

ANNUAL REPORT 2024-25



Precision Engineering for Sustainability

At Gala Precision Engineering Ltd., sustainability is not a separate function—it is embedded in the way we engineer, manufacture and deliver. From high-tensile fasteners, bolts, nuts and disc springs to wedge lock washers, our components are used in critical applications across renewables, railways, off-highway vehicles and industrial machinery—where reliability, longevity and efficiency are paramount

Manufacturing with Responsibility

Our operations at Wada and Chennai are built on the foundation of lean manufacturing. We utilize CNC-based precision machining, material optimization techniques and internal quality systems that significantly reduce waste, rework and energy usage. By designing long-life components that reduce replacement frequency, we help our customers reduce their total environmental impact across the product lifecycle

Technology-Led Sustainability


As we advance toward Industry 4.0, Gala is integrating artificial intelligence across the value chain. AI-driven simulations are helping us design smarter, lighter components. Real-time production analytics and smart quality tools are enabling us to optimize output while minimizing waste. This blend of engineering and intelligence ensures smarter, cleaner manufacturing

Prepared for Global Climate Compliance

We are actively aligning with international frameworks such as the Carbon Border Adjustment Mechanism (CBAM) and have initiated steps toward ESG reporting. Our focus on energy conservation, water reuse, responsible sourcing and emissions monitoring positions us as a forward-looking, compliant partner for global customers

Precision with Purpose

At Gala, precision means more than tight tolerances—it means engineering solutions that enable industries to grow responsibly and sustainably



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Company Overview

Gala Precision Engineering is a renowned and preferred manufacturer of precision components in India

The company is supported by an experienced management team and a diverse, skilled workforce, driving consistent financial growth, operational efficiency, and high levels of repeat business

Leading manufacturer of Special Fastening Solutions (SFS) like High Tensile Fasteners such as Studs, Anchor Bolts, Cross Bolts, Hex Bolts, Nuts, Gallock Wedge Lock and Grip Lock Washers, as well as Disc & Strip Springs (DSS) and Coil & Spiral Springs (CSS), comprising of an extensive portfolio of 750+ SKUs

A diversified customer profile with more than 175 customers, with key clientele including major OEM's, Tier-1 & Channel Partners across various industries like Renewable Energy, Industrials and Mobility

Exporting to more than 25 countries with an office in Frankfurt, Germany and export revenues contributing to 38% in FY25

State-of-the-art manufacturing facilities, complemented by in-house tool design and development capacities, offer both scalability and flexibility, providing comprehensive solutions to its clients



30+

Years of Operations



175+

Customers



Exports to

25+ Countries



Exports

38%



Revenue

23%

CAGR 2021-25



EBITDA

36%

CAGR 2021-25

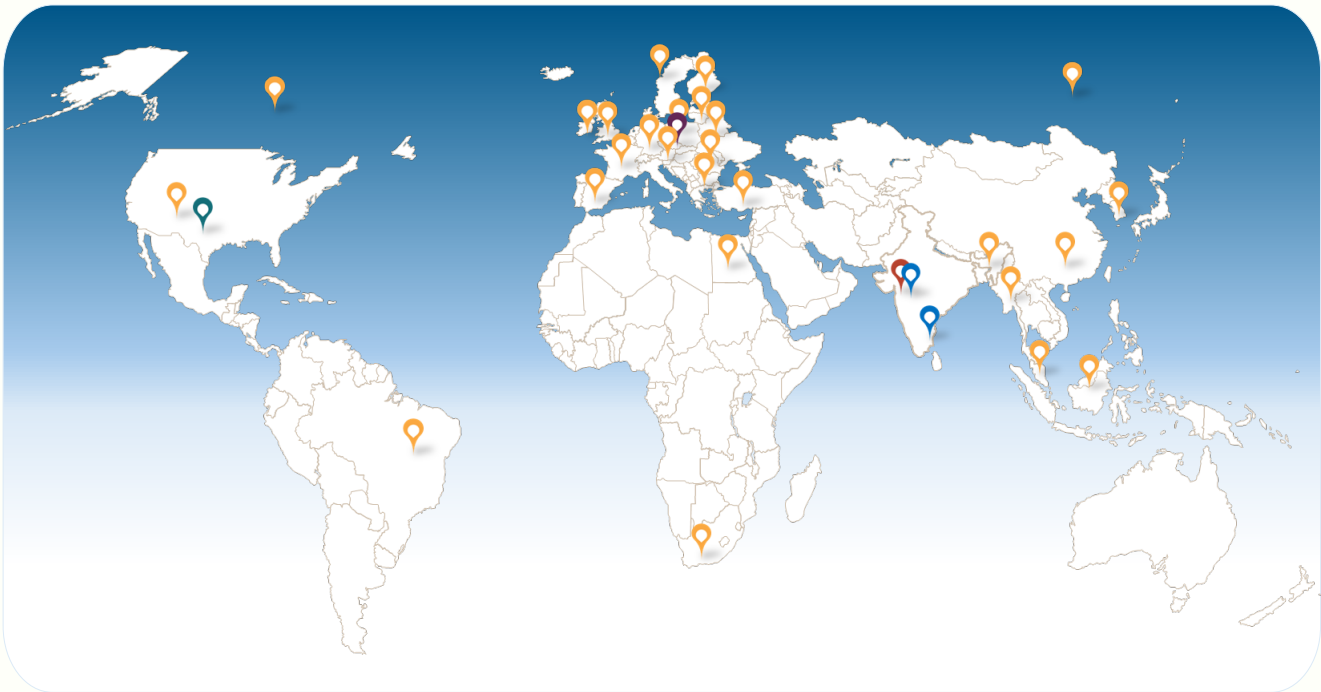


PAT

84%

CAGR 2021-25

Global Presence



CORPORATE OFFICE



OFFICE



EXPORT COUNTRIES

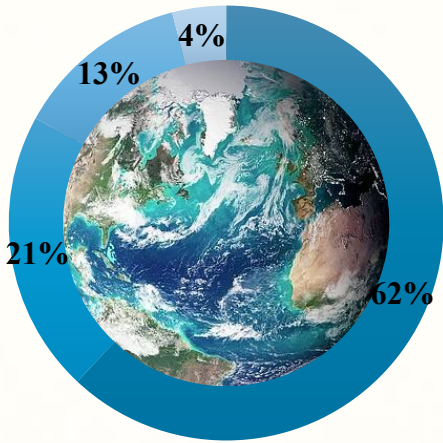


FACTORY



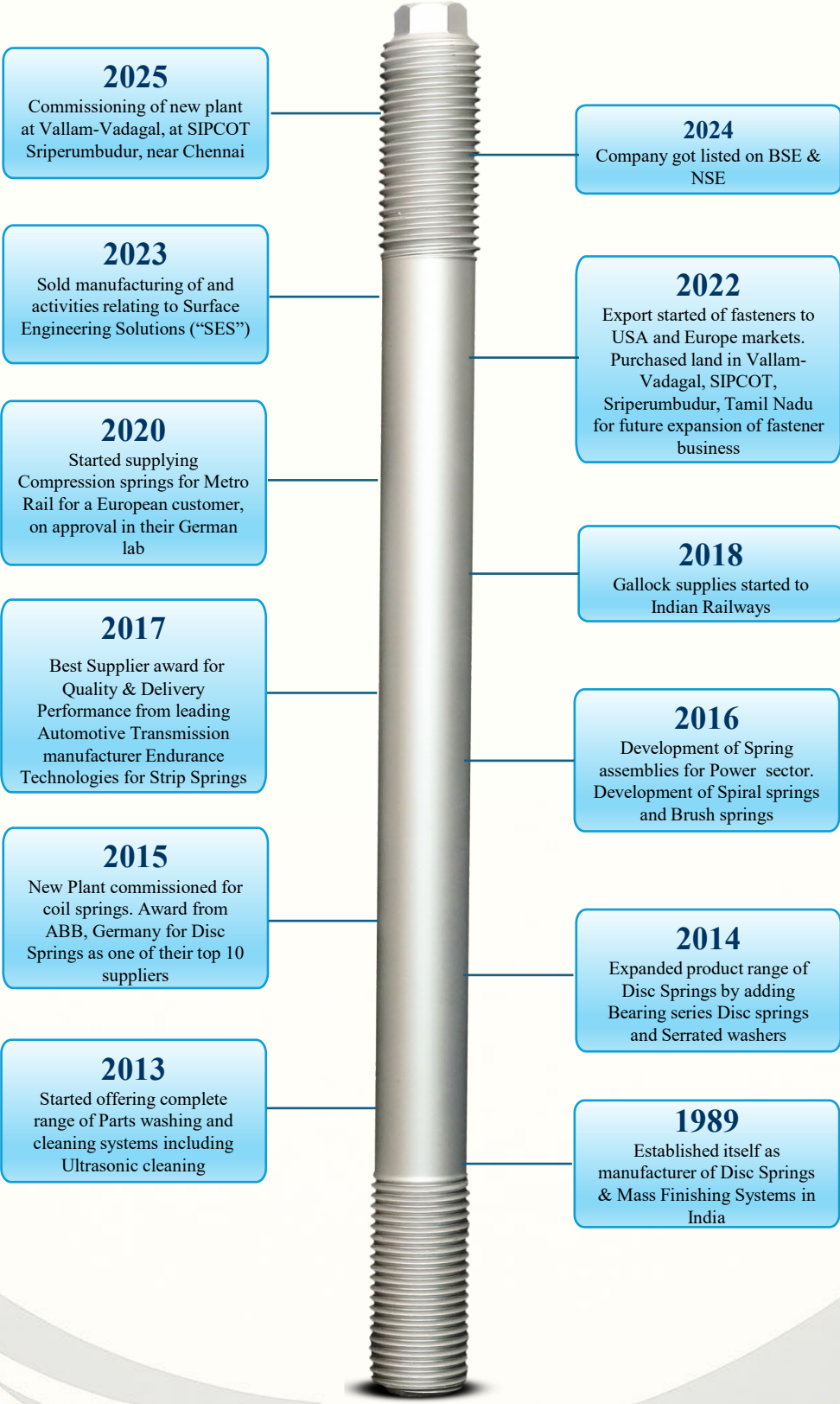
REPRESENTATIVE

Region-wise Sales 2025 (%)



■ India ■ Europe ■ America ■ ROW

Milestones



Key Highlights

IPO: Listed on BSE & NSE

Date: 9 September 2024 | **Oversubscription:** 201x

Category Rank: Among India's Top 5 IPOs of 2024



Chennai Plant Inauguration

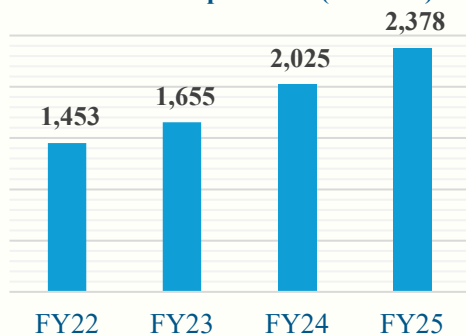
Date: 27 February 2025

Focus: High Tensile Bolts, Nuts and existing special fastening solutions

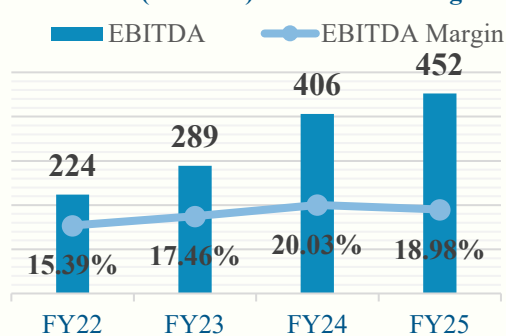


Financials Snapshot

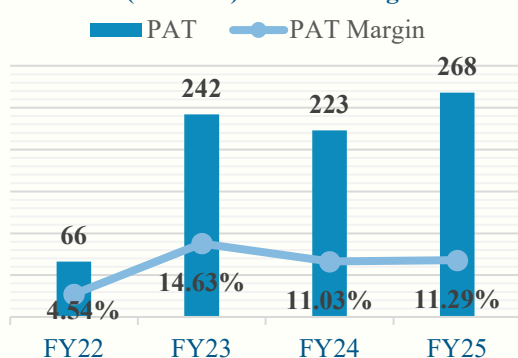
Revenue from Operations (INR Mn)



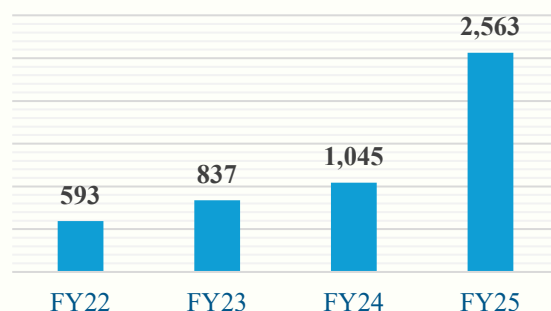
EBITDA (INR Mn) & EBITDA Margins %



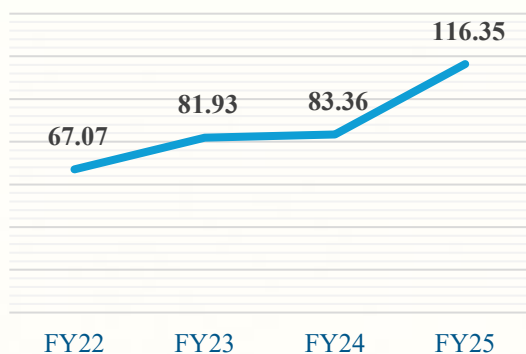
PAT (INR Mn) & PAT Margins % *



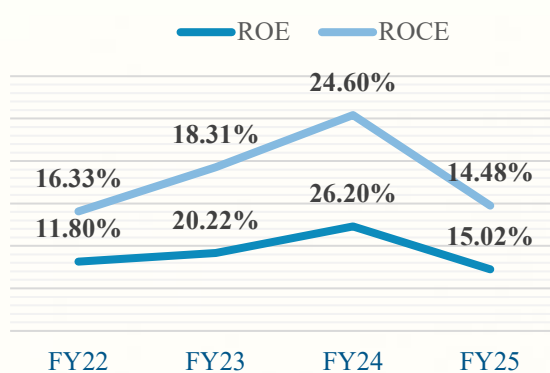
Net Worth (INR Mn)



Working Capital Days



ROE* & ROCE %



Chairman's Message

Dear Shareholders,

It is with great pride and a deep sense of responsibility that I present to you the 17th Annual Report of Gala Precision Engineering Limited for the financial year 2024–25 — a landmark year defined by bold progress, strategic expansion and enduring value creation

The successful completion of our Initial Public Offering (IPO) and subsequent listing on both the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) marked a pivotal moment in our company's journey. With an overwhelming subscription of more than 200 times, our IPO not only stood among the top five in India's history by oversubscription but also validated our long-standing track record, robust fundamentals and the shared belief in our future roadmap



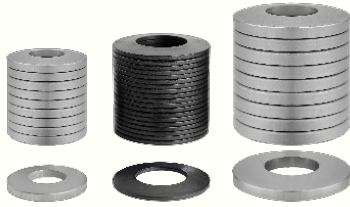
During the year, we achieved strong financial performance — with revenue growing by 18.97% and profit after tax rising by 23.75%. These results are reflective of the resilience of our multi-vertical operations and our unwavering commitment to precision, quality and agility. The commissioning of our Special Fastening Solutions (SFS) plant in Chennai added significant capacity and brings us closer to our southern and export-focused customer base — further advancing our Make in India ambitions

Beyond numbers, our purpose continues to be anchored in engineering excellence with sustainability at its core. We deepened our investments in automation, quality assurance and digital processes. We also advanced our ESG initiatives, including carbon compliance, energy conservation and community outreach in education and public health

On behalf of the Board of Directors, I extend my sincere gratitude to each one of you — our shareholders, employees, customers, channel partners and institutional stakeholders — for your continued trust and support. Your confidence strengthens our resolve to lead Gala Precision Engineering into its next chapter of sustainable and inclusive growth

Warm regards,
Kirit Vishanji Gala
Chairman & Managing Director

Product Portfolio



**Disc Springs-DIN 2093
and customized**



**Gallock Wedge Lock
Washer**



Spring Packs



Grip Lock Washer



**Coil, Strip & Spiral
Springs**



Hex & flange Nuts



Studs & Threaded Rods



High Tensile Bolts

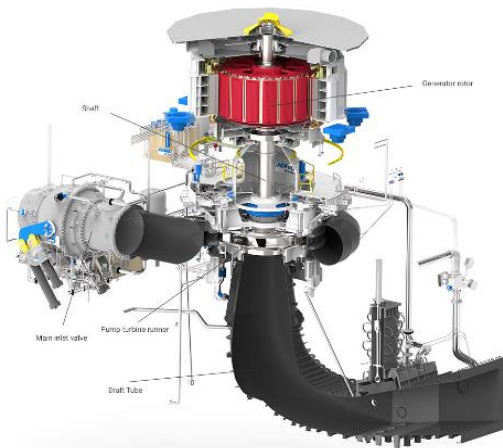
Applications: Renewable Energy

Wind

- Anchor Cage for Foundation
- Blade Connections
- Tower Connections
- Yaw Motor Mounting
- Rotor Brake Mounting
- Generator
- Yaw Braking System



Hydro



- Stator
- Generator
- Hydro Turbines

Applications: Industrials

Off-highway Vehicles



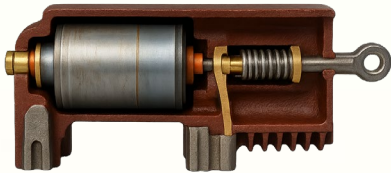
- Hydraulic Motor
- Excavator Crusher Bucket
- Hydraulic Breaker
- Parking Brake
- Mobile Crusher
- Hydraulic Valves & Actuators
- Mining Drilling Tools
- Compactor

Agricultural Equipment

- Gear Box
- Transmission Axle
- Transmission Housing
- Transmission
- Dual Clutch



Electrical Equipment



- Shunt Reactor
- Bus Bar
- Traction Motor
- Medium Voltage Switch Gear
- Transmission Lines

Infrastructure

- Bridges
- High Voltage Transmission Lines
- Railway Tunnels



Applications: Mobility

Railways

- Track Fastening System
- Couplers
- Traction Motor
- Wheel Sensing Device
- Control Arm of Coaches
- Push Pul Rod
- Locomotive Compressors
- Bogie Mounted Braking Systems



Automotive



- Seating Systems
- Brakes
- Engine
- Power Train & Transmission
- Fuel Injection

Business Operations Overview

Gala Precision Engineering Ltd. stands as a beacon in the realm of precision component manufacturing, boasting over three decades of expertise in delivering high-quality Disc & Strip Springs (DSS), Coil & Spiral Springs (CSS) and Special Fastening Solutions (SFS). Serving a diverse clientele of over 175 customers across more than 25 countries, the company has cemented its position as a trusted partner to OEMs, Tier-1 suppliers and channel partners in sectors such as Renewable Energy, Industrial and Mobility

In alignment with its vision to enhance production capabilities and serve the southern markets more effectively, Gala is establishing a new manufacturing facility in Vallam-Vadagal, SIPCOT Industrial Park, Sriperumbudur, near Chennai, Tamil Nadu. This state-of-the-art plant is designed to produce high-tensile fasteners, including studs, hex bolts and nuts



Wada Plant, Near Mumbai, Maharashtra



Vallam Plant, Near Chennai, Tamil Nadu

Quality Assurance



ISO 9001:2015



IATF 16949 – CSS



IATF 16949- DSS



ISO 14001: ISO 45001



APQP for Wind

IN-HOUSE TESTING & INSPECTION FACILITIES

- Junker Test Machine
- Coefficient of Friction Machine
- Digital Profile Projector With DRO
- Metallurgical Microscope
- Digital Vickers Hardness Tester
- Digital Micro Vickers Hardness Tester
- Glueing Automation System
- Load Testing Machine
- Micro Hardness Tester
- Digital Motorized Rockwell Hardness Testing Machine

Human Resource

Gala's HR function is aligned tightly with business strategy: it balances structured workforce planning with continuous upskilling, safety, engagement and cordial labour relations—fueling both operational excellence and sustainable growth.



Diwali Celebration



Kaizen and Quality Circles



Service Awards and Recognition



Sports Day

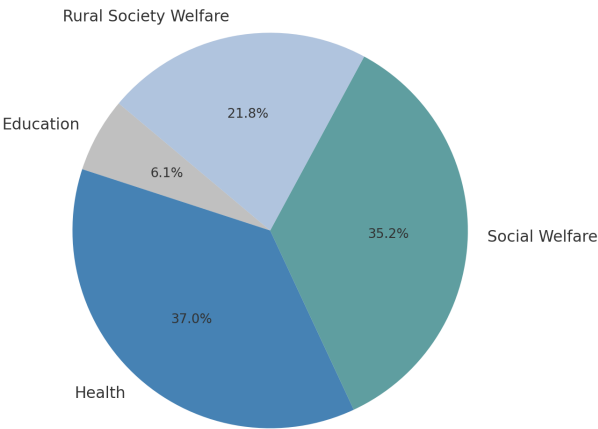


CSR Highlights

At Gala Precision Engineering, we see social responsibility as a part of doing business right. This year, our CSR efforts focused on communities around our Wada facility—addressing what matters most on the ground.

We supported government schools with basic infrastructure and learning tools, ran healthcare camps for families with limited access, and improved local infrastructure by installing solar streetlights and upgrading water access in nearby villages. We also continued our work in skill development, helping local youth and women with practical vocational training.

CSR Spend Distribution - FY 2024-25



Education Support



Tree Plantation



Transformer Installation



Board of Directors



Kirit Gala
Chairman & MD

- BE (Mech), MMS (Marketing) (Mumbai University)
- Speaks on topics : next generation of professional entrepreneurs, change management in VUCA world and strategy shastra



Balkishan Jalan
Whole time Director
(Executive)

- Chartered Accountant-ICAI, B.Com (Mumbai University)
- More than 25 years of industry experience
- Awarded as Best Executive Director in Financial Excellence at the Mastering Boardroom Conclave 2025



Satish Kotwani
Whole time Director
(Marketing)

- Diploma in mechanical engineering from Board of Technical Examinations, Maharashtra (1991).
- Diploma in marketing management from the Bombay Institute of Management Studies (1996)



Rajendra Gogri
Non-Executive Director

- Chairman & MD of listed company Aarti Industries Limited
- B Tech (Chemical)- Institute of Chemical Technology
- Recipients of UDCT Alumnus Award (1995)



Snehal Shah
Independent Director

- PGDM (IIM-Bangalore), BE (Electrical)
- Over 20 years of expertise in Private Equity Investing,



Neha Gada
Independent Director

- Chartered Accountant- ICAI, Bcom (Mumbai University), Limited Insolvency Examination from IBBI
- Awarded 1st place as a CA Woman Independent Director by ICAI (2023)
- In 4 Listed Companies, serve as an Independent Director



Varsha Galvankar
Independent Director

- B.Com (Mumbai University)
- Director at Ghalla Bhansali Consultancy Private Limited
- More than 31 years of professional experience



Sudhir Gosar
Independent Director

- B.Tech (IIT-Bombay)
- More than 33 years of professional experience

Corporate Information

Board of Directors

- Mr. Kirit V Gala – Chairman & Managing Director
- Mr. Balkishan Jalan – Whole Time Director
- Mr. Satish Kotwani – Whole Time Director
- Mr. Rajendra Gogri – Director
- Mr. Snehal Shah – Independent Director
- Mrs. Neha Gada – Independent Woman Director
- Mrs. Varsha Galvankar – Independent Woman Director
- Mr. Sudhir Gosar – Independent Director

Chief Financial Officer

- Mr S Giridhar

Company Secretary & Compliance Officer

- Mrs. Pooja Ladha

Statutory Auditors

SCA & Associates
Chartered Accountants
B-104, Kanakia Zillion,
BKC Annexe
LBS\CST Road Junction
Near Kurla Bus Depot, Kurla West
Mumbai – 400070

Cost Auditors

Shekar Joshi & Co.
Cost Accountants
Office B-203 Varad Laxmi CHS,
2nd Floor
Gokhale Road No.2
Mulund East Mumbai 400081

Internal Auditors

ASKA & Co.
Chartered Accountants
501, Mirage Arcade, Opp. Ganesh Mandir,
Off. Phadke Road, Dombivli (East) 421 201

Secretarial Auditors

D.M.Zaveri & Co.
Company Secretaries
145, 1st Floor Kesar Residency Charkop Sector 3
Kandivali (West) Mumbai 400067

Bankers

HDFC Bank Ltd
YES Bank Ltd

Registrar & Share Transfer Agent

MUFG Intime India Private Limited
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai 400 083, Maharashtra

Registered Office

A-801, 8th Floor, Thane One DIL Complex,
Ghodbunder Road, Majiwade, Thane (West),
Maharashtra, India, 400610

Plant location

Wada Plant, Near Mumbai

Plot No. 295, Village Vadavali at Post Met,
Musarne Road, Bhiwandi - Wada Highway, Taluka
Wada, Palghar – 421312, India

Vallam Plant, Near Chennai

Gala Precision Engineering Limited,
Plot no-G-18/2, Vallam Vadagal, SIPCOT
Industrial Park Sriprumbudur, Kancheepuram,
Tamil Nadu, 602105, India

CIN & Website

CIN: L29268MH2009PLC190522
Website: www.galagroup.com

NOTICE

NOTICE is hereby given that the **Seventeenth (17th) Annual General Meeting (“AGM”)** of the members of Gala Precision Engineering Limited (“**the Company**”) will be held on Tuesday *15th July* at 03.30 P.M (IST) through video conferencing (“**VC**”) or Other Audio-Visual Means (“**OAVM**”), for which purpose the Registered office of the Company situated at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane (West) Thane 400610 shall be deemed venue for the AGM and the proceedings of the AGM shall be deemed to be made there at, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 along with the notes forming part thereof and together with the Reports of the Board of Directors and the Auditors thereon.
2. To re-appoint a Director in place of Mr. Kirit Vishanji Gala (DIN 01540274), Chairman and Managing Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment of Ms. Varsha Rajaram Galvankar (DIN: 00124603) as an Independent Director of the Company for a second term of 3 (Three) consecutive years commencing from November 30, 2025.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 (“**the Act**”), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**SEBI Listing Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association, and based on the recommendation of the Nomination and Remuneration Committee (“**the NRC**”) and the Board of Directors (hereinafter referred to as the “**Board**”), approval of the members of the Company be and is hereby accorded for the re-appointment of Ms. Varsha Rajaram Galvankar (DIN: 00124603) who was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting (“**EOGM**”) held on January 15, 2024, who holds office up to November 29, 2025 and has submitted a declaration confirming that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of 3 (Three) consecutive years commencing from November 30, 2025 up to November 29, 2028.

RESOLVED FURTHER THAT Ms. Varsha Rajaram Galvankar has provided her consent to act as an Independent Director of the Company for her second term, the certificate issued by the Indian Institute of Corporate Affairs, in compliance with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the declaration in respect of her meeting the criteria for appointment as an Independent Director of the Company under the Companies Act, 2013, and as amended from time to time.

RESOLVED FURTHER THAT Mr. Kirit V Gala, Managing Director and/ or Company Secretary of the Company be and are hereby severally authorised to do all such acts, things and deeds on behalf of the Company to effectively implement this resolution.

4. To Fix remuneration of Mr. Kirit Vishanji Gala (DIN 01540274), Chairman and Managing Director of the Company.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and the Rules framed thereunder, and other applicable provisions if any, of the Companies Act, 2013 (hereinafter referred to as the “**Act**”) (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the recommendation of the Nomination and Remuneration Committee (“**the NRC**”) and the Board of Directors (hereinafter referred to as the “**Board**”), approval of the members of the Company be and

is hereby accorded for fixing the remuneration of Mr. Kirit Vishanji Gala (DIN 01540274), Chairman and Managing Director of the Company, on such terms and conditions as set out in this resolution and the explanatory statement annexed to this notice.

RESOLVED THAT the Board of Directors, on recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to increase the remuneration of Mr. Kirit Vishanji Gala by up to 20% annually on a year-on-year basis, calculated on the preceding year's remuneration, during the balance tenure of his appointment ending November 29, 2028.

FURTHER RESOLVED that except for the revision in the Total Remuneration as above and more detailed in the explanatory statement annexed to this notice, all other terms and conditions of remuneration, as approved earlier by the Members in the Extra-Ordinary General Meeting ("EOGM") held on January 15, 2024, and which are not dealt with in this Resolution, shall remain unchanged and continue to be effective.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof, will continue to be applicable in the event of inadequacy or absence of profits in any Financial Year during the aforesaid period of his appointment, the Company will pay remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 and as may be decided by the Board of Directors (including its committee thereof), subject to necessary approvals.

RESOLVED FURTHER THAT pursuant to provision of sections 197, 198 and applicable provisions of the Act, the consent of the members of the Company be and is hereby accorded to approve for payment of remuneration to Directors and managerial remuneration to the Managing Director and Whole-time Directors of the Company including the above fixation of remuneration, in excess of the percentage of the net profit of each Financial Year as prescribed in section 197 of the Act or provisions as may be relevant or waive refund of excess payment, on recommendation of the Nomination and Remuneration Committee and/or as may be permitted under the Act or applicable law.

RESOLVED FURTHER THAT pursuant to the regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to pay the remuneration to Mr. Kirit Vishanji Gala (DIN 01540274) within the annual increment as stated out in this resolution and the explanatory statement annexed to this notice, notwithstanding that the remuneration payable to him in any year exceeds INR 5 crores or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all the Executive Directors exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, during the pendency of his tenure i.e. up to 29 November 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary and/or revise the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Kirit Vishanji Gala (DIN 01540274), Chairman Managing and Director of the Company in the light of further progress of the Company within the overall limits under the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) without any further reference to the members of the Company in General Meeting.

RESOLVED FURTHER THAT any of the Directors and/ or Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

5. To Fix remuneration of Mr. Balkishan Shyamsunder Jalan (DIN: 02876873), Whole-time Director of the Company.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and the Rules framed thereunder, and other applicable provisions if any, of the Companies Act, 2013 (hereinafter referred to as the "Act") (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the recommendation of the Nomination and Remuneration Committee ("the NRC") and the Board of Directors (hereinafter referred to as the "Board"), approval of the members of the Company be and

is hereby accorded for fixing the remuneration of Mr. Balkishan Shyamsunder Jalan (DIN: 02876873), Whole-time Director of the Company, on such terms and conditions as set out in this resolution and the explanatory statement annexed to this notice.

RESOLVED THAT the Board of Directors, on recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to increase the remuneration of Mr. Balkishan Jalan by up to 20% annually on a year-on-year basis, calculated on the preceding year's remuneration, during the balance tenure of his appointment ending November 29, 2028.

FURTHER RESOLVED that except for the revision in the Total Remuneration as above and more detailed in the explanatory statement annexed to this notice, all other terms and conditions of remuneration, as approved earlier by the Members in the Extra-Ordinary General Meeting ("**EOGM**") held on January 15, 2024, and which are not dealt with in this Resolution, shall remain unchanged and continue to be effective.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof, will continue to be applicable in the event of inadequacy or absence of profits in any Financial Year during the aforesaid period of his appointment, the Company will pay remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 and as may be decided by the Board of Directors (including its committee thereof), subject to necessary approvals.

RESOLVED FURTHER THAT pursuant to provision of sections 197, 198 and applicable provisions of the Act, the consent of the members of the Company be and is hereby accorded to approve for payment of remuneration to Directors and managerial remuneration to the Managing Director and Whole-time Directors of the Company including the above fixation of remuneration, in excess of the percentage of the net profit of each Financial Year as prescribed in section 197 of the Act or provisions as may be relevant or waive refund of excess payment, on recommendation of the Nomination and Remuneration Committee and/or as may be permitted under the Act or applicable law.

RESOLVED FURTHER THAT pursuant to the regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to pay the remuneration to Mr. Balkishan Shyamsunder Jalan (DIN: 02876873) within the annual increment as stated out in this resolution and the explanatory statement annexed to this notice, notwithstanding that the remuneration payable to him in any year exceeds INR 5 crores or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all the Executive Directors exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, during the pendency of his tenure i.e. up to 29 November 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary and/or revise the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Balkishan Shyamsunder Jalan (DIN: 02876873), Whole-time Director of the Company in the light of further progress of the Company within the overall limits under the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) without any further reference to the members of the Company in General Meeting.

RESOLVED FURTHER THAT any of the Directors and/ or Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution.

6. To Fix remuneration of Mr. Satish Dayaldas Kotwani (DIN: 03154231), Whole-time Director of the Company.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V and the Rules framed thereunder, and other applicable provisions if any, of the Companies Act, 2013 (hereinafter referred to as the "**Act**") (including any statutory amendment(s) or modification(s) thereto or enactment(s) or re-enactment(s) thereof for the time being in force), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), including any statutory modification(s) or amendment(s) thereof for the time being in force, and on the recommendation of the Nomination and Remuneration Committee ("**the NRC**") and the Board of Directors (hereinafter referred to as the "**Board**"), approval of the members of the Company be and

is hereby accorded for fixing the remuneration of Mr. Satish Dayaldas Kotwani (DIN: 03154231), Whole-time Director of the Company, on such terms and conditions as set out in this resolution and the explanatory statement annexed to this notice.

RESOLVED THAT the Board of Directors, on recommendation of the Nomination and Remuneration Committee, be and is hereby authorized to increase the remuneration of Mr. Satish Dayaldas Kotwani by up to 20% annually on a year-on-year basis, calculated on the preceding year's remuneration, during the balance tenure of his appointment ending November 29, 2028.

FURTHER RESOLVED that except for the revision in the Total Remuneration as above and more detailed in the explanatory statement annexed to this notice, all other terms and conditions of remuneration, as approved earlier by the Members in the Extra-Ordinary General Meeting ("EOGM") held on January 15, 2024, and which are not dealt with in this Resolution, shall remain unchanged and continue to be effective.

RESOLVED FURTHER THAT the terms and conditions of remuneration as set out in the Explanatory Statement annexed hereto, which shall be deemed to form part hereof, will continue to be applicable in the event of inadequacy or absence of profits in any Financial Year during the aforesaid period of his appointment, the Company will pay remuneration, perquisites, benefits and amenities not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 and as may be decided by the Board of Directors (including its committee thereof), subject to necessary approvals.

RESOLVED FURTHER THAT pursuant to provision of sections 197, 198 and applicable provisions of the Act, the consent of the members of the Company be and is hereby accorded to approve for payment of remuneration to Directors and managerial remuneration to the Managing Director and Whole-time Directors of the Company including the above fixation of remuneration, in excess of the percentage of the net profit of each Financial Year as prescribed in section 197 of the Act or provisions as may be relevant or waive refund of excess payment, on recommendation of the Nomination and Remuneration Committee and/or as may be permitted under the Act or applicable law.

RESOLVED FURTHER THAT pursuant to the regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the consent of the members of the Company be and is hereby accorded to pay the remuneration to Mr. Satish Dayaldas Kotwani (DIN: 03154231) within the annual increment as stated out in this resolution and the explanatory statement annexed to this notice, notwithstanding that the remuneration payable to him in any year exceeds INR 5 crores or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all the Executive Directors exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, during the pendency of his tenure i.e. up to 29 November 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to alter and/or vary and/or revise the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits and amenities payable to Mr. Satish Dayaldas Kotwani (DIN: 03154231), Whole-time Director of the Company in the light of further progress of the Company within the overall limits under the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) without any further reference to the members of the Company in General Meeting.

RESOLVED FURTHER THAT any of the Directors and/ or Company Secretary of the Company be and are hereby severally authorized to take such steps as may be necessary, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this Resolution."

7. To approve Related Party Transaction in respect to hold office or place of profit in the Company by Mr. Smeet Kirit Gala

To consider, and if thought fit, pass the following Resolution as a **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to the provisions section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), other applicable laws and in accordance with the recommendation of the Nomination and Remuneration Committee, the Audit Committee and the Board of Directors, consent of the members of the Company be and is hereby accorded that Mr. Smeet Gala, who is relative of Managing Director & Chairman of the Company, is permitted to hold office or place of profit in the Company, on a

maximum remuneration (excluding allowances and reimbursement of expenses in line with the Company's Policy) of ₹1,00,00,000/- (Rupees One Crore Only) per annum and on such terms and conditions as set out in the explanatory statement attached hereto which shall be deemed to form part hereof, subject to alteration and variation in the terms and conditions of the said appointment and remuneration, from time to time, in line with the policy of the Company and within the limits approved by the Members and subject to such approvals, as may be necessary.

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to the Nomination & Remuneration Committee/Board of Directors of the Company, to finalise and decide the change in designation/ revisions in the remuneration payable to Mr. Smeet Gala from time to time in accordance with the Company's policy on performance measurement and such other applicable/ relevant policies and to perform and execute all such acts, deeds, matters and things (including delegating such authority), as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary and as the Board may in its absolute discretion deem necessary, desirable or expedient, including but not limited to finalizing the terms and conditions, methods and modes, finalizing and executing necessary documents, including contracts, schemes, agreements and such other papers, documents as may be required, filing applications and seeking all necessary approvals from relevant authorities (if required) to give effect to this resolution, for and on behalf of the Company and settling all such issues, questions, difficulties or doubts whatsoever that may arise without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers herein conferred to directors(s), committee(s), officer(s) representatives(s) of the Company or to any other person to do all such acts, deeds, matters and things as may be considered necessary or expedient and also to execute such documents, writings etc. as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.

8. Appointment of M/s. D. M. Zaveri & Co., Practising Company Secretaries, Mumbai, a Peer Reviewed Firm as the Secretarial Auditors of the Company.

To consider, and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") read with Circulars issued thereunder from time to time and Section 204 and other applicable provisions of the Companies Act, 2013, if any read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("**the Act**"), and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for appointment of M/s D. M. Zaveri & Co., Practising Company Secretaries, Mumbai, a Peer Reviewed Firm, as Secretarial Auditors of the Company for a period of 5 consecutive years, from April 1, 2025 to March 31, 2030 ('the Term'), on such terms & conditions, including remuneration as may be determined by the Board of Directors (hereinafter referred to as the 'Board' which expression shall include any Committee thereof or person(s) authorized by the Board).

RESOLVED FURTHER THAT approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and for matters connected therewith or incidental thereto."

9. To ratify the remuneration of M/s. Shekhar Joshi & Co. (Membership Number-10700) Cost Auditors of the Company for the financial year 2025-26.

To consider, and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION**:

RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), the Company be and hereby ratifies the remuneration of ₹75000/- [*Seventy Five Thousand only*] per annum plus applicable taxes and reimbursement of out of pocket expenses incurred for the purpose of Audit as approved by the Board of Directors, payable to M/s Shekhar Joshi & Co. Cost accountant, (Membership Number: 10700), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year from April 1, 2025 to March 31, 2026,.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution.

By order of the Board of Directors
For **GALA PRECISION ENGINEERING LIMITED**

Kirit V. Gala

DIN: 01540274

Chairman and Managing Director

Place: Thane

Date : May 27, 2025

Registered Office:

A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade,
Thane (West), Thane - 400610. India

Tel: +91 022-69309224;

Email: investor.relations@galagroup.com;

Website: www.galagroup.com;

CIN: L29268MH2009PLC190522

NOTES:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting ("the AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 9/2024 dated September 19, 2024 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue of the AGM shall be the Registered Office of the Company. The procedure for joining the AGM through VC / OAVM is mentioned in this Notice.
2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, since the AGM is being held in accordance with the MCA Circulars through VC / OAVM, the facility for appointment of proxies by the Members will not be available.
3. As this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Hence, the Attendance Slip and Route Map for the venue of the Meeting are not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be reckoned for quorum as per Section 103 of the Act.
5. All Members, including Institutional Investors, are encouraged to attend and vote at the AGM. An Institutional / Corporate Member (i.e., other than individuals / HUF, NRI, etc.) is required to send a scanned document (PDF/JPG Format) of the certified true copy of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to dmz@dmzaveri.com with a copy marked to investor.relations@galagroup.com or uploaded by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
6. In line with MCA Circulars and SEBI circulars, the Annual Report including the Notice calling the AGM FY 2024-25 is being sent through the electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The cut-off date for receiving Annual Report including the Notice through e-mail is Friday 13th June 2025. A Member can request for a copy of the Annual Report by sending an e-mail to the Company at investor.relations@galagroup.com. Members may note that the Annual Report including the Notice will also be available on the website of the Company at www.galagroup.com/investor-relations/. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in/>
7. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. Tuesday 8th July 2025 ("cut-off date"), may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company ("RTA"), Link Intime India Private Limited at email mt.helpdesk@linkintime.co.in
8. For the purpose of receiving the Annual Report including the Notice of the AGM through electronic mode in case the e-mail address is not registered with the respective Depository Participants / Company / RTA, the Company shall be providing a letter providing the web-link highlighting the exact path, where complete details of the annual report would be available to the members and further the members may register their e-mail addresses by sending an e-mail to the Company at investor.relations@galagroup.com with the following details mentioned in e-mail: DP ID & Client ID, name of the shareholder and PAN.

DOCUMENTS RELATING TO NOTICE AND AGM:

9. Explanatory Statement setting out material facts concerning the business in respect of Item Nos. 3 to 8 mentioned in the above Notice is annexed to the Notice.

10. Brief profile of the Directors seeking appointment as per Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and duly notified by the Central Government is annexed to the Notice.
11. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and the Certificate from the Secretarial Auditor of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other relevant documents referred to in this Notice and the Explanatory Statement shall be available for inspection through electronic mode. Members are requested to write to the Company on investor.relations@galagroup.com up to the date of the AGM i.e. Tuesday, July 15, 2025 for inspection of said documents.

SHARES RELATED INFORMATION:

12. As per Section 72 of the Act, Members are entitled to make nomination in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by duly submitting Form No. SH-13. Members holding shares in electronic form may submit the same to their respective DPs.
13. As on the date of this Notice all the shares of the Company are held in dematerialised form except 1 share for which the Company had received the re-materialisation request and the same has been duly executed during the Financial Year 2024-25.
14. SEBI has mandated the submission of copy of Permanent Account Number (PAN) card by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the copy of PAN card to their DPs with whom they are maintaining their demat accounts.
15. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
16. Members are requested to intimate changes, if any pertaining to change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to RTA.
17. All the investor related communication and grievances may be addressed to the Registrar and Transfer Agent of the Company at their following address:

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)

C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai,
Maharashtra, India, 400083.
SEBI Registration No: INR000004058
Contact Person: Shanti Gopalkrishnan
Website: <https://in.mpms.mufg.com/>
Telephone: +91 810 811 4949
Helpdesk Email: RNT Helpdesk rnt.helpdesk@in.mpms.mufg.com

INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE AGM ARE AS FOLLOW:

18. Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, e-voting facility is being provided to the Members for all business to be transacted at the AGM.
19. Members shall have the option to vote electronically ("e-voting") either before the AGM ("remote e-voting") or during the AGM. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote

e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through MUFG Intime India Private Limited. Necessary arrangements have been made by the Company with MUFG Intime India Private Limited to facilitate remote e-voting and e-voting during the AGM.

20. The Members can join the AGM in the VC / OAVM mode 15 (Fifteen) minutes before the scheduled time of the commencement of the AGM and while the AGM is in progress, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first serve 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 serve basis. Institutional Investors who are Members of the Company, are encouraged to attend the AGM and vote.
21. The voting rights of the Members shall be in proportion to their share in paid-up equity share capital as on the Cut-Off Date. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
22. The Company has appointed Mr. Dharmesh M. Zaveri, of D. M. Zaveri & Co, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in a fair and transparent manner for the businesses to be transacted at the AGM.

Remote e-Voting Instructions for shareholders:

- i) The e-voting facility (remote e-voting and e-voting at the AGM) will be provided by MUFG Intime India Private Limited
- ii) The remote e-voting period commences on Friday 11th July 2025 (9:00 a.m. IST) and ends on Monday 14th July 2025 (5:00 p.m. IST). The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. During this period, Members of the Company, holding shares as on the cut-off date, may cast their vote electronically.
- iii) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- iv) A person who is not a Member as on the Cut-Off Date should treat this Notice of AGM for information purpose only.

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, 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 correctly in their demat accounts to access remote e-Voting facility.

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

Individual Shareholders holding securities in Demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a. Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b. Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c. Click on "MUFG INTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a. To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>

- b. Proceed with updating the required fields.
- c. Post registration, user will be provided with Login ID and password.
- d. After successful login, click on “Access to e-voting”.
- e. Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a. Visit URL: <https://www.evoting.nsdl.com/>
- b. Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c. Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d. Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e. Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a. Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b. Click on New System Myeasi
- c. Login with user id and password
- d. After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., MUFG NTIME, for voting during the remote e-voting period.
- e. Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a. To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b. Proceed with updating the required fields.
- c. Post registration, user will be provided Login ID and password.
- d. After successful login, user able to see e-voting menu.
- e. Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

6. Visit URL: <https://www.cdslindia.com/>
7. Go to e-voting tab.
8. Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- a) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- b) After successful authentication, click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in Demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your Demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in Demat mode is given below:

Individual Shareholders of the Company, holding shares in physical form / Non-Individual Shareholders holding securities in Demat mode as on the cut-off date for e-voting may register for e-Voting facility of MUFG Intime as under:

Step 1: Registration Process for e-Voting facility of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) is given as under:

Visit URL: <https://instavote.linkintime.co.in>

1. Click on “**Sign Up**” under ‘**SHAREHOLDER**’ tab and register with your following details: -

Field	Details
A. User ID	Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL Demat account shall provide 16 Digit Beneficiary ID.
B. PAN	Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable)
C. DOB / DOI	Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
D. Bank Account Number	Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

Shareholders holding shares in **physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

Shareholders holding shares in **NSDL form, shall provide ‘D’ above*

- ♦ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ♦ Enter Image Verification (CAPTCHA) Code.
- ♦ Click “**Submit**” (Your password is now generated).

Step 2: Shareholders who have registered for INSTAVOTE facility:

- a) Click on ‘**Login**’ under ‘**SHAREHOLDER**’ tab.

- A.** User ID: Enter your User ID
- B.** Password: Enter your Password

- C. Enter Image Verification (CAPTCHA) Code and
- D. Click on 'Submit'.

Step 3: Process to cast your vote electronically upon registration

1. After successful login, you will be able to see the notification for e-voting. Select 'View' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
4. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund"):

STEP 1 – Registration

- a. Visit URL: <https://instavote.linkintime.co.in>
- b. Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"
- c. Fill up your entity details and submit the form.
- d. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e. Body corporate shareholders can also send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at dmz@dmzaveri.com with a copy marked to RTA at enotices@in.mpms.mufg.com and the Company at investor.relations@galagroup.com
- f. Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- g. While first login, entity will be directed to change the password and login process is completed.

STEP 2 – Investor Mapping

- a. Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b. Click on "Investor Mapping" tab under the Menu Section
- c. Map the Investor with the following details:
 - a. Investor ID' -
 1. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
 2. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. 'Investor's Name - Enter full name of the entity as updated with DP.
 - c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

Method 1 - Votes Entry

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote under "On-going Events".
- Enter "16-digit Demat Account No." for which you want to cast vote.
- Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e., Favour / Against, click on 'Submit'.
- A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Method 2 - Votes Upload

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select 'View' icon for 'Company's Name / Event number'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

A. Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in DEMAT mode:

Shareholders facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

B. Helpdesk for Individual Shareholders holding securities in DEMAT mode:

Individual Shareholders holding securities in DEMAT mode may contact the respective helpdesk 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.co.in or call at : 022 - 4886 7000 and 022 - 2499 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 22 55 33

Forgot Password:

A. Individual shareholders holding securities in physical form / Non-Individual Shareholders holding securities in DEMAT mode who has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website: <https://instavote.linkintime.co.in>

- ♦ Click on 'Login' under 'SHAREHOLDER' tab and further Click 'forgot password?'
- ♦ Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

- User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID
- User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

B. Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website <https://instavote.linkintime.co.in>

- ♦ Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'
- ♦ Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

C. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

- 23.** Mr. Rajiv Ranjan, Assistant Vice President - e-voting, MUFG Intime India Pvt. Ltd., Address: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Contact no.: +91 22 49186000, email id: enotices@in.mpms.mufg.com, is responsible for addressing the grievances connected with facility for voting by electronic means.

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.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.

- ☐ Select the “Company” and ‘Event Date’ and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- ♦ Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - ♦ Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - ♦ Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ☐ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
6. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

DECLARATION OF RESULTS:

- 24** The scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman, after the completion of scrutiny of e-voting (votes cast through remote e-voting and votes cast during the AGM), not later than 48 hours from the conclusion of the AGM. The result declared along with the scrutiniser's report will be placed on the website of the Company www.galagroup.com/investor-relations/ and on the website of MUFG Intime Insta Vote at <https://instavote.linkintime.co.in/>. The result will simultaneously be communicated to the Stock Exchanges.

By order of the Board of Directors
For **GALA PRECISION ENGINEERING LIMITED**

Kirit V. Gala

DIN: 01540274

Chairman and Managing Director

Place: Thane

Date : May 27, 2025

Registered Office:

A-801, 8th Floor, Thane One DIL Complex,
Ghodbunder Road Majiwade,

Thane (West), Thane - 400610. India

Tel: +91 022-69309224;

Email: investor.relations@galagroup.com;

Website: www.galagroup.com;

CIN: L29268MH2009PLC190522

EXPLANATORY STATEMENT

The following explanatory statement pursuant to section 102 of the Companies act, 2013 sets out all material facts relating to the business mentioned under Item Nos. 3 and 4 of the accompanying Notice of AGM.

ITEM NO.3:

Ms. Varsha Rajaram Galvankar (DIN: 00124603) was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting held on January 15, 2024, for a period of 2 years, effective from November 30, 2023 until November 29, 2025 (both day inclusive).

Following the performance evaluation of Ms. Varsha and considering the significant contributions made by her during her tenure as an Independent Director, as well as the belief that her continued association would be beneficial to the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommended the re-appointment of Ms. Varsha Rajaram Galvankar as a Non-Executive Independent Director of the Company for a second term of 3 (Three) consecutive years, commencing from November 30, 2025 up to November 29, 2028, subject to the approval of the Members.

Ms. Varsha abstained from discussion and voting on the matter concerning her appointment during the meetings of NRC as well as the Board of Directors.

The profile and specific areas of expertise of Ms. Varsha are provided as an Annexure to this Notice.

Ms. Varsha has provided a declaration to the Board, stating that she continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). She also affirmed that she is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority, and is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent for such re-appointment. In the opinion of the Board, Ms. Varsha is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and she is independent of the management. In terms of Regulation 25(8) of SEBI Listing Regulations, Ms. Varsha has confirmed that she is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Furthermore, a declaration has been received from Ms. Varsha that she has not been debarred from holding the office of a Director by virtue of any order passed by SEBI or any other such authority. Ms. Varsha has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Considering her experience, the Board deems it desirable and in the interest of the Company to continue Ms. Varsha on the Board, and accordingly recommends the re-appointment of Ms. Varsha Rajaram Galvankar (DIN: 00124603) as an Independent Director for a second term of 5 (Five) consecutive years, as proposed in Resolution no. 5 for approval by the Members as a Special Resolution.

Except for Ms. Varsha Rajaram Galvankar and/or her relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and conditions of appointment of the Independent Directors are uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf> which is available in public domain for viewing.

ITEM NO.4:

At the Extra-Ordinary General Meeting ("EOGM") of the Company held on January 15, 2024, based on the recommendation of the Board of Directors, the Shareholders had inter alia approved the appointment of and payment of remuneration to Mr. Kirit Vishanji Gala (DIN 01540274) as an Executive Chairman of the Company for a period of 5 (Five) years, effective date being November 30, 2023.

Mr. Kirit Vishanji Gala is instrumental in defining and enhancing the brand of Gala. His unwavering commitment to providing feedback and guidance on critical matters, along with his vast experience, significantly bolsters the Company's leadership. As the Company embarks on ambitious strategic growth plans, his role becomes even more vital, requiring his active

participation in key decision-making processes. Addressing these intricate challenges will demand both his expertise and an increased investment of time.

In his capacity as an entrepreneur, Mr. Kirit Vishanji Gala supports the Chairman and Managing Director role with a strong emphasis on strategic planning, risk management and external relations particularly in view of the Company being listed Company. Recognizing these contributions and following the recommendation of the Nomination & Remuneration Committee ("NRC"), the Board of Directors at its Meeting held on May 27, 2025, approved the revision in the total remuneration to be paid to Mr. Kirit Vishanji Gala for an annual increment upto 20% on year on year basis calculated on the preceeding year reumeration for the remaining tenure of Mr Kirit Vishanji Gala appointment i.e up to November 29, 2028.

Except for the revision in the total remuneration amount, with provision upto 20% annual increment, all other terms and conditions of remuneration, as approved earlier by the Members at the EOGM of the Company held on January 15, 2024, remain unchanged and continue to be effective.

In the absence of or inadequacy of profits in any financial year during the tenure of his appointment, the above remuneration including the perquisites will be paid as minimum remuneration fulfilling criteria of appointment in accordance with Schedule V of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Kirit Vishanji Gala under Section 190 of the Act.

Pursuant to Regulation 17(6)(e) of the SEBI Listing Regulations, prescribe that the fee or compensation payable to all the Executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the Shareholders by special resolution in General Meeting, if the remuneration payable to any such Executive Director in any year exceeds INR 5 Crores or 2.5% of the net profits of the Company, whichever is higher or the aggregate annual remuneration of all the Executive Directors exceeds 5% of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, during the currency of the tenure of the Executive Director. Hence, the approval of the members is sought by way of a special resolution for item 6 wherein the remuneration of Mr. Kirit Vishanji Gala, Chairman and Managing Director of the Company is being approved.

Details of Mr. Kirit Vishanji Gala are as per given below in point No. ii of "Information required under Section II, Part II of Schedule V of the Companies Act, 2013", pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India except the profile as provide below:

Profile:

Kirit Gala is the Managing Director of our Company. He is one of the Promoters of our Company. He been associated with our Company since its incorporation. He has completed his Bachelor's degree in Mechanical Engineering from University of Mumbai.

A true leader who led the company on to a fast track growth by globalization. After achieving market leadership status for Gala in three niche market products in India, he successfully led the business in other Asian and European Markets.

As a strong believer in value system backed with scientific management principles, he has developed a highly dedicated management team at Gala. Partnering with Private Equity, implementing aggressive growth plans and creating a win-win situation for all stake holders and partners is his strength.

Mr. Kirit Vishanji Gala is interested in the resolution set out at Item No. 6 of the Notice. The relatives of Mr. Kirit Vishanji Gala may be deemed to be interested in the resolution set out at Item No. 6 of the Notice, 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 / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors Recommends the Special Resolution set out at Item No. 6 of the Notice for approval of the members.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:
i. General Information

Particulars	Details										
Nature of Industries	Precision Engineering and Components Manufacturing										
Date or expected date of commencement of commercial production	Not Applicable										
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable										
Financial performance based on given indicators	<table> <tr> <th>Particulars</th><th>Amt in Million</th></tr> <tr> <td>Gross Turnover & Income</td><td>2422.05</td></tr> <tr> <td>Net Profit as per Statement of Profit & Loss (After Tax)</td><td>269.04</td></tr> <tr> <td>Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013</td><td>333.66</td></tr> <tr> <td>Net Worth</td><td>2564.38</td></tr> </table>	Particulars	Amt in Million	Gross Turnover & Income	2422.05	Net Profit as per Statement of Profit & Loss (After Tax)	269.04	Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66	Net Worth	2564.38
Particulars	Amt in Million										
Gross Turnover & Income	2422.05										
Net Profit as per Statement of Profit & Loss (After Tax)	269.04										
Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66										
Net Worth	2564.38										
Foreign Investments or collaborations, if any.	Not Applicable										

ii. Brief Profile of Mr. Kirit Vishanji Gala [Pursuant to Secretarial Standard 2 (SS-2)] and Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

Description	Details
Name	Mr Kirit Vishanji Gala
DIN	01540274
Age	62 Years
Qualification	As detailed above in the profile
Experience / Job Profile /Suitability	Details provided in Explanatory statement
Terms and Conditions of appointment	As detailed in the resolution passed in passed by the members of the Company in the EOGM held on January 15, 2024
Remuneration last drawn from the Company	11.22 Millions
Remuneration proposed	As stated above in the statement
Justification for choosing the appointees as Independent Director	Not Applicable
Date of first appointment on the Board of the Company.	June 1, 2009
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Mr Kirit Vishanji Gala is not related to any of the other Directors & KMP
Shareholding in the Company (as on the date of AGM Notice)	27,91,548 Shares
Directorships of other Board	1. Deltecs Infotech Private Limited 2. Kutchi Angel Network Private Limited
Membership/Chairmanship of Committees of Board of Directors of other companies	None

Description	Details
Comparative remuneration profile with respect to industries, size of company, profile of the position and Person.	Taking into consideration the size of the Company, the profile of Mr Kirit Vishanji Gala, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to the Executive Chairman is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
Pecuniary Relationship directly or indirectly with the company or relationship with the managerial personnel.	Besides the remuneration proposed to be paid to him, Mr Kirit Vishanji Gala does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.
Recognition or awards	None

iii. Other Information

Description	Details
Reasons of loss or inadequate profits	Not applicable, as the Company has posted a net profit after tax of Rs.269.04(Millions) during the year ended March, 31, 2025.
Steps taken or proposed to be taken for improvement.	Not applicable as the Company has adequate profits.
Expected increase in productivity and profits in measurable terms	Not applicable as the Company has adequate profits.

ITEM NO.5:

At the Extra-Ordinary General Meeting ("EOGM") of the Company held on January 15, 2024, based on the recommendation of the Board of Directors, the Shareholders had inter alia approved the appointment of and payment of remuneration to Mr. Balkishan Shyamsunder Jalan (DIN: 02876873) as an Whole-time (Executive) Director of the Company for a period of 5 (Five) years, effective date being November 30, 2023.

Mr. Balkishan Shyamsunder Jalan unwavering commitment and guidance on critical matters, along with his vast experience, significantly bolsters the Company's management. As the Company embarks on ambitious strategic growth plans, his role becomes even more vital, requiring his active participation in key decision-making processes. Addressing these intricate challenges will demand both his expertise and an increased investment of time.

Mr. Balkishan Shyamsunder Jalan supports the Executive Director role with a strong emphasis on strategic planning, risk management and external relations. Recognizing these contributions and following the recommendation of the Nomination & Remuneration Committee ("NRC"), the Board of Directors at its Meeting held on May 27, 2025, approved the revision in the total remuneration to be paid to Mr. Balkishan Shyamsunder Jalan for an annual increment upto 20% on year on year basis calculated on the preceeding year reumeration for the remaining tenure of Mr Balkishan Jalan appointment i.e up to November 29, 2028.

Except for the revision in the total remuneration amount, with provision upto 20% annual increment all other terms and conditions of remuneration, as approved earlier by the Members at the EOGM of the Company held on January 15, 2024, remain unchanged and continue to be effective.

In the absence of or inadequacy of profits in any financial year during the tenure of his appointment, the above remuneration including the perquisites will be paid as minimum remuneration fulfilling criteria of appointment in accordance with Schedule V of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Balkishan Shyamsunder Jalan under Section 190 of the Act.

Details of Mr. Balkishan Shyamsunder Jalan are as per given below in point No. ii of "Information required under Section II, Part II of Schedule V of the Companies Act, 2013", pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India except the profile as provide below:

Profile:

Mr. Balkishan Shyamsunder Jalan is the Executive Director of our Company. He has been associated with our Company since its incorporation. He holds a bachelor's degree in Commerce from University of Mumbai. He is a qualified Chartered Accountant. He has been associated with our Company since its incorporation and has 28 years of experience in operations.

His business acumen and entrepreneurship combined with management skills of a true professional make him an outstanding contributor to the gala group's success and adherence to core values.

Mr. Balkishan Shyamsunder Jalan is interested in the resolution set out at Item No. 7 of the Notice. The relatives of Mr. Balkishan Shyamsunder Jalan may be deemed to be interested in the resolution set out at Item No. 7 of the Notice, 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 / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors Recommends the Special Resolution set out at Item No. 7 of the Notice for approval of the members.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:**i. General Information**

Particulars	Details										
Nature of Industries	Precision Engineering and Components Manufacturing										
Date or expected date of commencement of commercial production	Not Applicable										
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable										
Financial performance based on given indicators	<table> <tr> <th>Particulars</th><th>Amt in Million</th></tr> <tr> <td>Gross Turnover & Income</td><td>2422.05</td></tr> <tr> <td>Net Profit as per Statement of Profit & Loss (After Tax)</td><td>269.04</td></tr> <tr> <td>Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013</td><td>333.66</td></tr> <tr> <td>Net Worth</td><td>2564.38</td></tr> </table>	Particulars	Amt in Million	Gross Turnover & Income	2422.05	Net Profit as per Statement of Profit & Loss (After Tax)	269.04	Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66	Net Worth	2564.38
Particulars	Amt in Million										
Gross Turnover & Income	2422.05										
Net Profit as per Statement of Profit & Loss (After Tax)	269.04										
Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66										
Net Worth	2564.38										
Foreign Investments or collaborations, if any.	Not Applicable										

ii. Brief Profile of Mr. Balkishan Shyamsunder Jalan [Pursuant to Secretarial Standard 2 (SS-2)] and Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

Description	Details
Name	Mr. Balkishan Shyamsunder Jalan
DIN	02876873
Age	54 Years
Qualification	As detailed above in the profile
Experience / Job Profile / Suitability	Details provided in Explanatory statement
Terms and Conditions of appointment	As detailed in the resolution passed in passed by the members of the Company in the EOGM held on January 15, 2024
Remuneration last drawn from the Company	11.21 Millions
Remuneration proposed	As stated above in the statement
Justification for choosing the appointees as Independent Director	Not Applicable

Description	Details
Date of first appointment on the Board of the Company.	November 1, 2009
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Mr. Balkishan Shyamsunder Jalan is not related to any of the other Directors & KMP
Shareholding in the Company (as on the date of AGM Notice) Including HUF	303504 Shares
Directorships of other Board	None
Membership/Chairmanship of Committees of Board of Directors of other companies	None
Comparative remuneration profile with respect to industries, size of company, profile of the position and Person.	Taking into consideration the size of the Company, the profile of Mr. Balkishan Shyamsunder Jalan, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to the Whole-time (Executive) Director is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
Pecuniary Relationship directly or indirectly with the company or relationship with the managerial personnel.	Besides the remuneration proposed to be paid to him, Mr. Balkishan Shyamsunder Jalan does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.
Recognition or awards	None

iii. Other Information

Description	Details
Reasons of loss or inadequate profits	Not applicable, as the Company has posted a net profit after tax of Rs.269.04 (Millions) during the year ended March, 31, 2025.
Steps taken or proposed to be taken for improvement.	Not applicable as the Company has adequate profits.
Expected increase in productivity and profits in measurable terms	Not applicable as the Company has adequate profits.

ITEM NO.6:

At the Extra-Ordinary General Meeting (“**EOGM**”) of the Company held on January 15, 2024, based on the recommendation of the Board of Directors, the Shareholders had inter alia approved the appointment of and payment of remuneration to Mr. Satish Dayaldas Kotwani (DIN:03154231) as an Whole-time (Executive) Director, Marketing of the Company for a period of 5 (Five) years, effective date being November 30, 2023.

Mr. Satish Dayaldas Kotwani unwavering commitment and guidance marketing aspects, along with his vast experience, significantly bolsters the Company's profits in branding its products to the market at large. As the Company embarks on ambitious strategic growth plans, his role becomes even more vital, requiring his active participation in key decision-making processes. Addressing these intricate challenges will demand both his expertise and an increased investment of time.

Mr. Satish Dayaldas Kotwani supports the Executive Director role with a strong emphasis majorly on external relations. And product marketing. Recognizing these contributions and following the recommendation of the Nomination & Remuneration Committee (“**NRC**”), the Board of Directors at its Meeting held on May 27, 2025, approved the revision in the total remuneration to be paid to Mr. Satish Dayaldas Kotwani for an annual increment upto 20% on year on year basis calculated on the preceeding year reumeration for the remaining tenure of Mr. Satish Dayaldas Kotwani appointment i.e up to November 29, 2028.

Except for the revision in the total remuneration amount, with provision upto 20% annual increment all other terms and conditions of remuneration, as approved earlier by the Members at the EOGM of the Company held on January 15, 2024, remain unchanged and continue to be effective.

In the absence of or inadequacy of profits in any financial year during the tenure of his appointment, the above remuneration including the perquisites will be paid as minimum remuneration fulfilling criteria of appointment in accordance with Schedule V of the Companies Act, 2013.

The above may be treated as a written memorandum setting out the terms of appointment of Mr. Satish Dayaldas Kotwani under Section 190 of the Act.

Details of Mr. Satish Dayaldas Kotwani are as per given below in point No. ii of "Information required under Section II, Part II of Schedule V of the Companies Act, 2013", pursuant to the provisions of SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India except the profile as provide below:

Profile:

Mr. Satish Dayaldas Kotwani is the Executive Director of our Company. He has completed his Diploma in Mechanical Engineering conducted by the Board of Technical Examinations, Maharashtra, in the year 1991 and the Diploma in Management from N.G. Bedekar College of Commerce in the year 1992. He has also completed his Diploma in Marketing Management from the Bombay Institute of Management Studies in the year 1996. He has been associated with our Company since its incorporation and has 33 years of experience in marketing.

He is a global player, who has successfully developed Asian and European markets and also contributed significantly in market and products development strategies. People recognize him as a true team player and an effective leader. He was instrumental in integrating sales and business development functions of Compressor valve business with Hoerbiger, an European Multinational.

Mr. Satish Dayaldas Kotwani is interested in the resolution set out at Item No. 8 of the Notice. The relatives of Mr. Satish Dayaldas Kotwani may be deemed to be interested in the resolution set out at Item No. 8 of the Notice, 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 / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors Recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the members.

Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

i. General Information

Particulars	Details										
Nature of Industries	Precision Engineering and Components Manufacturing										
Date or expected date of commencement of commercial production	Not Applicable										
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable										
Financial performance based on given indicators	<table> <tr> <th>Particulars</th><th>Amt in Million</th></tr> <tr> <td>Gross Turnover & Income</td><td>2422.05</td></tr> <tr> <td>Net Profit as per Statement of Profit & Loss (After Tax)</td><td>269.04</td></tr> <tr> <td>Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013</td><td>333.66</td></tr> <tr> <td>Net Worth</td><td>2564.38</td></tr> </table>	Particulars	Amt in Million	Gross Turnover & Income	2422.05	Net Profit as per Statement of Profit & Loss (After Tax)	269.04	Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66	Net Worth	2564.38
Particulars	Amt in Million										
Gross Turnover & Income	2422.05										
Net Profit as per Statement of Profit & Loss (After Tax)	269.04										
Computation of Net Profit in accordance with Section 198 of the Companies Act, 2013	333.66										
Net Worth	2564.38										
Foreign Investments or collaborations, if any.	Not Applicable										

ii. Brief Profile of Mr. Satish Dayaldas Kotwani [Pursuant to Secretarial Standard 2 (SS-2)] and Information required under Section II, Part II of Schedule V of the Companies Act, 2013:

Description	Details
Name	Mr. Satish Dayaldas Kotwani
DIN	03154231
Age	51 Years
Qualification	As detailed above in the profile
Experience / Job Profile /Suitability	Details provided in Explanatory statement
Terms and Conditions of appointment	As detailed in the resolution passed in passed by the members of the Company in the EOGM held on January 15, 2024
Remuneration last drawn from the Company	8.70Millions
Remuneration proposed	As stated above in the statement
Justification for choosing the appointees as Independent Director	Not Applicable
Date of first appointment on the Board of the Company.	June 1, 2010
Relationship with other Directors, Managers and other Key Managerial Personnel(s) of the Company	Mr. Satish Dayaldas Kotwani is not related to any of the other Directors & KMP.
Shareholding in the Company (as on the date of AGM Notice)	2,26,760 Shares
Directorships of other Board	None
Membership/Chairmanship of Committees of Board of Directors of other companies	None
Comparative remuneration profile with respect to industries, size of company, profile of the position and Person.	Taking into consideration the size of the Company, the profile of Mr. Satish Dayaldas Kotwani, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to the Whole-time (Executive) Director, Marketing is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
Pecuniary Relationship directly or indirectly with the company or relationship with the managerial personnel.	Besides the remuneration proposed to be paid to him, Mr. Satish Dayaldas Kotwani does not have any other pecuniary relationship with the Company or relationship with the managerial personnel.
Recognition or awards	None

iii. Other Information

Description	Details
Reasons of loss or inadequate profits	Not applicable, as the Company has posted a net profit after tax of Rs. 269.04 (Millions) during the year ended March, 31, 2025.
Steps taken or proposed to be taken for improvement.	Not applicable as the Company has adequate profits.
Expected increase in productivity and profits in measurable terms	Not applicable as the Company has adequate profits.

ITEM NO.7:

In terms of the provisions of Section 177, 188 and other applicable provisions of the Companies Act, 2013 (the 'Act'), the Audit Committee, Nomination and Remuneration Committee and the Board of Directors of the Company at their meetings held on May 27, 2025 have recommended the appointment and remuneration of Mr. Smeet Gala, relative of Managing Director and Chairman of the Company to an Office or Place of Profit.

Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3) (i) of Companies (Meetings of Board and its Powers) Rules, 2014 as amended, provides that related party's appointment to any office or place of profit in the Company carrying monthly remuneration exceeding ₹2,50,000/- shall be subject to approval by the Board of Directors of the Company and the Members of the Company. Further, fourth proviso to Section 188(1) of the Act prescribes that nothing in this sub-section shall apply to any transactions entered into by the company in its ordinary course of business other than transactions which are not on an arm's length basis. Although, the above transaction is at arms' length basis and in ordinary course of business for the Company.

Brief Profile

Smeet Kirit Gala is the Vice President (Marketing and Sales) of our Company. He is also one of the promoters of our Company. He has been associated with our Company since April 19, 2021. He holds a bachelor's degree in technology (production engineering branch) from Veermata Jijabai Technological Institute, University of Mumbai (2016). He is associated with Workamp Spaces Private Limited and Slate Workspaces as a director.

Given below is a statement of disclosures as required under the Companies (Meetings of Board and its Powers) Rules, 2014:

- a) **Name of the related party:** Mr. Smeet Gala.
- b) **Name of the director or key managerial personnel who is related, if any:** Mr. Kirit Gala.
- c) **Nature of relationship:** Mr. Smeet Gala is son of Mr. Kirit Gala.
- d) **Nature, material terms, monetary value and particulars of the contract or arrangement:**

In line with the Policy of the Company, Mr. Smeet Gala to hold the Office or Place of Profit as Vice President-Marketing & Sales on a remuneration payable upto maximum limit of ₹1,00,00,000/- (Rupees One Crore Only) per annum, as may be approved by the Board or any committee thereof as may be authorised by the Board.

- e) **Brief Profile and any other information relevant or important for the members to take a decision**

on the proposed resolution: As mentioned above.

The Board, based on the recommendation of the Audit Committee and Nomination and Remuneration Committee, unanimously, recommends the ordinary resolution as set out in Item No. 7 of this notice.

None of the Directors or Key Managerial Personnel or their relatives, other than Mr. Kirit Gala, Chairman and Managing Director and their relatives, are deemed to be concerned or interested financially or otherwise, in the resolution set out at Item No. 7 of this Notice.

ITEM NO.8:

Pursuant to the Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any ("the Act"), the Audit Committee and the Board of Directors at their respective meetings held on May 27, 2025 have approved subject to approval of Members, appointment of M/s D. M. Zaveri & Co., Practising Company Secretaries, Mumbai, a Peer Reviewed Firm as Secretarial Auditors for a term of 5(Five) consecutive years from April 1, 2025 till March 31, 2030.

Credentials of the Secretarial Auditor:

M/s. D. M. Zaveri & Co., a reputed firm of practicing Company Secretaries with over 24 years of experience. The Firm is specialized in delivering comprehensive professional services across Corporate Laws, Secretarial Audit, Due Diligence Audits, Compliance Audits, SEBI Regulations and FEMA Regulations Securities law including Corporate Governance & CSR, Capital markets, RBI, etc. M/s. D. M. Zaveri & Co. were appointed as Secretarial Auditors of the Company

for conducting secretarial audit for the financial year 2023-24, 2024-25 and the same is not considered as a term of Appointment of Secretarial Auditor as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "LODR Regulations"). In terms of Regulation 24A of LODR Regulations read with SEBI notification dated December 12, 2024, and other applicable provisions, the Company can appoint a peer reviewed firm as secretarial auditors for not more than two (2) terms of five (5) consecutive years. M/s. D. M. Zaveri & Co. is eligible for appointment for a period of five years. Over the years, M/s. D. M. Zaveri & Co., has built a diverse client base and has served many corporate clients. Its clientele spans across corporates in the public sector, listed and multinational companies, leading corporates, MSMEs and firms.

M/s. D. M. Zaveri & Co. has given their consent to act as Secretarial Auditors of the Company and confirmed that their appointment, if made, would be within the limits specified by the Institute of Companies Secretaries of India. They have further confirmed that they are not disqualified to be appointed as Secretarial Auditors in term of provisions of the Companies Act, 2013, the Companies Secretaries Act, 1980 and Rules and Regulations made thereunder, and the SEBI Listing Regulations read with SEBI Circular dated December 31, 2024. The firm is Peer reviewed in terms of the guidelines issued by the ICSI.

Terms and conditions of appointment & remuneration:

a) Term of appointment:

5 (Five) consecutive years commencing from April 1, 2025 up to March 31, 2030.

b) Remuneration:

₹1,25,000 (One Lakh Twenty-Five Thousand) per annum plus applicable taxes and other out-of-pocket expenses in connection with the Secretarial audit for Financial Years ending March 31, 2026.

The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by the Secretarial auditor, which is in line with the industry benchmark. Besides the Secretarial Audit services, the Company may also obtain certifications from them under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. The above fee excludes the proposed remuneration to be paid for the purpose of secretarial audit of subsidiaries, if any.

Fee for subsequent year(s): The Board of Directors and the Audit Committee shall approve revisions to the remuneration for the remaining part of the tenure.

c) Basis of recommendations:

The Audit Committee and the Board of Directors have approved & recommended the aforementioned proposal for approval of Members taking into account the eligibility of the firm, qualification, experience, independent assessment & expertise of Mr. Dharmesh Zaveri, Proprietor of M/s. D. M. Zaveri & Co. for providing Secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with M/s. D. M. Zaveri & Co.

Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience, independent assessment & expertise in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past., the Board of Directors recommends passing of the Ordinary Resolution under Item No. 8 of the accompanying Notice for approval of Members.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No.8.

ITEM NO.9:

Pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Audit and Records) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications thereof, for the time being in force), the Company is required to audit its cost accounts relating to such products manufactured by the Company covered under the Central Excise Tariff Act, 1985, as prescribed under Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had, at its meeting held on May 27, 2025, approved the re-appointment of M/s. Shekhar Joshi & Co (Membership Number-10700) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company, pertaining to the relevant products, for FY 2025-2026 at a remuneration of ₹75000/- [Seventy Five Thousand only] plus applicable taxes, out-of-pocket and other expenses.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 9 of the accompanying Notice.

M/s. Shekhar Joshi & Co have furnished a certificate dated 21st May 2025 regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 9 of the Notice.

None of the Directors, Key Managerial Personnel of the Company and/or their relatives, are in anyway deemed to be concerned or interested in the Resolution.

By order of the Board of Directors
For **GALA PRECISION ENGINEERING LIMITED**

Kirit V. Gala

DIN: 01540274

Chairman and Managing Director

Place: Thane

Date : May 27, 2025

Registered Office:

A-801, 8th Floor, Thane One DIL Complex,
Ghodbunder Road Majiwade,
Thane (West), Thane - 400610. India

Tel: +91 022-69309224;

Email: investor.relations@galagroup.com;

Website: www.galagroup.com;

CIN: L29268MH2009PLC190522

ANNEXURE TO NOTICE

Particulars of Mr. **Kirit Vishanji Gala** and Ms. Varsha Rajaram Galvankar, Directors of the Company seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2

Name of the Director	Mr. Kirit Vishanji Gala	Ms. Varsha Rajaram Galvankar
Age	63 years	58 years
DIN	01540274	00124603
Item No	2	5
Date of Birth	25 August 1962	August 1, 1967
Date of first appointment on Board	June 01, 2009	November 30, 2023
Brief Resume – Qualification	Detailed Explained in Explanatory Statement	Ms. Varsha Rajaram Galvankar , a commerce graduate and a registered tax practitioner is a CEO at GBCA & Associates LLP. a multidisciplinary Chartered Accountant firm. She has been associated with the LLP for more than 31 years and holds experience in the field of NRI Advisory and Foreign Exchange Regulations including Inbound and Outbound Investments- RBI Regulations. She manages the portfolio of many MNCs doing business in India. She also heads Human Resource Department and organization building initiatives in GBCA. She is an active member of the Chamber of Tax Consultants - a body of tax professionals since year 2004 and held various positions as Vice Chairperson of Allied Law Committee, Convenor of International Taxation Study Circle and Chairperson of Students Committee. A passionate Singer, she is closely connected with many NGO's working for Special Children.
Experience	Detailed Explained in Explanatory Statement	Detailed Explained in Explanatory Statement
Expertise in Specific Functional Areas		
Terms and Conditions of Re-appointment along with details of remuneration sought to be paid and last drawn remuneration	As per letter of Appointment.	As per letter of Appointment.
Other Directorships	Private Companies: 1. Deltecs Infotech Private Limited 2. Kutchi Angel Network Private Limited	None
Listed entities from which he has resigned in the past three years	None	None
Chairmanship/ Membership of Committees		None

Name of the Director	Mr. Kirit Vishanji Gala	Ms. Varsha Rajaram Galvankar
In case of Independent Directors – The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not Applicable	Ms. Varsha being a registered tax practitioner and holding vast experience in the field of NRI Advisory and Foreign Exchange Regulations including but not limited to Inbound and Outbound Investments- RBI Regulations and therefore the NRC of the Company proper her re-appointment after taking into consideration the performance evaluation carried out by the Company.
Disclosure of Relation with other Directors & Key Managerial Personnel (KMP) of the Company	Mr Kirit Vishanji Gala is not related to any of the other Directors & KMP	Ms. Varsha Rajaram Galvankar is not related to any of the other Directors & KMP.
Shareholding in the Company held by him\her including shareholding as a beneficial owner (as on March 31, 2025)		Nil
Number of Board Meetings attended in the Financial Year 2024-2025	8	8

MANAGEMENT DISCUSSION & ANALYSIS

Global Economic Overview

Growth Outlook

The global economy is projected to experience a slowdown in growth over the coming years. According to the Organisation for Economic Co-operation and Development (OECD), global GDP growth is expected to decelerate from 3.3% in 2024 to 2.9% in both 2025 and 2026. This marks the weakest growth period since the COVID-19 pandemic.

The International Monetary Fund (IMF) offers a slightly more optimistic forecast, projecting global growth at 3.3% for both 2025 and 2026. However, the World Bank's projections align more closely with the OECD, estimating a steady growth rate of 2.7% for 2025 and 2026.

Regional Highlights

- **United States:** The OECD forecasts a significant slowdown in U.S. economic growth, projecting a decline from 2.8% in 2024 to 1.6% in 2025 and further to 1.5% in 2026. This deceleration is attributed to the adverse effects of increased trade tariffs and policy uncertainty.
- **China:** Growth in China is expected to moderate, with the OECD projecting a decrease from 5% in 2024 to 4.7% in 2025 and 4.3% in 2026, reflecting structural challenges and reduced external demand.
- **Eurozone:** The Eurozone's growth is anticipated to remain subdued, with projections of 1% in 2025 and 1.2% in 2026, influenced by ongoing trade tensions and sluggish investment.
- **India:** India continues to be one of the fastest-growing major economies globally. According to the National Statistical Office (NSO) and Reserve Bank of India (RBI):

The Indian economy recorded an estimated GDP growth rate of **6.5%** for FY 2024-25, maintaining strong momentum driven by robust domestic consumption, increased infrastructure spending, and private investment revival (NSO Provisional Estimates, May 2025).

The IMF also aligns with this outlook, forecasting India's growth to stabilize around **6.4%** annually from FY 2025-26 through FY 2029-30 (IMF World Economic Outlook, April 2025).



Fig: Applications of Gala Products in Wind Turbines

Key Economic Indicators

Indicator	FY 2023-24	FY 2024-25 (Est.)
GDP Growth Rate (%)	7.6%	6.5%
Consumer Price Inflation (CPI, avg.)	5.5%	3.1% (Apr. 2025)
Gross Capital Formation (% of GDP)	33.2%	34.1%
GST Collections (₹ crore)	17.6 lakh	19.2 lakh
Manufacturing PMI (Average)	55.7	56.4

(Sources: RBI Monetary Policy Statement, April 2025; Ministry of Finance Economic Survey 2024-25)

Inflation Trends

Inflationary pressures are expected to persist globally. The OECD projects inflation in its member countries to reach 4.2% in 2025, up from previous estimates, before easing to 3.2% in 2026. This persistence is attributed to factors such as elevated trade costs and supply chain disruptions.

Key Risks

- ♦ **Trade Tensions:** The resurgence of protectionist policies, notably the U.S.'s increased tariffs, has introduced significant uncertainty, dampening investment and disrupting global supply chains.
- ♦ **Policy Uncertainty:** Unpredictable policy shifts, especially concerning trade and fiscal measures, are undermining business confidence and investment decisions.
- ♦ **Financial Market Vulnerabilities:** High equity valuations and potential corrections pose risks to financial stability, particularly if economic growth continues to weaken.

Growth Performance

Infrastructure and Investment Trends

- ♦ Infrastructure spending remains a pivotal growth driver, led by significant investments in roads, railways, renewable energy, and urban development projects. The government's flagship initiatives, such as Bharatmala, Sagarmala, Smart Cities Mission, and dedicated freight corridors, continue to gain traction, bolstering industrial growth and employment.
- ♦ Foreign Direct Investment (FDI) inflows increased to approximately US\$ 88 billion in FY 2024-25, driven by reforms enhancing ease of doing business, attractive PLI schemes, and India's strategic positioning as a global manufacturing hub, particularly under the 'Make in India' initiative.

Manufacturing Sector

- ♦ The manufacturing sector contributed approximately **17.8%** to India's Gross Value Added (GVA) in FY 2024-25, reflecting moderate growth from **17.3%** in the previous fiscal. The production-linked incentive (PLI) scheme continues to drive investments, particularly in electronics, automotive components, pharmaceuticals, and renewable energy equipment.
- ♦ The Index of Industrial Production (IIP) rose by around **5.2%** in FY 2024-25, reflecting robust growth across manufacturing and electricity sectors, although the pace moderated from the sharp post-pandemic recovery witnessed earlier.

Trade and External Sector

- ♦ India's merchandise exports crossed **US\$ 470 billion** in FY 2024-25, driven by increased demand in pharmaceuticals, engineering goods, electronics, and renewable energy components. The country is steadily progressing towards its ambitious target of **US\$ 2 trillion** in total exports by 2030, split equally between merchandise and services.
- ♦ The government's Foreign Trade Policy (FTP 2023) emphasizes digitization, simplified processes, and strategic market diversification, reducing dependency on traditional markets and enhancing competitiveness in global trade.

Per Capita Income Growth

- ♦ India's per capita income is projected to rise significantly from approximately US\$ 2,800 in FY 2024-25 to US\$ 3,900 by FY 2028-29, marking an estimated compound annual growth rate (CAGR) of 7%. This growth trajectory underscores India's gradual transformation towards becoming a middle-income economy, driven by robust domestic consumption and increasing global trade integration.

Challenges and Risks

Despite robust economic performance, India continues to navigate several challenges:

- ♦ **Geopolitical uncertainties:** Persistent global tensions, trade conflicts, and protectionism could disrupt supply chains and export markets.

- ♦ **Energy security and inflation management:** While inflation has moderated, external shocks, particularly in global energy markets, could pose risks.
- ♦ **Employment creation:** Sustainable employment generation remains crucial for inclusive growth, requiring continued focus on skill development and labor market reforms.

Outlook

India's medium-term economic outlook remains robust, underpinned by sustained government investment in infrastructure, improving business climate, and demographic advantages. Continued structural reforms, stable monetary and fiscal policies, and strategic global positioning as an alternative manufacturing hub (the "China Plus One" strategy) will likely sustain India's strong economic growth trajectory over the coming years.

Renewable Energy

Introduction

The global renewable energy sector continues its robust expansion, driven by national targets, climate commitments, and accelerated decarbonization goals. Wind, solar, and hydroelectric projects remain central to this transition, with supply chains increasingly adapting to meet the demands of utility-scale deployments, emerging technologies, and integrated infrastructure planning. As countries move toward their 2030 energy milestones, renewable energy is becoming a mainstream pillar of power generation, reshaping upstream and downstream industrial ecosystems.

Outlook (CY 2024–2029)

- ♦ Global renewable electricity generation is projected to grow by nearly 90% by 2030, reaching over **17,000 TWh**, as per the International Energy Agency (IEA).
- ♦ Annual global capacity additions are expected to stay above 500 GW from 2024 through 2029, following a record high of 560 GW in 2024.
- ♦ India remains a high-potential market with a 500 GW non-fossil fuel capacity target by 2030, ranking third globally in new wind and solar installations. Continued transmission grid enhancements are enabling consistent project tendering and execution.
- ♦ Offshore and floating wind projects are accelerating, with hardware spending on foundations alone growing at a CAGR of over 12%, driven by deeper water sites and increased demand for reliable, long-lifecycle components.

Emerging Trends

1. **Commercialization of Floating Wind:** As floating wind technology matures, larger turbine designs and higher-capacity installations are emerging. This is influencing infrastructure requirements and supply chain complexity.
2. **Hybrid Renewable-Storage Integration:** The rise of hybrid plants combining solar, wind, and battery storage is reshaping grid infrastructure. Such configurations demand enhanced reliability, modularity, and serviceability in component design.
3. **O&M Optimization:** A growing shift toward the "clamp-once" maintenance philosophy is evident. Operators are prioritizing system-level reliability and minimizing tower-top interventions—creating a greater push toward passive locking, anti-vibration, and low-maintenance solutions.

Electrical Power Equipment

Introduction

The electrical power equipment sector is undergoing a pivotal transformation as utilities worldwide accelerate efforts to modernize and digitize ageing grid infrastructure. A convergence of factors—including decarbonization targets, distributed energy integration, and rising electrification demand—is driving capital investment into transformers, switchgear, and associated grid hardware. This shift signals the onset of a global replacement and expansion super-cycle, underpinned by resilience, automation, and real-time monitoring capabilities.

Outlook (CY 2024–2029)

- ♦ The global transformer market is projected to grow from USD 57.3 billion in 2023 to USD 82.9 billion by 2029, reflecting a CAGR of 6.4% (Source: Globenewswire).

- The broader electrical equipment market is set to surpass USD 2.3 trillion by 2029, expanding at a CAGR of approximately 6%, driven by smart grid rollouts and electrification of infrastructure and mobility systems (Source: The Business Research Company).
- In India, the Revamped Distribution Sector Scheme (RDSS) has earmarked over INR 3 trillion (approx. USD 36 billion) through 2026 to reduce transmission and distribution losses—leading to a surge in switchyard modernization and the deployment of digital substations.

Emerging Trends

1. **Smart Grid-Ready Equipment:** The adoption of digital and smart transformers with integrated sensor networks is on the rise. These assets support predictive maintenance through online condition monitoring and demand high precision and reliability in mechanical interfaces.
2. **Compact Solid-State Switchgear:** Innovations in arc-flash-safe switchgear are favouring compact and thermally stable assemblies that optimize space while improving operational safety—especially for medium-voltage urban substations.
3. **Climate-Resilient Infrastructure:** As climate change impacts grid stability, utilities are specifying hardware capable of withstanding high thermal cycling and wildfire-prone conditions. This is driving increased emphasis on vibration isolation, contact stability, and secure fastening in extreme environments

Commercial Vehicles (Including EVs)

Introduction

The global commercial vehicle landscape is undergoing rapid transformation, catalyzed by the twin megatrends of freight decarbonization and the explosive growth of e-commerce logistics. Electrification of trucks, vans, and buses is now central to OEM strategies and policy frameworks across major economies. In parallel, fleet operators are adopting digital fleet management and modular platform architectures to enable serviceability, weight reduction, and emission compliance. These shifts are redefining component specifications and lifecycle expectations across the value chain.

Outlook (CY 2024–2029)

- The **global commercial electric vehicle (EV) market** is projected to grow from **USD 210 billion in 2024** to approximately **USD 560 billion by 2029**, registering a robust CAGR of **28%** (Source: The Business Research Company).
- Traditional internal combustion engine (ICE) commercial vehicle output is expected to grow at a steady **~5% CAGR**, while the rise of **“truck-as-a-service”** retrofit platforms is expanding the market for modular parts, driving increased demand for mechanical and structural components.
- In India, the forthcoming **FAME-III scheme** is expected to support the deployment of **70,000 electric buses** and **300,000 electric light commercial vehicles (e-LCVs)** by 2029—positioning India as a leading market for commercial EV platforms and associated component systems.

Emerging Trends

1. **Battery-Swapping Logistics Models:** Commercial fleets are increasingly adopting battery-swapping architectures to minimize downtime. This shift necessitates components that can endure high-frequency torque cycles and repeated disassembly, reinforcing demand for high-integrity, maintenance-friendly mechanical connections.
2. **Lightweight Composite Chassis:** As vehicle OEMs move toward composite and aluminium-intensive chassis for last-mile delivery vehicles and urban buses, there is a growing requirement for fatigue-resistant, load-bearing components that can function under dynamic stress and thermal expansion.
3. **Vehicle-to-Grid (V2G) Ecosystems:** The emergence of bi-directional charging infrastructure is driving innovation in power electronics. Components integrated into these systems must exhibit high electrical and mechanical reliability while withstanding road-induced vibrations and thermal cycling.

Railways

Introduction

The global railway sector is undergoing a historic capital reinvestment cycle, with an emphasis on high-speed passenger corridors, urban metro expansions, and resilient freight infrastructure. As rail operators modernize fleets and upgrade infrastructure, there is a growing focus on efficiency, electrification, and automation. This transformation is prompting increased adoption of standardized, maintenance-reducing, and vibration-resistant components across track systems and rolling stock.

Outlook (CY 2024–2029)

- Across G20 economies, cumulative **railway capital expenditure is projected to exceed USD 2 trillion** by 2029, with over **55% directed toward signalling systems and rolling-stock modernization** (Source: railmarketresearch.com).
- In India, the **FY 2024–25 railway budget allocation reached a record ₹2.4 lakh crore (approx. USD 29 billion)**. The country remains on track to achieve **100% network electrification by 2027**, leading to a sharp uptick in demand for new catenary systems, anchor bolts, and precision fasteners for OHE (Overhead Equipment).
- Urban mobility remains a priority, with metro rail projects being implemented or expanded across more than **25 cities** in India, supported by central and state funding mechanisms.

Emerging Trends

1. **Urban Metro and Light-Rail Expansion:** Rapid urbanization across Asia, Latin America, and Africa is driving metro rail construction. These projects emphasize reduced lifecycle costs, favouring robust and maintenance-free fastening technologies for slab track and elevated systems.
2. **Electrified and Hybrid Freight Locomotives:** The integration of battery-assisted and hybrid-electric drivetrains in freight applications is growing. These systems require compact and vibration-dampening mechanical interfaces to protect sensitive energy modules and onboard electronics.
3. **Predictive and Condition-Based Maintenance:** Rail operators are shifting from fixed-interval servicing to real-time monitoring and predictive maintenance. This change is promoting the adoption of components that conform to global DIN and ISO standards, ensuring long-term reliability and interoperability across fleets and track systems.

Off-Highway Equipment

Introduction

The off-highway equipment sector—including construction machinery, mining vehicles, and material-handling systems—is witnessing a dynamic transition driven by infrastructure investments, equipment electrification, and automation. As OEMs respond to rising expectations for safety, uptime, and energy efficiency, the engineering demands on mechanical sub-systems are intensifying. Equipment platforms are evolving to support greater payloads, ruggedness, and smart connectivity—reshaping component design and lifecycle performance benchmarks.

Outlook (CY 2024–2029)

- **Global construction equipment deliveries** are expected to rebound steadily through 2029, with **North America projected to grow at a 6–7% CAGR**, supported by public infrastructure programs, commercial construction, and urban development projects.
- **Electrification of excavators, wheel loaders, and telehandlers** is moving beyond pilot stages, with several OEMs initiating limited-series production runs. This trend is accelerating the adoption of lightweight, high-reliability mechanical systems that can complement emerging electric and hybrid powertrains.
- Digitalisation, fleet tracking, and preventive maintenance contracts are becoming central to fleet operations—especially in mining and port handling—placing new emphasis on uptime, serviceability, and modularity.

Emerging Trends

1. **Autonomous and Semi-Autonomous Vehicles:** Haul trucks and loaders with autonomous navigation systems require actuator subsystems that can withstand thousands of operating cycles without degradation—particularly in steering and braking systems.
2. **Next-Generation Hydraulic Architectures:** Hybrid-hydraulic systems are being developed to reduce parasitic losses and improve energy transmission efficiency. These designs demand components that can endure high pressure while offering thermal and vibrational stability.
3. **Connected Fleet Maintenance Models:** Telematics-driven maintenance contracts are pushing OEMs to adopt fastening and structural components that meet zero-retorque and no-service targets, aligning with predictive maintenance goals and remote diagnostics.

Agricultural Equipment

Introduction

The agricultural equipment sector is evolving rapidly as mechanisation deepens across emerging markets and advanced technologies reshape modern farming. Precision agriculture, government-led subsidy programs, and sustainability imperatives are driving demand for more durable, efficient, and adaptive machinery. Tractors, harvesters, tillage implements, and sprayers are increasingly engineered for higher productivity, lower environmental impact, and compatibility with digital farm management systems.

Outlook (CY 2024–2029)

- ♦ The **global agricultural machinery market** is projected to grow from **USD 159.7 billion in 2025** to approximately **USD 207.8 billion by 2030**, reflecting a **5.4% CAGR**, driven by food security initiatives, labour shortages, and yield optimization technologies.
- ♦ In India, farm modernisation is being accelerated through schemes like **PM-PRANAM**, aimed at reducing chemical input use while promoting mechanised precision farming. This is expected to support a **mid-to-high single-digit CAGR** in demand for durable mechanical assemblies in tractors and secondary implements.
- ♦ The emergence of **electrified compact tractors** and autonomous field equipment is opening new avenues for innovation in design, maintenance, and energy efficiency—especially in orchard, vineyard, and greenhouse applications.

Emerging Trends

1. **Precision-Farming Attachments:** As tool carriers evolve to support precision-planting, fertilisation, and spraying, there is growing integration of modular tool-change systems that require robust mechanical interfaces, enabling quick swaps and enhanced field productivity.
2. **Biofuel-Compatible Powertrains:** With a gradual shift toward biofuel and dual-fuel engines, manufacturers are reengineering core assemblies to meet higher thermal thresholds and chemical compatibility, necessitating more resilient sealing and fastening solutions.
3. **Autonomous & Robotic Farming Platforms:** Next-generation agricultural robots—used for tasks like weeding, sowing, and spraying—demand compact mechanical sub-systems capable of withstanding vibration, moisture, and continuous field exposure without failure.

Heavy Machinery

Introduction

The heavy machinery sector continues to serve as a cornerstone of infrastructure development, industrial production, and resource extraction. As economies push forward with urbanisation, transportation megaprojects, and industrial automation, the demand for high-capacity, durable, and technologically advanced machinery is accelerating. Equipment such as cranes, tunnel boring machines (TBMs), port handling systems, and heavy-duty presses are becoming more complex—necessitating components that can endure extreme loads, high-frequency operations, and harsh environmental conditions.

Outlook (CY 2024–2029)

- ♦ The **global heavy construction equipment market** is forecast to reach over **USD 315 billion by 2029**, growing at a **CAGR of ~5.7%**, driven by ongoing infrastructure spending, renewable energy installations, and industrial capital expansion (Source: Fortune Business Insights, MarketWatch).
- ♦ Growth is particularly strong in **Asia-Pacific and the Middle East**, where government-backed infrastructure pipelines include smart cities, ports, and transit systems. Simultaneously, developed markets like North America and the EU are modernising legacy industrial facilities—creating sustained demand for reliable heavy equipment.
- ♦ Emerging applications in **underground metro systems, high-speed rail corridors, and offshore energy platforms** are pushing the performance boundaries of structural and hydraulic sub-systems.

Emerging Trends

1. **Smart & Sensor-Enabled Machinery:** Predictive maintenance and real-time diagnostics are becoming standard in heavy-duty machinery. Components must not only perform under high stress but also interface seamlessly with condition-monitoring systems.
2. **Electrification & Hybrid Powertrains:** Driven by sustainability targets, OEMs are beginning to introduce battery-electric and hybrid-drive systems in cranes, loaders, and compact heavy machines—requiring lighter, energy-efficient mechanical systems without compromising durability.
3. **High-Cycle Urban Applications:** Machines used in tunneling, high-rise construction, and metro projects are exposed to intense operational cycles and confined environments. This demands compact, fatigue-resistant assemblies that can sustain performance in vibration-rich and dusty operating conditions.

Industry Trends and Market Outlook (CY2024–CY2029)

Overview

The global industrial landscape is entering a period of recalibration and reinvention. Post-pandemic recovery, geopolitical realignments, and climate commitments are reshaping global supply chains, capital investments, and technology adoption patterns. For precision engineering and component manufacturing, these shifts translate into higher performance expectations, tighter compliance mandates, and accelerating demand across critical sectors—including renewables, mobility, railways, heavy machinery, and industrial infrastructure.

Key Global Trends

1. Reindustrialisation and Supply Chain Localisation

Countries are bolstering domestic manufacturing capabilities to mitigate geopolitical risk and reduce dependency on globalized supply chains. This is fuelling capital investment in machine tools, infrastructure, and component localization—particularly in G20 nations and strategic sectors like energy, transportation, and defence.

2. Electrification and Low-Carbon Technologies

The shift toward electric vehicles, renewable power systems, and smart grids is reshaping component design. Mechanical systems are being re-engineered to be lighter, more compact, and energy-efficient while meeting rigorous standards for performance, safety, and recyclability.

3. Smart Manufacturing and Predictive Maintenance

The rise of Industry 4.0 has driven the adoption of sensors, data analytics, and digital twins across equipment platforms. Components are expected to deliver not only mechanical performance but also seamless integration with condition-monitoring and predictive-maintenance systems.

4. Lifecycle Cost Optimization and Serviceability

OEMs and operators are increasingly prioritizing lifecycle cost reduction over capital cost. Components that offer maintenance-free service intervals, reliability under extreme conditions, and high interchangeability are seeing greater specification preference.

India Market Snapshot

India remains a critical growth engine, with focused national programs such as *Make in India*, *PM Gati Shakti*, *FAME-III*, and *National Green Hydrogen Mission* unlocking domestic demand across energy, mobility, infrastructure, and industrial ecosystems. Key manufacturing clusters across Maharashtra, Tamil Nadu, Gujarat, and Karnataka are witnessing elevated capex in components, tooling, and automation—favouring Tier-1 and Tier-2 precision suppliers.

Emerging Demand Trends in Precision Components, Tooling and Automation (CY2024–CY2029)

The demand landscape for high-performance mechanical components, tooling and automation is undergoing a structural transformation across renewable energy, industrial and mobility sectors. These shifts are creating significant tailwinds for Tier-1 and Tier-2 precision suppliers who possess the capabilities to deliver complex, certified, and lifecycle-tested engineering solutions. As OEMs increasingly concentrate their procurement on quality-accredited vendors with advanced testing, digital traceability and sustainability credentials, precision engineering companies stand at the forefront of a multiyear growth cycle.

Renewable Energy Sector

Global and domestic investments in renewable energy are accelerating to meet decarbonization targets. India's installed renewable energy base, including large hydro, is expected to rise from approximately 201 GW in September 2024 to over 250 GW by March 2026, reflecting a compound annual growth rate (CAGR) of 13–14% (Source: MNRE, CEEW). The Government of India is targeting an investment of ₹6.4 lakh crore over the next five years to achieve its 500 GW non-fossil capacity goal by 2030 (Source: MNRE, Budget 2024–25). This growth is creating increased demand for turbine nacelles, tower flanges—components that rely heavily on corrosion-resistant fasteners, long-lifecycle springs and structural assemblies.

Additionally, with 50 GW of energy storage capacity required by 2030 (Source: CEA, NITI Aayog), the integration of battery and pumped hydro solutions in hybrid renewable projects is gaining momentum. These applications necessitate vibration-resistant and fatigue-proof mechanical systems. As maintenance-free operational models become the industry standard, precision components such as wedge-lock washers and disc springs—especially those compliant with IEC 61400—are gaining prominence in turbine and substation assemblies. These trends are expected to drive a CAGR of 12–14% in precision mechanical component revenue through CY2029.

Industrial and Automation Capital Goods

The capital goods sector is witnessing continued momentum driven by smart factory deployments, energy transition-led CAPEX and productivity-linked incentive (PLI) schemes. Capital goods revenues are projected to grow at 13–15% year-on-year in FY25 and FY26, supported by a robust order book of ₹1.41 trillion as of Q1 FY25 (Source: CRISIL, company filings – BHEL, Siemens, ABB). Precision components for power equipment, switchgear, material-handling systems and industrial automation must now endure thermal cycling, mechanical shock and high-dust environments, prompting OEMs to prioritize climate-resilient, digitally compatible components.

A notable portion of industrial demand is also driven by deferred mining and construction equipment CAPEX, expected to rebound with an 8–10% revenue uptick in FY26 (Source: ICEMA, ICRA). Tooling and mechatronics suppliers are witnessing increased specification of predictive-maintenance-ready hardware, with precision-engineered parts compatible with sensor-based diagnostics. Overall, this segment is poised to grow at a CAGR of 10–12% through CY2029.

Mobility and E-Mobility Components

The shift toward electrified and autonomous mobility is reshaping vehicle architecture and driving high-value component demand. India's auto component industry is forecasted to grow 8–10% CAGR over the next five years, underpinned by increased localization and cumulative capex plans of ₹25,000–30,000 crore in FY26 alone (Source: ACMA, CRISIL Auto Outlook). As EV penetration increases—25% of two-wheelers and 15% of passenger vehicles by 2030 (Source: NITI Aayog, Vahan Analytics)—demand for fatigue-resistant fasteners, modular chassis assemblies and vibration-dampening springs is rising across fleets, public transport and last-mile logistics platforms.

Battery enclosures, V2G-compatible power systems and compact, lightweight chassis are now standard in EV platforms, prompting Tier-2 vendors to scale CNC tooling, robotic welding and coated product offerings. Maintenance-free and modular spring assemblies are increasingly specified in fleet RFQs, presenting consistent revenue opportunities for precision component manufacturers.

Growth Projections for Precision Suppliers (CY2024–CY2029)

- Renewable Energy Components: **12–14% CAGR**
- Industrial Capital Goods & Automation: **10–12% CAGR**
- Mobility & EV-linked Components: **8–10% CAGR**

Note: All CAGR estimates are triangulated from CRISIL, ICRA, ACMA, MNRE, NITI Aayog, CEA, and ICEMA reports dated Q1 FY2025.

Risk–Opportunity Analysis (CY2024–CY2029)

As Gala Precision Engineering Ltd. navigates a dynamic global environment, the interplay between macroeconomic volatility, technological transformation, and sustainability mandates presents both strategic risks and growth opportunities. The following analysis outlines key enterprise-level risks and corresponding opportunities relevant to our business segments, with a forward-looking lens through CY2029.

1. Supply Chain Volatility

Risk: Prolonged geopolitical tensions, trade restrictions, and raw material price fluctuations could disrupt sourcing of specialty steels and input materials, impacting lead times and margins.

Opportunity: Strengthening supplier diversification and backward integration—including long-term contracts with Tier-1 mills across India, Europe, and Korea—can enhance delivery reliability and cost competitiveness. Investing in nearshoring and regional warehousing also builds resilience.

2. Regulatory & Compliance Risk

Risk : Increasing global focus on carbon emissions (e.g., CBAM in the EU), ESG disclosures, and DIN/ISO conformity may expose non-compliant supply chains to access barriers and reputational risk.

Opportunity: Gala's proactive approach to sustainability—including CBAM readiness, RE100-aligned sourcing, and DIN-compliant manufacturing—positions us as a preferred supplier to global OEMs with high ESG thresholds.

3. Talent & Skills Gap

Risk As precision engineering becomes increasingly digitized and globalized, attracting and retaining skilled technical and managerial talent may become a bottleneck for innovation and scale.

Opportunity : Strategic workforce development through partnerships with technical institutes, internal talent incubation, and cross-functional leadership grooming ensures long-term capability building. Our Women in Fasteners initiative and ESG/CSR alignment also enhance employer branding.

4. Product Quality & Warranty Risk

Risk: Failure to meet application-critical quality parameters—especially in railway braking systems, EV battery enclosures, and offshore wind towers—could lead to warranty claims or delisting.

Opportunity: Gala's multi-stage quality assurance protocols, client-audited validation cycles, and investments in automated inspection lines reinforce our reputation for zero-defect manufacturing and long lifecycle performance.

5. Capex Allocation and ROI Risk

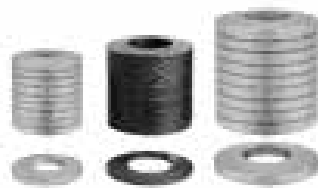
Risk Inefficient allocation of expansion capital (e.g., underutilized capacity or delayed customer onboarding) could dilute ROI and affect financial sustainability.

Opportunity: Capex planning is closely tied to demand forecasts, customer commitments, and segment-specific tailwinds. Our Chennai greenfield facility and Wada capacity enhancement are structured to serve identified demand in fasteners, disc springs, and Gallock washers.

Company Overview:

Gala Precision Engineering Ltd. stands as a beacon in the realm of precision component manufacturing, boasting over three decades of expertise in delivering high-quality Disc & Strip Springs (DSS), Coil & Spiral Springs (CSS) and Special Fastening Solutions (SFS). Serving a diverse clientele of over 175 customers across more than 25 countries, the company has cemented its position as a trusted partner to OEMs, Tier-1 suppliers and channel partners in sectors such as Renewable Energy, Industrial and Mobility

In alignment with its vision to enhance production capabilities and serve the southern markets more effectively, Gala is establishing a new manufacturing facility in Vallam-Vadagal, SIPCOT Industrial Park, Sriperumbudur, near Chennai, Tamil Nadu. This state-of-the-art plant is designed to produce high-tensile fasteners, including studs, hex bolts and nuts



**Disc Springs-DIN 2093
and customized**



**Gallock Wedge Lock
Washer**



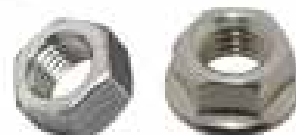
Spring Packs



Grip Lock Washer



**Coil, Strip & Spiral
Springs**



Hex & flange Nuts



Studs & Threaded Rods



High Tensile Bolts

Financial Performance:

The Financial performance of the Company for the year under review as compared to the previous financial year are summarized below for your consideration:

(Amount in Millions)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations (Net)	2,378.35	1,999.11	2,378.35	2,025.46
Other income	43.70	22.90	43.70	18.32
Total revenue	2,422.05	2,022.01	2,422.05	2,043.78
Total expenses	2,089.91	1,733.98	2,088.23	1,767.90
Profit before exceptional items and tax	332.14	288.03	333.82	275.88
Add: Exceptional items	-	-37.78	-2.56	-23.09
Profit before tax	332.14	250.25	331.26	252.79
Les: Tax expenses				
(a) Current tax	62.00	54.09	62.00	54.09
(b) Deferred tax charge	-3.65	-28.42	-3.65	-28.42
(c) Current tax adjustments of earlier years	4.75	7.19	4.75	7.19
Total tax expense	63.10	32.86	63.10	32.86
Non-controlling interest	-	-	-0.26	-3.40
Profit after taxes	269.04	217.40	268.42	223.33

Key Financial Ratios:

Particular	March 31 st 2025	March 31 st 2024
Current Ratio	3.95	1.69
Debt Equity Ratio	0.09	0.53
Debt Service Coverage Ratio	2.58	3.79
Return on Equity %	15.02%	26.20%
Inventory Turnover Ratio	3.66	3.12
Trade Receivable Turnover Ratio	4.04	5.27
Trade Payable Turnover Ratio	7.01	7.74
Net Capital turnover ratio	1.49	4.34
Net Profit %	11.29%	11.03%
Return on Capital employed %	14.48%	24.60%

Human Resources:

The Company acknowledges its employees as its most valuable asset and undertakes several initiatives to promote their overall well-being. GPEL's human resource strategy focuses on fostering a holistic work environment by investing in comprehensive training programs, facilitating professional growth and ensuring a culture of safety and inclusiveness.

GPEL's ability to deliver customized engineering solutions and manage operational complexity is deeply linked to its talent pool. The Company remains focused on attracting and retaining skilled professionals across domains such as engineering, manufacturing, marketing, finance and operations. GPEL recognizes that the competitive landscape for such talent is intense and retention costs may impact profitability.

The Company remains committed to maintaining a safe and compliant workplace. No industrial disputes were reported during the year, and robust safety protocols were continually enforced. GPEL's HR practices aim to balance business growth with employee development, ensuring an agile, skilled and motivated workforce to meet future challenges.

Cautionary Statement

Cautionary Statement Some of the statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forwardlooking statements' within the meaning of applicable

laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Key factors that can affect the Company's operations include changes in political and economic environment in India and abroad, tax laws, import duties, litigation, and labour relations

Sources:

1. International Monetary Fund – World Economic Outlook projections
2. Reserve Bank of India & MOSPI – Indian GDP, inflation and IIP trends
3. World Bank & IMF – Global trade and investment outlook
4. Press Information Bureau – IMF forecasts for India and global economy
5. Verified Market Research – Global spring market report
6. Industry Reports (Data String, GrandView) – Global disc springs and fasteners market analysis
7. Rupeezy Industry Overview – Market size and CAGR for DSS, WLW, CSS in India and globally
8. International Energy Agency – Renewables 2024 report (global capacity and milestones)
9. Association of Equipment Manufacturers / Industry News – Construction equipment and railway capex trends

DIRECTORS' REPORT

Dear Shareholders' of,
Gala Precision Engineering Limited ("the Company")

The Board of Directors of Gala Precision Engineering Limited (**Gala' or 'Company'**) are pleased to present the 17th (Seventeenth) Annual Report along with financial statements of the Company for the financial year ended March 31st, 2025. A summary of the Company's Audited Standalone and Consolidated Financial Statements is given below.

1. HIGHLIGHTS OF FINANCIAL RESULTS:

The Financial performance of the Company for the year under review as compared to the previous financial year are summarized below for your consideration:

(Amount in Millions)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations (Net)	2,378.35	1,999.11	2,378.35	2,025.46
Other income	43.70	22.90	43.70	18.32
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Add: Exceptional items	-	-37.78	-2.56	-23.09
Profit before tax	332.14	250.25	331.26	252.79
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Total tax expense	63.10	32.86	63.10	32.86
Non-controlling interest	-	-	-0.26	-3.40
Profit after taxes	269.04	217.40	268.42	223.33

2. Company's performance and outlook:

Standalone:

The company achieved a net turnover of FY 2024-25 : ₹ 2,378.35 million; FY 2023-24 : ₹ 1,999.11 million, resulting a growth of 18.97%. Our profit before exceptional items has grown significantly, reaching ₹ 332.14 million from ₹ 288.03 million, representing an increase of 15.31.%.

The Company achieved Profit after tax (PAT) of ₹ 269.04 million in FY 2024-25, ₹217.40 million in FY 2023-24 representing an increase of 23.75%

Consolidated:

The company achieved a net turnover of FY 2024-25 : ₹ 2,378.35 million; FY 2023-24 : ₹ 2,025.46 million, resulting a growth of 17.42%. Our profit before exceptional items has grown significantly, reaching ₹ 333.82 million from ₹ 275.88 million, representing an increase of 21.00.%.

The Company achieved Profit after tax (PAT) of ₹ 268.42 million in FY 2024-25, ₹ 223.33 million in FY 2023-24 representing an increase of 20.19%.

3. INITIAL PUBLIC OFFER ("IPO") AND LISTING:

In September 2024, Gala Precision Engineering Limited successfully completed its Initial Public Offering (IPO) cum Offer for Sale, which was met with an overwhelming response from investors. The Company extends its sincere gratitude to the Securities and Exchange Board of India (SEBI) and all other regulatory authorities for their invaluable

support in this process. The management also thanks the investors for their trust and confidence. The equity shares of the Company were officially listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE) on 9th September 2024.

4. STATE OF COMPANY'S AFFAIRS:

- Listing of Company's share at BSE / NSE with overwhelming response from Investors with an over subscription of 211 times.
- During the year, the Company has Successfully set up a new plant facility at Chennai for SFS Unit at Vallam Vadagal, Sipcot, Chennai.
- No. of Professionals were recruited at middle & Senior level management.

5. CHANGE IN NATURE OF BUSINESS:

During the year, there has been no change in business of the Company.

6. DIVIDEND:

In view of the Company's strategic focus on identifying, executing, and successfully implementing key business projects across its operating verticals, the Board of Directors has prioritized the conservation of funds to support these long-term initiatives. To ensure sustainable growth in assets and revenue, and to strengthen the Company's financial position for future opportunities, it is deemed prudent to retain earnings for reinvestment.

Accordingly, the Directors have not recommended any dividend for the Financial Year 2024-25. This decision is aligned with the Company's commitment to enhancing long-term shareholder value through strategic expansion and sound financial management.

The Company has in place a Dividend Distribution Policy duly adopted by the Board on November 30, 2023 in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/Dividend-Distribution-Policy.pdf>

7. AMOUNT TRANSFERRED TO RESERVES:

The Company has transferred any amount out of the Current year profits to the General Reserve of the Company.

8. ANNUAL RETURN:

Pursuant to section 134(3)(a) and Section 92(3) of Companies Act, 2013 read with relevant Rules framed thereunder, The Annual Return of the Company is available on the website of the Company at <https://www.galagroup.com/investor-relation/> under the field "Shareholder Information".

9. NUMBER OF MEETINGS OF THE BOARD:

The Board of Directors met 8 (Eight) times in the Financial Year 2024-25 i.e. on the following dates:

Sr.	Date of the Board Meeting
1.	June 12, 2024
2.	July 8, 2024
3.	August 1, 2024
4.	August 23, 2024
5.	September 5, 2024
6.	September 28, 2024
7.	November 14, 2024
8.	February 12, 2025

During the period, your Company has complied with the Secretarial Standards 1 related to Board Meetings and Secretarial Standards 2 related to General Meetings issued by the Institute of Company Secretaries of India respectively.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. DETAILS OF DIRECTORS/ KEY MANAGERIAL PERSONNEL:

DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Kirit Vishanji Gala (Din: 01540274), Director of the Company, retires by rotation at the forthcoming Seventeenth Annual General Meeting and being eligible has offered himself for re-appointment.

COMPOSITION OF BOARD OF DIRECTORS:

The composition of Board of Directors of the Company as on March 31, 2025 is as follows:

Sr.	Name of the Director	DIN	Category	Period of Appointment
1.	Kirit Vishanji Gala	01540274	Chairman and Managing Director	Five years commencing from November 30, 2023 to November 29, 2028
2.	Balkishan Shyamsunder Jalan	02876873	Whole-time director (Executive)	Five years commencing from November 30, 2023 to November 29, 2028
3.	Satish Dayaldas Kotwani	03154231	Whole-time director (Marketing)	Five years commencing from November 30, 2023 to November 29, 2028
4.	Rajendra Vallabhaji Gogri	00061003	Non-Executive Non-Independent Director	Not applicable
5.	Snehal Bhupendra Shah	00128595	Non-Executive Independent Director	Three years commencing from November 30, 2023 to November 29, 2026
6.	Varsha Rajaram Galvankar	00124603	Non-Executive Independent Director	Two years commencing from November 30, 2023 to November 29, 2025
7.	Neha Rajen Gada	01642373	Non-Executive Independent Director	Three years commencing from November 30, 2023 to November 29, 2026
8.	Sudhir Tokarshi Gosar	10460551	Non-Executive Independent Director	Three years commencing from January 11, 2024 to January 10, 2027

The Company has received a Declaration in Form DIR-8 from all the Directors stating that they are not disqualified under section 164 of the Companies Act, 2013. The Company has also received Form MBP-1 from all the Directors under Section 184 of the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL (KMP):

The key managerial personnel(s) of the Company as on March 31, 2025 is as follows:

Sr.	Name of the KMP	Designation
1.	Kirit Vishanji Gala	Managing Director
2.	Balkishan Shyamsunder Jalan	Whole-time director Executive
3.	Satish Dayaldas Kotwani	Whole-time director- Marketing
4.	Giridhar Srinivasan	Chief Financial Officer
5.	Pooja Ladha	Company Secretary & Compliance Officer

11. DECLARATION GIVEN BY INDEPENDENT DIRECTOR:

The Company has received necessary declarations and disclosures from the Independent Directors under Section 149(7) and Section 184(1) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and disclosing their interest in form MBP-1.

Further, all Independent Directors of the Company have submitted declarations confirming that:

1. The disqualifications mentioned under sections 164, 167 and 169 of the Companies Act, 2013 do not apply to them.
2. They have complied with the Code for Independent Directors prescribed in Schedule IV to the Act as applicable.
3. They have registered themselves with Independent Directors' Database of The Indian Institute of Corporate Affairs ('IICA') and have cleared the online proficiency test of IICA, as applicable.
4. They are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence; and

The Board of the Company has taken the disclosures and declarations on record after verifying the due veracity of the same. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act. The Directors and the senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel.

12. FAMILIARISATION PROGRAMME:

In compliance with the requirements of Regulation 25(7) of the SEBI LODR Regulations, the Company has put in place a Familiarization Program for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of the Familiarization Program imparted to Independent Directors are available on the Company's official website at <https://www.galagroup.com/wp-content/uploads/2024/10/Familiarization-Programme-Policy.pdf>

13. SEPARATE MEETING OF INDEPENDENT DIRECTORS:

During the year under review, 2 (Two) separate meeting of Independent Directors was held on August 24, 2024 and March 24, 2025. The details of the Independent Directors Meeting and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Report.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and information obtained by them, your Directors make the following statement in terms of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013 ("the Act"):

- a) In the preparation of the annual accounts for the year ended 31st March, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Director's had prepared the annual accounts on a going concern basis and,
- e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. COMMITTEES OF THE BOARD

The Company has duly constituted the following statutory committees as per the provisions of the Act & SEBI LODR Regulations:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Executive Committee

The details of the composition, number of Meetings, terms of reference and other information of all the aforesaid committees are included in the Corporate Governance Report which forms part of this Report.

Audit Committee:

The composition of the Audit Committee is as under:

Sr. No.	Name of the Members	Designation
1.	Mr. Snehal Shah	Chairperson
2.	Ms. Neha Gada	Member
3.	Mr. Balkishan Jalan	Member

During the year, there were no instances when the recommendations of the Audit Committee were not accepted by the Board of Directors of the Company.

16. ANNUAL PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, performance evaluation was carried out as under:

Board of Directors

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes and Board dynamics. The Independent Directors, at their separate meeting, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

Committees of the Board of Directors

The performance of the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee was evaluated by the Board having regard to various criteria such as committee composition, committee processes and committee dynamics. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act read with the Rules made thereunder and SEBI LODR Regulations.

Independent Directors

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each Independent Director was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like qualification, experience, availability and attendance, integrity, commitment, governance, independence, communication, preparedness, participation and value addition. The Board appreciated the contribution made by all the Independent Directors in guiding the management and concluded that continuance of each Independent Director on the Board will be in the interest of the Company. The Board was also of the unanimous view that each Independent Director was a reputed professional and brought his/her rich experience to the deliberations of the Board.

Non-Independent Directors

The performance of each of the Non-Independent Directors (including the Executive Chairman) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. Various criteria considered for the purpose of evaluation included qualification, experience, availability and attendance, integrity, commitment, governance, communication etc. The Independent Directors and the Board were of the unanimous view that all the Non-Independent Directors were providing good business and people leadership.

17. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186:

The Particulars of Loans, Guarantees and Investments made by the Company if any as at 31st March 2025 covered under the provision of Section 186 of the Companies Act, 2013 and are given in the Notes forming part of the Financial Statements.

18. PARTICULARS OF CONTRACT AND ARRANGEMENT UNDER SECTION 188:

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business.

The Disclosures as required under Indian Accounting Standard – 24 (Ind AS-24) “**Related Party Disclosures**” as notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in Note No. 32 forming part of the Standalone Financial Statements.

The Company's Policy on materiality of related party transactions and on dealing with related party transactions is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/RPT-policy.pdf>

19. SHARES CAPITAL AND CHANGES THEREIN:

The Authorised Share Capital of the Company is Rs. 18,00,00,000/- (Rupees Eighteen Crores Only) divided into 1,80,00,000 (One Crore Eighty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each.

ISSUE UNDER INITIAL PUBLIC OFFER:

Subsequent to the completion of the Initial Public Offer (“**IPO**”) including both Fresh issue and offer for sale, the paid-up Equity Share Capital of the Company increased from Rs. 1,01,11,584 to Rs. 1,26,70,000.

The above allotment was pursuant to issuance of 25,58,416 Equity Shares to respective bidders at an issue price of Rs. 529 per Equity Share, including a share premium of Rs. 519 per Equity Share through Initial Public Offer.

EMPLOYEE STOCK OPTION SCHEMES (ESOS):

ESOP 2021

The Board of Directors of the Company at its meeting held on 24th December 2021 approved an Employee Stock Option Plan called as the ‘Gala Employees Stock Option Plan 2021’ (“**ESOP 2021**”/ “**Plan**”) and the shareholders of the Company approved the said Scheme at the Extra Ordinary General Meeting held on 14th January 2022.

Further, the approval was granted to the Board or any other committee of the Board to create, offer and grant from time to time upto 50,000 (Fifty Thousand) Employees Stock Options (“**ESOPs**”) to the eligible employees of the Company.

Further, the Company has issued bonus shares in the ratio of 3:1, thereby increasing the total pool to 2,00,000 shares, out of which 1,46,200 shares are available for vesting and exercise.

Accordingly, the Nomination, Remuneration Committee (“**the NRC Committee**”) at its meeting held on March 10, 2025, allotted 27,800 equity shares of Rs. 10 each fully paid up and at an exercise price of Rs. 87.50/- (Rupees Eighty-seven and Fifty Paise Only) per share of your Company to option grantees upon exercise of stock options by them in terms of ESOP 2021.

ESOP 2024

The Board of Directors of the Company at its meeting held on 8th July, 2024 approved an Employee Stock Option Plan called as the ‘Gala Precision Engineering Employees Stock Option Plan 2024’ (“**ESOP 2024**”/ “**Plan**”) and the shareholders of the Company approved the said Scheme at the Extra Ordinary General Meeting held on 6th August 2024.

Further, the approval was granted to the Board or any other committee of the Board to create, offer and grant from time to time upto 3,00,000 (Three Lakhs) Employees Stock Options (“ESOPs”) to the eligible employees of the Company and as approved by the members.

There has been no allotment of ESOP shares from the entire pool of 3,00,000 ESOPs, as on March 31, 2025.

A certificate from the Secretarial Auditors on the implementation of your Company's ESOP will be available at the ensuing Annual General Meeting (“AGM”) for inspection by the Members.

The details of the ESOPs under various scheme as on March 31, 2025 is annexed as **Annexure A** to this Report and also disclosed in the accompanying financial statements.

BUY BACK OF SECURITIES:

The Company has not Bought Back Shares during the year under review.

SWEAT EQUITY:

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES:

The Company has not issued any Bonus Shares during the year under review.

20. UNCLAIMED EQUITY SHARES AND DIVIDEND AND TRANSFER OF FUND TO IEPF AUTHORITY:

During the year under review, no amount was required to be transferred to Investor Education and Protection Fund (IEPF) as the Company has not declared any dividend in the past.

21. UTILISATION OF INITIAL PUBLIC OFFER (“IPO”) PROCEEDS:

Your Company is utilising IPO proceeds as per the objects stated in the prospectus of the Company and pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”) during the period under review, there was no deviation / variation in utilisation of funds raised in respect of the Initial Public Offering of the Company. The Company has appointed Crisil Ratings Limited as Monitoring Agency in terms of Regulation 41(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“SEBI ICDR Regulations”) and as amended from time to time, to monitor the utilisation of IPO proceeds. The Company has after placing before the Audit Committee and the Board, have made all the necessary compliances relating to submission of the statement(s) and report as required under Regulation 32 of the SEBI LODR Regulations to both the Stock Exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

Further, the Company has obtained reports from the Monitoring Agency from time to time and uploaded the same on the website of the Company for all the applicable quarters at <https://www.galagroup.com/investor-relation/> under the “Shareholders Information” tab.

22. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

In terms of Section 134(3)(l) of the Companies Act, 2013, there have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year of the Company to which the Financial Statements relate and to the date of Report.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the period under review, there has been no significant and material orders passed by the regulators or courts on the Company. However, with respect to the patent infringement suit filed by Nord-Lock AB and Nord-Lock (India) Private Limited against the Company before the Hon'ble High Court of Delhi, originally instituted on December 14, 2023. The matter continues to remain sub judice and is currently pending before the Hon'ble High Court for further proceedings.

24. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Your Company has adopted a policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under section 178 (3) of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, which includes:

- Criteria for identification of persons for appointment as Directors and in senior management positions.
- Criteria for determining qualifications, positive attributes, independence of a Director
- Evaluation of performance
- Board Diversity
- Remuneration to Non-Executive Directors, Key Managerial Personnel and Senior Management and remuneration to other employees.
- Policy Review

The Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf>

25. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place a "policy against Sexual Harassment" of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. There was no complaint received from any employee during the financial year 2024-25 and hence no complaint is outstanding as on March 31, 2025 for redressed.

Also the Internal Complaints Committee as required to be constituted by the Company has been duly constituted as per policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Policy is uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/POSH-Policy.pdf>

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are as follows:

Conservation of energy

A. Energy conservation measures taken:

Rs. In Million

Particulars	2024-25	2023-24
Power consumption	64.73	55.16
Fuel & Diesel consumption	3.96	4.35
Generator hire charges	0.17	0.07

B. Green Initiative and Energy Cost Optimization:

As part of the Company's ongoing commitment to environmental sustainability and operational cost efficiency, rooftop solar power plants have been installed at our wada plant under the OPEX model. The installed plant capacities are 1148 kWp respectively.

During FY 2024-25, the plant consumed a total of around 59.65 lakh units of electricity, of which around 9.09 lakh units were sourced from solar power, resulting in an overall solar utilization of approximately 15%.

This initiative led to an estimated cost saving of around ₹53 lakh during the year, based on the average landed cost of ₹10.84 per unit from the state electricity board.

This initiative forms a key component of our green energy roadmap and contributes significantly to our cost efficiency measures. The Company continues to evaluate and implement such initiatives in alignment with its ESG (Environmental, Social, and Governance) objectives and long-term sustainability goals.

Technology absorption

A. Future plan of action:

1.	Continuous New Products & Market Development in Springs and fastening Solution.
2.	To Continue Investment in Capacity Expansion & technology upgradation.
3.	Hot forgings & Bolt developments.

B. Technology absorption, adaptation and innovation:

1.	Efforts in brief, made:	Continuous technology development & improvement in the process to enhance fatigue life of springs.
2.	Benefits derived as a result of above efforts:	Springs with high performance/fatigue life. Several customer approvals received.
3.	Technology imported	NIL

C. Foreign exchange earnings and Outgo-

With regard to foreign exchange earnings and outgo for the year 2024-25, the position is as under:

Particulars	2024-25 (Amt in Million)	2023-24 (Amt in Million)
Income in foreign currency	894.30	720.67
Expenditure in foreign currency	23.09	9.39
Purchase in foreign currency	187.01	210.00

27. CORPORATE SOCIAL RESPONSIBILITY:

The Company firmly believes that Corporate Social Responsibility ('CSR') is more than an obligation and more than a duty, which helps to create positive impact on many lives. The Company persistently acts as a prudent corporate citizen and maintains harmonious relationship with the communities in which it operates to give back to the society.

As a part of its Corporate Social Responsibility (CSR) initiative, the Company has undertaken CSR projects and programs. These activities are in accordance with CSR activities as defined under the Act. The Company has a CSR Committee of Directors. Details about the Committee, CSR activities and the amount spent during the year, as required under section 135 of the Act and the related Rules and other details are given in the CSR Report as **Annexure B** forming part of this Report.

The Company has framed a CSR Policy in compliance with the provisions of the Act and the same is placed on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/CSR-Policy-Gala.pdf>. The CSR Policy lays down areas of activities, thrust areas, types of projects, programs, modes of undertaking projects/ programs, resources etc.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT, AND CORPORATE GOVERNANCE REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**"), the Management Discussion and Analysis Report, and Corporate Governance Report along with the Certificate received from Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice and proprietor of M/s. D.M. Zaveri & Co, confirming compliance with corporate governance requirements as per SEBI LODR Regulations are annexed as "**Annexure C**" and "**Annexure D**" respectively to this Report.

29. AUDITORS:**i. STATUTORY AUDITOR:**

At the Sixteenth Annual General meeting held on September 30, 2024, the members of the Company approved the appointment of SCA & Associates, Chartered Accountants (Firm Registration No. 101174W), Chartered Accountants, as the Statutory Auditors of your Company to hold the office from the conclusion of the Sixteenth Annual General Meeting until the conclusion of the Twenty-First Annual General Meeting of the Company to be held in the year 2029.

There are no qualifications, reservations or adverse remarks made by SCA & Associates, in their report on Standalone and Consolidated Financial Statements and hence do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

ii. SECRETARIAL AUDIT

Pursuant to Section 204(1) of the Companies Act 2013 read with Regulation 24A of SEBI LODR Regulations, your Company had appointed Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice and proprietor of M/s. D.M. Zaveri & Co, having Certificate of Practice No. 4363 and Membership No. 5418 as its Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2024-25. The Company during the audit has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is annexed as **Annexure E** and forms an integral part of this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or any sort of disclaimers.

Further, during the year under review, the Secretarial Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore, no detail is required to be disclosed under Section 134(3) (ca) of the Companies Act, 2013.

iii. COST AUDITOR:

Pursuant to Section 148 and other applicable provision if any, of the Companies Act, 2013 along with Companies (Cost Records and Audit) Rules, 2015 and the Companies (Audit and Auditors) Rules, 2014, the Company needs to maintain Cost records for the financial year 2024-25. Hence, M/s. Shekhar Joshi & Co. (Membership Number-10700) was duly appointed to conduct audit of cost records maintained by the Company pertaining to Disc Springs parts & Assemblies, Coil & Spiral Spring & Special Fastening Solutions business for the financial year 2024-25 at a remuneration of Rs. 75,000 (Rupees Seventy Five Thousand only) per annum plus Taxes and reimbursement of out of pocket expenses.

Further the company has made and maintained proper Cost Records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for its business activities carried out during the year under review.

As required under the Companies Act, 2013, remuneration of Cost Auditors is required to be placed before the Members in the General Meeting for their approval. Your Directors propose ratification of remuneration of M/s. Shekhar Joshi & Co. (Membership Number-10700) for the Financial Year 2025-26.

iv. INTERNAL AUDITOR:

M/s. ASKA & Co, (Formerly known as Ambekar Shelar Karve & Ambardekar), Chartered Accountants, have been appointed as its Internal Auditor for conducting the internal audit functions of the Company and submitted their report thereon for the financial year 2024-2025 to the Board and committee for its review.

No disqualifications, reservations, adverse remarks or disclaimers have been reported in the Auditors' Reports, requiring any explanation or comments by the Board of Directors of the Company.

30. STATUTORY AUDITORS' REPORT:

The Auditors' Report on the Financial Statements (Standalone and Consolidated) of the Company for the year under review, is **"with an unmodified opinion"**, as given by the Statutory Auditors. Also, no frauds in terms of the provisions of Section 143(12) of the Act have been reported by the Statutory Auditors in their report for the year under review.

31. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS MADE, IF ANY:

There are no qualifications, reservations, adverse remarks or disclaimers made by the Auditors in their report on the Financial Statement of the Company for the financial year ended 31 March 2025.

32. INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to Financial Statements.

It has laid down certain guidelines, policies, processes and structures which are commensurate with the nature, size, complexity of operations and the business processes followed by the Company. These controls enable and ensure the systematic and efficient conduct of the Company's business, protection of assets, prevention and detection of frauds and errors and the accuracy and completeness of the accounting and financial records.

Further, the Board reviews the internal control systems at regular intervals internally, the adequacy of internal audit function and significant internal audit findings with the management and update the same to the Audit Committee for their review and for their recommendation to the Board.

33. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:

A. SUBSIDIARY:

As on March 31, 2025, the Company had 1 (One) subsidiary, the details of the Subsidiary is as follows:

Sr. No.	Name of the LLP / Company
1.	Gala Springs LLP

Further, the Company has 1 step down subsidiary as on the Financial Year end date i.e. March 31, 2025 which is **Gala Precision Components (Shanghai) Private Limited**, a foreign enterprise under Chinese Laws.

B. ASSOCIATE AND JOINT VENTURE COMPANY:

As on March 31, 2025, there are no Associate Companies or Joint Venture within the meaning of Section 2(6) of the Companies Act, 2013.

34. PERFORMANCE AND FINANCIAL HIGHLIGHTS OF SUBSIDIARY COMPANIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY:

A Statement containing salient features of the financial statement of subsidiaries pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 are enclosed as **Annexure F** to this report.

35. CODE OF CONDUCT:

The Board of Director has approved a Code of Conduct which is applicable to the members of the Board of Directors and Senior Management Personnel. It is confirmed that all Directors and Senior Management Personnel have affirmed their adherence to the provisions of the Code of Conduct during the financial year 2024-25.

36. POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Act and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the following Policies. The policies are available on Company's website at <https://www.galagroup.com/investor-relations/>

37. PUBLIC DEPOSITS:

During the year, your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013. However the Company has accepted unsecured loans from its members and in compliance with Rule (2) (1) (c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014 read with amendment rules thereto, during the year under review, the Company also accepted unsecured loans from the relative of the Directors in tranches for business purpose along with a declaration in writing from him/her to the effect that the said loan amount is not being given out of funds acquired by borrowing or accepting loans or deposits from others.

38. PARTICULARS OF EMPLOYEES:

The disclosure required in terms of Section 197(12) of the Companies Act 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure E** and forms part of this Report.

39. WHISTLE BLOWER POLICY / VIGIL MECHANISM:

Pursuant to Section 177(9) of the Act and read with Regulation 22 of the SEBI Listing Regulations, your Company has duly established Whistle Blower Policy /Vigil Mechanism Policy ("Policy") to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. Functioning of the Policy is reviewed by the Audit Committee / Board on periodical basis. During the financial year ended March 31, 2025, the Company has not received any complaint under the Whistle Blower Policy of the Company. <https://www.galagroup.com/wp-content/uploads/2024/01/Whistle-Blowing.pdf>

40. MAINTAINANCE OF COST RECORDS:

Maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is required to be maintained by the Company and accordingly such accounts and records are made and maintained.

41. OTHER DISCLOSURES:-

No disclosures are required in respect of sub rule xi & xii of Rule 8(5) of The Companies (Accounts) Rules, 2014 read with Section 134(3)(q) as the same is not applicable to the Company during the Financial Year.

42. ACKNOWLEDGEMENTS:

The Board places on record its sincere appreciation and gratitude to the esteemed investors, various Central and State Government departments, organizations, and agencies for their continued support and cooperation extended to the Company.

The Board also extends heartfelt thanks to our valued customers, members, dealers, vendors, banks, and all other business partners for their unwavering trust and excellent support.

The Board is especially grateful for the overwhelming response and interest shown by all stakeholders in the Company's successful Initial Public Offering (IPO). This milestone could not have been achieved without their confidence and active participation, which has laid a strong foundation for the Company's future growth.

For and on behalf of the Board
Gala Precision Engineering Limited

Sd/-
Kirit V. Gala
 Chairman & Managing Director
 DIN: 01540274

Sd/-
Balkishan S. Jalan
 Whole-time Director
 DIN: 02876873

Place : Thane
 Date : May 27, 2025

Annexure - A

DETAILS OF EMPLOYEES' STOCK OPTION SCHEMES

Disclosures with respect to Employees' Stock Option Scheme/ Plan 2021 ('**ESOP - 2021**') and Employees' Stock Option Scheme/ Plan 2024 ('**ESOP - 2024**') of the Company pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2025:

- A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time

Members may refer to the annual audited financial statements prepared as per Indian Accounting Standard for the financial year 2024-25.

- B.** Diluted Earnings Per Share ("EPS") on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind-AS) 33 Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time

Diluted EPS for the Financial Year ended March 31, 2025 is Rs. **22.56** calculated in accordance with Ind-AS 33 (Earnings per Share).

- C.** Details related to ESOP - 2021 and ESOP - 2024

1. The description including general terms and conditions of each ESOPs is summarized as under:

Sr.	Particulars	ESOP 2021	ESOP 2024
a)	Date of shareholders' approval	January 14, 2022	August 6, 2024
b)	Total number of options approved under ESOP	50,000 (i.e. Fifty Thousand Equity Shares of face value of Rs.10/- each)	3,00,000 (i.e. Three Lakhs Equity Shares of face value of Rs. 10/- each)
c)	Vesting requirement	The Vesting Period shall commence from the date of Grant and shall not exceed beyond 4 (Four) years from the date of Grant. The Vesting may occur in tranches as may be decided by the Board. Provided that the Vesting Period shall not be less than 1 (one) year from the date of the Grant.	The Vesting Period shall commence from the date of Grant and shall not exceed beyond 5 (Five) years from the date of Grant. The Vesting may occur in tranches as may be decided by the Nomination and Remuneration Committee ("NRC") Provided that the Vesting Period shall not be less than 1 (one) year from the date of the Grant
d)	Exercise price or pricing formula	As may be decided by the Nomination and Remuneration Committee	As may be decided by the Nomination and Remuneration Committee
e)	Maximum term of option granted	4 (Four) years from the date of Grant.	5 (Five) years from the date of Grant.
f)	Source of shares (primary, secondary or combination)	Primary	Primary
g)	Variation in terms of options	None	None

2. Method used to account for ESOP: Income approach (DCF Method)
3. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed:

The Company uses DCF method under Income approach.

4. Option movement during the year:

Sr.	Particulars	ESOP 2021	ESOP 2024
a)	Number of options outstanding at the beginning of the period	146,200	-
b)	Number of options granted during the year	-	300,000
c)	Number of options forfeited / lapsed during the year	-	-
d)	Number of options vested during the year		-
e)	Number of options exercised during the year	27,800	-
f)	Number of shares arising as a result of exercise of options		-
g)	Money realized by exercise of options (INR), if scheme is implemented directly by the Company	-	-
h)	Total number of options in force	118,400	-
i)	Loan repaid by the Trust during the year from exercise price received	N.A	N.A
j)	Number of options outstanding at the end of the year	118,400	300,000
k)	Number of options exercisable at the end of the year	118,400	-

5. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

- a) Weighted average Exercise Price – Rs. 87.5
- b) Weighted average Fair Value - Rs. 87.5

6. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

- a) Senior Managerial Personnel (“SMPs”) as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **None**
- b) Key Managerial Personnels (“KMPs”); ESOP SCHEME 2024

Name of KMP	Designation	Number of options granted during the year	Exercise Price
Mr. Balkishan Jalan	Whole Time Director	150,000	530
Mr. Satish Kotwani	Whole Time Director (Marketing)	150,000	530

- c) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and; None, Except as under provided under 6(b).
- d) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. None, Except as under provided under 6(b).

7. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Please refer to Notes to the Annual Audited Standalone Financial Statements – Note No 23

For and on behalf of the Board
Gala Precision Engineering Limited

Sd/-
Kirit V. Gala
Chairman & Managing Director
DIN: 01540274

Sd/-
Balkishan S. Jalan
Whole-time Director
DIN: 02876873

Place : Thane

Date : May 27, 2025

Registered office:

A-801, 8th Floor, Thane One DIL Complex,
Ghodbunder Road, Majiwade,
Thane (west), Thane – 400610.

Maharashtra, India.

Telephone: +91 22-6930 9224

Website: <https://www.galagroup.com/>

E-mail: investor.relations@galagroup.com

CIN: L29268MH2009PLC190522

Annexure - B

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **Brief outline on CSR Policy of the Company:** Your Company is committed to operate and grow its business in a socially responsible way. The Company's vision is to grow its business, whilst reducing the environmental impact of its operations and increasing its positive social impact. Your Company has embraced some of the activities listed in the Schedule VII of Section 135 of the Companies Act, 2013. Pursuant to Section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rule, 2014, the board of Directors have constitute a CSR Committee. The board also framed CSR Policy in compliance with the provision of Section 135 of Companies Act, 2013.

2. **Composition of CSR Committee:**

Sr.	Name of Director	Designation / Nature of Directorship	No of meetings of CSR Committee held during the year	No of meetings of CSR Committee attended during the year
1.	Mr. Kirit Vishanji Gala	Director (Chairman-CSR Committee)	1	1
2.	Mr. Satish Dayaldas Kotwani	Director (Member-CSR Committee)	1	1
3.	Ms. Varsha Rajaram Galvankar	Director (Member-CSR Committee)	1	1

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company –<https://www.galagroup.com/wp-content/uploads/2024/07/CSR-Policy-Gala.pdf>
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **N.A.**

Amount in Million

(a)	Average net profit of the company as per section 135(5)	206.83
(b)	Two percent of average net profit of the company as per section 135(5)	4.14
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
(d)	Amount required to be set off for the financial year, if any	-
(e)	Total CSR obligation for the financial year (5b+5c-5d)	4.14

6. (a) Amount spent on CSR Projects (Both Ongoing Project and other than Ongoing Project) – **Rs. 4.18 Million**

Details of CSR amount spent against **ongoing projects** for the financial year - **NIL**

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

Details of CSR amount spent against **other than ongoing projects** for the financial year: **Rs.4.18 Million**

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (Amt in Million)	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration number
1.	Promoting Healthcare including preventive health care	as per schedule VII (i)	Yes	Maharashtra	Thane	0.3	No	Jupiter Foundation	CSR00010403
2.	Training to promote rural sports	as per schedule VII (vii)	Yes	Maharashtra	Thane	0.15	No	Shree Dombivali Kutchi Visa Oswal Seva Samaj	CSR00036072
3.	Training to promote rural sports	as per schedule VII (vii)	Yes	Maharashtra	Thane	0.2	No	Shree Dombivali Kutchi Visa Oswal Seva Samaj	CSR00036072
4.	Promoting Healthcare including preventive health care	as per schedule VII (i)	Yes	Maharashtra	Mumbai	0.2	No	Aids Combat International	CSR00013381
5.	Rural development projects	as per schedule VII (x)	Yes	Maharashtra	Thane	0.7	No	Gramseva Pratishthan	CSR00007975
6.	Promoting Healthcare including preventive health care	as per schedule VII (i)	Yes	Maharashtra	Mumbai	0.175	No	Muskan Charitable Trust	CSR00025688
7.	Rural development projects	as per schedule VII (x)	Yes	Maharashtra	Mumbai	0.2	No	Ekal Shrihari Vanvasi Vikas Trust	CSR00003396
8.	Promoting Healthcare including preventive health care	as per schedule VII (i)	Yes	Maharashtra	Mumbai	0.245	No	Shri Kutchhi Visa Oswal Seva Samaj	CSR00012937
9.	Promoting Education	as per schedule VII (ii)	Yes	Maharashtra	Mumbai	0.055	No	Shri Kutchhi Visa Oswal Seva Samaj	CSR00012937
10.	Training to promote rural sports	as per schedule VII (vii)	Yes	Maharashtra	Mumbai	0.2	No	Shri Kutchhi Visa Oswal Seva Samaj	CSR00012937
11.	Training to promote rural sports	as per schedule VII (vii)	Yes	Maharashtra	Mumbai	0.5	No	Shri Kutchhi Visa Oswal Seva Samaj	CSR00012937
12.	Promoting Education	as per schedule VII (ii)	Yes	Maharashtra	Mumbai	0.25	No	Shri Kutchhi Visa Oswal Seva Samaj	CSR00012937

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (Amt in Million)	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
				State	District			Name	CSR Registration number
13.	Training to promote rural sports	as per schedule VII (vii)	Yes	Maharashtra	Mumbai	0.1	No	Dahisar Sports Club	CSR00049497
14.	Promoting Healthcare including preventive health care	as per schedule VII (i)	No	Gujarat	Kutch	0.5	No	Shree Bhojay Sarvodaya Trust	CSR00013135
15.	Setting up old age homes	as per schedule VII (iii)	Yes	Maharashtra	Mumbai	0.1	No	Red Swastik Society	CSR00004071
16.	Animal Welfare,	as per schedule VII (iv)	No	Gujarat	Valsad	0.05	No	Shrimad Rajchandra Jivdaya Trust	CSR00003298
17.	Promoting Education	as per schedule VII (ii)	No	Maharashtra	Raigad	0.1	No	Kai Ramchandra Kurulkar Bahuudeshiy Shikshan Sanstha	CSR00025336
18.	Promoting Healthcare including preventive health care	as per schedule VII (i)	No	Gujarat	Kutch	0.1	No	Bharatiya Sanskriti Foundation	CSR00070186
19.	Animal Welfare,	as per schedule VII (iv)	Yes	Maharashtra	Mumbai	0.05	No	Stranctuary Foundation	CSR00046546
Total						4.175			

(b) Amount spent in Administrative overheads - **NIL**

(c) Amount spent on Impact Assessment, if applicable – **NA**.

(d) Total amount spent for the Financial Year (6a+6b+6c) – **4.175 (INR in Million)**

(e) CSR amount spent or unspent for the financial year:

Total amount spent for the Financial Year (Amt in Million)	Amount Unspent (Amt in Million)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4.175	-	-	-	-	-

(f) Excess amount for set off -

Sl.	Particular	Amount (Amt in Million)
a)	Two percent of average net profit of the company as per section 135(5)	4.14
b)	Total amount spent for the Financial Year	4.18
c)	Excess amount spent for the financial year [(ii)-(i)]	0.04
d)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
e)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.04

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: - **NA**

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year). Yes ☐ / No ☐

If yes, enter the Number of capital Assets created / Acquired: **NA**

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) – **NA**

For and on behalf of the Board

Gala Precision Engineering Limited

Sd/-

Kirit V. Gala

Chairman & Managing Director

DIN: 01540274

Sd/-

Satish Dayaldas Kotwani

Member CSR Committee

DIN: 03154231

Place : Thane

Date : May 27, 2025

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Gala Precision Engineering Limited

I have examined the compliance of conditions of Corporate Governance by **Gala Precision Engineering Limited** ('the Company'), for the Financial Year ended on March 31, 2025, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Management's Responsibility

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended March 31, 2025.

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

Restriction on Use

This certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place : Mumbai
Date : May 27, 2025

ICSI UDIN: **F005418G000447057**
Peer Review Certificate No.: **1187/2021**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
 The Members
Gala Precision Engineering Limited
 A-801, 8th Floor, Thane One DIL Complex,
 Ghodbunder Road Majiwade,
 Thane (West) – 400610.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gala Precision Engineering Limited having CIN L29268MH2009PLC190522 and having registered office at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane (West) – 400610. (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 my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1.	Mr. Kirit Vishanji Gala	01540274	01/06/2009
2.	Mr. Balkishan Shyamsunder Jalan	02876873	01/11/2009
3.	Mr. Satish Dayaldas Kotwani	03154231	01/06/2010
4.	Mr. Rajendra Vallabhaji Gogri	00061003	28/08/2018
5.	Mrs. Neha Rajen Gada	01642373	30/11/2023
6.	Mrs. Varsha Rajaram Galvankar	00124603	30/11/2023
7.	Mr. Snehal Bhupendra Shah	00128595	30/11/2023
8.	Mr. Sudhir Tokarshi Gosar	10460551	11/01/2024

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

For D. M. Zaveri & Co.
 Company Secretaries

Dharmesh Zaveri
 (Proprietor)
 FCS. No.: 5418
 CP No.: 4363

Place : Mumbai
 Date : May 27, 2025

ICSI UDIN: **F005418G000447057**
 Peer Review Certificate No.: **1187/2021**

Annexure - E

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES AND COMPARATIVES

[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. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of Directors, in the FY 2024-25:

Name of Director(s)	Designation	Remuneration of Director for financial year 2024-25 (Rs. in Million)	Ratio of Remuneration of each Director to the median remuneration of employees for Financial Year 2024-25
Kirit Vishanji Gala	Chairman & Managing Director	11.22	19.26
Balkishan Jalan	Whole Time Director (Executive)	11.21	19.24
Satish Kotwani	Whole Time Director (Marketing)	8.70	14.93

2. The percentage increase in the median remuneration of employees in the Financial Year: 12 %
3. The number of permanent employees on the rolls of Company as on March 31, 2025: **335** Employees
4. Average percentiles increase already made in the salaries of employees other than the managerial personnel 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:
- Average increase for non-managerial employees is 14.64%
5. It is Affirmed that the remuneration is paid as per the as per the Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees.

For and on behalf of the Board
Gala Precision Engineering Limited

Sd/-
Kirit V. Gala
 Chairman & Managing Director
 DIN: 01540274

Sd/-
Balkishan S. Jalan
 Whole-time Director
 DIN: 02876873

Place : Thane
 Date : May 27, 2025

Annexure E (II)

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES AND COMPARATIVES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. Top 10 employees in terms of remuneration drawn during the Financial Year 2024-25:

Sr. No.	Name	Designation- Nature of Duties	Designation	Qualification and Experience	Age	Date of Joining	Remuneration Received (₹) in Millions	Particulars of last employment held- Organization & Designation
1	Kirit Gala	Business strategies & Marketing	Chairman & Managing Director	BE Mech + MBA, 41 Years	62	01-06-1989	11.22	NA
2	Balkishan S. Jalan	Operation, Finance, overall Management	Whole Time Director- Executive	CA, 33 years	55	07-09-1998	11.21	Numero Uno Finance Ltd-Vice President
3	Satish Kotwani	Marketing & Sales	Whole Time Director - Marketing	DME, 34 Years	52	10-06-1993	8.70	Audel (I) Pvt Ltd-Supervisor- Production
4	Avadhut Panshikar	Operation	Chief Operating Officer	BE Mech, 33 years	50	05-06-2014	3.60	Bharat Bijlee Ltd - Deputy General Manager - Operations
5	S Giridhar	Finance	Chief Financial Officer	CA, 31 years	59	01-04-2022	3.32	Alkyl Amines Chemicals Ltd - General Manager - Finance & Accounts
6	Agadh Chukewar	Purchase & Vendor Development	Vice President	PGDM-SCM + B Mech, 25 years	46	08-05-2010	2.87	Stromag India Pvt Ltd - Assistant Manager - Sourcing
7	Rajesh Charjan	Marketing & Sales	Vice President	MBA - Marketing, 21 years	46	07-05-2007	2.85	Jost's Engineering Co. Ltd.- Executive - Business Development
8	Smeet Gala	Marketing & Sales	Vice President	BE Production, 9 years	31	19-04-2021	2.83	WorkAmp Spaces Pvt Ltd - CEO
9	Mahesh Patil	Operation	Vice President	BE Mech, 24 years	50	23-08-2005	2.69	Mahindra Ugine Steel Company Ltd.
10	Krishna Bhardwaj	Marketing & Sales	Vice President	B.Com MBA, 15 years	42	03-01-2014	2.62	Diamond International Private limited

- Particulars of the employees in receipt of remuneration not less than ₹1.02 crores per annum. during the Financial Year 2024-25: **2**
- Employees employed for part of year and in receipt of remuneration of not less than ₹8.50 lakhs per month: **Nil**
- Employees employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. **Nil**
- Affirmation that employees mentioned above is related to any Director of the Company and if yes, name of the such Director or manager: Smeet Gala is the son of Kirit V.Gala.

For and on behalf of the Board
Gala Precision Engineering Limited

Sd/-
Kirit V. Gala
Chairman & Managing Director
DIN: 01540274

Sd/-
Balkishan S. Jalan
Whole-time Director
DIN: 02876873

Place : Thane
Date : May 27, 2025

Form AOC-I

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries															
Sr. No.	Name of the subsidiary	Reporting period	Currency	Exchange		Share	Reserves	Total		Investment Turnover	Profit Before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of Shareholding
				Rate				Assets	Liabilities						
1	Gala Springs LLP	31-Mar-25	INR	1.0000		2,610,000	-5,140,831	325,741	325,741	-	-2,590,136	-	-	-	92%

1. Names of Subsidiaries which are yet to commence operations - **NIL**2. Names of Subsidiaries which have been liquidated or sold during the year - **NIL**

3. Gala Precision Components (Shanghai) Private Limited is the stepdown Subsidiary of the Company.

Part "B": Associated and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Not Applicable1. Names of associates and joint ventures which are yet to commence operations - **NIL**2. Names of associates and joint ventures which have been liquidated or sold during the year - **NIL**

For and on behalf of the Board
Gala Precision Engineering Limited

Sd/-

Kirit V. Gala

Chairman & Managing Director

DIN: 01540274

Sd/-

Mr. Balkishan Jalan

Whole-time Director

DIN : 02876873

Place : Thane

Date : May 27, 2025

CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“the SEBI LODR Regulations/ “SEBI Listing Regulations”) is given below:

1. GPEL’S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance pertains to the system by which companies are directed and controlled ethically, keeping in mind the enhancement of long-term sustainable interests of stakeholders. It refers to blend of law, regulations, ethical and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting and balancing the interests of other stakeholders and the society at large.

It aims to align interests of the Company with its shareholders and other stakeholders. The incentive for companies and those who own and manage them, to adopt global governance standards, is that these standards will help them to achieve a long-term partnership with its stakeholders and achieve its corporate objectives efficiently. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility.

A good governance process provides transparency of corporate policies and the decision making process and also strengthens internal systems and helps in building good relationship with all stakeholders. We at Gala believe in being transparent and commit ourselves to adherence to good corporate governance practices at all times as we believe that good governance generates goodwill among business partners, customers and investors and helps the Company to grow.

Corporate Ethics

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

Code of Conduct for Board Members and Senior Management

The Code of Conduct highlights Corporate Governance as the cornerstone for sustained management performance, serving all the stakeholders instilling a spirit of ethical and proper conduct in those dealings. The Code is, inter alia, applicable to all directors and senior management executives. The Code impresses upon directors and senior management to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations. The Code is available on the Company’s website at: <https://www.galagroup.com/wp-content/uploads/2024/01/Code-of-Conduct-for-Directors-Senior-Management-Independent-Directors.pdf>

The Company has received a declaration of compliance with the Code of Conduct from Directors and Senior Management Personnel. The declaration by the Managing Director affirming compliance of the Board of Directors and Senior Management Personnel to the Code of Conduct is appended to this Report.

2. BOARD OF DIRECTORS

a) Composition of the Board, category:

The Board of the Company (the “Board”) comprised of 8 (Eight) Directors as on March 31, 2025 with an optimum combination of executive and non-executive directors, of which 4 (Four) are Independent Directors, 1 (One) Director being Non-executive Non-Independent Director, 2 (Two) whole-time Directors and 1 (One) is a Managing Director. Independent Directors of the Company are renowned professionals with specialization in their respective fields, having varied skills and expertise and not related to promoters of the Company.

The Company is in compliance of the SEBI LODR Regulations and the Companies Act 2013 (the “Act”).

The composition of the Board and other details as on March 31, 2025 are as below. Further, there are no Changes after the end of the year till the date this report.

[Kindly confirm the

Sr. No.	Name of the Director	DIN	Category	No. of Directorship in other Companies ^[1]	Position in outside Committees ^[2]	
					Chairperson	Member
1.	Kirit Vishanji Gala	01540274	Promoter, Chairman and Managing Director	2	0	0
2.	Balkishan Shyamsunder Jalan	02876873	Whole-time director	0	0	0
3.	Satish Dayaldas Kotwani	03154231	Whole-time director	0	0	0
4.	Rajendra Vallabhaji Gogri	00061003	Non-Executive Non- Independent Director	10	2	5
5.	Snehal Bhupendra Shah	00128595	Non-Executive Independent Director	0	0	0
6.	Varsha Rajaram Galvankar	00124603	Non-Executive Independent Director	1	0	0
7.	Neha Rajen Gada	01642373	Non-Executive Independent Director	10	1	9
8.	Sudhir Tokarshi Gosar	10460551	Non-Executive Independent Director	0	0	0

^[1] Including private companies or companies registered under section 8 of the Companies Act 2013 or alternate directorship, if any.

^[2] Represents Chairmanship / Membership of Audit Committees, Nomination and remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Finance and Investment Committee

Details of Directors who hold directorship in other listed Indian Companies as on March 31, 2025 are as under:

Name of the Director	Name of the other Listed Companies	Category of Directorship
Mr. Rajendra Vallabhaji Gogri	1. Aarti Industries Ltd	Executive Director, Managing Director, Chairperson related to Promoter
	2. Prince Pipes And Fittings Limited	Non-Executive - Independent Director
	3. Aarti Pharmalabs Limited	Non-Executive - Non Independent Director
Mrs. Neha Rajen Gada	1. Tamboli Industries Limited	Non-Executive - Independent Director
	2. Aarti Drugs Limited	Non-Executive - Independent Director
	3. Sejal Glass Limited	Non-Executive - Independent Director

None of the Directors on the Board are related to each other.

Further, none of the Independent Director of the Company have resigned during the year.

Details of shares held by non- executive Directors of the Company are as follows:

Sr. No.	Name of the Director	No. of shares held in the Company
1.	Mrs. Neha Rajen Gada	NIL
2.	Ms. Varsha Rajaram Galvankar	NIL
3.	Mr. Snehal Bhupendra Shah	30,000
4.	Mr. Sudhir Tokarshi Gosar	NIL
5.	Mr. Rajendra Vallabhaji Gogri	NIL

None of the non-executive Directors on the Board holds any convertible instruments of the Company

The Board is of the opinion that the independent directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management and also all the Independent Directors of the Company have confirmed and given declarations in this respect.

b) Board Meetings and attendance:

The Board of Directors met 8 (Eight) times in the financial year 2024-25 i.e. on the following dates and accordingly the agenda papers along with notes and other supporting were circulated in advance of the Board Meeting with sufficient information.

Sr. No.	Date of the Board Meeting
1.	June 12, 2024
2.	July 8, 2024
3.	August 1, 2024
4.	August 23, 2024
5.	September 5, 2024
6.	September 28, 2024
7.	November 14, 2024
8.	February 12, 2025

Directors' attendance in Board Meetings held during the Financial Year and at the last Annual General Meeting are as under:

Name of Directors	No. of Board Meetings		Attendance at Last Annual General Meeting
	Held	Attended	
Mr. Kirit Vishanji Gala	8	8	Yes
Mr. Balkishan Shyamsunder Jalan	8	8	Yes
Mr. Satish Dayaldas Kotwani	8	7	Yes
Mr. Rajendra Vallabhaji Gogri	8	7	Yes
Mr. Snehal Bhupendra Shah	8	8	Yes
Ms. Varsha Rajaram Galvankar	8	8	Yes
Mrs. Neha Rajen Gada	8	8	Yes
Mr. Sudhir Tokarshi Gosar	8	8	Yes

c) Familiarization Programme:

In compliance with the requirements of Regulation 25(7) of the SEBI LODR Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of the Familiarisation Programme imparted to Independent Directors are available on the Company's official website at <https://www.galagroup.com/wp-content/uploads/2024/10/Familiarization-Programme-Policy.pdf>

d) Matrix of expertise/ skill and competence of Directors:

The Company believes that a diverse skill set is required for effective contribution to the Board and its Committees and for arriving at balanced decisions. The below list summarizes the key skills, expertise and competencies that the Board thinks necessary for the proper functioning in the context of the Company's business and industry as against the Directors possessing the same:

Name of the Directors	Finance	Sales and marketing	Science and technology	Domain Industry	General Management	Legal, including laws related to corporate governance
Mr. Kirit Vishanji Gala	✓	✓	✓	✓	✓	□
Mr. Balkishan Shyamsunder Jalan	✓	✓	✓	✓	✓	✓
Mr. Satish Dayaldas Kotwani	□	✓	✓	✓	✓	✓
Mr. Rajendra Vallabhaji Gogri	✓	✓	✓	✓	✓	✓
Mr. Snehal Bhupendra Shah	✓	✓	✓	✓	✓	✓
Ms. Varsha Rajaram Galvankar	□	✓	□	✓	✓	✓
Mrs. Neha Rajen Gada	✓	✓	□	□	✓	✓
Mr Sudhir Gosar	✓	✓	✓	✓	✓	□

3. AUDIT COMMITTEE

As required under Section 177 of the Act and Regulation 18 read with Part C(A) of Schedule II of SEBI LODR Regulations, the Company has an Audit Committee comprising of 3 (Three) Directors, wherein Two-thirds of the members of the Audit Committee are the Independent Directors of the Company.

Further, the Audit Committee met Six times during the Financial year 2024-25 i.e. on June 12, 2024, August 23, 2024, September 5, 2024, September 28, 2024, November 14, 2024 and February 12, 2025 respectively.

The Composition of the Audit Committee and the attendance is as under:

Name of Member	Designation in the Committee	No. of Meetings	
		Held	Attended
Mr. Snehal Bhupendra Shah	Chairperson	6	6
Mrs. Neha Rajen Gada	Member	6	6
Mr. Balkishan Shyamsunder Jalan	Member	6	6

The Company Secretary of the Company, Ms. Pooja Ladha, acts as the Secretary to the Audit Committee.

Audit Committee meetings are generally attended by Mr. Giridhar Srinivasan, Chief Financial Officer, of the Company, Mr. Neeraj Gupta- AVP Finance & account, Mr. Saket Chitale, representatives from the firm of Internal Auditors, representatives from the firm of Statutory Auditor, and other executives as and when required. The Committee also invites senior executives, where it considers appropriate, to attend meetings of the Audit Committee.

The terms of reference of the Audit Committee are as mentioned in the Act and the SEBI LODR Regulations which include:

- 1) Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- 9) Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to related party transactions;

Explanation: The term "**Related Party Transactions**" shall have the same meaning as provided in Clause 2(ZC) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- 10) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- 11) Scrutiny of inter-corporate loans and investments;
- 12) Valuation of undertakings or assets of the Company, wherever it is necessary; Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.
- 13) Evaluation of internal financial controls and risk management systems;
- 14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 15) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 16) Discussion with internal auditors of any significant findings and follow up thereon;
- 17) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- 18) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 19) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- 20) To review the functioning of the whistle blower mechanism;
- 21) Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 22) Carrying out any other function as is mentioned in the terms of reference of the audit committee; and
- 23) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 24) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- 25) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 26) The Audit Committee shall review compliance with the provisions of the SEBI PIT Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
- 27) To consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders; and
- 28) Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/ or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

4. NOMINATION AND REMUNERATION COMMITTEE

As required under Section 178(1) of the Act and Regulation 19 read with Part D (A) of Schedule II of SEBI LODR Regulations, the Company has a Nomination and Remuneration Committee ("NRC") comprising of all the 3 (Three) Independent Directors of the Company.

The Company Secretary of the Company, Ms. Pooja Ladha, acts as the Secretary to the Nomination and Remuneration Committee.

Further, the NRC met thrice during the Financial Year 2024-25 i.e. on May 02, 2024, August 6, 2024 and March 10, 2025 respectively.

The Composition of the NRC and the attendance is as under:

Name of Member	Designation in the Committee	No. of Meetings	
		Held	Attended
Mrs. Varsha Rajaram Galvankar	Chairperson	3	3
Mr. Snehal Bhupendra Shah	Member	3	3
Mr. Rajendra V Gogri*	Member	3	2
Mr. Sudhir Gosar*	Member	3	1

* Mr. Sudhir Gosar was appointed as the member of the Committee and in turn Mr. Rajendra V Gogri vacated the position as the member of the Committee effective date being October 1, 2024, same for both of them.

Mr. Kirit V Gala, Chairman and Managing Director of the Company, being the permanent invitee of NRC generally attends all the meetings and he is also generally accompanied by Mr. Balkishan Jalan, Executive (Whole-time) Director of the Company to provide their valuable inputs and insights to the Committee in reference to Committees' roles and responsibilities.

The Committee is, inter alia, authorized for identifying persons who are qualified to become Directors and who may be appointed in Senior Management, formulating criteria for evaluating Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, granting of stock options to the

eligible employees of the Company, evaluating the balance of skills, knowledge and experience on the Board for the appointment of Independent Directors and recommending remuneration payable to senior management.

PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Each Independent Director's performance was evaluated as required by Schedule IV of the Act having regard to the following criteria of evaluation viz. (i) qualification, (ii) experience, (iii) availability and attendance, (iv) integrity, (v) commitment, (vi) governance, (vii) independence, (viii) communication, (ix) preparedness, (x) participation and (xi) value addition

REMUNERATION OF DIRECTORS

Details of remuneration paid to the Executive Directors and Non-Executive Directors of the Company during the Financial Year ended March 31, 2025 is as follows:

(Amt in Millions)

Sr. No.	Name of Directors	Salary and Perquisites	Sitting Fees
1.	Mr. Kirit Vishanji Gala	11.22	-
2.	Mr. Balkishan Shyamsunder Jalan	11.21	-
3.	Mr. Satish Dayaldas Kotwani	8.70	-
4.	Mr. Snehal Bhupendra Shah	-	0.41
5.	Ms. Varsha Rajaram Galvankar	-	0.39
6.	Mrs. Neha Rajen Gada	-	0.41
7.	Mr. Sudhir Tokarshi Gosar	-	0.37

The remuneration to Executive Directors includes Provident Fund, Superannuation Fund, perquisites, allowances etc. are in accordance with the Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees.

Performance linked incentives/bonus/variable pay is based on criteria including achievement of performance standards as per the remuneration policy or practice of the Company.

In addition to the payment of above remuneration, Mr. Balkishan Shyamsunder Jalan and Mr. Satish Dayaldas Kotwani, Whole-time Directors of the Company are also provided/ granted with stock options under the Gala Precision Engineering Limited Employee Stock Option Scheme 2024 ("ESOP 2024").

Apart from the above remuneration, there were no pecuniary relationships or transactions of non-executive Directors vis-à-vis with the Company during the year under review, except for payment of sitting fees as mentioned above.

In accordance with the provisions of Section 178(3) of the Act, policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees as recommended by the Nomination and Remuneration Committee and approved by the Board, which includes performance criteria for payment of remuneration, is available on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf>

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As per Section 178(5) of the Act and Regulation 20 read with Part D (B) of Schedule II of the SEBI LODR Regulations, the Company has a Stakeholders' Relationship Committee ("SRC") comprising of 3 (Three) Directors:

Further, the SRC met once during the Financial Year 2024-25 i.e. on March 5, 2025 with the attendance by all members of the Committee.

The Chairperson of the SRC is Mr. Rajendra Vallabhaji Gogri (Non-Executive) Director of the Company.

The Composition of the above Committee is as under:

Sr. No.	Name of Member	Designation in the Committee
1.	Mr. Rajendra Vallabhaji Gogri	Chairperson
2.	Mr. Balkishan Shyamsunder Jalan	Member
3.	Mrs. Neha Rajen Gada	Member

Ms. Pooja Ladha, Company Secretary has been appointed as Compliance Officer pursuant to the SEBI LODR Regulations and the designated e-mail for investor services, grievances and any correspondence relating to the Company is investor.relations@galagroup.com

Details of investor complaints received and resolved during the financial year 2024-25 are as under:

Particulars as to investor complaints	Count
No. of complaints pending as on April 01, 2024	NIL
No. of complaints received from April 01, 2024 to March 31, 2025	634
No. of complaints resolved	634
No. of complaints remaining unresolved as on March 31, 2025	NIL

6. SENIOR MANAGEMENT

According to the provisions of Regulation 16 (1) (d) of SEBI LODR Regulation 2015, as on March 31, 2025, the Senior Management Team of the Company is as follows:

Sr. No.	Name of the individual forming the part of the team	Designation
1.	Smeet Kirit Gala	Vice President – Marketing & Sales
2.	Giridhar Srinivasan	Chief Financial Officer
3.	Rajendra Deshpande	Chief Operating Officer
4.	Avadhut Panshikar	Chief Operating Officer
5.	Prasad Gore	Vice President – Information Technology
6.	Tukaram Behere	Vice President – Human Resource & Admin
7.	Agadh Chukewar	Vice President – Purchase & VD
8.	Gopal Bhat	Associate Vice President – NPD
9.	Rajesh Charjan	Vice President – Marketing & Sales
10.	Mahesh Patil	Vice President – Operation
11.	Sunilkumar Pathak	Associate Vice President – Operation
12.	Krishna Bhardwaj	Vice President – Marketing & Sales
13.	Nataraja B. K	Associate Vice President – Quality Assurance
14.	Ritesh Krishna	Associate Vice President – Marketing & Sales
15.	Neeraj Gupta	Associate Vice President – Finance & Accounts
16.	Mehul Tamakuwala	Associate Vice President- HR & OD
17.	Mukul Deshpande	Associate Vice President – Business Strategy
18.	Nambi Nka	Vice President – Operation Chennai Plant
19.	Kamlakar Tarmale	Associate Vice President – Operation
20.	Satrujit Batobyal	Associate Vice President – Marketing & Sales

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135(1) of the Act, the Company has a Corporate Social Responsibility (“CSR”) Committee comprising of:

Sr. No.	Name of Member	Designation in the Committee
1.	Mr. Kirit Vishanji Gala	Chairperson
2.	Ms. Varsha Rajaram Galvankar	Member
3.	Mr. Satish Dayaldas Kotwani	Member

Further, the CSR Committee met once during the Financial Year 2024-25 i.e. on March 21, 2025 with the attendance by all members of the Committee.

The Committee is inter alia; authorized to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred on the permissible activities, monitoring the CSR Policy from time to time and formulating and recommending to the Board, an annual action plan in pursuance of the CSR policy.

7. EXECUTIVE COMMITTEE

The Company in order to streamline operations and ensure greater efficiency in managing day-to-day business activities and for the benefit of the Company established an Executive Committee comprising of the following executives:

Sr. No.	Name of Member	Designation in the Committee
1.	Mr. Kirit Vishanji Gala	Chairperson
2.	Mr. Balkishan Shyamsunder Jalan	Member
3.	Mr. Satish Dayaldas Kotwani	Member

The terms of reference of the Executive Committee includes the following:

1. To open and operate Bank Accounts in the name of the Company;
2. To authorize changes in signatories for the Company's bank accounts;
3. To give instructions regarding the Company's banking transactions;
4. To give necessary instructions for the closure of Bank Accounts as and when required.
5. To operate Monitoring Accounts;
6. To issue, revalidate, and cancel Powers of Attorney as deemed necessary;
7. To authorize persons to act on behalf of the Company in relation to legal proceedings, before any government authorities/agencies, or in dealings with external parties;
8. To accept the terms and conditions for availing the said financial assistance from Banks / Financial Institutions;
9. To authorize the execution of relevant documents and affix the Common Seal of the Company, wherever required;
10. To request Banks or Financial Institutions for disbursement of funds;
11. To create security on the assets of the Company for availing the above-mentioned facilities;
12. To do all acts, deeds, and things as may be required or considered necessary or incidental in connection with the above powers and
13. Any other matters may be delegated by the Board from time to time.

8. OTHER COMMITTEES

In addition to the above referred committees, the Board has constituted committees of Directors to look into various business matters. These committees includes the Initial Public Offer (IPO) Committee.

Further, the IPO Committee met thrice during the Financial Year 2024-25 i.e. on August 21, 2024, August 30, 2024 and September 5, 2024 respectively.

The Composition of the IPO Committee and the attendance is as under:

Name of Member	Designation in the Committee	No. of Meetings	
		Held	Attended
Mr. Kirit Vishanji Gala	Chairperson	3	3
Mrs. Neha Rajen Gada	Member	3	3
Mr. Balkishan Shyamsunder Jalan	Member	3	3

9. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (AGM) are given here below:

Year	AGM	Date	Time	Venue/ Location	Special resolutions passed
2021-22	14 th	November 30, 2021	3:00 PM (IST)	A-59, Road No. 10, Wagle Industrial Estate, Thane - 400604	No special resolution passed in the AGM
2022-23	15 th	September 22, 2022	11:30 AM (IST)	A-59, Road No. 10, Wagle Industrial Estate, Thane - 400604	No special resolution passed in the AGM
2023-24	16 th	September 30, 2024	4:30 PM (IST)	Via Video Conferencing/ Other Audio Visual Means (The deemed venue of the AGM was the Registered Office of the Company)	No special resolution passed in the AGM

Resolutions passed through postal ballot: No Special resolution was passed through postal ballot during the Financial Year ended March 31, 2025. Further, there is no immediate proposal for passing any special resolution through postal ballot.

10. MEANS OF COMMUNICATION

Website: The Company's website <https://www.galagroup.com/> contains a separate dedicated "Investor Relation" section wherein shareholders information is available. Financial information, Annual reports, Policies, Industry Report, and Project Report are also available on the website of the Company.

Further, the quarterly, half-yearly and yearly results are submitted to BSE Limited and National Stock Exchange of India Limited as per Regulation 33 of SEBI LODR Regulations.

- Quarterly Results:** The Quarterly, half-yearly, and yearly financial results of the Company are intimated to the Stock Exchanges immediately after they are approved by the Board.
- Newspapers wherein results normally published:** Financial Express and Mumbai Navshakti.
- The financial results for all the relevant quarters are also posted on the Company's website at <https://www.galagroup.com/investor-relation/> under "Financial Information" tab.
- News Releases:** The Company has not made any official news releases during the FY 2024-25.
- Presentations made to institutional investors or to the analysts:** The presentations which are made are available on the Company's website at <https://www.galagroup.com/investor-relation/> under "Financial Information" tab.

The presentations on performance of the Company are placed on the Company's website and submitted to Stock Exchanges for the benefit of the institutional investors, analysts and other shareholders after the financial results are communicated to the Stock Exchanges. The Company also conducts calls/meetings with investors after declaration of quarterly financial results to brief them on the performance of the Company and audio recording and transcript of such calls/meetings are uploaded on the Company's website and Stock Exchanges.

Material developments related to the Company that are potentially price-sensitive in nature or that could impact continuity of publicly available information regarding the Company are disclosed to stock exchanges as per the Company's Policy for Determination of Materiality of events or Information which is available at <https://www.galagroup.com/wp-content/uploads/2024/10/Materiality-Policy.pdf>

The Company has a designated email id i.e. investor.relations@galagroup.com or investor servicing, and the same is prominently displayed on the Company's website.

11. GENERAL SHAREHOLDERS' INFORMATION

A	17th Annual General Meeting	
	Date and Time	July 15, 2025 3.30 p.m
	Venue	Through Video Conferencing / Other Audio-Visual Means (The deemed venue of the AGM shall be the Registered Office of the Company.)
B	Financial Year	April 01, 2024 to March 31, 2025
C	Listed on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001. National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051.
D	Listing Fees	The Listing Fees for the Financial Year 2024-25 have been paid to both the Stock Exchanges.

OTHER INFORMATION:

1. There is no proposal from the Board of Director of the Company in respect to declaration of dividend.
2. There was no suspension in the trading of the securities, hence there is nothing to disclose in the Directors' Report of the Company.

3. Registrar and Share Transfer Agent:

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) is the Registrar and Share Transfer Agent ('RTA') of the Company. The address for correspondence is as under:

MUFG Intime India Private Limited
(Formerly known as Link Intime India Private Limited)

C-101, 1st Floor, 247 Park,
 Lal Bahadur Shastri Marg,
 Vikhroli (West), Mumbai,
 Maharashtra, India, 400083.
 SEBI Registration No: INR000004058
 Contact Person: Shanti Gopalkrishnan
 Website: <https://in.mpms.mufg.com/>
 Telephone: +91 810 811 4949
 Helpdesk Email: RNT Helpdesk – rnt.helpdesk@in.mpms.mufg.com
 E-mail: galaprecision.ipo@linkintime.co.in

4. Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations as amended, Securities can be transferred only in dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Pursuant to SEBI Circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

All the share related activities including redressal of shareholders'/investors' grievances are being handled by the Company's RTA.

5. Distribution of Shareholding as on March 31, 2025:

Slab/ No. of equity shares	No. of shareholders	% of shareholders	No. of shares held	% of total share capital
1-500	24975	97.74	1115288	8.78
501-1000	269	1.05	199629	1.57
1001-5000	216	0.85	472068	3.72
5001-10000	28	0.11	203455	1.60
10001 and above	64	0.25	10707360	84.33
Total	25552	100.00	12697800	100.00

6. Dematerialization of equity shares and liquidity:

The Company's Equity Shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. As on March 31, 2025, 1,26,97,799 Equity Shares in Demat form which constitutes 99.99% of the total number of issued shares of the Company.

The Shareholder who is holding physical shares is requested to complete their KYC as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 if not completed till date.

7. Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required.

8. Outstanding GDR / ADR / Warrants / any convertible instruments: Not applicable except for convertible instruments in the form of ESOPs for which the information is available under the Disclosures on Employee Stock Option Plan forming the part of this annual report.**9. Plant Locations:**

We currently operate out of three manufacturing facilities. Two of these facilities, located in Wada, Palghar, Maharashtra, are fully operational and are equipped with capabilities to design, develop, and manufacture our product portfolio. We have also set up a third manufacturing facility at Vallam-Vadagal, SIPCOT, Sriperumbudur, Tamil Nadu, which is intended to enhance our capacity for high tensile fasteners and hex bolts. This unit was inaugurated on February 27, 2025, and is currently in the trial run phase, with commercial production yet to commence.

Set forth is brief description of our manufacturing facilities:

Manufacturing units	Address
DSS facility at Wada, Palghar, Maharashtra	Plot No. 302, Part 1 and 2, Musarne Village, Musarne Road, Post MET, Wada, Palghar, Maharashtra
CSS and SFS facility at Wada, Palghar, Maharashtra	Plot No. 295, Village Vadavli, Musarne Road, Post MET, Wada, Palghar, Maharashtra
High Tensile Fasteners & Hex Bolts at Tamil Nadu, Chennai	Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriperumbudur, Kancheepuram, Tamil Nadu

10. Address for correspondence

Gala Precision Engineering Limited
 A-801, 8th Floor, Thane One DIL Complex,
 Ghodbunder Road, Majiwade,
 Thane (west), Thane – 400610.
 Maharashtra, India.
 Telephone: +91 22-6930 9224
 Website: <https://www.galagroup.com/>
 E-mail: investor.relations@galagroup.com

Corporate and Investors contact: Ms. Pooja Ladha, Company Secretary and Compliance Officer, at the registered office of the Company.

11. List of Credit rating obtained during the financial year:

During the financial year, the Company has been affirmed / assigned with the credit rating from below listed credit rating agencies:

Name of Credit Rating Agency	Instrument	Rating
Crisil Rating Limited	Long Term (Bank loan Facility)	Crisil BBB+/Postive
Crisil Rating Limited	Short Term (Bank loan Facility)	Crisil A2

12. OTHER DISCLOSURES

None of the transactions with any of the related parties were in conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. Policy on dealing with related party transactions is posted on the website of the Company and can be accessed by following the link: <https://www.galagroup.com/wp-content/uploads/2024/01/RPT-policy.pdf>

- i. The Company has complied with all applicable provisions of the Listing Regulations and other SEBI Regulations wherever applicable. No penalties have been imposed or stricture issued by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years except the below:

Post the closure of Financial Year, the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) ("Stock Exchanges"), rejected the waiver application filed under Regulation 19 of SEBI LODR Regulations and imposed fine/ penalty for non-compliance in respect to the Composition of the Nomination & Remuneration Committee for the quarter ended September 2024 and December 2024.

The Company upon receipt of the communication from the Stock Exchanges paid the fine/ penalty upfront and intimated the same to both the stock exchange(s) respectively.

- ii. In accordance with the requirements of the Act and SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors and the preface of the Policy are:

- The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- "Whistle Blowing Policy" is for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
- The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

Whistle Blower Policy is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/Whistle-Blowing.pdf>.

- The Company confirms that no personnel have been denied access to the Audit Committee pursuant to the whistle blower mechanism.

- iii. The Company has complied with all the mandatory requirements of SEBI LODR Regulations, in respect of corporate governance. The following non-mandatory requirements as specified in Part E of Schedule II of SEBI LODR Regulations have been adopted by the Company:

- The Internal Auditors report directly to the Audit Committee
- The financial statements does not contain any qualification or modified opinion of the Auditor of the Company.

The Company's policy for determining 'Material' Subsidiaries' and policy on dealing with Related Party Transactions are available on the Company's website at: <https://www.galagroup.com/wp-content/uploads/2024/02/Policy-for-determining-materiality-subsiidiary-1-4.pdf>, and furthermore <https://www.galagroup.com/wp-content/uploads/2024/01/RPT-policy.pdf> respectively.

- iv. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required.
- v. There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.
- vi. The Company has obtained a certificate from Mr. Dharmesh M. Zaveri, Proprietor of D. M. Zaveri & Co, Practicing Company Secretary, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority.
- vii. In terms of the SEBI LODR Regulations, the Board of Directors confirm that during the year under review, it has accepted all recommendations received from its mandatory committees.
- viii. During Financial Year 2024-2025, the total fees paid by the Company and its subsidiaries, on a consolidated basis, to M/s. SCA and Associates, Chartered Accountants, and all entities in the network firm/network entity of M/s. SCA and Associates Chartered Accountants was ₹ 0.7 Millions per annum.
- ix. The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place a "policy against Sexual Harassment" of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. There was no complaint received from any employee during the Financial Year 2024-25 and hence no complaint is outstanding as on March 31, 2025 for redressing. The Company has the Internal Complaints Committee as required to be constituted by the Company has been duly constituted as per policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- x. Disclosures with respect to Demat suspense account/ unclaimed suspense account:

The Company has no unclaimed suspense account under Regulation 39 and Schedule VI of SEBI LODR Regulations and hence, there is nothing to disclose in this regard.
- xi. Disclosure of certain types of agreements binding listed entities:

There is nothing to disclose with respect to agreements under clause 5A of part A of para A of Schedule III of SEBI LODR Regulations.
- xii. During the year review, there is nothing to disclose with respect to loans and advances in the nature of loans to firms/companies in which Directors are interested.
- xiii. Details of subsidiary and step down subsidiary of the Company are given below:

Name of the Subsidiary and Step down subsidiary	Date of incorporation	Place of incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
Gala Springs LLP (Subsidiary)	August 5, 2016	India	Not Applicable	Not Applicable
Gala Precision Components Shanghai Limited	April 24, 2006	China	Not Applicable	Not Applicable

- xiv. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the SEBI LODR Regulations, during the year under review. The Compliance Certificate from Mr. Dharmesh M. Zaveri, Proprietor of D. M. Zaveri & Co, Practicing Company Secretary certifying compliance with the conditions of Corporate Governance is annexed to this Report.

13. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is available on the Company's website at the link: <https://www.galagroup.com/wp-content/uploads/2024/01/Code-of-Conduct-for-Directors-Senior-Management-Independent-Directors.pdf>. Further, a certificate from the Managing Director in this regard is annexed separately to this Report.

14. CFO CERTIFICATION

The Chief Financial Officer of the Company have submitted annual certification on financial reporting and internal controls and certification on Financial Results to the Board in terms of SEBI LODR Regulations. The said certificate is annexed and forms part of the Annual Report.

By order of the Board of Directors
For **GALA PRECISION ENGINEERING LIMITED**

Kirit Vishanji Gala

DIN: 01540274

Chairman and Managing Director

Place: Thane

Date : May 27, 2025

Registered Office:

A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade,
Thane (West), Thane - 400610. India

Tel: +91 022-69309224;

Email: investor.relations@galagroup.com;

Website: www.galagroup.com;

CIN: L29268MH2009PLC190522

ANNEXURE TO CORPORATE GOVERNANCE REPORT

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the financial year ended March 31, 2025. Place: Thane

For **GALA PRECISION ENGINEERING LIMITED**

Place: Thane

Date : May 27, 2025

Kirit Vishanji Gala

DIN: 01540274

Chairman and Managing Director

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial year ended 31st March 2025

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

To,
The Members,
Gala Precision Engineering Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gala Precision Engineering Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Gala Precision Engineering Limited'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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not relevant/ applicable during the year)
 - (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, 2021; (Not relevant/ applicable during the year)
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not relevant/ applicable during the year)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (vi) The Other applicable laws: As informed by the management, there are no other laws applicable specifically to the Company. I have also examined compliance with the applicable clauses to the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
 - (ii) The Listing Agreements entered into by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except that the Company has received the Notice from BSE Limited and the National Stock Exchange of India Limited regarding the non-composition of the Nomination and Remuneration Committee (NRC) in accordance with Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR), Regulations, 2015") for the quarter ended September 2024 and levied Standard Operating Procedure (SOP) fine of Rs.51,920 by each Stock Exchange and for the quarter ended December 2024 and levied SOP fine of Rs.2,360 by each Stock Exchange. As represented by Management, the Company has re-constituted the NRC effective from 1st October 2024 in compliance of the SEBI (LODR), Regulations, 2015 and filed a waiver application in respect to the SOP Fine levied, however the review committee of the respective stock exchange(s) has rejected the waiver application and directed to pay SOP fine levied and accordingly, the Company has paid the SOP fine for the quarters ended September 2024 and December 2024.*

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all the directors to schedule the Board Meeting, the agenda and detailed notes on agenda were sent at least seven days in advance or in compliance with the Act, and 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.

All decisions at Board Meetings and Committee Meetings carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

I further report that during the period under review;

1. Pursuant to Special resolutions passed at the Extra-General Meeting of the Company held on 6th August 2024, the consent of members was obtained for the following;
 - Approval for Gala Precision Engineering Employees Stock Option Plan 2024 and Grant of Employee Stock Options to the Employees of the Company";
 - Approval for grant of options to identified employee during any One year, exceeding 1 (One) percent of the issued share capital of the Company";
 - Approval for grant of options to identified employee during any One year, exceeding 1 (One) percent of the issued share capital of the Company".
2. The Board of Directors of the Company in their meeting held on 23rd August 2024 approved the Red Herring Prospectus in relation to the Initial Public Offer of the Equity Shares of the Company.
3. The Board of Directors of the Company in their meeting held on 5th September 2024 approved the prospectus in relation to the Initial Public Offer of the Equity Shares of the Company.
4. The Company has come out with an Initial Public Offer ("IPO") cum Offer for Sale ("OFS") and the shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on 9th September 2024.
5. The Company has obtained in-principle approval from BSE Limited and National Stock Exchange of India Limited in respect of Gala Precision Engineering Limited Employee Stock Option Scheme 2021 ("GALA ESOP 2021") and Gala Precision Engineering Limited Employee Stock Option Scheme 2021 ("GALA ESOP 2024").

6. Pursuant to Gala Precision Engineering Limited Employee Stock Option Scheme 2021 ("GALA ESOP 2021"), 27,800 Equity shares of face value of Rs.10 each for cash at exercise price of Rs.87.50 per share of the Company was allotted to the grantees who has exercised their vested options on 10th March 2025.

For D. M. Zaveri & Co.

Company Secretaries

Dharmesh Zaveri

(Proprietor)

FCS. No.: 5418

CP No.: 4363

Place : Mumbai

Date : May 27, 2025

ICSI UDIN: **F005418G000447057**

Peer Review Certificate No.: **1187/2021**

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

Annexure A

To,
The Members of
Gala Precision Engineering Limited
Our report of even date is to be read along with this letter.

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

For D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
(Proprietor)
FCS. No.: 5418
CP No.: 4363

Place : Mumbai
Date : May 27, 2025

ICSI UDIN: **F005418G000447057**
Peer Review Certificate No.: **1187/2021**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GALA PRECISION ENGINEERING LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **GALA PRECISION ENGINEERING LIMITED (Formerly known as GALA PRECISION ENGINEERING PRIVATE LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2025, and its profit(financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

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

Sr. No.	Key Audit Matter	Our Response
1	<p>Property, Plant & Equipment (Including Capex)</p> <ul style="list-style-type: none"> Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment. Further, technical complexities require management to assess and make estimates/ judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results. <p>Refer note 1 to Standalone financial statements</p>	<p>Principal Audit Procedures</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows;</p> <ol style="list-style-type: none"> We assessed company's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16. We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013. We have relied on physical verification conducted by management and management representations.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone 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 Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 Responsibility for the Audit of the standalone financial statements

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

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

- a) Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- d) 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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

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 the "Annexure A" - a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements;
- g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies

(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 32(j) to the Standalone Financial Statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d.
 - (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (b) As represented to us by the management and 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 or entity, 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; and
 - (c) Based on such 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 (a) and (b) above, contain any material misstatement.
- e. The Company has neither paid any dividend during the year nor declared the dividend for the year under audit.
- f. Based on our examination which included test checks, the company has used an accounting software (SAP) for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the audit trail feature has not been tampered with and has been preserved by the company as per the statutory requirements.

For SCA AND ASSOCIATES

Chartered Accountants
(Firm Regn. No. 101174W)

(Vasant M Gala)

Partner

Mem. No.: 037626

Mumbai, 27th May, 2025

UDIN:- 25037626BNJRKZ8560

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED

- i) a) **A)** The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-Use assets;
- B)** The company has maintained proper records showing full particulars of Intangible Assets and intangibles under development;
- b)** The Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification. All discrepancies have been properly dealt with in the books of accounts;
- c)** Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and where the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date except land and building pending to be endorsed in the name of “Gala Precision Engineering Limited” upon the conversion of the Company from a Private Limited Company to a Public Limited Company
- d)** The Company has not revalued any of its property, Plant and Equipment (including Right-of-Use assets) and intangible assets during the year.
- e)** As informed to us and as verified, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2025 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder
- ii) a) The inventory, except for goods in transit and stocks held with third parties, has been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. For stocks held with third parties at the year end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmation have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.
- b)** According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the returns or statements comprising stock statements, book debt statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the respective quarters except for the following;

Particulars	Jun-24	Sep-24	Dec-24	Mar-25
Current assets as per statement filed with Bank	1,067.90	1,146.25	1,301.62	1,419.08
Add: Reconciliation of Items not considered in the statement filed with bank				
Related party debtors & scrap debtors	2.33	(2.72)	(3.01)	(0.83)
Inventory in transit	(21.78)	(30.53)	(26.40)	(26.56)
Valuation difference	1.56	31.70	0.58	40.86
Balance as per financial statements	1,050.01	1,144.70	1,272.79	1,432.55

- iii) The Company has made investments in a subsidiary Company. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clauses (iii)(a),(c),(d),(e) and (f) of the order are not applicable.
- (b) In our opinion, the investment made in Subsidiary is ,prima facie, not prejudicial to the company's interest.
- iv) The Company has not granted any loan nor given any guarantee or security, during the year, covered by the provisions of Sections 185 of the Act. The Company has complied with the provision of Section 186 of the Act in respect of investment made in a subsidiary company (Refer Note 3 to the Standalone Financial Statements).
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1st July, 2017, these statutory dues has been subsumed into GST.
- a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2025 for a period of more than six months from the date they became payable.
- b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2025 on account of any dispute, are as follows:

Statute and nature of dues	Financial year to which the matter pertains	Forum where dispute is pending	Amount in Million
Income Tax Act, 1961	2011-12	CIT -Appeals	3.98
	2014-15	CIT -Appeals	5.27
	2015-16	CIT -Appeals	0.59
	2016-17	CIT -Appeals	1.17
	2017-18	CIT -Appeals	5.53
	2018-19	CIT -Appeals	11.43
	2020-21	CIT – Appeals	0.15

- viii) As informed to us and as verified, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix) a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) On an overall examination of the standalone 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) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f) As informed to us and on the basis of audit procedures, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.

- x) a)** In our opinion, moneys raised by way of initial public offer during the year, have been, prima facie, applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer through debt instruments. However, some portion of the amount raised which remain unutilised during the year, have been lying in monitoring account as on March 31, 2025. Also Refer Note 32(m) of the standalone financial statement.
- b)** The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x)(b) of Para 3 of the Order are not applicable to the Company.
- xi) a)** On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b)** To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c)** As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii)** The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii)** On the basis of our examination and according to the information and explanations given to us, we report that all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 32(f) as required by the applicable Indian Accounting standards.
- xiv) a)** In our opinion the Company has an internal audit system commensurate with the size and the nature of its business
- b)** We have considered the internal audit reports issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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 directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 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 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.
- b)** During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- c)** The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.
- d)** The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- xvii)** The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii)** There has been no resignation of the statutory auditors of the Company during the year.
- xix)** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

xxi) Since this is the report on the standalone financial statements, clause (xxi) of the order is not applicable.

For SCA AND ASSOCIATES

Chartered Accountants

(Firm Regn. No. 101174W)

(Vasant M Gala)

Partner

Mem. No.: 037626

Mumbai, 27th May, 2025

UDIN:- 25037626BNJRKZ8560

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED

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

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of **GALA PRECISION ENGINEERING LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal financial control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India (ICAI).

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone Financial Statements. 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 Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of internal financial controls with reference to Standalone 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 reference to Standalone Financial Statements

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone 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 Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For SCA AND ASSOCIATES

Chartered Accountants
(Firm Regn. No. 101174W)

(Vasant M Gala)

Partner

Mem. No.: 037626

Mumbai, 27th May, 2025

UDIN:- 25037626BNJRKZ8560

STANDALONE BALANCE SHEET AS AT 31 MARCH 2025

(Rupees in Million)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2 (a)	606.62	412.71
Right of use assets	2 (b)	40.75	45.24
Capital work-in-progress	2 (c)	66.41	32.33
Other intangible assets	2 (d)	189.47	185.98
Intangible assets under development	2 (e)	39.22	33.34
Financial assets;			
- Investments	3	-	0.05
- Other financial assets	4	56.59	11.12
Non-current tax assets (net)		13.35	7.07
Other non-current assets	5	43.13	15.67
Current Assets			
Inventories	6	723.88	576.50
Financial Assets;			
- Trade receivables	7	708.68	469.68
- Cash and cash equivalents	8	14.43	12.32
- Bank balances other than cash and cash equivalents	9	579.08	27.17
- Loans	10	2.97	1.22
- Others financial assets	4	25.70	17.77
Other current assets	5	88.23	37.39
Total assets		3,198.51	1,885.55
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	126.97	101.11
Other equity	12	2,437.41	942.70
Total equity		2,564.38	1,043.81
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	13	10.68	92.06
- Lease liabilities		7.37	11.43
Provisions	14	68.98	52.56
Deferred tax liabilities (Net)	15	4.83	9.28
Current Liabilities			
Financial liabilities			
- Borrowings	13	220.49	458.22
- Lease liabilities		4.06	3.45
- Trade payables			
(a) total outstanding dues of micro & small enterprises	16	7.77	3.28
(b) total outstanding dues otherthan micro & small enterprises	16	175.42	133.42

STANDALONE BALANCE SHEET AS AT 31 MARCH 2025

(Rupees in Million)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
- Other Financial liabilities	17	69.85	38.34
Other current liabilities	18	57.82	34.73
Provisions	14	6.86	4.97
Total liabilities		634.13	841.74
Total Equity and liabilities		3,198.51	1,885.55

Material accounting policies

1

Accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants
Firm Reg.No 101174W

Vasant M Gala**Partner**

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274"

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
I Income			
Revenue from operations	19	2,378.35	1,999.11
Other income	20	43.70	22.90
Total income		2,422.05	2,022.01
II Expenses			
Cost of materials consumed	21	1,047.12	878.84
Changes in inventories of Finished goods, Stock-in-trade and Work-in-progress	22	(58.13)	(72.83)
Employee benefits expense	23	288.78	238.36
Finance costs	24	38.02	61.40
Depreciation and amortisation expense	25	79.69	68.62
Other expenses	26	694.43	559.59
Total expenses		2,089.91	1,733.98
III Profit before exceptional items and tax		332.14	288.03
IV Add: Exceptional items	27	-	(37.78)
V Profit before tax and after exceptional items		332.14	250.25
VI Tax expense			
- Current tax		62.00	54.09
- Deferred tax		(3.65)	(28.42)
- Tax adjustments of earlier years		4.75	7.18
Total tax expense		63.10	32.85
VII Profit for the year		269.04	217.40
VIII Profit before tax and after exceptional items for the year from continuing operations		332.14	254.10
IX Tax expense of continuing operations		63.10	34.70
X Profit for the year from continuing operations		269.04	219.40
XI Profit/ (Loss) before tax for the year from discontinuing operations		-	(3.85)
XII Tax expense of discontinuing operations		-	1.85
XIII Profit for the year from discontinuing operations		-	(2.00)
XIV Profit for the year from continuing and discountinuing operations		269.04	217.40
XV Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of Defined benefit plans		(3.19)	0.67
Income tax relating to items that will not be reclassified to profit or loss		0.80	(0.17)
Total other comprehensive income for the year, net of tax		(2.39)	0.50
XVI Total comprehensive income for the year		266.65	217.90
XVII Earnings per equity share for continuing operations	31 (a) (i)		

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
Basic (in Rs.)		23.28	21.70
Diluted (in Rs.)		22.61	21.39
XVIII Earnings per equity share for discontinuing operations	31 (a) (ii)		
Basic (in Rs.)		-	(0.19)
Diluted (in Rs.)		-	(0.19)
XIX Earnings per equity share for continuing & discontinuing operations	31 (a) (iii)		
Basic (in Rs.)		23.28	21.50
Diluted (in Rs.)		22.61	21.19

Material accounting policies

1

Accompanying notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

Vasant M Gala**Partner**

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274"

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
A. Cash flow from operating activities :				
Net profit before tax		332.14		250.25
Adjustment for :				
Depreciation	79.69		68.62	
Unrealised exchange (gain) / loss	(13.71)		(7.88)	
Share in loss of LLP	2.38		2.35	
Finance Cost (including fair value change in financial instruments)	38.02		61.40	
Interest income	(25.26)		(6.00)	
Bad debts	2.09		42.18	
Provision for doubtful debts	1.51		2.09	
Loss / (Gain) on sale / disposal of fixed assets	(0.04)		2.59	
Fair value changes in financial assets	(0.16)	84.53	(0.15)	165.20
Operating profit/(loss) before working capital changes		416.67		415.45
Trade receivables	(228.88)		(139.07)	
Other financial assets	(0.75)		(15.79)	
Other non-current assets	(1.57)		(0.43)	
Other current assets	(50.84)		(5.17)	
Inventories	(147.38)		(75.24)	
Trade payable	46.49		54.70	
Provisions	15.12		6.05	
Other current financial liabilities	29.18		(20.40)	
Other liabilities	23.09	(315.55)	1.07	(194.29)
Cash enenerated from operations		101.12		221.16
Direct taxes paid		(73.03)		(57.48)
Net cash from operating activities		28.09		163.68
B. Cash flow from investing activities				
Purchase of Property, Plant & Equipment	(272.95)		(107.46)	
Capital work in progress and capital advance	(65.85)		(29.53)	
Proceeds from sale of fixed fssets	0.36		1.58	
Loans (financial assets) given	(1.76)		-	
Loans (financial assets) received	-		4.92	
Deposits / Balances with banks placed	(596.91)		-	
Deposits / Balances with banks matured	-		87.52	
Interest income	17.78		5.89	
Net cash used in investing activities		(919.33)		(37.08)
C. Cash flow from financing activities				
Proceeds from issue of shares	1,355.83			
(Repayments) / proceeds from working capital facilities (Net)	(186.92)		61.52	
(Repayments) of term loans	(131.48)		-	
Proceeds from Term Loans	-		3.50	
Repayment of unsecured loan	-		(78.51)	
Repayment of inter-corporate deposit	-		(22.50)	
Payment of lease liabilities	(4.79)		(2.91)	

STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
Initial public offer expenses	(101.91)		(18.33)	
Interest paid	(37.39)		(59.46)	
Net cash from financing activities		893.35		(116.68)
Net increase/(decrease) in cash and cash equivalents		2.11		9.92
Cash and cash equivalents as at beginning of the financial year		12.32		2.40
- Cash and cash equivalents		12.32		2.40
Cash and cash equivalents as at end of the financial year		14.43		12.32
- Cash and cash equivalents		14.43		12.32
Note to Cash flow statement:				
1. The above Cash flow statement has been prepared under the Indirect method.				
2. Reconciliation of Financing Liabilities				
Opening balance				
- Long Term Borrowings		92.06		204.99
- Current borrowings		404.38		342.86
- Current maturities of long term debt		52.86		37.43
- Interest accrued on debt		0.98		0.70
- Lease Liabilities		14.88		17.78
Total - A		565.16		603.76
a) Cash flow movements				
- Proceeds from borrowings		-		65.02
- Repayment of borrowings		(318.41)		(101.01)
- Payment of Lease Liabilities		(4.79)		(2.91)
- Change in Accrued Interest		0.65		0.30
Total - B		(322.55)		(38.60)
Closing Balance (A+B)		242.61		565.16
Closing Balance Break Up				
- Long Term Borrowings		10.68		92.06
- Current borrowings		217.46		404.38
- Current maturities of long term debt		2.75		52.86
- Interest accrued on debt		0.28		0.98
- Lease liabilities		11.44		14.88

This is the Cash Flow statement referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

Vasant M. Gala**Partner**

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Equity share capital	As at 31 March 2025	As at 31 March 2024
Authorised share capital	180.00	180.00
Issued share capital	126.97	101.11
Subscribed share capital	126.97	101.11
Fully paid-up share capital	126.97	101.11
Balance at the beginning of the year	101.11	25.28
Changes in equity share capital due to prior period errors	-	-
Balance as at the beginning of the year	101.11	25.28
Changes in equity share capital during the year		
Shares issued through Initial public offer ('IPO')	25.58	-
Shares issued through ESOP 2021	0.28	-
Bonus shares issued during the year	-	75.84
Balance at the end of the reporting year	126.97	101.11

Other equity	Reserves and Surplus				Total
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	
Balance as at 01st April 2023	337.24	15.00	465.72	1.00	818.97
Profit for the year ending 31st March 2024	-	-	217.40	-	217.40
Other comprehensive income for the year ending 31st March 2024	-	-	-	0.50	0.50
Issue of bonus shares	(60.84)	(15.00)	-	-	(75.84)
Less: Share issue expenses on IPO			(18.33)	-	(18.33)
Total comprehensive income for the year	(60.84)	(15.00)	199.07	0.50	123.73
Balance as at 31st March 2024	276.40	-	664.79	1.50	942.70
Profit for the year ending 31st March 2025	-	-	269.04	-	269.04
Other comprehensive income for the year ending 31st March 2025	-	-	-	(2.39)	(2.39)
Total comprehensive income for the year	-	-	269.04	(2.39)	266.65
	276.40	-	933.82	(0.88)	1,209.35
Add: Premium arising on issue of equity shares through IPO	1,327.82	-	-	-	1,327.82
Add: Premium arising on issue of equity shares through ESOP	2.15	-	-	-	2.15
Less: Share issue expenses on IPO	-	-	(101.91)	-	(101.91)
Balance as at 31st March 2025	1,606.37	-	831.91	(0.88)	2,437.41

Accompanying Notes are an integral part of these Financial Statements

This is the Statement of changes in equity referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

Vasant M Gala
Partner

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala

Chairman and Managing Director

DIN : 01540274"

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Note 1 : Material accounting policies

A) General Information

Gala Precision Engineering Limited (the 'Company')(formerly known as Gala Precision Engineering Private Limited) is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane. The Company is engaged in the manufacturing and selling of Springs, Parts, Fasteners and Assemblies with its manufacturing facilities located at Plot No. 295, Village Vadavali at Post Met, Musarne Road, Bhiwandi - Wada Highway, Taluka Wada, Palghar, Maharashtra and Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriprumbudur, Kancheepuram, Tamil Nadu, 602105, India

The Company has been converted from Private Limited Company to a Public Limited Company pursuant to resolution of shareholders passed at the Extra Ordinary General Meeting dated October 03,2023. A fresh certificate of incorporation with the name "GALA PRECISION ENGINEERING LIMITED" was issued by the Registrar of Companies (ROC) on October 25, 2023. The Company's equity shares were listed on the National Stock Exchange ('NSE') and on the BSE Limited ("BSE") on September 9, 2024

B) Basis of preparation and presentation of financial statements

Statement of Compliance

These Separate Financial Statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Relevant Rules of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

"The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy.

The Financial Statement are presented in INR and all values are rounded off to Rupees Million unless otherwise stated.

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Financial Statements of the Company for the year ended 31st March, 2025 were authorised for issue in accordance with a resolution of the directors on 27th May, 2025

Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, plant & equipment:

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes,

manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

Impairment of Non-financial assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of financial assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date

Defined Benefit Plans:

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company concludes that no changes are required to lease period relating to the existing lease contracts.

Allowance for credit losses on receivables:

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic

conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C) Summary of Material accounting policies:

Property, plant and equipment

The Company has elected to continue with the carrying value of Property, plant and equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets is provided on straight line basis. Given below are the estimated useful lives for each class of property, plant and equipment:

Particulars	Useful Life
Buildings	
Factory Building	30 Years
Plant and equipment	15 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years
Spares, tools and equipments	5 Years
Electrical installation	10 Years
Other Assets	
Dies & Moulds	5 Years
Borewell	10 Years
Development cost	10 Years
Lean Improvement	7 Years
Computer Software	6 Years
Leasehold Land	99 Years
Leasehold Building	5 Years

Intangible assets

The Company has elected to continue with the carrying value of Intangible assets recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Development cost represents expenditure incurred in relation to development of disc springs, Coil spring & Fastening solutions and related process and is amortised over a period of 10 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Lean Improvement represents expenditure incurred in relation to improvisation of business processes and is amortised over a period of 7 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

Inventories

Inventories consisting of stores and spares, raw materials, Work in progress, Stock in Trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for Inventory of Raw Material and stores and spares which are on daily moving Weighted Average Cost basis

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

Lease

Where the Company is a lessee-

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option

Government grants

The grant relating to export benefits is presented under other income on a systematic basis in the profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate

Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Revenue recognition and other income

The Company derives revenues primarily from sale of goods comprising springs, parts, fasteners, and assemblies.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of prompt payment discounts and schemes offered by the company as part of the contract with the customers. The Company recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition :

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

Employee Benefits

Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefits

The Company provides the following post-employment benefits:

- i) Defined benefit plans such as gratuity and
- ii) Defined Contribution plans such as provident fund

Defined benefits plans

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Defined contribution plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

Income taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

Financial Instruments

a) Financial assets

Investments in subsidiaries

Investments in subsidiaries are carried at cost

Financial assets other than investment in subsidiaries

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, advances to employees, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Security Deposits, Rent deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

Financial assets at fair value through profit or loss ('FVTPL')

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss

Derecognition

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and
- ECL is measured through a loss allowance on a following basis:-
- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
 - Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

b) Financial Liabilities

The Company's financial liabilities includes borrowings, trade payable, lease liabilities, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining an asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Share based Payments**Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment

D) Recent pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025 MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 2 (a) Property, plant & equipment

(Rupees in Million)

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Spares, tools and equipments	Electrical installation	Other assets	Total
Gross Block											
At cost as at 01 April 2023	8.69	92.30	300.96	27.59	11.05	5.78	6.49	3.14	10.81	34.37	501.18
Additions	-	4.25	49.40	3.13	5.74	0.86	1.62	1.06	1.53	6.33	73.92
Disposals /adjustments	-	-	(2.20)	-	-	-	(0.11)	-	-	-	(2.31)
At cost as at 31 March 2024	8.69	96.55	348.16	30.72	16.79	6.64	8.00	4.20	12.34	40.70	572.79
Additions	-	80.81	92.67	6.86	5.23	2.24	5.31	4.20	23.60	18.23	239.15
Disposals /adjustments	-	-	(0.04)	-	(0.19)	-	(0.13)	(0.00)	-	-	(0.36)
At cost as at 31 March 2025	8.69	177.36	440.79	37.58	21.83	8.88	13.18	8.40	35.94	58.93	811.58
Depreciation Block											
Accumulated depreciation / amortisation as at 01 April 2023	-	9.81	61.07	11.62	3.20	2.85	3.70	1.79	3.89	21.82	119.75
Depreciation / Amortisation for the year	-	3.32	23.40	3.58	1.63	0.87	1.37	0.46	1.44	4.98	40.13
Disposals /adjustments	-	-	(0.65)	-	-	-	(0.08)	-	-	-	(0.73)
Accumulated depreciation / Amortisation as at the 31 March 2024	-	13.13	83.82	15.20	4.83	3.72	4.99	2.25	5.33	26.80	160.07
Depreciation / Amortisation for the year	-	3.43	25.75	4.01	2.26	0.87	2.00	0.70	1.63	4.28	44.93
Disposals /adjustments	-	-	-	-	(0.03)	-	(0.01)	-	-	-	(0.04)
Accumulated depreciation / Amortisation as at the 31 March 2025	-	16.56	109.57	19.21	7.05	4.59	6.98	2.95	6.96	31.08	204.96
Net Block											
As at 31 March 2024	8.69	83.43	264.34	15.53	11.96	2.92	3.00	1.95	7.00	13.90	412.71
As at 31 March 2025	8.69	160.80	331.22	18.37	14.77	4.29	6.20	5.45	28.98	27.85	606.62

1. The Company has been converted from Private Limited Company to a Public Limited Company on October 3, 2023. The Company is in the process of getting the title deeds endorsed in the name of "Gala Precision Engineering Limited" from "Gala Precision Engineering Pvt Limited" for all the land and buildings.

2. Other Assets includes Dies, Moulds and Borewell

3. During the year, the company has capitalised borrowing cost Rs. 1.93 Million (P.Y. Rs. 1.85 Million) to the cost of capital work in progress

Note 2 (b) : Right of use asset

(Rupees in Million)

Particulars	Land	Building	Total
Gross Block			
Carrying value as at 01 April 2023	29.02	22.11	51.13
Additions	-	0.05	0.05
Disposals / adjustments	-	-	-
Carrying value as at 31st March 2024	29.02	22.16	51.18
Additions	-	-	-
Disposals / adjustments	-	-	-
Carrying value as at 31st March 2025	29.02	22.16	51.18
Depreciation Block			
Accumulated depreciation / Amortisation as at 01 April 2023	0.33	1.13	1.46
Depreciation / Amortisation for the year	0.28	4.21	4.48
Disposals	-	-	-
Accumulated depreciation / Amortisation as at 31st March 2024	0.61	5.34	5.94
Depreciation / Amortisation for the year	0.27	4.21	4.48
Disposals	-	-	-
Accumulated depreciation / Amortisation as at 31st March 2025	0.88	9.55	10.43
Net Block			
As at 31st March 2024	28.41	16.82	45.24
As at 31st March 2025	28.14	12.61	40.75

Note 2 (c). Capital Work-in-Progress

Particulars	Buildings	Plant and equipment	Total
At cost as at 01 April 2023	3.36	9.14	12.50
Additions	27.20	4.74	31.94
Capitalised during the year	(3.05)	(9.06)	(12.11)
At cost as at 31 March 2024	27.51	4.82	32.33
Additions	24.28	31.77	56.05
Capitalised during the year	(20.30)	(1.67)	(21.97)
At cost as at 31st March 2025	31.49	34.92	66.41

CWIP aging schedule

(Rupees in Million)

CWIP	Amount in CWIP for a period of					As at 31 March 2025
	Less than 6 months	6 months - 1 years	1 - 2 Years	2 - 3 Years	More than 3 years	
Tangible assets:						
Projects in progress	52.90	5.38	4.97	2.70	0.46	66.41
Intangible assets:						
Projects in progress	39.22	-	-	-	-	39.22
Total	92.12	5.38	4.97	2.70	0.46	105.63

CWIP aging schedule

(Rupees in Million)

CWIP	Amount in CWIP for a period of					As at 31 March 2024
	Less than 6 months	6 months - 1 years	1-2 Years	2 - 3 Years	More than 3 years	
Tangible assets:						
Projects in progress	25.55	6.01	0.31	-	0.46	32.33
Intangible assets:						
Projects in progress	33.34	-	-	-	-	33.34
Total	58.89	6.01	0.31	-	0.46	65.67

- i. During the year, the company has capitalised the following expenses of revenue nature to Development Cost

Particulars	31-Mar-25	31-Mar-24
Raw material	0.26	3.19
Personnel costs	21.65	17.73
Process costs	3.97	4.40
Testing costs	0.48	0.86
Job-work cost	3.68	4.96
Technical fees and other expenses	3.29	3.41
Total	33.34	34.55

- ii. The Company does not have any capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Note 2 (d) Intangibles

(Rupees in Million)

Particulars	Development cost	Lean improvement	Computer software	Total
Gross Block				
At cost as at 01 April 2023	214.15	15.00	5.90	205.09
Additions	34.55	-	0.07	34.62
Disposals /adjustments	-	(1.56)	(0.71)	(2.27)
At cost as at 31 March 2024	248.70	13.44	5.26	267.40
Additions	33.34	-	1.17	34.51
Disposals /adjustments	-	-	(0.03)	(0.03)
At cost as at 31 March 2025	282.04	13.44	6.40	301.88
Depreciation Block				
Accumulated depreciation / amortisation as at 01 April 2023	49.68	6.43	2.14	58.25
Depreciation / Amortisation for the year	21.35	2.01	0.82	24.19
Disposals /adjustments	-	(0.65)	(0.37)	(1.02)
Accumulated depreciation / Amortisation as at the 31 March 2024	71.03	7.80	2.59	81.42
Depreciation / Amortisation for the year	28.35	1.88	0.76	30.99
Disposals /adjustments	-	-	-	-
Accumulated depreciation / Amortisation as at the 31 March 2025	99.38	9.68	3.35	112.41
Net Block				
As at 31 March 2024	177.66	5.64	2.67	185.98
As at 31 March 2025	182.66	3.76	3.05	189.47

Note 2 (e) Capital Work-in-Progress

Particulars	Intangible Assets
At cost as at 01 April 2023	34.55
Additions	33.34
Capitalised during the year	(34.55)
At cost as at 31 March 2024	33.34
Additions	39.22
Capitalised during the year	(33.34)
At cost as at 31st March 2025	39.22

Note 3
Investments
(Rupees in Million)

Particulars		As at 31 March 2025	As at 31 March 2024
Unquoted - Investment in subsidiaries (At cost)			
Gala Springs LLP *	Subsidiary	-	0.05
Total		-	0.05
Aggregate value of unquoted investment		-	0.05

*Value of unquoted investment in subsidiary are fully eroded due to loss in Limited Liability Partnership

(a) Details of investments in limited liability partnership

Name of the Limited Liability Partnership and their partners	Share of profit		Total capital	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Gala Springs LLP				
Gala Precision Engineering Limited	92%	92%	2.40	1.15
Smeet Kirit Gala	8%	8%	0.21	0.10
Total	100%	100%	2.61	1.25

Note 4
Other financial assets
(Rupees in Million)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
At amortised cost				
Bank deposits with more than 12 months maturity	45.00	-	-	-
Others;				
Security deposits	8.42	8.12	2.14	2.00
Deposits - Rent	3.17	3.00	0.24	0.24
Interest accrued on loans and deposits	-	-	8.28	0.80
Export benefits receivable	-	-	12.18	8.51
Others	-	-	2.86	2.94
At FVTPL				
Forward exchange contracts			-	3.28
Total	56.59	11.12	25.70	17.77

Note 5
Other assets
(Rupees in Million)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Capital advances	40.52	14.63	-	-
Advances other than capital advances;				
Considered good	-	-	13.63	20.94
Considered doubtful	-	-	0.20	0.20
Less: Provision for doubtful advances	-	-	(0.20)	(0.20)
Sub Total	40.52	14.63	13.63	20.94

Other assets

(Rupees in Million)

Particulars	Non-current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Balance with statutory authorities	-	-	67.56	11.17
Prepaid expenses	2.61	1.04	7.04	5.29
Sub total	2.61	1.04	74.60	16.45
Total	43.13	15.67	88.23	37.39

Note 6**Inventories**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
(Valued at lower of cost and Net realisable value)		
Raw materials	275.52	201.23
Work-in-progress	219.65	147.85
Finished goods	175.76	189.43
Stores and spares	52.95	37.99
Total	723.88	576.50

Note 7**Trade Receivables**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Unsecured, considered good	708.68	469.68
Trade receivables - credit impaired	3.60	2.09
Less: Provision for expected credit loss	(3.60)	(2.09)
Total	708.68	469.68

Note: The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade receivables ageing schedule

(Rupees in Million)

Particulars	Ageing						As at 31 March 2025
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables - considered good	461.49	239.11	2.33	4.96	0.76	0.03	708.68
Disputed Trade receivables - credit impaired			0.37	0.97	0.72	1.54	3.60

Trade receivables ageing schedule

(Rupees in Million)

Particulars	Ageing						As at 31 March 2024
	Not due	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables - considered good	273.15	186.28	7.42	1.16	0.96	0.70	469.68
Disputed Trade receivables - credit impaired	-	-	0.71	0.52	0.46	0.40	2.09

Note 8
Cash and cash equivalents
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with Banks (of the nature of cash and cash equivalents)*	13.95	11.59
Cash on hand	0.48	0.73
Total	14.43	12.32

* includes an amount of Rs. 9.66 Million (March 31, 2024 Rs. Nil) held with HDFC bank (public offer account) as the IPO public issue account

Note 9
Bank balances other than Cash and cash equivalents
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Margin money deposits*	28.34	26.70
Deposits with original maturity of more than 3 months but less than 12 months	550.00	-
Current account held at a foreign branch	0.74	0.47
Total	579.08	27.17

* Margin money deposits with banks are lien marked.

Note 10
Loans (Unsecured, considered good)
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans and Advances to employees	2.97	1.22
Total	2.97	1.22

Note 11: Equity Share Capital
(Rupees in Million)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorised share capital	18,000,000	180.00	18,000,000	110.00
Issued share capital	12,697,800	126.97	10,111,584	101.11
Subscribed share capital	12,697,800	126.97	10,111,584	101.11
Fully paid-up share capital	12,697,800	126.97	10,111,584	101.11
Balance at the beginning of the year	10,111,584	101.11	2,527,896	25.27
Changes in equity share capital during the year:				
Shares issued through Initial Public Offer ('IPO')	2,558,416	25.58	-	-
Shares issued through ESOP 2021	27,800	0.28	-	-
Bonus shares issued during the period	-	-	7,583,688	75.84
Issued and subscribed share capital	12,697,800	126.97	10,111,584	101.11

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The company has equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 11: Equity Share Capital

Shares in the Company held by each shareholder holding more than five percent shares	As at 31 March 2025		As at 31 March 2024	
	No.	%	No.	%
- Kirit Vishanji Gala	2,791,518	21.98	2,791,488	27.61
- Vishanji Harshi Gala	-	-	540,800	5.35
- Rumie Kirit Gala	1,249,488	9.84	1,303,888	12.89
- Taramati V Gala	1,197,200	9.43	1,041,600	10.30
- Pooja Unichem LLP	660,000	5.20	660,000	6.53
- Smeet Kirit Gala	589,144	4.64	589,144	5.83

Particulars of promoter & promoter group holding	As at 31 March 2025			As at 31 March 2024		
	Number	% of total shares in the class	% Change during the year	Number	% of total shares in the class	% Change during the year
Equity shares of Rs. 10 each, fully paid-up held by-						
- Kirit Vishanji Gala	2,791,518	21.98	0.00%	2,791,488	27.61	22%
- Vishanji Harshi Gala	-	-	-100%	540,800	5.35	-65%
- Rumie Kirit Gala	1,249,488	9.84	-4%	1,303,888	12.89	5%
- Taramati V Gala	1,197,200	9.43	15%	1,041,600	10.30	0%
- Vishanji Harshi Gala(HUF)	-	-	-100%	54,400	0.54	-75%
- Kirit Vishanji Gala(HUF)	134,400	1.06	-37%	213,600	2.11	0%
- Nayna Gala	204,400	1.61	-20%	254,400	2.52	27%
- Alpa Kiran Chheda	254,400	2.00	0%	254,400	2.52	27%
- Vaibhavi Gala	254,400	2.00	27%	200,000	1.98	0%
- Rajiv and Anupa Ashar Family Trust	107,200	0.84	0%	107,200	1.06	0%
- Saloni Kirit Gala	143,544	1.13	61%	89,144	0.88	0%
- Smeet Kirit Gala	589,144	4.64	0%	589,144	5.83	561%
- Madhu Ashar	84,000	0.66	0%	84,000	0.83	0%
- Manisha Ashar	14,800	0.12	0%	14,800	0.15	1750%

Note on bonus of shares

The Board of Directors of the Company, at its meeting held on 17th August, 2023 had approved reclassification of authorized share capital of ₹18,00,00,000/- divided into ₹11,00,00,000/- comprising of 1,10,00,000 Equity shares of ₹10/- each and ₹7,00,00,000/- comprising of 70,00,000 Preference shares of Rs.10/- each to ₹18,00,00,000/- divided into 1,80,00,000 Equity Shares of ₹10/-, which was approved by the shareholders by means of a special resolution dated September 5, 2023.

Post reclassification of the existing authorised share capital of the company, the Board of Directors at its meeting held on 17th August, 2023 had approved the bonus issue of three new equity share for every one share held on record date, which was approved by the shareholders by means of an Special resolution dated 5th September, 2023. The record date for the bonus issue is 27th September, 2023. The sum of ₹ 75.37 Million by capitalisation of profits transferred from security premium amounting to ₹ 60.73 Million and capital reserve amounting to ₹ 15 Million. The company had allotted 75,83,688 equity shares of ₹ 10 each by way of bonus issue to its shareholders in ratio of 3:1 effective 27th September, 2023.

Note 12: Other equity
a. Other equity
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	1,606.37	276.40
Retained earnings	831.93	664.80
Remeasurements of defined benefit plans	(0.89)	1.50
Total	2,437.41	942.71

b. Movements in other equity
(Rupees in Million)

Particulars	Reserves and Surplus				Total
	Securities premium	Capital redemption reserve	Retained earnings	Remeasurements of Defined Benefit Plans	
Balance as at 01 April 2023	337.24	15.00	465.73	1.00	818.97
Profit for the year ending 31 March 2024	-	-	217.40	-	217.40
Other comprehensive income for the year ending 31 March 2024	-	-	-	0.50	0.50
Issue of bonus shares	(60.84)	(15.00)	-	-	(75.84)
Initial public offer expenses	-	-	(18.33)	-	(18.33)
Total comprehensive income for the year	(60.84)	(15.00)	199.07	0.50	123.73
Balance as at 31 March 2024	276.40	-	664.80	1.50	942.70
Profit for the year ending 31 March 2025	-	-	269.04	-	269.04
Other comprehensive income for the year ending 31 March 2025	-	-	-	(2.39)	(2.39)
Total comprehensive income for the year	-	-	269.04	(2.39)	266.65
	276.40	-	933.84	(0.89)	1,209.35
Transfer to General reserve	-	-	-	-	-
Add: Premium arising on issue of equity shares through IPO	1,327.82	-	-	-	1,327.82
Add: Premium arising on issue of equity shares through ESOP	2.15	-	-	-	2.15
Initial public offer expenses	-	-	(101.91)	-	(101.91)
Balance as at 31 March 2025	1,606.37	-	831.93	(0.89)	2,437.41

Nature and purpose of each component of equity	Nature and Purpose
i. Securities premium	Amounts received in excess of par value on issue of shares is classified as securities premium
ii. Capital redemption reserve	Capital Redemption Reserve represents statutory reserve created upon buyback of Preference shares in the earlier years.
iii. Retained earnings	Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders
iv. Remeasurements of defined benefit plans	Gains / Losses arising on Remeasurements of defined benefit plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

Note 13**Borrowings**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
<u>Secured</u>		
Term loans;		
- from Banks	10.68	92.06
Sub total	10.68	92.06
<u>Current</u>		
<u>Secured</u>		
Current maturities of long-term debt	2.75	52.86
Interest accrued and due on term loan	0.28	0.98
Loans repayable on demand		
- from banks	217.46	404.38
Sub total	220.49	458.22
Total	231.17	550.28

A.	Nature of Borrowings	Interest Rate and terms of repayments
	Term loans	
	- From HDFC Bank Ltd. (secured)	
	The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 10.84% per annum (Previous year 9.70%). The loan was repayable in 75 monthly (Including moratorium) installments from the 7 Jun 2022. The loan was repaid on 10th October, 2024.
	- From Yes Bank Ltd. (secured)	
	The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 9.75% per annum. (Previous Year 9.75% per annum). The loan was repayable in 84 monthly installments from the 5 Jul 2019. The loan was repaid on 10th October, 2024.
	Emergency Credit Line Gurantee Scheme	
	- From HDFC Bank Ltd. (secured)	
	The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 9.25% per annum. (Previous Year 9.25% per annum). The loan was repayable in 48 monthly after one year of moratorium i.e. 1 Oct 2021. The loan was repaid on 19th September, 2024.
	- From Yes Bank Ltd. (secured)	
	The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 8.44% to 9.44% per annum (Previous year 8.64% to 9.25%). The loan was repayable in 48 monthly after one year of moratorium i.e. 1 Nov 2021. The loan was repaid on 27th September, 2024
	Vehicle finance loan (secured)	
	The loans are secured against hypothecation of related vehicles taken under the loans.	The loan carries rate of interest of 7.40% to 9.30% per annum (Previous year 8.64% to 10.50%) . The loans are repayable in equated monthly installments, from the month subsequent to disbursement of the loan.

A.	Nature of Borrowings	Interest Rate and terms of repayments
	Cash credit and overdraft facilities from HDFC Bank Ltd. and Yes Bank Ltd. are secured by pari passu charge by way of hypothecation of inventories of raw materials and finished goods and book debts, both present and future.	Cash credit and overdraft facilities from HDFC Bank Ltd. carries rate of interest of 4.40% to 10.50% per annum [previous year: 8.25% to 10.50%] and Yes Bank Ltd. carries rate of interest of 4.50% to 9.50% per annum [previous year: 8.90% to 10.50% per annum], computed on a monthly basis on the actual amount utilised, and are repayable on demand.

- B. (i) The Quarterly returns/statements of current assets filed by the Company for the year ended 31st March, 2025 with the Yes Bank/HDFC Bank are in agreement with the books of accounts except for the following;

(Rupees in Million)

Particulars	Jun-24	Sep-24	Dec-24	Mar-25
Current assets as per statement filed with Bank	1,067.90	1,146.25	1,301.62	1,419.08
Add: Reconciliation of Items not considered in the statement filed with bank				
Related party debtors & scrap debtors	2.33	(2.72)	(3.01)	(0.83)
Inventory in transit	(21.78)	(30.53)	(26.40)	(26.56)
Valuation difference	1.56	31.70	0.58	40.86
Balance as per financial statements	1,050.01	1,144.70	1,272.79	1,432.55

Note 14

Provisions

(Rupees in Million)

Particulars	Non Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits (Refer Note 31 (g))				
Gratuity	51.28	39.28	4.97	3.81
Leave encashment	17.70	13.28	1.89	1.16
Total	68.98	52.56	6.86	4.97

Note 15

Deferred tax liabilities - (Net)

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred tax liabilities;		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	63.81	57.71
Deferred tax asset:		
- Right-of-use and lease liability	0.45	0.35
- Security deposit	0.01	0.01
- Accrued expenses allowable on actual payments	37.63	17.85
- Brought forward long term capital loss	20.89	30.22
Total	4.83	9.28

(Rupees in Million)

Particulars	As at 31 March 2025			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	57.71	6.10	-	63.81
Gross deferred tax liabilities (a)	57.71	6.10	-	63.81
Tax effect of items constituting deferred tax assets				
- Right-of-use and lease liability	0.35	0.10	-	0.45
- Security deposit	0.01	0.00	-	0.01
- Accrued Expenses allowable on actual payments	17.85	18.98	0.80	37.63
- Brought forward long term capital loss	30.22	(9.33)	-	20.89
Gross deferred tax assets (b)	48.43	9.75	0.80	58.99
Net deferred tax liability (a - b)	9.28	(3.65)	(0.80)	4.83

(Rupees in Million)

Particulars	As at 31 March 2024			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	63.58	(5.87)	-	57.71
Gross deferred tax liabilities (a)	63.58	(5.87)	-	57.71
Tax effect of items constituting deferred tax assets				
- Right-of-use and lease liability	0.11	0.24	-	0.35
- Security deposit	-	0.01	-	0.01
- Accrued expenses allowable on actual payments	25.94	(7.92)	0.17	17.85
- Brought forward long term capital loss	-	30.22	-	30.22
Gross deferred tax assets (b)	26.05	22.55	0.17	48.43
Add: MAT Credit (c)	0.59	(0.59)		-
Net deferred tax liability (a-b-c)	36.94	(27.83)	(0.17)	9.28

Note 16**Trade Payables**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Outstanding due of Micro and Small Enterprises (Refer Note 31(b))	7.77	3.28
Outstanding due of Creditors other than Micro and Small Enterprises	175.42	133.42
Total	183.19	136.70
Of the above;		
- Acceptances	19.96	25.62

Trade Payables aging schedule
(Rupees in Million)

Particulars	Outstanding for ther periods from due date of payment			As at 31 March 2025
	Not due	Less than 1 year	More than 1 year	
(i) MSME	2.98	4.79	-	7.77
(ii) Others	83.25	85.06	7.11	175.42
Total	86.23	89.85	7.11	183.20

Trade Payables aging schedule
(Rupees in Million)

Particulars	Outstanding for ther periods from due date of payment			As at 31 March 2024
	Not due	Less than 1 year	More than 1 year	
(i) MSME	3.16	0.12	-	3.28
(ii) Others	77.24	56.18	-	133.42
Total	80.40	56.30	-	136.70

Note 17
Other financial liabilities
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Carried at amortised cost :		
Security deposit	-	4.25
Capital creditors	27.79	4.78
Liability for employee benefits	35.59	29.31
Others	2.33	-
Carried at FVTPL :		
Forward exchange contracts	4.14	-
Total	69.85	38.34

Note 18
Other liabilities
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities	3.34	2.95
Others;		
Statutory dues	16.50	7.07
Liabilities for expenses	37.98	24.71
Total	57.82	34.73

Movement of contract liabilities is as under ;

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
As at beginning of the year	2.95	3.27
Recognised as revenue from contracts with customers	1.18	4.37
Advance from customers received during the year	(0.79)	(4.69)
Balance at the close of the year	3.34	2.95

Note 19**Revenue from operations***(Rupees in Million)*

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale of products	2,292.03	1,916.64
Sale of services	0.77	0.82
Other operating revenues:		
Export incentives	21.53	17.00
Scrap sales	64.02	64.65
Total	2,378.35	1,999.11

The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

Reconciliation of revenue recognised with the contracted price is as follows:

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Gross sales (Contracted price)	2,296.43	1,920.74
Reductions towards variable consideration (Discount, other expenses)	(4.40)	(4.10)
Revenue recognised	2,292.03	1,916.64

Note 20**Other income***(Rupees in Million)*

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on margin money/others	25.26	6.00
Discount on forward contracts	9.77	9.43
Profit on sale of PPE (net)	0.04	-
Gain on Foreign exchange translations	3.69	7.32
Insurance claim received	0.13	-
Miscellaneous Income	4.65	-
Unwinding of discounted rental deposit	0.16	0.15
Total	43.70	22.90

Note 21**Cost of materials consumed***(Rupees in Million)*

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening stock of raw materials	201.23	202.29
Purchases during the year	1,121.41	877.78
Closing stock of raw materials	275.52	201.23
Total	1,047.12	878.84

Note 22
Changes in Inventories of finished goods and work-in-progress
(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Closing stock:		
Finished goods	175.76	189.43
Work-in-progress	219.65	147.85
	395.41	337.28
Less: Opening stock:		
Finished goods	189.43	124.60
Work-in-progress	147.85	139.85
	337.28	264.45
Total	(58.13)	(72.83)

Note 23
Employee benefits expense
(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and Wages	249.14	210.08
Contribution to provident, gratuity and other funds	18.89	16.42
Staff welfare expenses	20.75	11.86
Total	288.78	238.36

The Shareholders of the Company had approved on 14th January, 2022 an Employee Stock Option Scheme ("Gala ESOP 2021"), formulated by the Company, under which the Company issued upto 50,000 options to its permanent employees, including Wholtime Directors of the Company. The Gala ESOP 2021 is administered by the Board of Directors of the Company.

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 5 years from the grant date i.e. 14th January 2022. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Company has granted options at an exercise price of Rs. 350. At grant date, the estimated fair value of stock options granted under Gala ESOP 2021 is Rs. 350. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1) Grant Date	14th January, 2022	14th January, 2022
2) Risk-free interest rate	6.70%	6.70%
3) Expected Life	5 Years	5 Years
4) Expected Volatility	0.001%	0.001%
5) Expected Dividend Yield	Nil	Nil
6) Fair market value of underlying share*	Rs. 87.50/-	Rs. 87.50/-
7) Exercise Price*	Rs. 87.50/-	Rs. 87.50/-

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Options outstanding at the beginning of the year	146,200	178,400
Granted during the year	-	1,500
Add: Bonus issue*	-	4,500
Forfeited/Expired/Lapsed during the year	-	(38,200)
Exercised during the year	(27,800)	-
Outstanding at the end of the year	118,400	146,200

* As per the scheme, in case of issue of bonus shares by the company, number of options granted shall be adjusted in the same proportion as the bonus being declared. Accordingly, number of options granted have been proportionately increased in ratio of bonus issue i.e. 3:1

The Shareholders of the Company had approved on 06th August, 2024 an Employee Stock Option Scheme ("Gala ESOP 2024"), formulated by the Company, under which the Company issued upto 300,000 options to its Wholtime Directors of the Company. The Gala ESOP 2024 is administered by the Board of Directors / Nomination and remuneration committee of the Company

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 6 years from the grant date i.e. 06th August 2024. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Company has granted options at an exercise price of Rs. 530. At grant date, the estimated fair value of stock options granted under Gala ESOP 2024 is Rs. 530. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
1) Grant Date	06th August, 2024	-
2) Risk-free interest rate	7.20%	-
3) Expected life	6 Years	-
4) Expected volatility	0.00%	-
5) Expected dividend yield	Nil	-
6) Fair market value of underlying share	Rs. 530/-	-
7) Exercise Price	Rs. 530/-	-

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Options outstanding at the beginning of the year	NA	-
Granted during the year	300,000	-
Forfeited/Expired/Lapsed during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	300,000	-

Note 24

Finance costs

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Loans and deposits	5.65	10.49
Interest on Working capital facilities	26.95	33.45
Interest on unsecured loans	2.85	11.22
Finance charges	1.23	4.59
Unwinding of discount relating to Long term liabilities	1.34	1.65
Total	38.02	61.40

Note 25
Depreciation and amortisation expense
(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation on Property, plant and equipment	44.93	41.05
Amortisation on intangible assets	30.99	24.22
Amortisation of right-of-use asset	4.48	4.48
Less: Transferred to Capital work in progress	(0.71)	(1.13)
Total	79.69	68.62

Note 26
Other Expenses
(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Consumption of stores and spare parts	91.58	76.22
Packing material consumed	34.16	22.94
Power and Fuel	68.86	59.58
Labour charges	290.76	230.41
Testing expenses	8.42	8.64
Rent	2.30	2.19
Rates and Taxes	4.34	6.64
Insurance	11.53	10.46
Travelling expenses	16.33	12.93
Legal and professional fees	21.23	12.72
Sitting Fees	1.56	0.34
Commission	3.52	2.62
Business promotion	20.78	14.82
Bank charges	3.54	3.10
Telephone and other communication expenses	0.99	0.88
Printing and stationery	1.56	1.38
Provision for expected credit loss	1.51	2.09
Bad debts written-off	2.09	0.90
Loss on sale of property, plant and equipment (net)	-	2.59
Conveyance and vehicle expenses	20.69	17.71
Repairs and Renewals:		-
- Building	2.46	1.67
- Plant and machinery	4.15	3.58
- Others	10.24	7.94
Auditors' remuneration:		
As auditors:		
Audit fee	0.70	0.60
Other services	0.20	0.03
	0.90	0.63
Cost Auditors Remuneration:		
Audit fee	0.07	0.07
Recruitment	1.17	2.07
Freight outward	47.78	37.41

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Computer expenses	5.12	4.39
Security expenses	5.00	3.75
Interest on statutory dues	1.46	1.45
Donation	0.08	0.07
CSR Activity Expenses	4.18	2.35
Share in loss of LLP	2.38	2.35
Miscellaneous expenses	3.70	2.70
Total	694.43	559.59

Note 27**Exceptional Items**

(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Bad debts written off in respect of subsidiary (Refer Note 31 (k))	-	(41.28)
Income from sale of intangible assets of SES business (Refer Note 31 (l))	-	3.50
Total	-	(37.78)

Note 28**A. Capital Management**

For the purpose of Company's capital management, capital includes Issued Equity capital, Securities premium, and all other equity reserves attributable to the Equity Holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder's value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Interest bearing loans and borrowings	231.17	550.28
Less: Cash and short term deposits	(14.43)	(12.32)
Net debt	216.75	537.96
Equity	126.97	101.11
Other equity	2,437.41	942.70
Total capital	2,564.38	1,043.81
Capital and Net debt	2,781.13	1,581.77
Gearing Ratio %	7.79%	34.01%

B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) **Market Risk**

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans And borrowings and foreign currency receivables and payables

Interest Rate Risks

The Company borrows funds in Indian Rupees to meet both the long term and short term funding requirements. Interest rate is fixed for the tenor of the Long term loans availed by the Company. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Financial liabilities		
Fixed rate instruments	13.71	145.90
Variable rate instruments	217.46	404.38
	231.17	550.28

Fair value sensitivity analysis for fixed rate instruments

The Company measures its fixed rate financial liabilities at amortized cost and does not designate these liabilities at fair value through profit or loss (FVTPL). Consequently, any changes in market interest rates at the reporting date would not directly affect the Company's profit or loss, as the interest expense is based on the fixed effective interest rate.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by

2.17 4.04

Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Unhedged short term exposures :

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Amount in Foreign Currency - In Million	Amount - In ₹ Million	Amount in Foreign Currency - In Million	Amount - In ₹ Million
Financial Assets	USD	0.58	49.50	0.46	38.28
	EURO	2.31	213.62	1.60	144.06
	GBP	0.02	1.83	0.06	6.45
Financial Liabilities	USD	0.16	13.80	0.30	24.65
	EURO	0.07	6.94	0.01	1.15
	JPY	-	-	0.00	0.25
Net exposure	USD	0.42	35.70	0.16	13.63
	EURO	2.24	206.68	1.59	142.92
	GBP	0.02	1.83	0.06	6.45
	JPY	-	-	0.00	0.25

The company is mainly exposed to changes in US Dollar and EURO.

The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date.

The sensitivity to 1% increase or decrease in US Dollar and EURO against INR with all other variables held constant will be as follows;

(Rupees in Million)

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Increase	Decrease	Increase	Decrease
Sensitivity (+/- 1%)	USD	0.36	(0.36)	0.14	(0.14)
	EURO	2.07	(2.07)	1.43	(1.43)

The Company enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of outstanding foreign receivables, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount in Foreign Currency - In Million	Amount- In ₹ Million	Amount in Foreign Currency - In Million	Amount- In ₹ Million
USD	1.02	86.90	0.99	82.64
EURO	4.76	440.78	3.80	349.19

Price Risks

More than One-third of the Company's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Company enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Company hedges 65-70% of its export collections through plain vanilla forward covers.

ii) Credit Risk

Credit Risk is the risk that a counter party will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers and Balances with Banks.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has taken insurance cover for overseas debtors through ECGC but has not taken any insurance cover for local debtors. The company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31 March 2025 is as follows.

Particulars	As at 31 March 2025	As at 31 March 2024
The outstanding trade receivables due for a period exceeding 180 days as % of Total Trade receivables	1.14%	1.45%

iii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The Company has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

Exposure to liquidity risk:

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

(Rupees in Million)

Particulars	As at 31 March 2025				As at 31 March 2024			
	Less than 1 year	1-3 years	3-5 years	More than 5 years	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	220.49	5.94	4.45	0.29	458.22	59.56	31.17	1.33
Trade Payable	176.08	7.11	-	-	136.70	-	-	-
Other Financial Liabilities	69.85	-	-	-	38.34	-	-	-

Note 29**Fair values and hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- a) recognised and measured at fair value and
- b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
	Carrying Value	
Financial assets and liabilities measured at amortised cost		
Financial assets		
Loans	2.97	1.22
Bank term deposits	623.34	26.70
Other assets - Security & other deposits	13.97	13.36
Total financial assets	640.28	41.28
Financial Liabilities		
Borrowings - Non current	10.68	92.06
Total financial liabilities	10.68	92.06

Financial assets and liabilities measured at FVTPL		
Financial assets		
Foreign exchange forward contracts	-	3.28
Financial liabilities		
Foreign exchange forward contracts	4.14	-

The management assessed that fair value of trade receivables, cash and cash equivalents, recoverable from customers, other short-term financial assets, short term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

*The following methods and assumptions were used to estimate the fair values:

- a. Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.
- b. Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing
- c. Non-current borrowings - The fair value of non-current borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value.
- d. Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 30
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate
(Rupees in Million)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Accounting Profit before Income Tax	332.14	250.25
At India's statutory income tax rate of	25.17%	25.17%
Income Tax as per statutory income tax rate	83.59	62.98
Effect of deductions available under Income Tax Act	(43.83)	(12.06)
Effect of brought forward business loss	9.33	(30.22)
Effect of non-deductible expenses	9.26	4.97
Total	58.35	25.67

Note 31
Additional / Explanatory Information
a) Earnings per share
(Rupees in Million)

Particulars		For the year ended 31-March-2025	For the year ended 31-March-2024
i Profit after taxation from continuing operations	Rs. Million	269.04	219.40
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for continuing operations	Rs.	23.28	21.70
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share		22.61	21.39
ii Profit after taxation from discontinuing operations	Rs. Million	-	(2.00)
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for discontinuing operations	Rs.	-	(0.19)
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for discontinuing operations		-	(0.19)
iii Profit after taxation from continuing and discontinuing operations	Rs. Million	269.04	217.40
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for continuing and discontinuing operations	Rs.	23.28	21.50
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for continuing and discontinuing operations		22.61	21.19
iv Profit after taxation from continuing operations excluding Exceptional items	Rs. Million	269.04	253.68
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for continuing operations excluding Exceptional items	Rs.	23.28	25.09
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for continuing and discontinuing operations		22.61	24.73

Weighted average number of Shares

(Rupees in Million)

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Number of shares considered as basic weighted average shares outstanding	Nos.	10,111,584	2,527,896
Add: Bonus Shares issued (Refer Note 11)	Nos.	-	7,583,688
Add: Weighted number of equity shares issued during the year		1,445,604	
Number of shares considered as weighted average shares and potential shares outstanding	Nos.	11,557,188	10,111,584

Diluted number of shares

(Rupees in Million)

Particulars		For the year ended 31 March 2025	For the year ended 31 March 2024
Number of shares considered as basic weighted average shares outstanding	Nos.	11,557,188	10,111,584
Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)	Nos.	144,524	146,200
Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)		195,616	
Number of shares considered as weighted average shares and potential shares outstanding	Nos.	11,897,328	10,257,784

b) Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Company are given under and have been relied upon by the auditors:

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Principal amounts remaining unpaid to suppliers as at the end of the accounting year	7.77	3.28

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued and paid and cumulative interest are not applicable, being NIL.

c) As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross amount required to be spent by the Company	4.14	2.32
Amount spent by the Company during the period/ year on purpose other than construction/ acquisition of assets	4.18	2.35
Shortfall/(Excess) at the end of the year	(0.04)	(0.03)
Total of previous year short fall	NA	NA
Reason for shortfall	NA	NA
Nature of CSR Activities	Education & Sports	Education & Sports

d) Ratio

Particulars	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Variance (in %)	Explanation for change of 25% or more
a) Current ratio	Current assets	Current liabilities	3.95	1.69	134.06%	Increase in current assets for the year.
b) Debt equity ratio	Total Debt	Shareholders' equity	0.09	0.53	-82.90%	Repayments of borrowings during the year leads to reduction in borrowings
c) Debt service coverage ratio	Earnings available for debt service	Debt service = Interest + Principal repayments	2.58	2.93	-11.93%	
d) Return on equity %	Net profits after taxes	Average Shareholder's equity	14.91%	23.03%	-35.24%	Increase in shareholder's equity for the year
e) Inventory turnover ratio	Sales	Average inventory	3.66	3.71	-1.40%	
f) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.04	4.78	-15.53%	
g) Trade payables turnover ratio	Purchases	Average trade payables	7.01	8.03	-12.66%	
h) Net capital turnover ratio	Revenue from operations	Working capital	1.49	4.29	-65.39%	Increase in Revenue from operations and working capital during the year
i) Net profit %	Net profit after taxes	Revenue from operations	11.31%	12.76%	-11.38%	
j) Return on capital employed %	Earnings after exceptional items before interest and taxes	Capital employed	14.39%	25.25%	-42.99%	Increase in capital employed during the year, due to investments in chennai plant and FD's

Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Variance (in %)	Explanation for change of 25% or more
a) Current ratio	Current assets	Current liabilities	1.69	1.82	-7.25%	
b) Debt equity ratio	Total Debt	shareholders' equity	0.53	0.69	-24.05%	
c) Debt service coverage ratio	Earnings available for debt service	Debt service = Interest + Principal repayments of Long Term Borrowings	2.93	2.72	7.94%	
d) Return on equity %	Net profits after taxes	shareholder's equity	23.03%	24.15%	-4.65%	Due to significant improvement in Profitability
e) Inventory Turnover Ratio	Sales	Average inventory	3.71	3.46	7.33%	

Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Variance (in %)	Explanation for change of 25% or more
f) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	4.78	4.86	-1.72%	
g) Trade payables turnover ratio	Purchases	Average trade payables	8.03	6.41	25.19%	Due to improvement in payment cycle & cash flow
h) Net capital turnover ratio	Revenue from operations	Working capital	4.29	3.53	21.62%	Better working capital management & Significant improvement in sales
i) Net profit %	Net Profit After Taxes	Revenue from operations	12.76%	9.65%	32.31%	Due to significant improvement in Profitability
j) Return on capital employed %	Earnings after exceptional items before interest and taxes	Capital employed	25.25%	19.25%	31.15%	Due to improvement in Profitability.

e) Disclosures under Ind AS 108 - "Operating Segment" - (Refer Note below)

(i) Entity wide disclosure required by Ind AS 108 are as detailed below:

Springs, Parts, Fasteners and Assemblies

31-Mar-25	31-Mar-24
2,378.35	1,999.11

(ii) Geographic information

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(Rupees in Million)

Revenue from External Customers:	31-Mar-25	31-Mar-24
- within India	1,483.85	1,279.96
- outside India	894.50	719.15
Total revenue	2,378.35	1,999.11

Assets by market: The following table shows the distribution of the company's assets by geographical market.

(Rupees in Million)

Non-current assets (other than financial instruments)	31-Mar-25	31-Mar-24
- within India	1,055.55	743.52
- outside India	-	-
Total Non-current assets (other than financial instruments)	1,055.55	743.52

Information about major customers:

The following is the transactions by the Company with customers individually contributing more than 10 or more of the Company's revenue from operations	31-Mar-25	31-Mar-24
Revenue from operations of 1 customer of the Company represented approximately % of the revenue from operation	23.6%	15.23%

Note:-

The Company is engaged interalia in the manufacture of Springs, Parts, Fasteners and Assemblies. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

f) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):

- Subsidiaries Gala Springs LLP
- Step down subsidiary Gala Precision Components (Shanghai) Private Limited, China
- Key Managerial Personnel
 - Mr. Kirit Gala - Chairman and Managing Director (w.e.f 30.11.2023)
 - Mr. Balkishan Jalan, Whole Time Director (Executive) (w.e.f 30.11.23)
 - Mr. Satish Kotwani, Whole Time Director - Marketing (w.e.f 30.11.23)
 - Mr. S. Giridhar - Chief Financial Officer (w.e.f 30.11.2023)
 - Ms. Pooja Ladha - Company Secretary (w.e.f 09.10.2023)
- Entity in which Directors having substantial interest
 - Vishanji H. Gala - HUF
 - Kirit V. Gala - HUF
 - Gala Springs LLP
 - Balkishan Jalan - HUF
 - Workamp Spaces Pvt. Ltd.
 - Slate Workspaces Pvt Ltd
- Relatives of Key Managerial personnel
 - Mr. Vishanji H Gala - Father of Mr. Kirit V Gala
 - Mrs. Taramati V Gala - Mother of Mr. Kirit V Gala
 - Mrs. Rumie K Gala - Wife of Mr. Kirit V Gala
 - Mrs. Alpa Chheda - Sister of Mr. Kirit V Gala
 - Mrs. Nayna Gala - Sister of Mr. Kirit V Gala
 - Mr. Smeet Kirit Gala - Son of Mr Kirit V Gala

Particulars	Subsidiary		Entity in which Directors having substantial interest		Other Related Party		Key Managerial Personnel	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Revenue from Operations	-	8.42	-	-	-	-	-	-
Purchase of Materials	-	14.73	-	-	-	-	-	-
Share of Loss in Subsidiary	2.38	2.35	-	-	-	-	-	-
Exceptional Items - Bad Debts	-	41.28	-	-	-	-	-	-
Interest Expense :	-	-	2.31	2.47	-	0.76	0.75	2.49
Remuneration:*								
Directors	-	-	-	-	-	-	31.13	26.55
CFO	-	-	-	-	-	-	3.32	0.72
Company Secretary	-	-	-	-	-	-	0.85	0.41
Smeet Gala - VP - Business Development	-	-	2.83	2.34	-	-	-	-
Loan repaid:	-	-	108.20	109.68	-	19.25	39.30	91.10
Loan received:	-	-	108.20	109.10	-	-	39.30	-
Other receivables	2.86	3.00	-	-	-	-	-	-
Investment in Subsidiary	-	0.05	-	-	-	-	-	-

Particulars	Subsidiary		Entity in which Directors having substantial interest		Other Related Party		Key Managerial Personnel	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Other payables (Remuneration)								
Directors	-	-	-	-	-	-	2.59	2.21
CFO	-	-	-	-	-	-	0.28	0.18
Company Secretary	-	-	-	-	-	-	0.07	0.07
Smeet Gala - VP - Business Development	-	-	0.24	0.20	-	-	-	-

* Remuneration does not include provisions made for Gratuity as it is determined on an actuarial basis for the Company as a whole.

d) Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March, 2025, and 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

g) Disclosures as per IND AS - 19 - Employee Benefits

During the year, the company has recognised the following amounts in the Statement of Profit and Loss:

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
i) Employer's contribution to Provident Fund and Family Pension Fund* *Included in " Contribution to Provident and other Funds" (Note 23).	9.81	8.66
iii) Defined benefit obligation:		
a) Leave Encashment - Unfunded	7.36	4.48
b) The valuation results for the defined benefit gratuity plan as at 31st March are produced in the tables below:		

i) Changes in the present value of obligation

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Present value of obligation as at the beginning	51.94	42.74
Current service cost	4.53	3.81
Interest expense or cost	3.49	2.88
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Due to demographic assumption	(0.55)	0.48
- change in financial assumptions	2.07	0.75
- experience variance (i.e. Actual experience vs assumptions)	1.54	3.61
Benefits paid	(0.69)	(2.33)
Present value of obligation as at the end	62.33	51.94

ii) Changes in the fair value of plan assets
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Fair Value of Plan Assets as at the beginning	8.85	2.84
Investment Income	0.32	0.12
Adjustment to opening fair value of plan asset	(5.55)	-
Return on plan assets excluding interest income	(0.13)	5.51
Employer's contribution	3.28	2.71
Benefits paid	(0.69)	(2.33)
Fair Value of Plan Assets as at the end	6.08	8.85

iii) Expenses recognised in the Income statement
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Current service cost	4.53	3.81
Net interest cost / (Income) on the Net defined benefit Liability / (Asset)	3.17	2.76
Expenses Recognised in the Income statement	7.70	6.57

iv) Other comprehensive income
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Actuarial (gains) / losses		
- Due to demographic assumption	(0.55)	0.48
- change in financial assumptions	2.07	0.75
- experience variance (i.e. Actual experience vs assumptions)	1.54	3.61
Return on Plan Assets excluding interest income	0.13	(5.51)
Components of defined benefit costs recognised in other comprehensive income	3.19	(0.67)

v) Major categories of plan assets (as percentage of Total plan assets)
(Rupees in Million)

Particulars	As at	
	31-Mar-25	31-Mar-24
Funds managed by Insurer	100%	100%

- In the absence of detailed information regarding Plan assets which is funded with Insurance Company, the composition of each major category of Plan assets, the percentage or amount for each category to the fair value of Plan assets has not been disclosed.

vi) Actuarial Assumptions
a. Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below: *(Rupees in Million)*

Particulars	As at	
	31-Mar-25	31-Mar-24
Discount rate (per annum)	6.49%	6.97%
Salary growth rate (per annum)	8.00%	8.00%

b. Demographic Assumptions

Particulars	As at	
	31-Mar-25	31-Mar-24
Mortality Rate during employment (% of IALM 12-14)	IALM (2012-14) Ult	IALM (2012-14) Ult
Withdrawal rates, based on age: (per annum)		
Up to 40 years	7.54%	6.50%

vii) Amount, Timing and Uncertainty of Future Cash Flows**a. Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation (Base)	62.33	51.94

Particulars	31-Mar-25		31-Mar-24	
	Decrease	Increase	Decrease	Increase
Discount rate (- / + 1%)	67.04	58.15	56.21	48.17
(% change compared to base due to sensitivity)	7.56%	6.70%	8.21%	7.27%
Salary growth rate (- / + 1%)	58.46	66.49	48.40	55.85
(% change compared to base due to sensitivity)	6.20%	6.67%	6.82%	7.52%

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

b. Asset / Liability matching strategies

The scheme is managed on funded basis.

c. Effect of Plan on Entity's Future Cash Flows**- Funding arrangements and Funding Policy**

The scheme is managed on funded basis.

- Expected Contribution during the next annual reporting period	Year Ended 31 March 2025	Year Ended 31 March 2024
The Company's best estimate of Contribution during the next year (In millions)	4.53	3.81
- Maturity profile of defined benefit obligation		
Weighted average duration (based on discounted cash flows)	6.85 Years	7.65 Years

- Expected cash flows over the next (valued on undiscounted basis):	Year Ended 31 March 2025	Year Ended 31 March 2024
1 year	4.97	3.81
2 to 5 years	22.14	17.67
6 to 10 years	32.08	26.22

h) Lease Accounting (Disclosure as per Ind AS 116 : Lease)
(i) The movement in Lease liabilities during the year
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31st March 2024
Opening Balance	14.89	17.80
Additions during the year	-	-
Finance costs incurred during the year	1.34	1.65
Payments of lease liabilities	(4.79)	(4.56)
Closing Balance	11.44	14.89

(ii) The carrying value of the Rights-of-use and depreciation charged during the Year

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note -2(b).

(iii) Amount recognised in Statement of profit & loss account during the year
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31st March 2024
Expenses related to Short term lease & Low asset value lease	2.28	2.19
Total Expenses	2.28	2.19

(iv) Maturity analysis of lease liabilities
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31st March 2024
Maturity analysis of contractual undiscounted cash flows		
Less than one year	4.06	3.45
One to five years	7.37	11.43
Total undiscounted Lease Liability	11.43	14.89
Balances of Lease Liabilities		
Non Current Lease Liability	7.37	11.43
Current Lease Liability	4.06	3.45
Total Lease Liability	11.43	14.89

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31st March 2024
i) Capital Commitment		
(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for	76.77	74.40
j) Contingent Liabilities not provided for:		
(a) Disputed income tax demands	32.97	32.97
(b) Patent Act*	20.00	20.00
(c) Bank guarantees	8.56	7.64
(d) Letters of credit	24.68	22.00

*A patent infringement suit was filed by Nord-Lock AB & Nord-Lock (India) Pvt. Ltd. against Erstwhile Gala Precision Engineering Pvt. Ltd. & Gala Fasteners Pvt. Ltd. Infringement of patents related to Wedge-Lock technology washers and involves the manufacture, sale, and advertisement of 'Gallock Washers' by Gala Precision Engineering. The Plaintiffs' have reserved their rights to enhance their claim amount at a later stage taking into account the Defendants' total sales revenue for all the infringing products sold during the entire period of infringement, which will be assessed after the trial takes place. As the matter is currently under litigation, it is not possible to estimate the financial outcome at this stage. Consequently, no provision has been made in the financial statements in relation to this lawsuit.

- k) The Company had undergone a strategic transfer of its investments in subsidiary Gala Precision Components (Shanghai) Private Limited (Gala China) to its group company Gala Springs LLP at a nominal value of Rs. 1 Million. Consequently, the remaining investment amount of Rs. 73.57 Million was written off in the books. Simultaneously, the Company had taken proactive steps to transfer its China business to its distributor. Going forward, the Company intended to sell products to the local distributor, who would then sell to Chinese customers. However, as of March 2024, the Company has initiated winding-up proceedings for Gala China. Given the ongoing winding-up process and the shift in business strategy to a distributor model, the Company has decided to write off the outstanding receivables amounting to Rs. 41.28 Million due from Gala China.

l) Discontinued Operations:

On 22nd June, 2022, the Board of Directors ratified the decision of the management to dispose of Company's Surface Engineering Solutions division, which was also a separate segment as per Ind AS 108 Segment Reporting. The disposal is consistent with the Company's long-term strategy to focus its activities in the areas of Springs, Parts, Fasteners and Assemblies, and to divest unrelated activities.

The Company sold the Intangible assets of SES business relating to Deburring & Polishing Systems & related Media Chemicals and remaining Property, Plant & Equipment has been put to use for other business units during the year ended 31st Mar, 2024. The amounts of other assets comprising of "Assets and Liabilities" are regular business transactions which in view of the management are likely to be settled or disposed in due course of time. On 31st May, 2022, the Company signed a contract to sell the SES Division to S M Systems Pvt Ltd for Rs. 30 Million. In October 2023, the Company signed a contract with Gala Finishing Solutions Pvt. Ltd. for Rs. 3.50 Million.

In March 2025, the operations were fully discontinued.

The amount of revenue and expenses in respect of the ordinary activities attributable to the discontinued/(P.Y. discontinuing) operation during the year are as under.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31st March 2024
Revenue from operations	-	10.97
Profit before tax	-	-3.85

As per Management, only those income & expenses directly attributable to the discontinued/(P.Y. - discontinuing) operations are considered for disclosure

m) Notes on IPO Proceeds

The equity shares of the Company had been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on September 09, 2024 by completing Initial Public Offer ("the IPO") of 31,74,416 equity shares of face value of Rs. 10 each at an issue price of Rs. 529 per equity share (including share premium of Rs. 519 per equity share) consisting of a fresh issue of 25,58,416 equity shares and an offer for sale of 6,16,000 equity shares.

The Company has incurred Rs. 175.01 million as IPO related expenses and allocated such expenses between the Company (Rs. 141.05 million has been adjusted of the securities premium account) and selling shareholders (Rs. 33.96 million) in proportion to the equity shares allotted to the public as fresh issue by the Company and under the offer for sale by selling shareholders respectively. The Company has an amount of Rs. 1212.35 million (net of IPO expenses of Rs. 141.05 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below.

Details of utilisation of net proceeds amounting to Rs. 1212.35 million received in Monitoring Account:

(Rupees in Million)

Sr. No.	Objects of the issue as per prospectus	Amount Proposed in Offer Document	Amount utilised till 31 March 2025	Amount unutilised as on 31 March 2025*
1	Setting up a new facility at Vallam-Vadagal, SIPCOT, Sriperumbuddur, Tamil Nadu for manufacturing high tensile fasteners and hex bolts	370.00	133.44	236.56
2	Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra	110.69	26.31	84.38

(Rupees in Million)

Sr. No.	Objects of the issue as per prospectus	Amount Proposed in Offer Document	Amount utilised till 31 March 2025	Amount unutilised as on 31 March 2025*
3	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	454.30	454.30	-
4	General corporate purposes	277.36	3.06	274.30
	Total	1,212.35	617.11	595.24

* Net IPO proceeds which were un-utilised as at March 31, 2025 amounting to Rs. 595 Million has been temporarily invested in fixed deposits

n) Disclosure required by section 186(4) of the Companies Act, 2013 :

1. Details of Investments made are given in Note 3
2. Amount of Loans and advances in the nature of loans outstanding from /to subsidiaries Rs Nil (Previous year Rs Nil)
3. Loans to employees have been considered to be outside the purview of disclosure requirements.
4. Investment by Loanee in the shares of the Parent company- Nil (Previous year Nil)

o) Additional regulatory information required by Schedule III

- i No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- ii The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority
- iii The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 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 has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- vi The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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
- vii 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
- viii There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- x The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.

- xi The title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the "Gala Precision Engineering Pvt Ltd". The Company has been converted from Private Limited Company to a Public Limited Company on October 3, 2023. The Company is in the process of getting the title deeds endorsed in the name of "Gala Precision Engineering Limited" from "Gala Precision Engineering Pvt Limited" for all the land and building
- xii There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

For SCA AND ASSOCIATES

Chartered Accountants
Firm Reg.No 101174W

Vasant M. Gala
Partner

Membership No. 037626
Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala
Chairman and Managing Director
DIN : 01540274"

S. Giridhar
Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan
Whole Time Director
DIN : 02876873

Pooja Ladha
Company Secretary

Mumbai, 27th May, 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GALA PRECISION ENGINEERING LIMITED

Report on the audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **GALA PRECISION ENGINEERING LIMITED** hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to financial statements, a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Group as at 31st March, 2025, and its Consolidated profit(financial performance including Other Comprehensive Income), the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated 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 Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	Our Response
1	<p>Property, Plant & Equipment (Including Capex)</p> <p>Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment.</p> <p>Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results.</p> <p>Refer note 1 to Consolidated financial statements</p>	<p>Principal Audit Procedures</p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows;</p> <ol style="list-style-type: none"> We assessed Group's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16. We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant & Equipment

Sr. No.	Key Audit Matter	Our Response
		<p>iii. We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013.</p> <p>We have relied on physical verification conducted by management and management representations.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Report on Corporate Governance, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by the 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 Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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.

Other Matters

We did not audit financial statements of a foreign subsidiary which, in the aggregate represent total assets as at March 31, 2025 of Rs. 0.65 million, total revenue of Rs. Nil million and net Cash outflow of Rs. 0.63 million for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and our report in terms of sub section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

We did not audit the financial statements of a subsidiary whose financial statements reflect total assets of Rs. 0.33 million as at 31st March, 2025, total revenues of Rs. Nil million and net cash outflow of Rs. Nil million for the year ended on that date. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements.
- b) In our opinion, proper books of account, as required by the law relating to preparation of the aforesaid Consolidated Financial Statements, have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors, none of the directors of the Holding Company are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**.
- g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - a. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 32(j) to the consolidated financial statements;
 - b. The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
 - d. (a) As represented to us by the management of the Holding Company and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or entities, including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 (b) As represented to us by the management of the Holding Company and to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by

the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on such 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 (a) and (b) above, contain any material misstatement.
- e. The Holding Company has neither paid any dividend during the year nor declared the dividend for the year under audit.
- f. Based on our examination which included test checks, the holding company have used an accounting software for maintaining its books of account which has a inbuilt feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the audit trail feature has not been tampered with and has been preserved by the company as per the statutory requirements
- g. According to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditors of the company included in the consolidated financial statements of the Company we report that CARO is applicable only to the holding company and to no other company included in the consolidated financial statements. We have not reported any qualifications or adverse remarks in the CARO report of the holding company.

For SCA AND ASSOCIATES

Chartered Accountants

(Firm Regn. No. 101174W)

(Vasant M. Gala)

Partner

Mem. No.: 037626Mumbai, 27th May, 2025

UDIN:- 25037626BNJRLA4881

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to Financial Statements of GALA PRECISION ENGINEERING PRIVATE LIMITED ("the Holding Company"). In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and internal financial controls were operating effectively as at 31 March 2024, based on the internal financial control with reference to Consolidated Financial Statement criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

Management's Responsibility for Internal Financial Controls

2. The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to Consolidated financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements includes obtaining an understanding of such internal financial controls, 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 consolidated financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Holding Company

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated 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 consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate

Other Matters

8. Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these financial statements does not include report in respect of foreign subsidiary company.

For SCA AND ASSOCIATES

Chartered Accountants

(Firm Regn. No. 101174W)

(Vasant M. Gala)

Partner

Mem. No.: 037626Mumbai, 27th May, 2025

UDIN:- 25037626BNJRLA4881

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

(Rupees in Million)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	2 (a)	606.62	412.71
Right of use assets	2 (b)	40.75	45.23
Capital work-in-progress	2 (c)	66.41	32.30
Other intangible assets	3 (a)	189.47	185.98
Intangible assets under development	3 (b)	39.22	33.34
Financial assets;			
- Other financial assets	4	56.59	11.12
Non-current tax assets (net)		13.49	7.22
Other non-current assets	5	43.13	15.68
Current assets			
Inventories	6	723.88	576.50
Financial assets;			
- Trade receivables	7	708.68	469.68
- Cash and cash equivalents	8	15.26	13.83
- Bank balances other than cash and cash equivalents	9	579.08	27.17
- Loans	10	2.97	1.22
- Others financial assets	4	22.84	17.47
Other current assets	5	88.23	37.39
Total assets		3,196.62	1,886.84
Equity and Liabilities			
Equity			
Equity share capital	11	126.97	101.11
Other equity	12	2,439.15	946.73
Non-controlling interest	12	(3.63)	(3.37)
Total Equity		2,562.49	1,044.47
LIABILITIES			
Non-current liabilities			
Financial liabilities			
- Borrowings	13	10.68	92.06
- Lease liabilities		7.37	11.43
Provisions	14	68.98	52.56
Deferred tax liabilities (Net)	15	4.83	9.28
Current liabilities			
Financial liabilities			
- Borrowings	13	220.49	458.22
- Lease liabilities		4.06	3.45
- Trade payables			
(a) total outstanding dues of micro & small enterprises	16	7.77	3.28
(b) total outstanding dues otherthan micro & small enterprises	16	175.42	133.42

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2025

(Rupees in Million)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
- Other financial liabilities	17	69.85	38.34
Other current liabilities	18	57.82	35.35
Provisions	14	6.86	4.98
Total liabilities		634.13	842.37
Total equity and liabilities		3,196.62	1,886.84

Material accounting policies

1

Accompanying Notes are an integral part of these Financial Statements

This is the Consolidated Balance Sheet referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants
Firm Reg.No 101174W

Vasant M Gala

Partner

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala

Chairman and Managing Director

DIN : 01540274

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
I INCOME			
Revenue from operations	19	2,378.35	2,025.46
Other income	20	43.70	18.32
Total income		2,422.05	2,043.78
II Expenses			
Cost of materials consumed	21	1,047.12	900.30
Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	22	(58.13)	(72.83)
Employee benefits expense	23	288.78	247.75
Finance costs	24	38.02	61.40
Depreciation and amortisation expense	25	79.69	68.62
Other Expenses	26	692.75	562.66
Total expenses		2,088.23	1,767.90
III Profit before exceptional items and tax		333.82	275.88
IV Add: Exceptional items	27	(2.56)	(23.09)
V Profit before tax and after exceptional items		331.26	252.79
VI Tax expenses			
- Current tax		62.00	54.09
- Deferred tax		(3.65)	(28.42)
- Tax adjustments of earlier years		4.75	7.19
Total tax expenses		63.10	32.86
Non-controlling interest		(0.26)	(3.40)
VII Profit for the year		268.42	223.33
VIII Profit before tax and after exceptional items for the year from continuing operations		331.52	260.03
IX Tax expense of continuing operations		63.10	34.71
X Profit for the year from continuing operations		268.42	225.33
XI Profit/ (Loss) before tax for the year from discontinuing operations		-	(3.85)
XII Tax expense of discontinuing operations		-	1.85
XIII Profit for the year from discontinuing operations		-	(2.00)
XIV Profit for the year from continuing and discountinuing operations		268.42	223.33
XV Other comprehensive income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of Defined benefit plans		(3.19)	0.67
Income Tax relating to items that will not be reclassified to Profit or Loss		0.80	(0.17)
Items that will be reclassified to Profit or Loss			
Exchange differences in translating the financial statements of foreign operations		(1.67)	4.36

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Note	Year Ended 31 March 2025	Year Ended 31 March 2024
Total other comprehensive income for the year, net of tax		(4.06)	4.86
XVI Total comprehensive income for the year		264.36	228.19
XVII Earnings per equity share for continuing operations	31 (a) (i)		
Basic (in Rs.)		23.23	22.28
Diluted (in Rs.)		22.56	21.97
XVIII Earnings per equity share for discontinuing operations	31 (a) (ii)		
Basic (in Rs.)		-	(0.19)
Diluted (in Rs.)		-	(0.19)
XIX Earnings per equity share for continuing & discontinuing operations including exceptional items	31 (a) (iii)		
Basic (in Rs.)		23.23	22.09
Diluted (in Rs.)		22.56	21.77

Material accounting policies

1

Accompanying notes are an integral part of these financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For SCA AND ASSOCIATES

 Chartered Accountants
 Firm Reg.No 101174W

Vasant M. Gala
Partner

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala

Chairman and Managing Director

DIN : 01540274

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
A. Cash flow from operating activities :				
Net profit before tax		331.26		252.79
Adjustment for :				
Depreciation	79.69		68.62	
Unrealised exchange (gain) / loss	(13.71)		(7.88)	
Share in loss of LLP	-		23.65	
Finance Cost (including fair value change in financial instruments)	38.02		61.40	
Interest income	(25.26)		(6.00)	
Bad debts	2.09		0.90	
Impairment of financial assets	-		0.02	
Provision for doubtful debts	1.51		2.30	
Loss / (Gain) on sale / disposal of fixed assets	(0.04)		2.52	
Fair value changes in financial assets	(0.16)	82.14	(0.15)	145.38
Operating profit/(loss) before working capital changes		413.40		398.17
Trade receivables	(230.56)		(165.39)	
Other financial assets	1.80		(15.33)	
Other non-current assets	(1.57)		(0.43)	
Other current assets	(50.84)		(2.96)	
Inventories	(147.38)		(42.58)	
Trade payable	46.49		55.62	
Provisions	15.11		6.06	
Other current financial liabilities	31.51		(20.66)	
Other liabilities	22.47	(312.97)	1.03	(184.64)
Cash enenerated from operations		100.43		213.53
Direct taxes paid		(73.02)		(57.07)
Net cash from operating activities		27.41		156.46
B. Cash flow from investing activities				
Purchase of Property, Plant & Equipment	(272.94)		(107.45)	
Capital work in progress and capital advance	(65.87)		(22.49)	
Proceeds from sale of fixed fssets	0.36		1.57	
Loans (financial assets) given	(1.75)		-	
Loans (financial assets) received	-		5.04	
Deposits / Balances with banks placed	(596.90)		-	
Deposits / Balances with banks matured	-		87.52	
Interest income	17.78		5.89	
Net cash used in investing activities		(919.32)		(29.92)
C. Cash flow from financing activities				
Proceeds from issue of shares	1,355.84		-	
(Repayments) / proceeds from working capital facilities (Net)	(186.92)		61.52	
(Repayments) of term loans	(131.49)		(37.38)	
Proceeds from Term Loans	-		40.88	
Repayment of unsecured loan	-		(78.51)	
Repayment of inter-corporate deposit	-		(22.50)	
Payment of lease liabilities	(4.79)		(2.91)	

(Rupees in Million)

Particulars	Year ended 31 March 2025		Year ended 31 March 2024	
Change in share of Non Controlling interest	-		(1.36)	
Initial public offer expenses	(101.91)		(18.33)	
Interest paid	(37.39)		(59.46)	
Net cash from financing activities		893.34		(118.05)
Net increase/(decrease) in cash and cash equivalents		1.43		8.49
Cash and cash equivalents as at beginning of the financial year		13.83		5.34
- Cash and cash equivalents		13.83		5.34
Cash and cash equivalents as at end of the financial year		15.26		13.83
- Cash and cash equivalents		15.26		13.83
Note to Cash Flow Statement:				
1. The above Cash Flow Statement has been prepared under the Indirect Method.				
2. Reconciliation of Financing Liabilities				
Opening balance				
- Long Term Borrowings		92.06		204.99
- Current borrowings		404.38		342.86
- Current maturities of long term debt		52.86		37.43
- Interest accrued on debt		0.98		0.70
- Lease Liabilities		14.88		17.78
Total - A		565.16		603.76
Cash flow movements				
- Proceeds from borrowings		-186.92		102.40
- Repayment of borrowings		(131.49)		(138.39)
- Interest		(0.70)		0.28
- Payment of Lease Liabilities		(4.79)		(2.91)
Total - B		(323.90)		(38.61)
Closing Balance (A+B)		241.26		565.15
Closing Balance Break Up				
- Long Term Borrowings		10.68		92.06
- Current borrowings		217.46		404.38
- Current maturities of long term debt		2.75		52.86
- Interest accrued on debt		0.28		0.98
- Lease Liabilities				
		231.17		550.28

This is the Consolidated Statement of Cash Flows referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants
Firm Reg.No 101174W

Vasant M. Gala
Partner

Membership No. 037626
Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala
Chairman and Managing Director
DIN : 01540274

S. Giridhar
Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan
Whole Time Director
DIN : 02876873

Pooja Ladha
Company Secretary

Mumbai, 27th May, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

(Rupees in Million)

Equity share capital	As at 31 March 2025	As at 31 March 2024
Authorised share capital	180.00	180.00
Issued share capital	126.97	101.11
Subscribed share capital	126.97	101.11
Fully paid-up share capital	101.11	101.11
Balance at the beginning of the year	101.11	25.24
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at the beginning of the year	101.11	25.24
Changes in equity share capital during the year		
Shares issued through Initial public offer ('IPO')	0.28	-
Shares issued through ESOP 2021	25.58	-
Bonus shares issued during the period	-	75.83
Add: Cross holding shares sold*	-	0.04
Balance at the end of the reporting year	126.97	101.11

Other equity	Reserves and Surplus				Other Comprehensive Income	Total	Non Controlling Interest
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	Foreign currency translation reserve		
Balance as at 01st April 2023	337.24	15.00	424.56	1.00	33.49	811.27	0.03
Profit for the year ending 31st March 2024	-	-	223.33	-	-	223.33	-
Other Comprehensive Income for the year ending 31st March 2024	-	-	-	0.50	4.36	4.86	-
Others*	1.43	-	-	-	-	1.43	-
Issue of bonus shares	(60.84)	(15.00)	-	-	-	(75.84)	-
Less: Share issue expenses on IPO	-	-	(18.33)	-	-	(18.33)	-
Share of non-controlling interest	-	-	-	-	-	-	(3.40)
Total comprehensive income for the year	-59.41	-15.00	205.00	0.50	4.36	135.46	-3.40
Balance as at 31st March 2024	277.84	-	629.56	1.50	37.85	946.73	-3.37
Profit for the year ending 31st March 2025	-	-	268.42	-	-	268.42	-
Other Comprehensive Income for the year ending 31st March 2025	-	-	-	(2.39)	(1.67)	(4.06)	-
Share of Non Controlling Interest	-	-	-	-	-	-	(0.26)
Total comprehensive income for the year	-	-	268.42	(2.39)	(1.67)	264.36	(0.26)
	277.84	-	897.98	(0.89)	36.18	1,211.09	(3.63)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

Other equity	Reserves and Surplus				Other Comprehensive Income	Total	Non Controlling Interest
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	Foreign currency translation reserve		
Transactions with owners in their capacity as owners:						-	
Add: Premium arising on issue of equity shares through IPO	1,327.82	-	-	-	-	1,327.82	-
Add: Premium arising on issue of equity shares through ESOP	2.15	-	-	-	-	2.15	-
Less: Share issue expenses on IPO		-	(101.91)	-	-	(101.91)	-
Balance as at 31st March 2025	1,607.81	-	796.07	(0.89)	36.18	2,439.15	(3.63)

*3,500 Shares of holding company held by subsidiary has been transferred during the previous year resulting in gain of Rs. 1.43 Million

This is the Consolidated statement of changes in Equity referred to in our report of even date

For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

Vasant M. Gala

Partner

Membership No. 037626

Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala

Chairman and Managing Director

DIN : 01540274

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director

DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2025

Note 1 : Material Accounting Policies

A General Information

Gala Precision Engineering Limited (the 'Company')(formerly known as Gala Precision Engineering Private Limited) is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane. The group is engaged in the manufacturing and selling of Springs, Parts, Fasteners and Assemblies with its manufacturing facilities located at Plot No. 295, Village Vadavali at Post Met, Musarne Road, Bhiwandi - Wada Highway, Taluka Wada, Palghar, Maharashtra and Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriprumbudur, Kancheepuram, Tamil Nadu, 602105, India

This Consolidated Financial Information comprises of Gala Precision Engineering Limited ("Holding Company") and its subsidiaries (collectively referred to as 'the Group')

B Basis of Consolidation

The Consolidated Financial Statements comprise of the Financial Statements of the Holding Company and the following Subsidiaries as on 31 March 2025:

Name of Company	Country of Incorporation	Proportion of Ownership
1. Gala Springs LLP -	India	- 92%
2. Gala Precision Components (Shanghai) Private Limited -	China	- 92% (Step Down Subsidiary)

The Consolidated Financial Statements comprise the Financial Statements of the Holding Company and its Subsidiaries as at 31st March 2025. Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Holding Company controls an investee if and only if the Holding Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Holding Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Holding Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Holding Company obtains control over the Subsidiary and ceases when the Holding Company loses control of the Subsidiary. Assets, liabilities, income and expenses of a Subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Holding Company gains control until the date the Holding Company ceases to control the Subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments, if material, are made to that group's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Holding Company, i.e., year ended on 31 March 2025.

Consolidation procedures for subsidiaries are:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiaries.
- b) Offset (eliminate) the carrying amount of the Holding Company's investment in each Subsidiary and the Holding Company's portion of equity of each Subsidiary
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, Plant and Equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of Subsidiaries to bring their accounting policies in line with the Holding Company's accounting policies

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Holding Company loses control over a Subsidiary, it

- Derecognises the assets (including goodwill) and liabilities of the Subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Holding Company had directly disposed of the related assets or liabilities

Basis of preparation and presentation of Financial Statements

i. Statement of Compliance

These Separate Financial Statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The Consolidated Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy

The Consolidated Financial Statement are presented in INR and all values are rounded off to Rupees Million unless otherwise stated.

The group reclassifies comparative amounts, unless impracticable and whenever the group changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Consolidated Financial Statements of the Group for the year ended 31st March, 2025 were authorised for issue in accordance with a resolution of the directors on 27th May, 2025

Major Sources of Estimation Uncertainty

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment:

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

Impairment of Financial Assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date

Defined Benefit Plans:

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future tax-

able income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.”

Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company concludes that no changes are required to lease period relating to the existing lease contracts.”

Allowance for credit losses on receivables:

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

C Summary of Material Accounting Policies:

Property, Plant and Equipment

The Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets is provided on straight line basis . Given below are the estimated useful lives for each class of property, plant and equipment:

Particulars	Useful Life
Buildings	
Factory Building	30 Years
Plant and equipment	15 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Computers	3 Years
Spares, tools and equipments	5 Years
Electrical installation	10 Years

Other Assets

Dies & Moulds	5 Years
Borewell	10 Years
Development cost	10 Years
Lean Improvement	7 Years
Computer Software	6 Years
Leasehold Land	99 Years
Leasehold Building	5 Years

Intangible Assets

The Company has elected to continue with the carrying value of Intangible assets recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Development cost represents expenditure incurred in relation to development of disc springs, Coil spring & Fastening solutions and related process and is amortised over a period of 10 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Lean Improvement represents expenditure incurred in relation to improvisation of business processes and is amortised over a period of 7 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

Inventories

Inventories consisting of stores and spares, raw materials, Work in progress, Stock in Trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for Inventory of Raw Material and stores and spares which are on daily moving Weighted Average Cost basis

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

Lease

Where the Group is a lessee-

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option

Government Grants

The grant relating to export benefits is presented under other income on a systematic basis in the Profit or Loss over the periods necessary to match them with the related costs, which they are intended to compensate

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Revenue Recognition and Other Income

The Group derives revenues primarily from sale of goods comprising springs, parts, fasteners, and assemblies.

Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of prompt payment discounts and schemes offered by the Group as part of the contract with the customers. The Group recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition :

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

Employee Benefits

Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., are recognized during the period in which

the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefits

The Group provides the following post-employment benefits:

- i) Defined benefit plans such as gratuity and
- ii) Defined Contribution plans such as provident fund

Defined benefits plans

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

Financial Instruments

- a) Financial assets

Financial assets other than investment in subsidiaries

Financial assets of the Group comprise trade receivable, cash and cash equivalents, Bank balances, advances to employees, security deposit, claims recoverable etc. “

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Security Deposits, Rent deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

Financial assets at fair value through profit or loss ('FVTPL')

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Impairment of financial assets

The Group assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Group to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

b) Financial Liabilities

The Group's financial liabilities includes borrowings, trade payable, lease liabilities, accrued expenses and other payables.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities classified as Amortised Cost:

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged / cancelled / expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Derivatives

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

Borrowing costs

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The Group identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining an asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Group incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Share based Payments

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service

requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment.

D Recent pronouncements

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31st March, 2025 MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Note 2 (a) Property, Plant and Equipment

(Rupees in Million)

Particulars	Freehold Land	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Spares, tools and equipments	Electrical installation	Other Assets	Total
Gross Block											
At cost as at 01 April 2023	8.69	92.30	301.18	27.59	11.05	5.78	6.49	3.14	11.16	34.37	501.74
Additions	-	4.25	49.40	3.13	5.74	0.86	1.62	1.06	1.53	6.33	73.92
Disposals /adjustments	-	-	(2.42)	-	-	-	(0.11)	-	(0.35)	-	(2.87)
At cost as at 31 March 2024	8.69	96.55	348.16	30.72	16.79	6.64	7.99	4.20	12.34	40.70	572.77
Additions	-	80.81	92.67	6.86	5.23	2.24	5.31	4.20	23.60	18.23	239.14
Disposals /adjustments	-	-	(0.04)	-	(0.19)	-	(0.13)	(0.00)	-	-	(0.36)
At cost as at 31 March 2025	8.69	177.36	440.79	37.58	21.82	8.88	13.18	8.40	35.94	58.93	811.58
Depreciation Block											
Accumulated depreciation / amortisation as at 01 April 2023	-	9.81	61.07	11.61	3.20	2.85	3.69	1.79	4.35	21.82	120.20
Depreciation / Amortisation for the year	-	3.32	23.40	3.58	1.63	0.87	1.37	0.46	1.55	4.98	41.17
Disposals /adjustments	-	0.00	(0.65)	0.00	0.00	0.00	(0.08)	-	(0.57)	-	(1.30)
Accumulated depreciation / Amortisation as at 31 March 2024	-	13.13	83.82	15.20	4.83	3.72	4.98	2.25	5.33	26.80	160.06
Depreciation / Amortisation for the year	-	3.43	25.75	4.01	2.26	0.87	2.00	0.70	1.63	4.28	44.93
Disposals /adjustments	-	-	-	-	-0.03	-	-0.01	-	-	-	(0.04)
Accumulated depreciation / Amortisation as at the 31 March 2025	-	16.56	109.57	19.21	7.06	4.59	6.97	2.95	6.96	31.08	204.97
Net Block											
As at 31 March 2024	8.69	83.43	264.34	15.52	11.95	2.92	3.01	1.95	7.01	13.90	412.71
As at 31 March 2025	8.69	160.80	331.22	18.37	14.77	4.29	6.20	5.45	28.98	27.85	606.62

Notes:

- The Holding Company has been converted from Private Limited Company to a Public Limited Company on October 3, 2023. The Company is in the process of getting the title deeds endorsed in the name of "Gala Precision Engineering Limited" from "Gala Precision Engineering Pvt Limited" for all the land and buildings
- Other Assets includes Dies, Moulds and Borewell
- During the year, the Holding company has capitalised borrowing cost Rs. 1.93 Million (P.Y. Rs. 1.85 Million) to the cost of capital work in progress

Note 2 (b) : Right of use asset

(Rupees in Million)

Particulars	Land	Building	Total
Gross Block			
Carrying value as at 01 April 2023	29.02	22.11	51.13
Additions	-	0.05	50.86
Disposals / adjustments	-	-	(11.37)
Carrying value as at 31st March 2024	29.02	22.16	51.18
Additions	-	-	-
Disposals / adjustments	-	-	-
Carrying value as at 31st March 2025	29.02	22.16	51.18
Depreciation Block			
Accumulated depreciation / Amortisation as at 01 April 2023	0.33	1.13	1.46
Depreciation / Amortisation for the year	0.28	4.21	4.48
Disposals	-	-	-
Accumulated depreciation / Amortisation as at 31st March 2024	0.61	5.33	5.94
Depreciation / Amortisation for the year	0.27	4.21	4.48
Disposals	-	-	-
Accumulated depreciation / Amortisation as at 31st March 2025	0.88	9.54	10.43
Net Block			
As at 31st March 2024	28.41	16.82	45.23
As at 31st March 2025	28.14	12.62	40.75

Note 2 (c). Capital Work-in-Progress

(Rupees in Million)

Particulars	Buildings	Plant and equipment	Total
At cost as at 31 March 2023	3.36	9.14	12.50
Additions	27.19	4.72	31.91
Capitalised during the year	(3.05)	(9.06)	(12.11)
At cost as at 31 March 2024	27.50	4.80	32.30
Additions	24.29	31.79	56.08
Capitalised during the year	(20.30)	(1.67)	(21.97)
At cost as at 31 March 2025	31.49	34.92	66.41

CWIP aging schedule

(Rupees in Million)

CWIP	Amount in CWIP for a period of					
	Less than 6 months	6 months - 1 years	1 - 2 Years	2 - 3 Years	More than 3 years	As at 31 March 2025
Tangible Assets:						
Projects in progress	52.90	5.38	4.97	2.70	0.46	66.41
Intangible Assets:						
Projects in progress	39.22	-	-	-	-	39.22
Total	92.11	5.38	4.97	2.70	0.46	105.63

CWIP aging schedule

(Rupees in Million)

CWIP	Amount in CWIP for a period of					
	Less than 6 months	6 months - 1 years	1-2 Years	2 - 3 Years	More than 3 years	As at 31 March 2024
Tangible Assets:						
Projects in progress	25.53	6.01	0.31	-	0.46	32.30
Intangible Assets:						
Projects in progress	33.34	-	0	-	0	33.34
Total	58.87	6.01	0.31	-	0.46	65.64

- i. During the year, the Group has capitalised the following expenses of revenue nature to the cost of Capital Work-In Progress and Property, Plant and Equipment.

Particulars	31-Mar-25	31-Mar-24
Raw material	0.26	3.19
Personnel costs	21.65	17.73
Process costs	3.97	4.40
Testing costs	0.48	0.86
Job-work cost	3.68	4.96
Technical fees and other expenses	3.29	3.41
Total	33.34	34.55

- ii. The Group does not have any capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Note 3 (a) Intangibles

(Rupees in Million)

Particulars	Development cost	Lean Improvement	Computer Software	Total
Gross Block				
At cost as at 01 April 2023	214.15	15.00	5.90	235.05
Additions	34.55	-	0.07	34.62
Disposals /adjustments	-	(1.56)	(0.71)	(2.27)
At cost as at 31 March 2024	248.70	13.44	5.26	267.40
Additions	33.34	-	1.17	34.51
Disposals /adjustments	-	-	(0.03)	(0.03)
At cost as at 31 March 2025	282.04	13.44	6.40	301.88
Depreciation Block				
Accumulated depreciation / amortisation as at 01 April 2023	49.68	6.43	2.14	58.25
Depreciation / Amortisation for the year	21.35	2.01	0.82	24.19
Disposals /adjustments	-	(0.65)	(0.37)	(0.37)
Accumulated depreciation / Amortisation as at 31 March 2024	71.03	7.80	2.59	81.42
Depreciation / Amortisation for the year	28.35	1.88	0.76	30.99
Disposals /adjustments	-	-	-	-
Accumulated depreciation / Amortisation as at the 31 March 2025	99.38	9.68	3.35	112.41
Net Block				
As at 31 March 2024	177.66	5.64	2.67	185.98
As at 31 March 2025	182.66	3.76	3.05	189.47

Note 3 (b)

(Rupees in Million)

Particulars	Intangible Assets under development
At cost as at 31 March 2023	34.55
Additions	33.34
Capitalised during the year	(34.55)
At cost as at 31 March 2024	33.34
Additions	39.22
Capitalised during the year	(33.34)
At cost as at 31 March 2025	39.22

Note 4
Other Financial Assets
(Rupees in Million)

Particulars	Non-Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Carried at amortised cost				
Bank deposits with more than 12 months maturity	45.00	-	-	-
Others;				
Security deposits	8.42	8.12	2.14	2.00
Deposits - Rent	3.17	3.00	0.24	0.24
Interest accrued on loans and deposits	-	-	8.28	0.80
Export benefits receivable	-	-	12.18	8.51
Others	-	-	-	2.64
At FVTPL				
Forward exchange contracts	-	-	-	3.28
Total	56.59	11.12	22.84	17.47

Note 5
Other Assets
(Rupees in Million)

Particulars	Non-Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Capital advances	40.52	14.63	-	-
Advances other than capital advances;				
Considered good	-	-	13.63	20.94
Considered doubtful	-	-	0.20	0.20
Less: Provision for doubtful advances	-	-	(0.20)	(0.20)
Sub Total	40.52	14.63	13.63	20.94
Balance with Statutory authorities			67.56	11.17
Prepaid Expenses	2.61	1.04	7.04	5.29
Sub Total	2.61	1.04	74.60	16.45
Total	43.13	15.68	88.23	37.39

Note 6
Inventories
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
(Valued at lower of cost and Net realisable value)		
Raw materials	275.52	201.23
Work-in-progress	219.65	147.85
Finished goods	175.76	189.43
Stores and spares	52.95	37.99
Total	723.88	576.50

Note 7**Trade Receivables**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
Unsecured, considered good	708.68	469.68
Trade Receivables - credit impaired	3.60	2.09
Less: Allowance for bad and doubtful debts	(3.60)	(2.09)
Total	708.68	469.68

Note: The Group has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

Trade Receivables ageing schedule

(Rupees in Million)

Particulars	Ageing						As at 31 March 2025
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	461.49	239.11	2.33	4.96	0.76	0.03	708.68
Disputed Trade Receivables — credit impaired	-	-	0.37	0.97	0.72	1.54	3.60

Trade Receivables ageing schedule

(Rupees in Million)

Particulars	Ageing						As at 31 March 2024
	Not Due	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade receivables — considered good	273.14	186.28	7.42	1.16	0.96	0.72	469.68
Disputed Trade Receivables — credit impaired	-	-	0.71	0.52	0.46	0.40	2.09

Note 8**Cash and Cash Equivalents**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with Banks (of the nature of cash and cash equivalents)	14.73	13.05
Cash on hand	0.53	0.78
Total	15.26	13.83

Note 9**Bank Balances other than Cash and Cash Equivalents**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Margin money deposits*	28.34	26.70
Deposits with original maturity of more than 3 months but less than 12 months	550.00	-
Current account held at a foreign branch	0.74	0.47
Total	579.08	27.17

* Margin money deposits with banks are lien marked.

Note 10
Loans (Unsecured, considered good)

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Loans and Advances to employees	2.97	1.22
Total	2.97	1.22

Note 11: Equity Share Capital
(Rupees in Million)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number	Amount	Number	Amount
Authorised Share Capital	18,000,000	180.00	18,000,000	110.00
Issued Share Capital	12,697,800	126.97	10,111,584	101.11
Subscribed Share Capital	12,697,800	126.97	10,111,584	101.11
Fully Paid-up Share Capital	10,111,584	101.11	10,111,584	101.11
Balance at the beginning of the year	10,111,584	101.11	2,524,396	25.24
Changes in equity share capital during the year:				
Shares issued through ESOP 2021	27,800	0.28	-	-
Shares issued through Initial public offer ('IPO')	2,558,416	25.58	-	-
Less: Intergroup holding sold**	-	-	3,500	0.04
Bonus shares issued during the period*	-	-	7,583,688	75.83
Issued and subscribed share capital	12,697,800	126.97	10,111,584	101.11

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Holding company has equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares in the Company held by each shareholder holding more than five per cent shares	As at 31 March 2025		As at 31 March 2024	
	No.	%	No.	%
- Kirit Vishanji Gala	2,791,518	21.98	2,791,488	27.61
- Vishanji Harshi Gala	-	-	540,800	5.35
- Rumie Kirit Gala	1,249,488	9.84	1,303,888	12.89
- Taramati V Gala	1,197,200	9.43	1,041,600	10.3
- Pooja Unichem LLP	660,000	5.20	660,000	6.53
- Smeet Kirit Gala	589,144	4.64	589,144	5.83

Particulars of promoter & promoter group holding	As at 31 March 2025			As at 31 March 2024		
	Number	% of total shares in the class	% Change during the year	Number	% of total shares in the class	% Change during the year
Equity shares of Rs. 10 each, fully paid-up held by-						
- Kirit Vishanji Gala	2,791,518	21.98	0.0%	2,791,488	27.61	-75%
- Vishanji Harshi Gala	-	-	-100%	540,800	5.35	-100%
- Rumie Kirit Gala	1,249,488	9.84	-4%	1,303,888	12.89	-76%
- Taramati V Gala	1,197,200	9.43	15%	1,041,600	10.30	-71%

Particulars of promoter & promoter group holding	As at 31 March 2025			As at 31 March 2024		
	Number	% of total shares in the class	% Change during the year	Number	% of total shares in the class	% Change during the year
- Vishanji Harshi Gala(HUF)	-	-	-100%	54,400	0.54	-100%
- Kirit Vishanji Gala(HUF)	134,400	1.06	-37%	213,600	2.11	-84%
- Nayna Gala	204,400	1.61	-20%	254,400	2.52	-80%
- Alpa Kiran Chheda	254,400	2.00	0%	254,400	2.52	-75%
- Vaibhavi Gala	254,400	2.00	27%	200,000	1.98	-68%
- Rajiv and Anupa Ashar Family Trust	107,200	0.84	0%	107,200	1.06	-75%
- Saloni Kirit Gala	143,544	1.13	61%	89,144	0.88	-60%
- Smeet Kirit Gala	589,144	4.64	0%	589,144	5.83	-75%
- Madhu Ashar	84,000	0.66	0%	84,000	0.83	-75%
- Manisha Ashar	14,800	0.12	0%	14,800	0.15	-75%

*Note on Issue of Bonus Shares

The Board of Directors of the Holding Company, at its meeting held on 17th August, 2023 had approved reclassification of authorized share capital of ₹18,00,00,000/- divided into ₹11,00,00,000/- comprising of 1,10,00,000 Equity shares of ₹10/- each and ₹7,00,00,000/- comprising of 70,00,000 Preference shares of Rs.10/- each to ₹18,00,00,000/- divided into 1,80,00,000 Equity Shares of ₹10/-, which was approved by the shareholders by means of a special resolution dated September 5, 2023.

Post reclassification of the existing authorised share capital of the Holding company, the Board of Directors at its meeting held on 17th August, 2023 had approved the bonus issue of three new equity share for every one share held on record date, which was approved by the shareholders by means of an Special resolution dated 5th September, 2023. The record date for the bonus issue is 27th September, 2023. The sum of ₹ 75.37 Million by capitalisation of profits transferred from security premium amounting to ₹ 60.73 Million and capital reserve amounting to ₹ 15 Million. The company had allotted 75,83,688 weighted average number of equity shares of ₹ 10 each by way of bonus issue to its shareholders in ratio of 3:1 effective 27th September, 2023

** 3,500 Shares of holding company held by subsidiary has been transferred during the year resulting in gain of Rs. 1.43 Million

Note 12: Other equity
a. Other equity
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Securities premium	1,607.81	277.84
Retained earnings	796.04	629.54
Remeasurements of defined benefit plans	(0.89)	1.50
Items of Other comprehensive income	36.18	37.85
Total	2,439.14	946.73

b. Movements in other equity
(Rupees in Million)

Particulars	Reserves and Surplus				Other Comprehensive Income	Total	Non Controlling Interest
	Securities Premium	Capital Redemption Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans	Foreign currency translation reserve		
Balance as at 01 April 2023	337.24	15.00	424.55	1.00	33.49	811.27	0.03
Profit for the Year ending 31st March 2024	-	-	223.33	-	-	223.33	(3.40)
Other comprehensive income for the year ending 31st March 2024	-	-	0	0.50	4.36	4.87	-
Others*	1.43	-	-	-	-	1.43	-
Issue of bonus shares	(60.83)	(15.00)	-	-	-	(75.83)	-
Initial public offer expenses	-	-	(18.33)	-	-	(18.33)	-
Total comprehensive income for the year	(59.40)	(15.00)	205.00	0.50	4.36	135.49	(3.40)
Balance as at 31st March 2024	277.84	-	629.54	1.50	37.85	946.73	(3.37)
Profit for the Year ending 31st March 2025	-	-	268.42	-	-	268.42	(0.26)
Other comprehensive income for the year ending 31st March 2025	-	-	-	(2.39)	(1.67)	(4.06)	-
Total comprehensive income for the year	-	-	268.42	(2.39)	(1.67)	264.36	(0.26)
	277.84	-	897.95	-0.89	36.18	1,211.08	(3.63)
Add: Premium arising on issue of equity shares through IPO	1,327.82	-	-	-	-	1,327.82	-
Add: Premium arising on issue of equity shares through ESOP	2.15	-	-	-	-	2.15	-
Initial public offer expenses	-	-	(101.91)	-	-	(101.91)	-
Balance as at 31st March 2025	1,607.81	-	796.04	(0.89)	36.18	2,439.14	(3.63)

Nature and Purpose of each component of equity	Nature and Purpose
i. Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium
ii. Capital Redemption Reserve	Capital Redemption Reserve represents statutory reserve created upon buyback of Preference shares in the earlier years.
iii. Retained Earnings	Retained earnings are the profits that the Group has earned till date, less any dividends or other distributions paid to shareholders
iv. Remeasurements of Defined Benefit Plans	Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.
v. Foreign currency translation reserve	Exchange differences relating to the translation of the results and net assets of the groups foreign operations from their functional currencies to the Group's presentation currency, i.e., Indian Rupees.

*Shares of holding company held by subsidiary has been transferred during the year resulting in gain of Rs. 1.43 Million

Note 13

Borrowings

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
<u>Non-current</u>		
<u>Secured</u>		
Term loans;		
- from Banks	10.68	92.06
Sub total	10.68	92.06
<u>Current</u>		
<u>Secured</u>		
Current maturities of long-term debt	2.75	52.86
Interest accrued and due on term loan	0.28	0.98
Loans repayable on demand		
- from banks	217.46	404.38
Sub total	220.49	458.22
Total	231.17	550.28

A.	Nature of Borrowings	Interest Rate and terms of repayments
	Term loans - From HDFC Bank Ltd. (secured) The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 10.84% per annum (Previous year 9.70%). The loan was repayable in 75 monthly (Including moratorium) installments from the 7 Jun 2022. The loan was repaid on 10th October, 2024
	- From Yes Bank Ltd. (secured) The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 9.75% per annum. (Previous Year 9.75% per annum). The loan was repayable in 84 monthly installments from the 5 Jul 2019. The loan was repaid on 10th October, 2024.

A.	Nature of Borrowings	Interest Rate and terms of repayments
	Emergency Credit Line Gurantee Scheme - From HDFC Bank Ltd. (secured) The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 9.25% per annum. (Previous Year 9.25% per annum). The loan was repayable in 48 monthly after one year of moratorium i.e. 1 Oct 2021. The loan was repaid on 19th September, 2024.
	- From Yes Bank Ltd. (secured) The loans are secured by first and exclusive charge by way of hypothecation on certain specific equipments financed through the loan.	The loan carries rate of interest of 8.44% to 9.44% per annum (Previous year 8.64% to 9.25%). The loan was repayable in 48 monthly after one year of moratorium i.e. 1 Nov 2021. The loan was repaid on 27th September, 2024
	Vehicle finance loan (secured) The loans are secured against hypothecation of related vehicles taken under the loans.	The loan carries rate of interest of 7.40% to 9.30% per annum (Previous year 8.64% to 10.50%). The loans are repayable in equated monthly installments, from the month subsequent to disbursement of the loan.
	Cash credit and overdraft facilities from HDFC Bank Ltd. and Yes Bank Ltd. are secured by pari passu charge by way of hypothecation of inventories of raw materials and finished goods and book debts, both present and future.	Cash credit and overdraft facilities from HDFC Bank Ltd. carries rate of interest of 4.40% to 10.50% per annum [previous year: 8.25% to 10.50%] and Yes Bank Ltd. carries rate of interest of 4.50% to 9.50% per annum [previous year: 8.90% to 10.50% per annum], computed on a monthly basis on the actual amount utilised, and are repayable on demand.

Note 14
Provisions
(Rupees in Million)

Particulars	Non Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits				
Gratuity	51.28	39.28	4.97	3.81
Leave encashment	17.70	13.28	1.89	1.16
Total	68.98	52.56	6.86	4.98

Note 15
Deferred tax liabilities - (Net)
(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Deferred Tax Liabilities (Net);		
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	63.81	57.71
Deferred tax asset:		
- Right-of-use and lease liability	0.45	0.35
- Security deposit	0.01	0.01
- Accrued Expenses allowable on Actual Payments	37.63	17.85
- Brought forward long term capital loss	20.89	30.22
Total	4.83	9.28

(Rupees in Million)

Particulars	As on 31 March 2025			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	57.71	6.10	-	63.81
Gross deferred tax liabilities (a)	57.71	6.10	-	63.81
Tax effect of items constituting deferred tax assets				
- Right-of-use and lease liability	0.35	0.10	-	0.45
- Security deposit	0.01	0.00	-	0.01
- Accrued Expenses allowable on actual payments	17.85	18.98	0.80	37.63
- Brought forward long term capital loss	30.22	(9.33)	-	20.89
Gross deferred tax assets (b)	48.43	9.74	0.80	58.98
Net deferred tax liability (a - b)	9.28	(3.65)	(0.80)	4.83

(Rupees in Million)

Particulars	As on 31 March 2024			
	Opening Balance	Recognised in Statement of Profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
- Arising on account of difference in carrying amount and tax base of PPE and Intangibles	63.58	(5.87)	-	57.71
Gross deferred tax liabilities (a)	63.58	(5.87)	-	57.71
Tax effect of items constituting deferred tax assets				
- Right-of-use and lease liability	0.11	0.24	-	0.35
- Security deposit	-	0.01	-	0.01
- Accrued Expenses allowable on actual payments	25.94	(7.92)	0.17	17.85
- Brought forward long term capital loss	-	30.22	-	30.22
Gross deferred tax assets (b)	26.05	22.55	0.17	48.43
Add: MAT Credit (c)	0.59	(0.59)		
Net deferred tax liability (a - b)	36.94	(27.83)	(0.17)	9.28

Note 16**Trade Payables**

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Outstanding due of Micro and Small Enterprises (Refer Note 31(b))	7.77	3.28
Outstanding due of Creditors other than Micro and Small Enterprises	175.42	133.42
Total	183.19	136.70
Of the above;		
- Acceptances	19.96	25.62

Trade Payables aging schedule

(Rupees in Million)

Particulars	Outstanding for ther periods from due date of payment			As at 31 March 2025
	Not due	Less than 1 year	More than 1 year	
(i) MSME	2.98	4.79	-	7.77
(ii) Others	83.25	85.06	7.11	175.42
Total	86.23	89.85	7.11	183.20

Trade Payables aging schedule

(Rupees in Million)

Particulars	Outstanding for ther periods from due date of payment			As at 31 March 2024
	Not due	Less than 1 year	More than 1 year	
(i) MSME	3.16	0.12	-	3.28
(ii) Others	77.24	56.18	-	133.42
Total	80.40	56.30	-	136.70

Note 17

Other Financial Liabilities

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Carried at Amortised Cost :		
Security Deposit	-	4.25
Capital Creditors	27.79	4.78
Liabilities for expenses	2.33	-
Liability for employee benefits	35.59	29.31
Carried at FVTPL :		
Forward exchange contracts	4.14	-
Total	69.85	38.34

Note 18

Other liabilities

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities	3.34	2.95
Others;		
Statutory dues	16.50	7.07
Liabilities for expenses	37.98	25.33
Total	57.82	35.35

Movement of contract liabilities is as under ;

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2023
As at beginning of the year	2.95	3.27
Recognised as revenue from contracts with customers	1.18	4.37
Advance from customers received during the year	(0.79)	(4.69)
Balance at the close of the year	3.34	2.95

Note 19**Revenue from Operations***(Rupees in Million)*

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Sale of Products	2,292.03	1,942.98
Sale of Services	0.77	0.82
Other operating revenues:		
Export incentives	21.53	17.00
Scrap sales	64.02	64.65
Total	2,378.35	2,025.46

Reconciliation of revenue recognised with the contracted price is as follows:

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Gross sales (contracted price)	2,296.44	1,947.08
Reductions towards variable consideration (Discount, other expenses)	(4.40)	(4.10)
Revenue recognised	2,292.04	1,942.99

Note 20**Other Income***(Rupees in Million)*

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Interest on margin money/others	25.26	6.00
Discount on Forward Contracts	9.77	9.43
Profit on sale of PPE (net)	0.04	-
Gain on Foreign Exchange Translations	3.69	2.74
Insurance claim received	0.13	-
Miscellaneous Income	4.65	-
Unwinding of discounted rental deposit	0.16	0.15
Total	43.70	18.32

Note 21**Cost of Materials consumed***(Rupees in Million)*

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Opening Stock of Raw Materials	201.23	258.60
Purchases during the year	1,121.41	842.93
Closing Stock of Raw Materials	275.52	201.23
Total	1,047.12	900.30

Note 22**Changes In Inventories Of Finished Goods And Work-In-Progress***(Rupees in Million)*

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Closing Stock:		
Finished Goods	175.76	189.43
Work-in-Progress	219.65	147.85
	395.41	337.28

Changes In Inventories Of Finished Goods And Work-In-Progress
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Less: Opening Stock:		
Finished Goods	189.43	124.60
Work-in-Progress	147.85	139.85
	337.28	264.45
Total	(58.13)	(72.83)

Note 23
Employee Benefits Expense
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Salaries and Wages	249.14	219.32
Contribution to provident, gratuity and other fundsw	18.89	16.42
Staff welfare expenses	20.75	12.01
Total	288.78	247.75

The Shareholders of the Holding Holding Company had approved on 14th January, 2022 an Employee Stock Option Scheme ("Gala ESOP 2021"), formulated by the Holding Holding Company, under which the Holding Holding Company issued upto 50,000 options to its permanent employees, including Wholetime Directors of the Holding Holding Company. The Gala ESOP 2021 is administered by the Board of Directors of the Holding Holding Company

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Holding Holding Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 5 years from the grant date i.e. 14th January 2022. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Holding Holding Company has granted options at an exercise price of Rs. 350. At grant date, the estimated fair value of stock options granted under Gala ESOP 2021 is Rs. 350. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
1) Grant Date	14th January, 2022	14th January, 2022
2) Risk-free interest rate	6.70%	6.70%
3) Expected Life	5 Years	5 Years
4) Expected Volatility	0.001%	0.001%
5) Expected Dividend Yield	Nil	Nil
6) Fair market value of underlying share*	Rs. 87.50/-	Rs. 87.50/-
7) Exercise Price*	Rs. 87.50/-	Rs. 87.50/-

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Options outstanding at the beginning of the year	146,200	178,400
Granted during the year	-	1,500
Add: Bonus Issue*	-	4,500
Forfeited/Expired/Lapsed during the year	-	(38,200)
Exercised during the year	(27,800)	-
Outstanding at the end of the year	118,400	146,200

* As per the scheme, in case of issue of bonus shares by the Holding Holding Holding Company, number of options granted shall be adjusted in the same proportion as the bonus being declared. Accordingly, number of options granted have been proportionately increased in ratio of bonus issue i.e. 3:1

The Shareholders of the Holding Holding Holding Company had approved on 06th August, 2024 an Employee Stock Option Scheme ("Gala ESOP 2024"), formulated by the Holding Holding Company, under which the Holding Holding Company issued upto 300,000 options to its Wholetime Directors of the Holding Holding Company. The Gala ESOP 2024 is administered by the Board of Directors / Nomination and remuneration committee of the Holding Holding Company

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Holding Holding Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 6 years from the grant date i.e. 06th August 2024. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Holding Holding Company has granted options at an exercise price of Rs. 530. At grant date, the estimated fair value of stock options granted under Gala ESOP 2024 is Rs. 530. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
1) Grant Date	06th August, 2024	-
2) Risk-free interest rate	7.20%	-
3) Expected Life	6 Years	-
4) Expected Volatility	0.00%	-
5) Expected Dividend Yield	Nil	-
6) Fair market value of underlying share*	Rs. 530/-	-
7) Exercise Price*	Rs. 530/-	-

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Options outstanding at the beginning of the year	NA	-
Granted during the year	300,000	-
Forfeited/Expired/Lapsed during the year	-	-
Exercised during the year	-	-
Outstanding at the end of the year	300,000	-

Note 24

Finance Costs

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Interest on Loans and Deposits	5.65	10.49
Interest on Working Capital Facilities	26.95	33.45
Interest on unsecured loans	2.85	11.22
Finance charges	1.23	4.59
Interest on lease liabilities	1.34	1.65
Total	38.02	61.40

Note 25

Depreciation and Amortisation expense

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Depreciation on Property, Plant And Equipment	44.93	41.05
Amortisation on intangible assets	30.99	24.22
Amortisation of right-of-use asset	4.48	4.48
Less: Transferred to Capital Work in Progress	(0.71)	(1.13)
Total	79.69	68.62

Note 26
Other Expenses
(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Consumption of stores and spare parts	91.58	77.49
Packing material consumed	34.16	22.94
Power and Fuel	68.86	59.70
Labour charges	290.76	230.41
Testing expenses	8.42	8.64
Rent	2.45	3.36
Rates and Taxes	4.34	6.85
Insurance	11.53	11.08
Travelling expenses	16.33	13.32
Legal and professional fees	21.22	12.74
Sitting Fees	1.56	0.34
Commission	3.52	2.62
Business promotion	20.78	15.25
Bank charges	3.55	3.23
Telephone and other communication expenses	0.99	1.02
Printing and stationery	1.56	1.43
Provision for expected credit loss	1.51	2.30
Bad debts written-off	2.09	0.90
Loss on sale of property, plant and equipment (net)	-	2.52
Conveyance and vehicle expenses	20.69	17.71
Repairs and Renewals:		
- Building	2.46	1.67
- Plant and machinery	4.15	3.58
- Others	10.24	7.94
Auditors' Remuneration:		
As Auditors:		
Audit fee	1.19	1.25
Other Services	0.20	0.03
	1.39	1.28
Cost Auditors Remuneration:		
Audit fee	0.07	0.07
Recruitment	1.17	2.07
Freight outward	47.78	37.41
Computer expenses	5.12	4.39
Security expenses	5.00	3.75
Interest on Statutory Dues	1.46	1.46
Donation	0.08	0.07
CSR Activity Expenses	4.18	2.35
Fair Value Loss on Financial Assets	-	0.02
Miscellaneous expenses	3.75	2.75
Total	692.75	562.66

Note 27**Exceptional Items***(Rupees in Million)*

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Write off of inventory of Foreign Subsidiary (Refer Note 31(k))	-	(23.65)
Income from Sale of Intangible assets of SES business (Refer Note 31 (j)	-	3.50
Expenses relating to winding up of foreign subsidiary (Refer Note 31(k))	(2.56)	(2.94)
Total	(2.56)	(23.09)

Note 28**A. Capital Management**

For the purpose of Group's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Holding Company. The primary objective of the Group's Capital Management is to maximise the Share Holder Value.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Group monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Interest bearing loans and borrowings	231.17	550.28
Less: Cash and Short term deposits	(15.26)	(13.83)
Net Debt	215.91	536.45
Equity	126.97	101.11
Other equity	2,439.14	946.73
Total Capital	2,566.11	1,047.84
Capital and Net Debt	2,782.02	1,584.29
Gearing Ratio %	7.76%	33.86%

B. Financial Risk Management

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i) Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans And borrowings and foreign currency receivables and payables

Interest Rate Risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive cost of funding

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management is as follows:

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
Financial liabilities		
Fixed rate instruments	13.71	145.90
Variable rate instruments	217.46	404.38
Total	231.17	550.28

Fair value sensitivity analysis for fixed rate instruments

The Group measures its fixed rate financial liabilities at amortized cost and does not designate these liabilities at fair value through profit or loss (FVTPL). Consequently, any changes in market interest rates at the reporting date would not directly affect the Group's profit or loss, as the interest expense is based on the fixed effective interest rate.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by

2.17 **4.04**

Foreign Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

Unhedged Short Term Exposures :

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Amount in Foreign Currency - In Million	Amount- In ₹ Million	Amount in Foreign Currency - In Million	Amount- In ₹ Million
Financial Assets	USD	0.58	49.50	0.46	38.28
	EURO	2.31	213.62	1.60	144.06
	GBP	0.02	1.83	0.06	6.45
Financial Liabilities	-	-	-	-	-
	USD	0.16	13.80	0.30	24.65
	EURO	0.07	6.94	0.01	1.15
Net exposure	JPY	-	-	0.00	0.25
	USD	0.42	35.70	0.16	13.63
	EURO	2.24	206.68	1.59	142.92
	GBP	0.02	1.83	0.06	6.45
	JPY	-	-	0.00	0.25

The Group is mainly exposed to changes in US Dollar and EURO.

The Sensitivity analysis is prepared on the net unhedged exposure of the Group at the reporting date.

The sensitivity to a 0.25% to 1% increase or decrease in US Dollar and EURO against INR with all other variables held constant will be as follows;

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Increase	Decrease	Increase	Decrease
Sensitivity (+/- 1%)	USD	0.36	-0.36	0.14	-0.14
	EURO	2.07	-2.07	1.43	-1.43

The Group enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of outstanding foreign receivables, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Amount in Foreign Currency - In Million	Amount- In ₹ Million	Amount in Foreign Currency - In Million	Amount- In ₹ Million
USD	1.02	86.90	0.99	82.64
EURO	4.76	440.78	3.80	349.19

Price Risks

More than One-third of the Group's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Group is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Group enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Group hedges 65-70% of its export collections through plain vanilla forward covers.

ii Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. It arises from credit exposure to customers and Balances with Banks.

The Group holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group has taken insurance cover for overseas debtors through ECGC but has not taken any insurance cover for local debtors. The Group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31 March 2024 is as follows.

Particulars	As at 31 March 2025	As at 31 March 2024
The outstanding trade receivables due for a period exceeding 180 days as % of Total Trade receivables	1.14%	2.18%

iii Liquidity Risk

The Group manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The Group has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

Exposure to liquidity risk:

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

(Rupees in Million)

Particulars	As at 31 March 2025				As at 31 March 2024			
	Less than 1 year	1-3 years	3-5 years	More than 5 years	Less than 1 year	1-3 years	3-5 years	More than 5 years
Borrowings	220.49	5.94	4.45	0.29	458.22	59.56	31.17	1.33
Trade Payable	176.08	7.11	-	-	136.70	-	-	-
Other Financial Liabilities	69.85	-	-	-	38.34	-	-	-

Note 29

Fair Values and Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the Consolidated Financial Statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
	Carrying Value	
Financial assets and liabilities measured at amortised cost		
Financial Assets		
Loans	2.97	1.22
Bank Term deposits	623.34	26.70
Other Assets - Security & Other deposits	13.97	11.12
Total Financial Assets	640.28	39.03
Financial Liabilities		
Borrowings - Non current	10.68	92.06
Total Financial Liabilities	10.68	92.06
Financial assets and liabilities measured at FVTPL		
Financial Assets		
Foreign exchange forward contracts	-	3.28
Financial Liabilities		
Foreign exchange forward contracts	4.14	-

The management assessed that fair value of trade receivables, cash and cash equivalents, security deposits, recoverable from customers, other short-term financial assets, short term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

*The following methods and assumptions were used to estimate the fair values:

- Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.
- Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing
- Non-current borrowings - The fair value of non-current borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value
- Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 30

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(Rupees in Million)

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
Accounting Profit before Income Tax	331.26	252.79
At India's statutory income tax rate of	25.17%	25.17%
Income Tax as per statutory income tax rate	83.37	63.62
Effect of deductions available under Income Tax Act	(35.93)	(12.05)
Effect of brought forward business loss	9.33	(30.22)
Effect of non-deductible expenses	1.58	4.31
Total	58.35	25.66

NOTE 31 Additional / Explanatory information

a) Earnings Per Share

(Rupees in Million)

Particulars		For the year ended 31-March-2025	For the year ended 31-March-2024
i Profit after taxation from continuing operations after exceptional items	Rs. Million	268.42	225.33
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for continuing operations	Rs.	23.23	22.28
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share		22.56	21.97
ii Profit after taxation from discontinuing operations	Rs. Million	-	(2.00)
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for discontinuing operations	Rs.	-	(0.19)
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for discontinuing operations		-	(0.19)
iii Profit after taxation from continuing and discontinuing operations after exceptional items	Rs. Million	268.42	223.33
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584

a) Earnings Per Share

(Rupees in Million)

Particulars		For the year ended 31-March-2025	For the year ended 31-March-2024
Earnings per share for continuing and discontinuing operations	Rs.	23.23	22.09
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for continuing and discontinuing operations		22.56	21.77
iv Profit after taxation from continuing & discontinuing operations excluding Exceptional items	Rs. Million	270.97	246.42
Weighter Average Number of equity shares (Face Value Rs. 10/-)	Nos.	11,557,188	10,111,584
Earnings per share for continuing operations excluding Exceptional items	Rs.	23.45	24.37
Diluted Number of shares outstanding		11,897,328	10,257,784
Diluted earnings per share for continuing and discontinuing operations annualised		22.78	24.02

Weighted average number of Shares

Particulars		For the year ended 31-March-2025	For the year ended 31-March-2023
Number of shares considered as basic weighted average shares outstanding	Nos.	10,111,584	2,527,896
Add: Bonus Shares issued (Refer Note 11)	Nos.	0	7,583,688
Add: Weighted number of equity shares issued during the year	Nos.	1,445,604	0
Number of shares considered as weighted average shares and potential shares outstanding	Nos.	11,557,188	10,111,584

Diluted number of shares

Particulars		For the year ended 31-March-2025	For the year ended 31-March-2023
Number of shares considered as basic weighted average shares outstanding	Nos.	11,557,188	10,111,584
Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)	Nos.	144,524	146,200
Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)		195,616	
Number of shares considered as weighted average shares and potential shares outstanding	Nos.	11,897,328	10,257,784

The basic and diluted earning per share for the year ended March 31, 2024, presented have been calculated/ restated after considering bonus issue. (Refer note 11)

b) Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Group are given under and have been relied upon by the auditors:

Particulars	As at 31 March 2025	As at 31 March 2024
Principal amounts remaining unpaid to suppliers as at the end of the accounting year	7.77	3.28

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued And paid and cumulative interest are not applicable, being NIL.

c) As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Holding Company. The Holding Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.

Particulars	As at 31 March 2025	As at 31 March 2024
Gross amount required to be spent by the Holding Company	4.14	2.32
Amount spent by the Holding Company during the year on purpose other than construction/ acquisition of assets	4.18	2.35
Shortfall/(Excess) at the end of the year	(0.04)	(0.03)
Total of previous year short fall	NA	NA
Reason for shortfall	NA	NA
Nature of CSR Activities	Education & Sports	Education & Sports

d) The Notes to these consolidated Ind AS financial statements are disclosed to the extent relevant and necessary for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No.39/2014 dated 14th October, 2014.

e) Consolidated Employee benefit disclosures are not materially different from the employee benefit disclosures of the standalone Ind AS financial statements of the Company.

f) **Disclosures under Ind AS 108 - "Operating Segment" - (Refer Note below)**

(i) **Entity wide disclosure required by Ind AS 108 are as detailed below:**

	31-Mar-25	31-Mar-24
Springs, Parts, Fasteners and Assemblies	2,378.35	2,025.46

(ii) **Geographic information**

The geographic information analyses the Holding Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

Revenue from External Customers:	31-Mar-25	31-Mar-24
- within India	1,483.85	1,265.24
- outside India	894.50	760.22
Total revenue	2,378.35	2,025.46

Non-current assets (other than financial instruments)	31-Mar-25	31-Mar-24
- within India	1,055.54	743.52
- outside India	0.14	0.06
	1,055.68	743.58

Information about major customers:

The following is the transactions by the Group with customers individually contributing more than 10 or more of the Group's revenue from operations	31-Mar-25	31-Mar-24
Revenue from operations of 1 customer of the group represented approximately % of the revenue from operation	23.6%	15.23%

Note:

The Company is engaged interalia in the manufacture of Springs, Parts, Fasteners and Assemblies. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

g) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):
Other related parties with whom transactions have taken place during the year

- Key Managerial Personnel
 - Mr. Kirit Gala - Chairman and Managing Director (w.e.f 30.11.2023)
 - Mr. Balkishan Jalan, Whole Time Director (Executive) (w.e.f 30.11.23)
 - Mr. Satish Kotwani, Whole Time Director - Marketing (w.e.f 30.11.23)
 - Mr. S. Giridhar - Chief Financial Officer (w.e.f 30.11.2023)
 - Ms. Pooja Ladha - Company Secretary (w.e.f 09.10.2023)
- Entity in which Directors having substantial interest
 - Vishanji H. Gala - HUF
 - Kirit V. Gala - HUF
 - Balkishan Jalan - HUF
 - Workamp Spaces Pvt. Ltd.
 - Gala Springs LLP
 - Slate Workspaces Pvt Ltd
- Relatives of Key Managerial personnel
 - Mr. Vishanji H Gala - Father of Mr. Kirit V Gala
 - Mrs. Taramati V Gala - Mother of Mr. Kirit V Gala
 - Mrs. Rumie K Gala - Wife of Mr. Kirit V Gala
 - Mrs. Alpa Chheda - Sister of Mr. Kirit V Gala
 - Mrs. Nayna Gala - Sister of Mr. Kirit V Gala
 - Mr. Smeet Kirit Gala - Son of Mr Kirit V Gala

Particulars	Entity in which Directors having substantial interest		Other Related Party		Key Managerial Personnel	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Interest Expense :	2.31	2.47	-	0.75	0.75	2.49
Remuneration:*						
Directors	-	-	-	-	31.13	26.55
CFO	-	-	-	-	3.32	0.72
Company Secretary	-	-	-	-	0.85	0.41
Smeet Gala - VP - Business Development	2.83	2.34	-	-	-	-

Particulars	Entity in which Directors having substantial interest		Other Related Party		Key Managerial Personnel	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Loan repaid:	108.20	109.68	-	19.25	39.30	91.10
Loan received:	108.20	109.10	-	10.05	39.30	91.10
Other payables (Remuneration)						
Directors	-	-	-	-	2.59	2.21
CFO	-	-	-	-	0.28	0.18
Company Secretary	-	-	-	-	0.07	0.07
Smeet Gala - VP - Business Development	0.24	0.20	-	-	-	-

* Remuneration does not include provisions made for Gratuity as it is determined on an actuarial basis for the Group as a whole.

d) Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March, 2025, 31 March 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(Rupees in Million)

Particulars	As at 31 March 2025	As at 31 March 2024
h) Capital Commitment		
(i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for -	76.77	15.80
i) Contingent Liabilities not provided for:		
(a) Disputed Income Tax Demands	32.97	32.97
(b) Patent Act*	20.00	20.00
(c) Bank guarantees	8.56	8.43
(d) Letters of credit	24.68	6.25

*A patent infringement suit was filed by Nord-Lock AB & Nord-Lock (India) Pvt. Ltd. against Gala Precision Engineering Pvt. Ltd. & Gala Fasteners Pvt. Ltd. Infringement of patents related to Wedge-Lock technology washers and involves the manufacture, sale, and advertisement of 'Gallock Washers' by Gala Precision Engineering. The Plaintiffs' have reserved their rights to enhance their claim amount at a later stage taking into account the Defendants' total sales revenue for all the infringing products sold during the entire period of infringement, which will be assessed after the trial takes place. As the matter is currently under litigation, it is not possible to estimate the financial outcome at this stage. Consequently, no provision has been made in the financial statements in relation to this lawsuit.

j) **Discontinuing Operations:**

On 22nd June, 2022, the Board of Directors ratified the decision of the management to dispose of holding company's Surface Engineering Solutions division, which was also a separate segment as per Ind AS 108 Segment Reporting. The disposal is consistent with the Holding Company's long-term strategy to focus its activities in the areas of Springs, Parts, Fasteners and Assemblies, and to divest unrelated activities.

The Holding Company sold the Intangible assets of SES business relating to Deburring & Polishing Systems & related Media Chemicals and remaining Property, Plant & Equipment has been put to use for other business units during the year ended 31st Mar, 2024. The amounts of other assets comprising of "Assets and Liabilities" are regular business

transactions which in view of the management are likely to be settled or disposed in due course of time. On 31st May, 2022, the Holding Company signed a contract to sell the SES Division to S M Systems Pvt Ltd for Rs. 30 Million. In October 2023, the Holding Company signed a contract with Gala Finishing Solutions Pvt. Ltd. for Rs. 3.50 Million

The amount of revenue and expenses in respect of the ordinary activities attributable to the discontinued/discontinuing operation during the current year are as under.

Particulars	31-Mar-25	31-Mar-24
Revenue from operations	-	10.97
Profit Before Tax	-	-3.85

As per Management, only those income & expenses directly attributable to the discontinuing operations are considered for disclosure

- k) The Group had taken proactive steps to transfer its China Subsidiary business to its distributor. Going forward, the Group intended to sell products to the local distributor, who would then sell to Chinese customers. However, as of March 2024, the Company has initiated winding-up proceedings for Gala China. Given the ongoing winding-up process and the shift in business strategy to a distributor model, the Group has decided to write off the inventory amounting to Rs. 23.65 Million of Gala China. Also during the year, the group has incurred winding up process expenses amounting to Rs. 2.56 Million (P.Y. - Rs. 2.95 Million)

(Rupees in Million)

Name of entity in the group	Net Assets (Total assets - Total liabilities)		Share in profit		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
As at 31 March 2025								
Parent								
Gala Precision Engineering Limited	99.96%	2,561.52	101.21%	271.66	100.00%	(4.06)	101.23%	267.60
Subsidiary								
Gala Precision Components (Shanghai) Private Limited	0.03%	0.65	-0.24%	-0.65	0.00%	-	-0.25%	(0.65)
Gala Springs LLP	0.01%	0.33	-0.96%	-2.59	0.00%	-	-0.98%	(2.59)
Elimination								
Total	100.00%	2,562.49	100.00%	268.42	100.00%	-4.06	100.00%	264.36
As at 31 March 2024								
Parent								
Gala Precision Engineering Limited	99.94%	1,043.81	102.04%	227.88	100.00%	4.86	101.99%	232.74
Subsidiary								
Gala Precision Components (Shanghai) Private Limited	0.06%	0.60	-0.89%	-2.00	0.00%	-	-0.88%	-2.00
Gala Springs LLP	0.01%	0.06	-1.14%	-2.55	0.00%	-	-1.12%	(2.55)
Total	100.00%	1,044.47	100.00%	223.33	100.00%	4.86	100.00%	228.19

n) Notes on IPO Proceeds

The equity shares of the Holding Company had been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on September 09, 2024 by completing Initial Public Offer ("the IPO") of 31,74,416 equity shares of face value of Rs. 10 each at an issue price of Rs. 529 per equity share (including share premium of Rs. 519 per equity share) consisting of a fresh issue of 25,58,416 equity shares and an offer for sale of 6,16,000 equity shares

The Company has incurred Rs. 175.01 million as IPO related expenses and allocated such expenses between the Company (Rs. 141.05 million has been adjusted of the securities premium account) and selling shareholders (Rs. 33.96 million) in proportion to the equity shares allotted to the public as fresh issue by the Company and under the offer for sale by selling shareholders respectively. The Company has an amount of Rs. 1212.35 million (net of IPO expenses of Rs. 141.05 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below

Details of utilisation of net proceeds amounting to Rs. 1212.35 million received in Monitoring Account:

(Rupees in Million)

Sr. No.	Objects of the issue as per prospectus	Amount Proposed in Offer Document	Amount utilised till March 31, 2025	Amount unutilised as on March 31, 2025*
1	Setting up a new facility at Vallam-Vadagal, SIPCOT, Sriperumbuddur, Tamil Nadu for manufacturing high tensile fasteners and hex bolts	370.00	133.44	236.56
2	Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra	110.69	26.31	84.38
3	Repayment/ prepayment, in full or part, of certain borrowings availed by our Company	454.30	454.30	-
4	General corporate purposes	277.36	3.06	274.30
		1,212.35	617.11	595.24

* Net IPO proceeds which were un-utilised as at March 31, 2025 amounting to Rs. 595 Million has been temporarily invested in fixed deposits

o) Additional regulatory information required by Schedule III

- i No proceedings have been initiated or pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- ii The Group is not declared wilful defaulter by any bank or financial Institution or government or any government authority
- iii The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- iv The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017
- v The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- vi The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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 group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vii The Group 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 Holding 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
- viii There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

- ix The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year
- x The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.
- xi The title deeds of all the immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Group.
- xii There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

For SCA AND ASSOCIATES

Chartered Accountants
Firm Reg.No 101174W

Vasant M. Gala

Partner

Membership No. 037626
Mumbai, 27th May, 2025

For and on behalf of the Board of Directors

Kirit V. Gala

Chairman and Managing Director
DIN : 01540274

S. Giridhar

Chief Financial Officer

Mumbai, 27th May, 2025

Balkishan S. Jalan

Whole Time Director
DIN : 02876873

Pooja Ladha

Company Secretary

Mumbai, 27th May, 2025



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