

CERTIFIED TRUE COPY OF RESOLUTION PASSED AT THE MEETING OF THE AUDIT COMMITTEE OF SHINING TOOLS LIMITED HELD ON FRIDAY 5th SEPTEMBER 2025 AT 11:00 A.M. AT REGISTERED OFFICE SITUATED AT SURVEY NO.63/2, PLOT NO. 2, RAJKOT-GONDAL HIGHWAY, AT: PIPALIYA, TAL: GONDA, DIST: RAJKOT, GUJARAT-360311.

APPROVAL OF PROJECTED WORKING CAPITAL CALCULATION OF THE COMPANY

The details of our Company's working capital as at July 31, 2025, March 31, 2025, March 31, 2024 and March 31, 2023, are set out in the table below:

Amount in Rs. Lakhs

S. No.	Particulars	As per Restated Financial Statements			
		As at 31.07.2025	As 31.03.2025	at 31.03.2024	at 31.03.2023
I	Current Assets				
1.	Inventory	543.00	380.00	299.00	353.00
2.	Debtors	543.00	511.00	238.00	379.00
3.	Other Current Assets	446.00	319.00	368.00	386.00
	Total Current Assets	1532.00	1210.00	905.00	1118.00
II	Current Liabilities				
1.	Trade Payable	160.00	133.00	202.00	367.00
2.	Short term provisions	143.00	96.00	48.00	-
3.	Other Current Liabilities	66.00	70.00	134.00	168.00
	Total Current Liabilities	369.00	299.00	384.00	535.00
III	Total Working Capital	1163.00	911.00	521.00	583.00
IV	Funding Pattern				
	Internal Accruals/ Borrowings	1163.00	911.00	521.00	583.00

Particulars	As at 31.07.2025	As 31.03.2025	at 31.03.2024	at 31.03.2023
Inventory Days	122	94	103	123
Debtors Days	122	126	82	132
Other Current Assets Days	101	79	127	135
Trade Payables-Days	89	142	365	492
Other Current Liabilities Days	47	41	63	59



Net Working Capital Days	262	225	179	204
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Future Working Capital

On the basis of the existing working capital requirements, management estimates and estimated working capital requirements, the proposed funding of such working capital requirements is set forth below:

Amount in Rs. Lakhs

S. No.	Particulars	As at 31.03.2026	As at 31.03.2027	As at 31.03.2028
1.	Inventory	517.00	874.00	1155.00
2.	Debtors	958.00	1721.00	2055.00
3.	Other Current Assets	960.00	1073.00	1463.00
	Total Current Assets	2435.00	3668.00	4673.00
1.	Trade Payable	242.00	435.00	524.00
2.	Short term provisions	150.00	306.00	377.00
3.	Other Current Liabilities	53.00	112.00	121.00
	Total Current Liabilities	445.00	853.00	1022.00
	Net Working Capital (NWC)	1990.00	2815.00	3651.00
	Additional Requirement of NWC	1078.00	825.00	836.00
	Loan / Own Fund /Internal accrual	693.00	825.00	836.00
	IPO Fund	385.00	0.00	0.00

Particulars	For the Financial Year ended March 31 (Projected)		
	2026	2027	2028
Inventory Days	88	83	92
Debtors Days	163	164	164
Other Current Assets Days	164	102	116
Trade Payables-Days	198	203	197
Other Current Liabilities Days	35	40	40
Working capital-Days	340	268	291

Assumptions for working capital requirement

The working capital projections made by the company are based on certain key assumptions, as set out below:

S No.	Particulars	Assumptions
	Current Assets	

1	Inventories	<p>Inventories include raw materials and finished goods. The historical holding days of inventories has been 123 days, 103 days and 94 days for the financial year ended March 31, 2023, March 31, 2024 and March 31, 2025 respectively and further the same was 122 days for the stub period ended July 31, 2025. We have considered the turnover value in calculation of holding period of Inventories based on the fact that our Company is into providing customized tools which are being manufactured in batches and after approval of drawing which vary for nearly every product size and characteristic which often carries out the need for sent the material for Job work and a major chunk of that cost is included in “Other expenses” head of Financials and thus not form part of COGS. Thus, in order to have a realistic and logical presentation of holding levels of Inventories, we have considered the Turnover in place of Cost of material Consumed.</p> <p>Our Company estimates inventories holding days to be 88 days for FY 2025-26, 83 days for FY 2026-27 and 92 days for FY 2027-28 to ensure adequate availability and support expected growth.</p>
2	Debtors	<p>The debtor holding period was 132 days in FY 2022-23 which improved to 82 days in FY 2023-24, showing our Company’s effective credit management and timely payments from the customers. For the Financial year ended March 31, 2025, debtor days increased to 126 days and further the same was 122 days for the stub period ended July 31, 2025., mainly due to some delays in collections around the period end. To grow our business, revenue, and profits, we need to stay competitive in the market. Since we supply products to customers across India, our funds remain blocked from the time we start manufacturing until the goods are delivered, and also during the credit period given after delivery. As per normal industry practice, we provide reasonable credit to our customers. Looking at current business trends, our debtor holding period is expected to be around 163 days in FY 2025-26 and 164 days in FY 2026-27 and FY 2027-28.</p>
3	Other Current Assets	<p>The key items under this head are advance to suppliers and Balance with Revenue Authorities. Based on restated financials for Financial Year 2022-23, 2023-24 and 2024-25, their holding levels were 135 days and 127 days and 79 days for the financial year ended March 31, 2023, March 31, 2024 and March 31, 2025 respectively and further the same was 101 days for the stub period ended July 31, 2025. Company estimates holding days of them to be 164 days for FY 2025-26, 102 days for FY 2026-27 and 116 days for FY 2027-28.</p>
4	Trade Payables	<p>Past trend of Trade payables holding days has been 492 days, 365 days and 142 days for the financial year ended March 31, 2023, March 31, 2024 and March 31, 2025 respectively and further the same was 89 days for the stub</p>

		period ended July 31, 2025. Our Company intends to improve our relations and ensure timely supply which will require us to have ready inventory and paying the Creditors in short period of time will enable us to avail various trade discounts and better margins. Accordingly, we estimate that the Trade Payables be paid within a cycle of approximately 198 days for FY 2025-26, 203 days for FY 2026-27 and 197 days for FY 2027-28.
5	Other Current Liabilities including Short Term Provisions	Statutory tax dues payable, advance from debtors, provision for tax and employee benefit expenses payables and other provisions are included under this head. Based on restated financial for Financial Year 2022-23, 2023-24 and 2024-25 their holding levels were 59 days, 63 days and 41 days respectively and further the same was 47 days for the stub period ended July 31, 2025. Company estimates holding days of them to be 35 days for FY 2025-26 and 40 days for FY 2026-27 and FY 2027-28.

RESOLVED FURTHER THAT any of the director of the company be and are hereby jointly or severally authorized to do the necessary acts, deeds, matters and things as maybe necessary to give effect to this resolution;

RESOLVED FURTHER THAT the copy of the Working Capital Calculation, as approved, along with the copy of this resolution, certified as true by any Member of the Audit Committee or the Company Secretary and Compliance Officer of the Company be forwarded to the Board of Directors and the Statutory Auditors of the Company for their necessary action and records.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Member of the Audit Committee or the Company Secretary and Compliance Officer of the Company, be forwarded to the concerned authorities for necessary action.”

<<CERTIFIED TRUE COPY>>
FOR, SHINING TOOLS LIMITED



GRISHMA A SHEVALE
INDEPENDENT DIRECTOR
(DIN: 10685826)

