	Depreciation	150.35	142.61
	Loss/(gain) on redemption of Investments/ Mutual Funds	(4.62)	-
	Interest income	(52.24)	(56.43)
	Finance costs	208.79	204.94
	Provision for doubtful debts	3.50	-
	Bad Debts Written Off	2.87	-
	GST Credit written off	26.73	-
	Reversal of Provision for doubtful Debts	(3.40)	-
	Reversal of Excess Provision	(1.79)	-
	Sundry Credit Balance written back	(37.20)	-
	Unrealised foreign exchange (gain)	(8.10)	0.15
	Operating Profit/(loss) before Working Capital changes	**855.15**	**878.27**
	Adjustments for :		
	(Increase)/Decrease in trade receivables	(446.89)	(425.92)
	(Increase) in loans and advances	71.85	41.95
	(Increase) in Other current assets	16.46	(75.36)
	(Increase)/Decrease in Inventories	(491.26)	(773.53)
	(Decrease)/Increase in trade payables	616.06	328.12
	(Decrease)/Increase in other current liabilities and provisions	154.22	56.35
		(79.56)	(848.39)
	Cash generated from / (used in) operations:	775.59	29.88
	Taxes Paid (net)	(183.89)	(316.40)
	Net cash (used in) operating activities	**591.70**	**(286.52)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant & Equipment and Intangible assets	(1,769.76)	(471.12)
	Investment in Fixed Deposits with Banks	(20.57)	(553.17)
	Sale of Investments	9.62	-
	Interest received	60.96	44.39
	Net cash from investing activities	**(1,719.75)**	**(979.90)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Interest paid	(208.79)	(204.94)
	Repayments of Borrowings (net of Proceeds)	(14.86)	425.15
	Proceeds from IPO	-	2,455.47
	Net cash from financing activities	**(223.65)**	**2,675.68**
D.	**NET (DECREASE) IN CASH & CASH EQUIVALENTS**	**(1,351.69)**	**1,409.26**
E.	**CASH AND CASH EQUIVALENTS as at the beginning of the Period**	**1,410.14**	**0.88**
F.	**CASH AND CASH EQUIVALENTS as at the End of Period**	**58.46**	**1,410.14**
		(1,351.69)	1,409.26

Notes:

1	**Components of cash and cash equivalents**		
	Cash on hand	0.11	0.14
	With Banks - On Current Account	12.59	49.43
	Cash credit account (Debit balance)	15.56	1.62
	Deposits with original maturity for less than 3 months	30.19	1,358.95
	Cash & Cash Equivalents considered for Cash flow	**58.46**	**1,410.14**

2 The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) -3 on Statement of Cash Flow.

3 Figures in brackets are outflows/ deductions. Previous years figures have been regrouped where ever necessary

As per our Report attached

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2026

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

Sd/-	Sd/-
Aliasgar R. Hararwala	**Aliasgar A. Bhagat**
MANAGING DIRECTOR	DIRECTOR
DIN: 00334957	DIN: 00335869
Sd/-	Sd/-
Farkhanda A. Pagarkar	**Zubin C. Shah**
CHIEF FINANCIAL OFFICER	COMPANY SECRETARY
	ICSI M.No: A44200

Mumbai, 29 May 2026

Notes to Financial Statements

Note 3 : Share Capital

Particulars	As at 31 March 2026	As at 31 March 2025
SHARE CAPITAL		
AUTHORISED SHARES:		
2,00,00,000 Equity shares of Rs. 10 each	2,000.00	2,000.00
ISSUED, SUBSCRIBED AND PAID UP SHARES:		
1,96,82,000 Equity shares of Rs. 10 each fully paid (P.Y. 1,48,80,000)	1,968.20	1,968.20
Total Paid up shares	1,968.20	1,968.20

Note 3.1 : Reconciliation for Shares

Reconciliation of Shares:		
No. of shares:		
At the beginning of year	1,96,82,000	1,48,80,000
Add: Bonus shares issued during the year	-	-
Add: Fresh shares issued during the year	-	48,02,000
Outstanding at the end of the year	1,96,82,000	1,96,82,000
Amount of shareholding (in Lakhs):		
At the beginning of year (Rs. 10 per share)	1,968.20	1,488.00
Add: Bonus shares issued during the year	-	-
Add: Fresh shares issued during the year	-	480.20
Outstanding at the end of the year (Rs. 10 per share)	1,968.20	1,968.20

Note 3.2 : Rights, preferences and restrictions attached to Equity Shares:

(i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend.

(ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 3.3 During the previous year, on 25 September 2024, the Company had issued 48,02,000 Equity Shares under SME IPO. The equity shares of the Company got listed on NSE Emerge Platform on 25 September 2024 having NSE Scrip Code "PSFL". The transaction Costs pertaining to the issue had been debited to the share premium account.

Note 3.4 : Details of shareholders holding more than 5% shares of fully paid up equity shares:

Name of Shareholders	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	(% Holding)	No. of shares held	(% Holding)
Mr. Aliasgar R. Hararwala	24,56,432	12.48%	24,56,432	12.48%
Mr. Abdullah A. Bhagat	24,34,432	12.37%	24,34,432	12.37%
Mr. Zahid M. Hararwala	20,28,352	10.31%	20,28,352	10.31%
Mr. Roshan A. Hararwala	16,22,784	8.25%	16,22,784	8.25%
Mr. Aliasgar A. Bhagat	16,22,784	8.25%	16,22,784	8.25%
Mr. Mohd. S. Hararwala	13,52,064	6.87%	13,52,064	6.87%
Mr. Hoozefa S. Hararwala	13,52,576	6.87%	13,52,576	6.87%
Mr. Abbasali S. Hararwala	13,52,576	6.87%	13,52,576	6.87%
India Equity Fund 1	10,26,000	5.21%	10,26,000	5.21%
Total Shareholdings	1,52,48,000	77.47%	1,52,48,000	77.47%

Promoters Shareholding	As at 31 March 2026		As at 31 March 2025	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Mr. Aliasgar R. Hararwala	24,56,432	12.48%	24,56,432	**12.48%**
Mr. Abdullah A. Bhagat	24,34,432	12.37%	24,34,432	12.37%
Mr. Zahid M. Hararwala	20,28,352	10.31%	20,28,352	10.31%
Mr. Roshan A. Hararwala	16,22,784	8.25%	16,22,784	8.25%
Mr. Aliasgar A. Bhagat	16,22,784	8.25%	16,22,784	8.25%
Mr. Mohd. S. Hararwala	13,52,064	6.87%	13,52,064	6.87%
Mr. Hoozefa S. Hararwala	13,52,576	6.87%	13,52,576	6.87%
Mr. Abbasali S. Hararwala	13,52,576	6.87%	13,52,576	6.87%
Total shareholdings	1,42,22,000	72.26%	1,42,22,000	72.26%

Note 3.5 : For the period immediately preceding the date as at 31 March, 2026 :

(i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

(ii) During the period ended March 31, 2024, the Company had issued 1,48,70,000 bonus shares in the ratio of 1:1487

(iii) Aggregate number and class of shares bought back : Nil

(iv) Calls unpaid : Nil

(v) There are no forfeited shares.

(vi) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Not Applicable

Note 4 : Reserves and Surplus

Surplus in Statement of Profit & Loss	As at 31 March 2026	As at 31 March 2025
Opening Balance of Surplus in Statement of Profit & Loss	1,254.94	808.36
Add : Net Profit for the year	425.53	446.57
Total Reserves and Surplus	**1,680.47**	**1,254.94**

Securities Premium	As at 31 March 2026	As at 31 March 2025
Opening Balance	**1,975.27**	-
Add: Securities Premium earned on fresh issue	-	2,352.98
Less: Utilised towards Public Issue Expenses	-	(377.71)
Total Securities Premium	**1,975.27**	**1,975.27**
Total Reserves and Surplus	**3,655.74**	**3,230.21**

Note 5 : Long-term Borrowings

(₹ in Lakhs)

	Particulars	As at 31 March 2026	As at 31 March 2025
	Secured		
(a)	Vehicle Loan (refer note (i))	14.15	19.98
(b)	Term Loan (refer note (ii))	165.80	-
	Total Long Term Borrowings	**179.95**	**19.98**

Notes:

(i) Vehicle Loan consists of two vehicle loans of Rs. 20 Lakhs each, ROI is 7.25% floating rate. The closing balance of Rs 19.74 lakhs is repayable in remaining 32 monthly installments of EMI Rs. 0.30 lakhs per month.
All Vehicle loans are secured against Vehicle purchased.

(ii) Term Loan from HDFC Bank
The entity had taken term loan from HDFC bank on 10 Sept 2025 with ROI of 8% for Nov and Dec 25 and 7.75% subsequently, repayable in fixed tenor of 60 instalments. The closing balance of Rs 204.45 lakhs is repayable in remaining 55 monthly installments.
The term loan is 100% secured against Plant and Machinery.

(₹ in Lakhs)

Note 6 : Long-term Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Provision for gratuity	94.07	76.96
Total Long Term Provisions	**94.07**	**76.96**

Note 7 : Short Term Borrowings

	Particulars	As at 31 March 2026	As at 31 March 2025
A	**Secured**		
	Cash Credit (Refer Notes (i) below)	1,736.42	1,864.04
	Working Capital Demand Loan (Refer Notes (ii) below)	273.48	348.27
	Current maturities of Vehicle Loan (Refer Notes (5(b)(i))	5.59	5.47
	Current Maturities of Term Loan (Refer Notes (5(b)(ii))	38.65	-
	Total (A)	**2,054.14**	**2,217.78**

	Particulars	As at 31 March 2026	As at 31 March 2025
B	**Unsecured**		
	Director's Loan (Refer Notes (iii) below)	235.15	241.55
	Promotor's Loan (Refer Notes (iii) below)	368.08	372.86
	Total (B)	**603.23**	**614.41**
	Total Short Term Borrowings (A+B)	**2,657.36**	**2,832.19**

(i) Cash Credit from HDFC - The stocks and book debts are hypothecated with the bank for the sanction limit of Rs.1,850 lakhs in Cash credit account for the tenure of one year with the annual renewal option.

(ii) Working Capital Demand Loan (WCDL) from HDFC - The stocks and book debts are hypothecated with the bank for the sanction limit of Rs.800 lakhs. The loan is repayable in six months or on demand.

(iii) Loans from Directors and Promotors - Loans are repayable on call and carries Nil rate of interest.

Note 8 : Trade payables

Particulars	As at 31 March 2026	As at 31 March 2025
Total outstanding dues of micro enterprises and small enterprises	**1,397.08**	**1,049.78**
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,307.16	2,038.39
Total Trade Payables	**3,704.23**	**3,088.17**

Based on and to the extent of information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors.

Particulars	Outstanding for following periods from due date of payment				As at
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	31 March 2026
i) MSME	**1,396.83**	**0.25**	**-**	**-**	**1,397.08**
ii) Others	2,286.44	19.39	0.46	0.87	2,307.16
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				As at
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	31 March 2025
i) MSME	**1,049.73**	**0.05**	**-**	**-**	**1,049.78**
ii) Others	2,029.98	4.82	1.62	1.97	2,038.39
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Note 9 : Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Creditors for Capital Goods	**15.51**	**2.89**
Employees Payables	111.86	102.68
Liability for expenses	33.17	34.51
Advance from Customer	131.36	84.41
Statutory Dues Payables	26.89	27.59
Other payables	15.96	15.68
Total Other Current Liabilities	**334.75**	**267.75**

Note 10 : Short Term Provisions

Particulars	As at 31 March 2026	As at 31 March 2025
Provision for employee benefits		
Provision for gratuity	35.77	32.47
Provision for leave Encashment	3.65	5.00
Other provisions		
Provision for Income tax	121.60	59.32
(net of advance tax of Rs. 43.40 lakhs ;(P.Y. Rs.110.54 lakhs))		
Total Short Term Provisions	**161.02**	**96.79**

Note 11 (a) : Property Plant & Equipment

(₹ in Lakhs)

Asset	Gross Block				Accumulated Depreciation					Net Block	
	Opening 01.04.25	Additions	Deletion	Closing 31.03.26	Opening 01.04.25	Adjustments	For the year	Deletion	Closing 31.03.26	As on 31.03.26	As on 31.03.25
Freehold Land	42.87	-	-	42.87	-	-	-	-	-	42.87	42.87
Leasehold Land	10.26	-	-	10.26	2.64	-	0.22	-	2.86	7.40	7.62
Buildings	1,152.44	40.19	-	1,192.64	744.54	-	18.32	-	762.86	429.78	407.91
Plant and Machinery	3,737.83	85.40	-	3,823.24	3,002.00	-	112.14	-	3,114.14	709.10	735.83
Lab	-	60.02	-	60.02	-	-	0.78	-	0.78	59.24	-
Factory Equipment	7.94	3.19	-	11.13	5.48	-	1.11	-	6.59	4.54	2.46
Furniture, Fixtures and Fittings	42.00	5.56	-	47.56	24.86	-	2.99	-	27.85	19.71	17.13
Office Equipment	34.09	0.42	-	34.51	30.57	-	1.54	-	32.13	2.38	3.52
Computers	40.84	1.24	-	42.08	37.91	-	1.74	-	39.65	2.43	2.93
Vehicles	57.95	-	-	57.95	35.55	-	5.12	-	40.67	17.28	22.40
Total Tangibles	5,126.22	196.03	-	5,322.24	3,883.56	-	143.97	-	4,027.52	1,294.74	1,242.66
Work-in-Progress	126.81	1,643.20	263.42	1,506.59	-	-	-	-	-	1,506.59	126.81
Total	5,253.02	1,839.23	263.42	6,828.83	3,883.56	-	143.97	-	4,027.52	2,801.33	1,369.47
Previous year	4,786.43	339.78	-	5,126.21	3,745.39	-	138.16	-	3,883.56	1,242.66	1,041.04

Note 11 (b) : Intangible Assets

Asset	Gross Block: Opening 01.04.25	Gross Block: Additions	Gross Block: Deletion	Gross Block: Closing 31.03.26	Accumulated Depreciation: Opening 01.04.25	Accumulated Depreciation: Adjustments	Accumulated Depreciation: For the year	Accumulated Depreciation: Deletion	Accumulated Depreciation: Closing 31.03.26	Net Block: As on 31.03.26	Net Block: As on 31.03.25
Software	48.56	4.05	-	52.61	35.65		6.38	-	42.03	10.58	12.89
Total Intangibles	48.56	4.05	-	52.61	35.65		6.38	-	42.03	10.58	12.89
Previous year	39.85	8.72	-	48.57	31.20	-	4.48	-	35.68	12.89	8.65

Note 12 : Investments - Non Current (valued at historical cost unless stated otherwise)

(₹ in Lakhs)

Particulars	As at 31 March 2026 Face Value	As at 31 March 2026 Numbers/ Units/ Shares	As at 31 March 2026 Book Value	As at 31 March 2025 Face Value	As at 31 March 2025 Numbers/ Units/ Shares	As at 31 March 2025 Book Value
Other Investments						
Other non-current investments						
- Guru Himmat Premises Co-op. Hsg. Society Ltd.	50	10	0.01	50	10	0.01
- Jawahar Co-op. Industrial Estate Ltd.	100	87	0.09	100	87	0.09
Total Investments - Unquoted			0.09			0.09
Aggregate market value as at the end of the period:						
Aggregate amount of quoted investments and market value thereof						-
Aggregate amount of Un-quoted investments			0.09			0.09
Aggreagte Provision for diminution in value of investments						-

Note 13 : Deferred tax Asset (Net)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax Asset		
Expenses provided but allowable in Income Tax on payment basis	38.54	33.47
Provision for doubtful debts	0.88	1.74
Provision for doubtful advances	2.55	2.55
Difference between book depreciation & tax depreciation	24.88	12.34
Total Deferred tax Asset	66.85	50.10

(₹ in Lakhs)

Note 14 : Long Term Loans and Advances

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, Considered Good, Unless Otherwise Stated		
Security Deposits	14.30	13.66
Advances for Capital Goods	268.74	78.84
Advance tax and tax deducted at source	197.14	71.61
(Net of Provision for Taxes Rs. 886.06 lakhs ;(P.Y. Rs. 716.20 lakhs))		
Total Long Term Loans and advances	**480.18**	**164.12**

Note 15 : Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, Considered Good, Unless Otherwise Stated		
Bank deposits with more than 12 months maturity	26.36	6.15
(deposits under lien for Bank Guarantees issued)		
Total Other non-current assets	**26.36**	**6.15**

Note 16 : Current Investments

Particulars	Face Value	Numbers/ Units/ Shares	As at 31 March 2026	As at 31 March 2025
	-	-		
Investments in Mutual Funds				
(Valued at lower of cost and fair value)				
(Unquoted, fully paid-up)				
PFG - Union Balanced Advantage Fund Regular Plan	10	49,990	-	5.00
Total Current Investments			**-**	**5.00**
Aggregate market value as at the end of the year:				
Aggregate amount of quoted investments and market value thereof			-	9.61
Aggregate amount of Un-quoted investments			-	-
Aggreagte Provision for diminution in value of investments			-	-

Note 17 : Inventories

Particulars	As at 31 March 2026	As at 31 March 2025
Raw materials (Including Goods-In-Transit Rs. 80.76 Lakhs ;(P.Y Nil))	**2,143.00**	**1,863.22**
Work-in-progress	1,433.15	1,545.81
Finished goods	1,542.84	1,218.71
Total Inventories	**5,119.00**	**4,627.74**

Note 18 : Trade Receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured Considered good	**2,525.00**	**2,060.54**
Unsecured Considered doubtful	3.50	6.91
Less: Provision for doubtful receivables	(3.50)	(6.91)
Total	**2,525.00**	**2,060.54**

Particulars	Outstanding for following periods from date of payment								As at
	Unbilled Dues	Not Due	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Retention Amount	31 March 2026
Undisputed Trade Receivables - Unsecured Considered Good	-	875.62	659.25	50.06	99.98	132.01	90.17	617.91	2,525.00
Undisputed Trade Receivables - Unsecured Considered Doubtful	-	-	-	-	0.63	0.27	2.60	-	3.50
Disputed Trade Receivables- Unsecured Considered Good	-	-	-	-	-	-	-		-
Disputed Trade Receivables- Unsecured Considered Doubtful	-	-	-	-	-	-	-		-

Particulars	Outstanding for following periods from date of payment: Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	Retention Amount	As at 31 March 2025
Undisputed Trade Receivables - Unsecured Considered Good	1,498.74	85.87	198.50	202.07	75.36		2,060.54
Undisputed Trade Receivables - Unsecured Considered Doubtful	-	-	-	-	6.91		6.91
Disputed Trade Receivables- Unsecured Considered Good	-	-	-	-	-		-
Disputed Trade Receivables- Unsecured Considered Doubtful	-	-	-	-	-		-

Note 19 : Cash and Bank Balances

Particulars		As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents			
On current accounts		12.59	49.43
Cash credit account (Debit balance)		15.56	1.62
Cash on hand		0.11	0.14
Deposits with original maturity for less than 3 months		30.19	1,358.95
Total	**(A)**	**58.46**	**1,410.14**
Other bank balances			
Deposits with original maturity for more than 3 months but less than 12 months from reporting date		602.08	601.73
Total	**(B)**	**602.08**	**601.73**
Total Cash and Bank balances	**(A+B)**	**660.54**	**2,011.88**

Note 20 : Short Term Loans and advances

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured, Considered Good, Unless Otherwise Stated		
Staff Loans	7.71	12.15
Balance with government authorities	1,015.68	1,202.77
Prepaid expenses	2.88	0.46
Advances recoverable in Cash or kind	13.94	22.86
Total Short Term Loans and advances	**1,040.21**	**1,238.24**

Note 21 : Other Current Assets

Particulars	As at 31 March 2026	As at 31 March 2025
Export Incentives		
Unsecured, Considered Good	17.58	17.71
Doubtful	10.13	10.13
	27.71	**27.84**
Less: Allowance for bad and doubtful loans and advances	(10.13)	(10.13)
Total Export Incentives	**17.58**	**17.71**
Interest accrued but not due on deposits	7.62	16.33
Total Other Current Assets	**25.19**	**34.04**

(₹ in Lakhs)

		For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
22	**Revenue from operations**		
	Sale of products	10,601.64	9,695.18
	Other operating revenue		
	i) Scrap Sales	1,337.95	1,230.54
	ii) Export Incentives	56.39	67.54
	Total Revenue from Operations	**11,995.97**	**10,993.26**

		For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
23	**Other Income**		
	Interest income	52.24	56.43
	Miscellaneous Income	37.40	9.52
	VAT refund received	42.74	-
	Interest on Vat refund received	5.13	-
	Interest on Income Tax refund	0.05	1.90
	Gain on Sale of Mutual Funds	4.62	-
	Gain on foreign exchange transactions and translation (net)	33.39	28.99
	Income from Reversal of Provision for Doubtful Debts	3.40	-
	Income from Reversal of Excess Provision	1.79	-
	Total Other Income	**180.76**	**96.84**

		For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	Cost of goods sold		
24(a)	**Cost of raw material consumed**		
	Raw material consumed		
	Raw material consumed-Inventory at the beginning of the year	1,863.22	1,769.00
	Add : Raw Material- Purchases during the year	8,362.60	7,488.65
		10,225.81	**9,257.65**
	Less: Inventory at the end of the year	2,143.00	1,863.22
	Cost of raw material consumed (a)	**8,082.81**	**7,394.44**

24(b)	Changes in inventories of finished goods, work in progress and stock-in trade	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	Inventories at the beginning of the year:		
	- Finished goods	1,218.71	821.48
	- Work in progress	1,545.81	1,263.73
	(I)	**2,764.52**	**2,085.21**
	Inventories at the end of the year:		
	- Finished goods	1,542.84	1,218.71
	- Work in progress	1,433.15	1,545.81
	(II)	**2,976.00**	**2,764.52**
	(Increase) in inventories of finished goods, work-in-progress and stock-in-trade (I-II)	**(211.48)**	**(679.31)**

25	Employee benefits expense	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	Salaries, wages, bonus and other allowances	754.73	712.67
	Contribution to provident and other funds	30.95	31.31
	Gratuity expenses	22.91	23.26
	Staff welfare expenses	12.92	17.86
	Total Employee benefits expense	**821.50**	**785.11**

26	Finance cost	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	Interest expense		
	On term loan	2.53	1.13
	On Vehicle Loan	2.00	2.78
	On Cash Credit Account	142.97	137.30
	On Working Capital Demand Loan	11.34	38.73
	Bank Charges	49.95	24.99
	Total Finance cost	**208.79**	**204.94**

27	Depreciation and amortization expense	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	on Property, Plant and Equipment (Refer note 10(a))	144.16	138.16
	on intangible assets (Refer note 10(b))	6.20	4.46
	Total Depreciation and amortization expense	**150.35**	**142.61**

28	Other Expenses	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
	Consumption of stores and spare parts	625.31	638.10
	Sub- contracting expenses	724.35	645.52
	Power and fuel	434.35	439.94
	Establishment and other expenses	82.66	82.89
	Other manufacturing expenses	59.42	62.62
	Rent	1.81	1.81
	Repairs and maintenance - Buildings	0.01	2.50
	Repairs and maintenance - Machinery	22.26	46.80
	Repairs and maintenance - others	35.76	21.26
	Inspection Charges	23.35	20.79
	Insurance	34.65	31.60
	Telephone Expenses	1.57	0.84
	Rates and taxes	35.74	6.70
	Travelling expenses	6.32	9.59
	Auditor's remuneration		
	- Statutory Audit	20.00	18.00
	- Tax Audit	2.00	2.00
	- For Certification	0.60	0.35
	Legal and professional charges	83.13	59.59
	Sitting Fees	3.00	3.00
	Commission	61.51	79.92
	Interest on Delayed Payment of Income Tax	0.83	1.61
	Interest on MSME Vendors	-	12.01
	Late payment Charges	38.64	63.41
	Late Delivery (LD) charges	3.28	64.53
	Bad Debts Written Off	2.87	-
	Freight Outward	232.57	298.66
	Corporate Social Responsibility	13.50	15.50
	Miscellaneous Expenses	5.03	25.75
	Total Other Expenses	**2,554.50**	**2,655.31**

Note 29: Earnings Per Share

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
Profit/ (Loss) attributable to equity shareholders (a) (₹ In Lakhs)	**425.53**	**446.57**
Number of Equity Shares:		
Number of equity shares as at the commencement of the year	1,96,82,000	1,48,80,000
Equity shares issued during the year	-	48,02,000
Number of equity shares at the end of the year	**1,96,82,000**	**1,96,82,000**
Weighted average number of equity shares outstanding during the year :		
Basic and Diluted (b)	1,96,82,000	1,73,53,359
Earning per Equity Share of Rs. 10/- each		
Basic and Diluted	**2.16**	**2.57**

Note 30: Contingent Liabilities and Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Bank Guarantees issued on behalf of the Company	**282.02**	**247.28**
Letter of Credit issued on behalf of the Company	**346.78**	**68.64**
On account of Income tax demands	**35.59**	**39.34**

Capital Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
Capital Commitments for procurement of Property Plant and Equipment (net of advances Rs 265.63 Lakhs); (P.Y. Rs 64.34 Lakhs)	550.45	150.12

Provident Fund:

The Company makes contributions of a specified percentage of a payroll costs towards the provident fund and other funds. Amount recognised in the Statement of Profit and Loss, included in Employee benefits expense of Rs 30.95 Lakhs (P.Y. Rs 31.31 Lakhs)

Defined Benefit Plan:

Compensated Absences:

Annual Leave Allowance : Employees are entitled to 15 days of leave per year. These 15 days leave includes both sick leave and casual leave. Additional compensated leave is provided on an as-needed basis, subject to Company's approval. Unused leave cannot be carried forward to the next year. Any remaining leave balance at the end of the financial year will be encashed by the employee in the next financial year. Provision for compensated absences are being accounted as per accrued liability basis.

Gratuity :

The Company operates a defined benefit gratuity plan for employees. The liability for the Defined Benefit Plan is provided on the basis of an acturial valuation, using the Projected Unit Credit Method, as at the Balance Sheet date, carried out by an independent actuary. The Company contributes to the Group Gratuity Scheme of LIC and contributions are debited to the Statement of Profit and Loss. These benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and investment risk.

31 Disclosures in respect of Defined Benefit Plan in accordance with AS-15 (Revised) on “Employee Benefits":

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
a) The amounts recognized in the balance sheet		
Present value of obligations as at the end of year/ period	(180.60)	(161.38)
Fair value of plan assets as at the end of the year/ period	50.76	51.95
Net asset/(liability) recognized in balance sheet	**(129.84)**	**(109.43)**
b) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present value of obligations as at beginning of year/ period	161.38	134.78
Interest cost	11.40	9.72
Current Service Cost	17.51	15.55
Past Service Cost - Vested Benefit Recognised During the Period	11.11	-
Benefits Paid	(4.78)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(10.84)	6.20
Actuarial (gain)/ loss on obligations	(5.19)	(4.87)
Present value of obligations as at end of year/ period	**180.60**	**161.38**
c) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of plan assets at beginning of year/ period	51.95	48.61
Expected return on plan assets	3.53	3.51
Contributions	-	-
Benefits Paid	(4.78)	-
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	0.05	(0.16)
Fair value of plan assets at the end of year/ period	**50.76**	**51.95**

d) Actuarial Assumptions		
Discount Rate	7.48%	6.81%
Salary Escalation (per annum)	7.50%	7.50%

Note 32: Corporate Social Responsibility

Gross amount required to be spent by the Company during the year 2025-26 - Rs 13.43 lakhs (Previous year Rs 15.17 lakhs)

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
(i) Amount required to be spent by the Company during the year	**13.43**	15.17
(ii) Amount of expenditure incurred	13.50	15.50
(iii) Excess spent carried forward to next year	0.07	0.33
(iv) Shortfall at the end of the year	NA	NA
(v) Total of previous years shortfall	Nil	Nil
(vi) Reason for shortfall	NA	NA
(vi) Nature of CSR activities,	Medical Healthcare Support (Handicapped Children)	Medical Healthcare Support
(vii) Details of related party transactions	Nil	Nil
(viii) Movements in the provision during the year where a provision is made with respect to a liability incured by entering into a contractual obligation		

Note 33 : Amounts due to Micro Small and Medium Enterprises

Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

(₹ in Lakhs)

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
The principal amount remaining unpaid to any supplier at the end of the year	**1,397.08**	**1,049.78**
Interest due remaining unpaid to any supplier at the end of the year	**10.22**	**12.01**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Statutory Auditors.

Note 34 : Earning in foreign exchange

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
Export of goods calculated on FOB basis in INR	**2,005.29**	**2,705.27**

(₹ in Lakhs)

Note 35 : Capital Work In Progress Ageing

As on 31st March, 2026

CWIP	Amount in CWIP for a period of Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	1,443.96	62.63	-	-	1,506.59
Projects temporarily suspended	-	-	-	-	-

As on 31st March, 2025

CWIP	Amount in CWIP for a period of Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Projects in progress	126.81	-	-	-	126.81
Projects temporarily suspended	-	-	-	-	-

Note 36 : Segment Reporting (AS-17)

a) Primary segment reporting by business segment:

The Company is engaged in the manufacturing of forged flanges, rings, blanks, and other related products across all grades. As per Accounting Standard (AS-17), there are no separate reportable segments identified within the company's operations.

b) Secondary segment reporting by geographical segment:

Segment-wise Revenue from Operations and Sales:

Particulars	For the Year Ended 31 March 2026	For the Year Ended 31 March 2025
Revenue from customers outside India	2,005.29	2,705.27
Revenue from customers within India	8,596.35	6,989.91
Total	**10,601.64**	**9,695.18**

Note 37: Related Party Disclosure (AS-18)

A Related parties and their relationship:

i) Key Management Personnel:

Name	Designation
Aliasgar R. Hararwala	Managing Director
Aliasgar A. Bhagat	Director
Mohammed S. Hararwala	Director

ii) Promoters :

Name	Designation
Abbasali S. Hararwala	Promoter
Abdulla A. Bhagat	Promoter
Hoozefa S. Hararwala	Promoter
Roshan A. Hararwala	Promoter
Zahid M. Hararwala	Promoter

B Transactions and balances with related parties

(₹ in Lakhs)

Name of Related Party	Remuneration 2025-26	Remuneration 2024-25	Reimbursements of expenses 2025-26	Reimbursements of expenses 2024-25
Key Management Personnel				
Aliasgar R. Hararwala	21.00	21.00	0.48	0.96
Aliasgar A. Bhagat	21.00	21.00	0.48	0.96
Mohammed S. Hararwala	17.16	17.16	0.48	0.96
	59.16	**59.16**	**1.44**	**2.88**
Promoters				
Abbasali S. Hararwala	11.40	11.40	-	-
Abdulla A. Bhagat	21.00	21.00	0.48	0.96
Hoozefa S. Hararwala	13.44	13.44	0.48	0.96
Roshan A. Hararwala	21.00	21.00	0.44	0.96
Zahid M. Hararwala	21.00	21.00	0.48	0.96
	87.84	**87.84**	**1.88**	**3.84**

Balances Outstanding as on March 31

(₹ in Lakhs)

Name of Related Party	Directors Loan		Promoters Loan		Remuneration Payable		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Aliasgar R. Hararwala	**105.56**	**119.98**	**-**	**-**	**6.29**	**4.64**	**111.85**	**124.63**
Aliasgar A. Bhagat	72.46	80.01	-	-	6.29	6.58	78.75	86.59
Mohammed S. Hararwala	57.12	66.71	-	-	6.59	5.48	63.71	72.19
Abbasali S. Hararwala	-	-	60.45	66.64	3.56	4.70	64.01	71.34
Abdulla A. Bhagat	-	-	105.56	119.98	6.28	7.96	111.84	127.94
Hoozefa S. Hararwala	-	-	60.45	66.64	5.29	4.37	65.74	71.01
Roshan A. Hararwala	-	-	72.46	80.01	6.29	4.80	78.75	84.81
Zahid M. Hararwala	-	-	69.16	80.22	7.86	5.42	77.03	85.63
	235.15	**266.70**	**368.08**	**413.49**	**48.45**	**43.94**	**651.68**	**724.13**

Notes related to Related Party disclosure

1. Related party relationships and transactions have been identified by the management and relied upon by the Auditors

Note 38 : Utilisation of IPO Proceeds

During the previous year, the Company completed initial public offering (IPO) of Rs. 3,234.38 lakhs (including fresh issue of Rs. 2,833.18 lakhs) comprising of (i) equity shares of 48,02,000 each at an issue price of Rs. 59 per share towards fresh issue of equity shares (ii) equity shares of 6,80,000 each at an issue price of Rs. 59 per share towards offer for sale. The equity shares of the Company were got listed on NSE Emerge Platform on 25 September 2024 having NSE Scrip Code "PSFL" under SME IPO. The Company incurred issue expenses amounting to Rs. 433.46 lakhs. In accordance with Applicable Law, these expenses are borne by the Company and Selling Shareholders, in the proportion of the equity shares issued by the Company and sold by each of the Selling Shareholders in the Offer for Sale, amounting to Rs. 377.71 lakhs and Rs. 55.75 lakhs respectively. The Company's share of expense of Rs. 377.71 lakhs (excluding taxes) was adjusted against Securities Premium as at 31 March 2025.

(₹ in Lakhs)

Sr. No	Objects as disclosed in the Offer Document	Amount disclosed in the Offer Document	Actual Utilised Amount	Unutilized Amount
1	Capital expenditure towards construction of factory shed & purchase of machinery and equipment required for expansion at our Khalapur Plant	2,381.28	1,785.88	595.40
2	General Corporate Purpose	72.38	33.57	38.81
3	Offer Related Expenses	379.52	377.71	1.81
	Total	**2,833.18**	**2,197.16**	**636.02**

Note 39: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Period	% Variance	Reason
Current ratio	Current Assets	Current Liabilities	**1.37**	**1.57**	**-13%**	Decreased as Initial public offer was made by the Company during the previous year
Debt-equity ratio	Total Debt	Shareholders funds	**0.50**	**0.56**	**-10%**	Decrease due to repayment of Debt
Debt service coverage ratio	Net operating Income	Debt Service	**1.00**	**0.54**	**86%**	Increase due to payment of interest on working capital loan & payment of principal amount
Return on equity ratio	Net profit after tax	Average Shareholders funds	**7.86%**	**11.92%**	**-34%**	Decrease due to decrease in profit
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	**2.09**	**2.11**	**-1%**	

Trade receivables turnover ratio	Net Credit Sales	Average Trade receivables	4.62	5.25	-12%	
Trade payables turnover ratio	Net Credit Purchases	Average trade payables	2.46	2.30	7%	
Net capital turnover ratio	Net sales	Working Capital	3.87	4.56	-15%	
Net profit ratio	Net profit after tax	Net Sales	3.55%	4.06%	-13%	
Return on capital employed	EBIT	Capital Employed	20.74%	26.40%	-21%	
Return on investment	Change in Shareholders Funds	Opening Shareholders funds	92.40%	92.22%	-	

Ratio :

Current Ratio	Current Assets \ Current Liaility
Debt-Equity Ratio,	Total Debt \ Shareholder's Equity
Debt Service Coverage Ratio,	Earnings available for debt service \ Debt Service
Return of Equity Ratio,	Net Profits after taxes \ Average Shareholder's Equity
Trade Receivable turnover Ratio,	Net Credit Sales \ Average Accounts Receivable
Trade Payable turnover Ratio,	Net Credit Purchases \ Average Trade Payables
Net Capital turnover Ratio,	Net Sales \ Average Working Capital
Net Profit Ratio,	Net Profit \ Net Sales
Return on Capital employed,	Earning before interest and taxes \ Capital Employed
Return on investment,	Income generated from investments \ Average Investments

Note 40: Additional Disclosures

(i) Title deeds of Immovable Property are held in name of the Paramount Speciality Forgings LLP, which was converted into Paramount Speciality Forgings Ltd. The Company is in process of changing the name in the title deeds. Refer note no. 41 for full details of such properties.

(ii) The Company has neither revalued its Property, Plant and Equipment nor intangible assets.

(iii) The Company has not granted any Loans or Advances in the nature of loans to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are (a) repayable on demand or (b) without specifying any terms or period of repayment.

(iv) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(v) The Company does not have any Intangible assets under development.

(vi) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(vii) The Company has borrowings from banks or financial institutions on the basis of security of assets and book debts and is required to submit stock statements quarterly. Refer note no. 42 for summary of reconciliation and reasons for material discrepencies.

(viii) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

(ix) The Company does not have any transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(x) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(xi) The Company has not entered into any scheme of arrangement therefore approval of competent authority in terms of sections 230 to 237 of the Companies Act, 2013 is not required.

(xii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current or previous financial year.

(xiii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(xiv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(xv) The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 41: Title deeds of Immovable Property not held in name of the Company

Relevant line item in the Balance sheet	Description of property	Gross carrying value (₹ in Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Period held since which date	Reason for not being held in the name of Company
Property, Plant and Equipment	Freehold Land	42.87	Paramount Speciality Forgings LLP	No	May 5, 2023	The titles of assets are in the process of being transferred in the name of the Company
Property, Plant and Equipment	Building (Factory, Office and Residential Building)	1,125.52	Paramount Speciality Forgings LLP	No	May 5, 2023	The titles of assets are in the process of being transferred in the name of the Company
Property, Plant and Equipment	Leasehold property	10.26	Paramount Speciality Forgings LLP	No	May 5, 2023	Leasehold property is vested in the LLP. The Company is in the process of executing the required agreements.

Note 42: Summary of reconciliation and reasons for material discrepencies between books and statement filed by the Company.

(₹ in Lakhs)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statement	Difference	Reason for material discrepancies
Jun'25	HDFC	Sales for the month	**821.11**	**1,165.24**	**(344.13)**	Books are not closed on a monthly basis. Audit adjustments/ rectifications and certain closing entries are passed by the Management after submission
		Advance to suppliers	-	-	-	
		Advance from Customers	0.15	14.97	(14.83)	
		Creditors	2,689.98	2,225.08	464.90	
		Domestic Stocks	3,989.43	3,337.60	651.83	
		Export Stock		427.79	(427.79)	
		Debtors	2,225.01	2,091.43	133.58	
Sep'25	HDFC	Sales for the month	**1,239.11**	**1,498.60**	**(259.50)**	Books are not closed on a monthly basis. Audit adjustments/ rectifications and certain closing entries are passed by the Management after submission
		Advance to suppliers	0.09	2.00	(1.91)	
		Advance from Customers	14.44	16.22	(1.78)	
		Creditors	2,026.24	2,328.38	(302.14)	
		Domestic Stocks	4,303.17	3,202.14	1,101.04	
		Export Stock	-	487.10	(487.10)	
		Debtors	2,078.06	2,598.05	(519.99)	
Dec'25	HDFC	Sales for the month	845.19	866.75	(21.56)	Books are not closed on a monthly basis. Audit adjustments/ rectifications and certain closing entries are passed by the Management after submission
		Advance to suppliers	6.37	-	6.37	
		Advance from Customers	8.83	6.42	2.41	
		Creditors	2,477.25	2,340.03	137.22	
		Domestic Stocks	4,055.24	3,397.03	658.21	
		Export Stock	-	658.21	(658.21)	
		Debtors	1,887.39	2,026.21	(138.82)	

Mar'26	HDFC	Sales for the month	1,186.94	1,349.65	(162.70)	Books are not closed on a monthly basis. Audit adjustments/ rectifications and certain closing entries are passed by the Management after submission
		Advance to suppliers	29.20	29.15	0.05	
		Advance from Customers	75.81	10.22	65.59	
		Creditors	3,193.21	2,904.09	289.12	
		Domestic Stocks	4,558.57	3,880.28	678.30	
		Export Stock	-	718.30	(718.30)	
		Debtors	2,512.87	2,672.43	(159.56)	

Note 43: Implementation of New Labour Codes

The Government of India has notified four New Labour Codes effective 21 November, 2025, thereby consolidating twenty-nine existing labour laws into a comprehensive and unified framework. The Company has determined and recognised the incremental obligations on defined benefit plans amounting to Rs. 11.11 Lakhs under the New Labour Codes, based on an actuarial valuation. The same has been disclosed under Employee benefits expense in the financial results for the year ended 31 March, 2026.

The Government of India has notified rules to the New Labour Codes on May 08, 2026, however, state rules are yet to be notified. The Company is in the process of assessing the impact if any, of Central rules notified and continues to monitor the finalization of the state rules and clarifications from the Government on other aspects of the New Labour Codes and would provide appropriate accounting effect on the basis of such developments as and when needed.

Note 44 Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

As per our Report attached

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

Sd/-
Jamshed K. Udwadia
PARTNER
M. No.: 124658
Mumbai, 29 May 2026

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

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

Sd/-
Aliasgar A. Bhagat
DIRECTOR
DIN: 00335869

Sd/-
Farkhanda A. Pagarkar
CHIEF FINANCIAL OFFICER

Sd/-
Zubin C. Shah
COMPANY SECRETARY
ICSI M.No: A44200

Mumbai, 29 May 2026

Paramount Speciality Forgings Limited

CIN: L24109MH2023PLC402307
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