INDEPENDENT AUDITOR'S REPORT

To The Members of Aequs Toys Private Limited

Report On the Audit of The Financial Statements

Opinion

We have audited the Financial Statements of Aequs Toys Private Limited, ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flow for the year then ended, and notes to the financial statement including a summary of the 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 financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the financial statements and auditors' report thereon.

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

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

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

When we read the Board's report along with annexure, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements.

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards Specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and
(ii) To evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   b. In our opinion, except for the matters stated in the paragraph 2(g)(vi) below on reporting under Rule 11(g), of the Companies (Audit and Auditors) Rules, 2014, 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.

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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 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 March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

f. Reporting on adequacy of Internal Financial Controls with reference to Financial Statements and the operating effectiveness of such controls under section 143(3)(i) is not applicable to the Company vide exemption Notification G.S.R.583(E) dated 13.06.2017.

g. 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

   iv.
      a. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 35 (vi) (A) to the financial statements)

      b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 35 (vi) (B) to the financial statements); and

      c. Based on the audit procedures performed 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.

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v. The Company has neither declared nor paid dividends during the year under review, and hence reporting on compliance with section 123 of the Companies Act, 2013 is not applicable.

vi. Based on our examination carried out in accordance with the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, (Revised 2024 Edition) issued by ICAI, except for the instances mentioned below, the Company has used accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:

a. at the database level to log any direct data changes,
b. at the application level for certain fields / tables relating to all the significant financial processes,
c. for certain changes at the application level which were performed by users having privileged access rights.

Further, where audit trail (edit log) facility was enabled, we did not come across any instance of audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For M/s. KG Acharya & Co.
Chartered Accountant
FRN-008019S

Harshith T P

Harshith T P
Partner
M. No 256698
UDIN: 25256698BMJM[illegible]

K.G. ACHARYA & CO. Bangalore Chartered Accountants

Bangalore
Date: 11/08/2025

'Annexure – A' to the Independent Auditor's Report of even date on the Financial Statements of Aequs Toys Private Limited.

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following:

i.

(a) (A) The company has maintained reasonable records showing full particulars including quantitative details and situation of Property, plant & Equipment.

(B) The company has maintained reasonable records showing full particulars of Intangible Assets.

(b) The Property, Plant & Equipment are physically verified by the Management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to programme, a portion of the Property, Plant and Equipment has been physically verified by the management during the year and no material discrepancies has been noticed on such verification.

(c) The company does not have any immovable property (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the order is not applicable.

(d) The company has not revalued its Property, Plant and Equipment and intangible assets during the year and therefore Paragraph 3(i)(d) of the order is not applicable.

(e) Based on our audit procedures, we report that no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

(a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory. .

(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 Crore, in aggregate, at any point of time of the year, from banks / financial institutions on the basis of security of current assets and therefore Paragraph 3(ii)(b) of the order is not applicable to the company.

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iii.

(a) The Company has made investment in one company during the year. The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order with respect to loans/advances in nature of loans or guarantees or security provided to other parties are not applicable to the Company.

The aggregate amount invested during the year, and balance outstanding at the balance sheet date with respect to such investment is as per the table given below:

Particulars	Investments (Amounts in thousands)
Aggregate amount invested during the year Subsidiary	50,000
Balance outstanding as a balance sheet date in respect of such investment during the year Subsidiary(Gross i.e. before impairment)	4,85,001

(Also refer Note 6 (i) to the financial statements)

(b) In respect of the aforesaid investment, the terms and conditions under which such investment were made are not prejudicial to the Company's interest.

iv.

In our opinion, and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act in respect of the investments made by it. The company has not provided any guarantees or security to the parties covered under sections 185 and 186 of the Act.

v.

The company has not accepted any deposits or amounts which are deemed to be deposits to which the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder, and the directions issued by the RBI are applicable. Hence paragraph 3 (v) of the order is not applicable to the company.

vi.

The central government has not prescribed maintenance of cost records u/s 148(1) of the Act for any of the products / services of the company. Thus paragraph 3(vi) of the order is not applicable to the company.

vii.

(a) Undisputed statutory dues including Goods and services Tax, PF, ESI, income tax, sales tax, service tax, duty of custom, duty of excise, VAT, cess have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

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Also, refer note 28(b)(ii) to the financial statements regarding management's assessment on certain matters relating to gratuity fund.

(b) There are no statutory dues referred to in (a) above which have not been deposited on account of any dispute.

viii.

Based on our audit procedures, there were no instances of transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix.

(a) We are of the opinion that the company has not defaulted in repayment of loans or other borrowings and in payment of interest thereon to any lender.

(b) The company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The company has not availed any term loans and therefore paragraph 3(ix)(c) of the order is not applicable to the company.

(d) On an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.

(e) On an overall examination of the financial statements of the company, we report that the company has taken funds from following entity to meet the obligations of its subsidiary as per details below:

Name of the fund taken	Name of the lender	Amount involved *(Amounts in thousands)*	Name of the subsidiary	Relation	Nature for transaction for which funds utilized*	Remarks if any,
Equity Share Capital and Securities Premium	Aequs Limited (AL)	50,000	Koppal Toys Molding COE Private Limited (KTM)	Subsidiary	Business operations	During the year, the company has issued Equity shares to AL and the proceeds from the issue have been used to invest in KTM.

(f) The company has not raised loans any during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and therefore paragraph 3(ix)(f) of the order is not applicable to the company.,

x.

(a) The Company is a Private Limited company, and the provisions of Initial Public Offer or Further Public Offer are not applicable to it. Paragraph 3(x)(a) of the order is therefore not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or Convertible Debentures during the year and therefore Paragraph 3(x)(b) of the Order is not applicable to the Company..

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xi.

(a) Based upon the audit procedures performed, we report that no fraud by the company or no fraud on the Company has been noticed or reported during the course of our audit and therefore Paragraph 3(xi)(a) of the Order is not applicable to the Company.

(b) 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 and up to the date of this report.

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

xii.

The company is not a Nidhi Co. and therefore Paragraph 3(xii) of CARO is not applicable to the company.

xiii.

All the Related Party Transactions entered into by the Company during the year are in compliance with the provisions Section 188 of the Act and the details thereof have been disclosed in the Financial Statements as required by the Indian Accounting standard 24 "Related party disclosures". Further, in our opinion, the provisions of section. 177 of the Act are not Applicable as the Company is a Private Limited Company.

xiv.

In our opinion and based on our examination, the company does not have an internal audit system as it is not required to have an internal audit system as per provisions of the Companies Act 2013.

xv.

The Company has not entered into any non-cash transactions with directors or persons connected with him as stipulated u/s. 192 of the Act. Paragraph 3(xv) of the Order is therefore not applicable to the Company.

xvi.

(a) The Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934. Paragraph 3(xvi)(a) of the Order is therefore not applicable to the Company.

(b) Based on our Audit procedures, we are of the opinion that the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of Indian Act, 1934.

(c) Based on our audit procedures, we are of the opinion that company is a not core investment company (CIC) as defined in the regulations made by the Reserve Bank of India. Paragraph 3(xvi) (c) and (d) of the Order is therefore not applicable to the Company.

xvii.

The company has incurred cash losses during the financial year of Rs. 1,12,826 thousands and of Rs. 89,718 thousands in the immediately preceding financial year.

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xviii.

There was no resignation of the statutory auditors during the year under Audit. Hence, paragraph 3(xviii) of CARO is not applicable to the company.

xix.

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

xx.

(a) The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

For **M/s. K G Acharya & Co.,**
Chartered Accountants
FRN 008019S

Harshith T P

Harshith T P
Partner
M. No. 256698

K.G. ACHARYA & CO. Bangalore Chartered Accountants

Date 11/08/2025
Place: Bangalore

Financial statements

Of

Aequs Toys Private Limited

For the Year ended

31st March 2025

Aequs Toys Private Limited **CIN - U26400KA2021PTC150503**	
Registered Office	No 55,Whitefield Main Road,Mahadevapura Post,Bengaluru,Karnataka,India-560048.
Directors	**Harish Bang** *(DIN: 08383723)* **Suraj Hukkeri** *(DIN: 09536262)* **Ravi Kulkarni** *(DIN: 11030626)*
Company Secretary	Smita Harish Bang
Statutory Auditors	**K. G. Acharya & Co.,** Chartered Accountants, No. 14, Girls School Street, Kumarapark West, Seshadripuram, Bangalore-20 Karnataka, India

1. **Background**

Aequs Toys Private Limited ('the Company') was incorporated on August 6, 2021 (Corporate Identity Number (CIN): U26400KA2021PTC150503) under the Companies Act 2013, in India, as a wholly owned subsidiary of Aequs Limited (formerly known as Aequs Private Limited) ('AL'). The Company is engaged in the business of contract manufacturing plastic products, being carried out from Aequs Special Economic Zone ('Aequs SEZ') at Kukanoor, Koppal.

On January 10, 2022, the Company obtained approval from Office of the Cochin Special Economic Zone, Development Commissioner, Government of India to carry on the operations relating to manufacture and export of engineered plastics products under SEZ unit. The commercial operations of the Company started on January 3, 2023.

2. **Summary of material accounting policies**

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Basis of preparation**

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian accounting standards (Ind As) notified under section 133 of the companies Act, 2013 (the Act) [Companies (Indian accounting standards) Rules, 2015] and other relevant provisions of the act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities are measured at fair value;
- share based payments.

(iii) Going concern assumption

The company has incurred a total comprehensive loss of ₹ (316,441) [March 31, 2024: ₹ (395,529)] for the period ended March 31, 2025. The company's accumulated loss and net worth are ₹ (832,149) [March 31, 2024: ₹ (515,708)] and ₹562,074 [(March 31, 2024: ₹749,041] respectively. These financial statements have been prepared on the assumption that the Company will continue as a going concern based on business plans approved by the Board of Directors for the period ended March 31, 2025 and a letter of continuing financial support received from its holding company.

(iv) New and amended standards issued but not effective:

- Amendment to IND AS 117-" Insurance contract"- Introduced and applicable to insurer company for annual reporting period beginning on or after 1st April 2024.
- Amendment to IND AS 116- "Leases"- Sales and Lease back transaction related changes are made.

The amendments listed above did not have any significant impact on the amounts recognised in current and prior periods and are not expected to significantly affect any future periods.

(v) Rounding off norms adopted by the Company

All amounts disclosed in the financial statements and notes have been rounded to nearest thousands as per the requirement of Schedule III of Companies Act, 2013, unless otherwise stated. Amount mentioned as "0" in the financial statements denote amounts rounded-off, being less than ₹ 500 and amount mentioned as "-"in the financial statements denotes ₹ Nil amount.

(vi) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

b) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Company's Chief Operating Decision Maker (CODM) is identified to be Executive Chairman & Chief Executive officer of the Holding company to which the Company belongs. The CODM evaluates the Company's performance as a whole. Accordingly, the entire Company is identified as one segment. The Company is engaged in business of contract manufacturing of engineered plastic toys. Refer Note 30 for segment information presented.

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c) **Foreign currency transactions**

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange differences in respect of borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined.

d) **Revenue from contract with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements.

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally as per the Inco terms. Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. The Company does not expect to have any contracts where the period between the transfer of goods or services to the customer and payment by the customer exceeds one year. Accordingly, the Company does not adjust any of the transaction prices for time value of money.

As a practical expedient, the Company has opted not to disclose the information in respect of performance obligations that are a part of contracts that has an original expected life of one year or less.

The DTA unit of the Company collects GST on behalf of the government, and therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

A contract asset is recognized when the Company gets the right to consideration in exchange for goods or services that it has transferred to the customers and the right is conditional upon acts other than passage of time.

When the payment exceeds the value of goods supplied or services rendered, a contract liability (advance from customer) is recognized.

Sale of equipment

The Company supplies mould tooling, used in the manufacture of plastic toys, against tooling purchase orders placed by its customers. Revenue from supply of such moulds is recognised upon acceptance of tool by the customer.

e) **Finance income**

Interest income: Interest income from financial assets at fair value through profit or loss is disclosed as interest income within finance income. Interest income from financial assets at amortized cost is calculated using effective interest method and is recognized in the statement of profit and loss using the effective interest rate method.

f) **Income tax**

The income tax expense or credit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate applicable adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

AEQUS TOYS PRIVATE LIMITED

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Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment.

Deferred tax

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India. Accordingly, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

g) **Leases**

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the company's incremental borrowing rate. To determine the incremental borrowing rate, the company uses recent third-party financing received by the company as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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Right-of-use assets are measured at cost comprising the following:
• the amount of initial measurement of lease liability
• any lease payments made on or before the commencement date less any lease incentives received
• any initial direct costs, and
• restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company, is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

The Company applies the short-term lease recognition exemption to its short-term leases of buildings and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense in the statement of profit and loss.

h) **Impairment of non-financial assets**
The Company does not have goodwill or any other intangible assets with indefinite useful life. Other assets are depreciated over estimated useful life and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

i) **Cash and cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

j) **Trade receivables**
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised at transaction price initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance..

k) **Inventories**
Raw materials and stores, work in progress and finished goods
Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Provisions are made for potential obsolescence based on management assessment of aged inventory items.

l) **Investment in subsidiaries and joint venture**
The Company measures its investments in equity instruments of subsidiaries and joint venture at cost in accordance with Ind AS 27. Equity investments in subsidiaries are carried at cost less accumulated impairment losses, if any.

m) **Investments and other financial assets**
(i) Classification
The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Initial recognition
The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities (excluding trade receivables which do not contain a significant financing component) are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value on initial recognition.
(iii) Subsequent measurement
(a) Financial assets measured at amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other expenses and impairment expenses in other expenses

(c) Financial assets measured at fair value through profit and loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss. Interest income from these financial assets is included in other income.

(iv) Impairment of financial assets
The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 26 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For Investments in subsidiaries and other investments an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

(v) Derecognition

A financial asset is derecognised only when
- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(vi) Income recognition
Interest income from financial assets at amortized cost is recognized in the statement of profit or loss using effective interest method.

(vii) Offsetting Financial Instruments
Financial assets and liabilities are offset, and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

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n) **Property, plant and equipment**

Property, plant and equipment, capital work in progress is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives of assets are as follows:

Asset	Useful life adopted by the Company (in years)	Useful life as per Schedule II (in years)
Office Equipment	1.5 to 7 years	5 years
Leasehold Improvements	10 years	Not applicable
Plant and Machinery	1.5 to 10 years	8 to 15 years
Computers	1 to 3 years	3 to 6 years

The useful lives have been determined based on technical evaluation done by the management which are lower than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset. The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss within other gains/ (losses). When significant spare parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

o) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets include Computer software. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Costs associated with maintaining software programmes are recognised as an expense as incurred. The Company amortises intangible assets with finite useful life using the straight-line method over the following estimated useful lives:

Asset	Useful life adopted by the Company (in years)	Useful life as per Schedule II (in years)
Computer Software	3 to 10 years	Not applicable

p) **Accounting policy on EBITDA**

As permitted by the Guidance Note on Division II -Ind AS Schedule III to the Companies Act 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance income, finance costs and tax expense.

q) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year in which these are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r) **Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

s) **Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

t) **Financial guarantee contracts**

Financial guarantees provided for no compensation by the holding company or other group companies to banks on behalf of the company against the credit facilities availed are recognised at fair value akin to a prepaid asset when such guarantees are issued to the bank, with a corresponding increase in equity.

The asset is amortized in the statement of profit and loss, within finance costs, over the term of the underlying credit facility starting from the date when amounts from such facility are first drawn. The unamortised balance of the asset at the end of the financial year is set off against the respective outstanding credit facilities.

u) **Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses..

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

v) **Employee benefits**

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees ' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as employee benefit obligations within other financial liabilities in the balance sheet.

(ii) Other long-term employee benefit obligations

The liability recognised in the balance sheet in respect of leave obligations is the present value of the obligation at the end of the reporting period. The liability is calculated annually by actuaries using the projected unit credit method. Leave obligations are presented as current liabilities in the balance sheet since the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligationsThe Company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement of gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined contribution plans
The Company pays provident fund and ESI contributions to relevant statutory authorities as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

(iv) Bonus
The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Share-based payments
Share-based compensation benefits ("Option") are provided to employees through the Aequs Limited (formerly known as Aequs Private Limited) Employee Stock Option Plan ("plan"). This plan is assessed, managed and administered by Aequs Limited Limited (formerly known as Aequs Private Limited).

The fair value of the options granted under the Plan given to the employees of the Company are recognised under employee benefits expense with a corresponding credit to share option outstanding reserve. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price), and
- including the impact of any service and non-market performance vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

w) **Contributed equity**
Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

x) **Earnings per share**
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y) **Government Grants**
Government grants are recognised when there is reasonable assurance that the Company will comply with the relevant conditions and the grant will be received. Government grants are recognised in the statement of profit and loss, either on a systematic basis when the Company recognizes, as expenses, the related costs that the grants are intended to compensate or, immediately if the costs have already been incurred. Government grants related to assets are deferred and amortised over the useful life of the asset

3. **Significant accounting judgements, estimates and assumptions**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

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This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line in the financial statements.

The areas involving critical estimates are as below:

- Estimation of defined benefit obligation - Note 13
- Estimation of useful lives of assets - Note 4(i)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. There are no critical estimates / judgements, other than disclosed above, made by the Management while preparing these financial statements that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

AEQUS TOYS PRIVATE LIMITED

K.G. ACHARYA & CO. Bangalore Chartered Accountants

Aequs Toys Private Limited
Balance Sheet as at March 31, 2025
(All amounts are in ₹ thousand, except share data, unless otherwise stated)

CIN: U26400KA2021PTC150503

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	4(i)	2,03,487	2,27,683
Capital work in progress	4(ii)	-	379
Intangible assets	5(i)	308	541
Right of use assets	5(ii)	5,04,738	5,32,230
Financial assets			
Investments	6 (i)	2,71,875	3,31,200
Other financial assets	6 (iv)	44,817	41,886
Other non-current assets	8	9,119	18,304
Total Non-current assets		10,34,344	11,52,223
Current assets			
Inventories	9	21,108	29,735
Financial assets			
Trade receivables	6 (ii)	27,410	37,721
Cash and cash equivalents	6 (iii)	22,917	41,514
Other financial assets	6 (iv)	38,975	200
Income tax assets	7	164	401
Other current assets	8	66,500	62,170
Total Current assets		1,77,074	1,71,741
Total assets		12,11,418	13,23,964
Equity and liabilities			
Equity			
Equity share capital	10 (ii)	12,59,598	11,59,598
Other equity			
Reserves and surplus	11 (i)	(8,25,328)	(5,08,984)
Other reserves	11 (ii)	1,27,804	98,427
Total equity		5,62,074	7,49,041
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease liabilities	12 (ii)	4,56,957	4,71,844
Employee benefit obligations	13(i)	1,745	712
Deffered government grant	13(ii)	10,762	
Total non-current liabilities		4,69,465	4,72,556
Current liabilities			
Financial liabilities			
Borrowings	12 (i)	1,01,016	-
Lease liabilities	12 (ii)	26,975	20,780
Trade payables	12 (iii)		
(a) total outstanding dues of micro and small enterprises		38	-
(b) total outstanding dues of creditors other than (a) above		28,798	32,425
Other financial liabilities	12 (iv)	11,664	36,395
Employee benefit obligations	13(i)	1,440	903
Deffered government grant	13(ii)	2,354	-
Contract liabilities	14	5,811	9,453
Other current liabilities	15	1,783	2,410
Total current liabilities		1,79,879	1,02,366
Total liabilities		6,49,344	5,74,923
Total equity and liabilities		12,11,418	13,23,964

The accompanying notes are an integral part of these interim financial statements.
This is the Balance Sheet referred to in our report of even date

For M/s K G Acharya & Co.,
Chartered Accountants
Firm Registration Number: 008019S

Harshith T P

Harshith T P
Partner
Membership No.:256698
Place: Bengaluru
Date: 11/8/2025

K.G. ACHARYA & CO. Bangalore Chartered Accountants

For and on behalf of the Board of Directors
Aequs Toys Private Limited

Suraj Hukkeri
Director
DIN-09536262
Place: Belagavi
Date: 11/8/25

Harish Bang
Director
DIN-08383723
Place: Belagavi
Date: 11/08/2025

Bang

Smita Harish Bang
Company Secretary
M No- A45081
Place: Belagavi
Date: 11/08/2025

AEQUS TOYS PRIVATE LIMITED

Aequs Toys Private Limited

CIN: U26400KA2021PTC150503

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in ₹ thousand, except share data, unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	16	91,404	1,04,254
Other gains/(losses) - net	17	46,545	257
Total income (A)		1,37,949	1,04,511
Expenses			
Cost of materials consumed	18	49,852	61,584
Changes in inventories of work-in-progress and finished goods	19	7,217	(7,013)
Employee benefits expense	20	37,690	38,772
Other expenses	21	84,295	89,217
Total direct cost (B)		1,79,054	1,82,560
Loss before interest, tax, depreciation and amortisation (A-B)		**(41,105)**	**(78,050)**
Depreciation and amortisation expense	22	98,312	80,781
Finance income	23	(3,299)	(5,987)
Finance costs	24	71,726	99,626
Total expenses		1,66,739	1,74,420
Loss before exceptional items and tax		(2,07,843)	(2,52,470)
Exceptional items			
Impairment loss on assets	21 A	74,425	1,43,975
Write Off of investments	21 B	34,900	-
Total Exceptional items		1,09,325	1,43,975
Loss before tax		**(3,17,168)**	**(3,96,445)**
Income tax expense			
- Current tax		-	-
- Deferred tax	34	-	-
Total tax expense		-	-
Loss for the year/period		(3,17,168)	(3,96,445)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
- Remeasurements (gain)/loss on defined benefit obligations	13	727	916
- Income tax effect to these items		-	-
Other comprehensive income for the year, net of tax		727	916
Total comprehensive loss for the year/period		(3,16,441)	(3,95,529)
Earnings per equity share - Basic [Nominal value per share: ₹ 10 (March 31, 2024: ₹10)]	31	(2.55)	(4.59)

The accompanying notes are an integral part of these interim financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For M/s K G Acharya & Co.,
Chartered Accountants
Firm Registration Number: 008019S

Harshith T P

Harshith T P
Partner
Membership No.:256698
Place: Bengaluru
Date: 11/08/2025

K.G. ACHARYA & CO. Bangalore Chartered Accountants

For and on behalf of the Board of Directors,
Aequs Toys Private Limited

Suraj Hukkeri
Director
DIN-09536262
Place: Belagavi
Date: 11/08/2025

Harish Bang
Director
DIN-08383723
Place: Belagavi
Date: 11/08/2025

Smita Harish Bang
Company Secretary
M No- A45081
Place: Belagavi
Date: 11/08/2025

AEQUS TOYS PRIVATE LIMITED

Aequs Toys Private Limited CIN: U26400KA2021PTC150503

Statement of Cashflows for the Year ended March 31, 2025

(All amounts are in ₹ thousand, except share data, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Cash flow from operating activities		
Loss before tax	(3,17,168)	(3,96,445)
Adjustments for:		
Depreciation and amortisation expense	98,312	80,781
Provision for slow-moving inventory	1,310	29
Employee stock option expense	972	599
Provision for doubtful advances/ balances (net)	7,458	
Liabilities no longer required written back	(137)	(245)
Net gain on disposal of property, plant and equipment	-	(2)
Write off of investments in subsidairies	34,900	
Impairment loss on investments in subsidairies	74,425	1,43,975
Loss allowance on trade receivables (net)	(2,074)	2,233
Income from government grant not received	(35,316)	-
Advances written off	815	56
Finance income	(3,299)	(5,987)
Finance costs	71,726	99,626
Unrealized foreign exchange (gain)/loss (net)	(385)	110
(Increase)/ decrease in		
- trade receivables	12,631	(8,069)
- inventories	7,317	(12,318)
- other financial assets	(339)	1,319
- other assets	(4,156)	(15,775)
Increase/ (decrease) in		
- trade payables	(3,452)	(29,026)
- other financial liabilities	(3,850)	(12,209)
- other liabilities	(627)	(1,729)
- contract liabilities	(3,642)	6,625
- employee benefit obligations	2,297	338
Cash generated from/(used in) operations	**(62,279)**	**(1,46,113)**
Income taxes paid (net of refunds)	237	(353)
Net cash outflow from operating activities (A)	**(62,043)**	**(1,46,467)**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets and capital work-in-progress	(66,018)	(1,07,852)
Investment\Maturity in margin money deposit	-	14,200
Interest received	364	3,061
Investment in subsidiaries	(50,000)	(1,60,001)
Proceeds from government grant for investment in plant and machinery	10,000	-
Net cash outflow from investing activities (B)	**(1,05,654)**	**(2,50,592)**
Cash flows from financing activities		
Proceeds from issue of shares (net of share issue expenses)	99,125	5,28,112
Proceeds/(repayment) from long-term external borrowings	1,00,000	(1,08,103)
Principal repayment of lease liabilities (including interest)	(47,397)	(10,510)
Interest paid	(2,629)	(12,673)
Net cash inflow from financing activities (C)	**1,49,100**	**3,96,827**
Net increase (decrease) in cash and cash equivalents [(A)+(B)+(C)]	**(18,597)**	**(231)**
Cash and cash equivalents at the beginning of the year	41,514	41,744
Cash and cash equivalents at end of the year (Refer Note no :6 (iii))	**22,917**	**41,514**

Aequs Toys Private Limited CIN: U26400KA2021PTC150503
Statement of Cashflows for the Year ended March 31, 2025
(All amounts are in ₹ thousand, except share data, unless otherwise stated)

	Year ended March 31, 2025	Year ended March 31, 2024
Non cash investing activities		
Additions to Right of Use assets (Buildings)	39,002	1,64,313
Non cash financing activities		
Unamortized loan processing fees	-	1,457
Unamortized financial guarantee expense	72,921	35,336
Cash and Bank Balances as per above comprise of the following:		
Balances with banks:		
- on current accounts	2,917	4,514
- Deposit with bank having original maturity of less than 3 months	20,000	37,000
Cash on Hand	-	-
Total	**22,917**	**41,514**

The accompanying notes are integral part of these interim financial statements

This is the Statement of Cash Flows referred to in our report of even date.

For M/s K G Acharya & Co.,
Chartered Accountants
Firm Registration Number: 008019S

Harshith T P

Harshith T P
Partner
Membership No.:256698
Place: Bengaluru
Date: 11/08/2025

K.G. ACHARYA & CO. Bangalore Chartered Accountants

For and on behalf of the Board of Directors
Aequs Toys Private Limited

Suraj Hukkeri
Director
DIN-09536262
Place: Belagavi
Date: 11/08/2025

Harish Bang
Director
DIN-08383723
Place: Belagavi
Date: 11/08/2025

Smita Harish Bang
Company Secretary
M No- A45081
Place: Belagavi
Date: 11/08/2025

AEQUS TOYS PRIVATE LIMITED

Aequs Toys Private Limited CIN: U26400KA2021PTC150503

Statement of changes in equity for the Year ended March 31, 2025

(All amounts are in ₹ thousand, except share data, unless otherwise stated)

A. Equity share capital

	Note	Amount
Balance as at March 31, 2023		**6,32,028**
Changes during the year	10	5,27,570
Balance as at March 31, 2024		**11,59,598**
Changes during the year	10	1,00,000
Balance as at March 31, 2025		**12,59,598**

B. Other equity

	Reserves and surplus			Other reserves	Total other equity
	Retained earnings	Securities premium	Share option outstanding account		
Balance as at March 31, 2023	**(1,20,179)**	**5,582**	-	**38,220**	**(76,377)**
Loss for the year	(3,96,445)	-	-	-	(3,96,445)
Other comprehensive income/(loss) for the year	916	-	-	-	916
Total comprehensive loss for the period	**(3,95,529)**	-	-	-	**(3,95,529)**
Premium received on shares issued during the year		5,430	-		5,430
Share issue expenses		(4,888)	-		(4,888)
Employee stock option expense			599		599
Finance guarantee received during the year	-	-	-	60,207	60,207
Balance as at March 31, 2024	**(5,15,708)**	**6,124**	**599**	**98,427**	**(4,10,557)**
Loss for the year	(3,17,168)	-	-	-	(3,17,168)
Other comprehensive income/(loss) for the year	727	-	-	-	727
Total comprehensive loss for the year	**(3,16,441)**	-	-	-	**(3,16,441)**
Premium received on shares issued during the year	-	-	-	-	-
Share issue expenses	-	(875)	-	-	(875)
Employee stock option expense	-		972	-	972
Finance guarantee received during the year	-	-	-	29,377	29,377
Balance as at March 31, 2025	**(8,32,149)**	**5,249**	**1,571**	**1,27,804**	**(6,97,525)**

The accompanying notes are on integral part of these interim financial statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For M/s K G Acharya & Co.,
Chartered Accountants
Firm Registration Number: 008019S

Harshith T P

Harshith T P
Partner
Membership No.:256698
Place: Bengaluru
Date: 11/08/2025

K.G. ACHARYA & CO. Bangalore Chartered Accountants

For and on behalf of the Board of Directors
Aequs Toys Private Limited

Suraj Hukkeri
Director
DIN-09536262
Place: Belagavi
Date: 11/08/2025

Harish Bang
Director
DIN-08383723
Place: Belagavi
Date: 11/08/2025

Smita Harish Bang
Company Secretary
M No- A45081
Place: Belagavi
Date: 11/08/2025

AEQUS TOYS PRIVATE LIMITED

4(i) Property, plant and equipment

	Office equipment	Leasehold improvements	Plant and machinery	Computers	Total
Gross carrying amount					
As at March 31, 2023	**1,948**	**1,710**	**2,27,330**	**2,045**	2,33,033
Additions	369	-	29,722	488	30,579
Disposals	-	-	605	-	605
As at March 31, 2024	**2,317**	**1,710**	**2,56,447**	**2,533**	**2,63,007**
Additions	-	-	7,392	-	7,392
Disposals	-	-	-	-	-
As at March 31, 2025	**2,317**	**1,710**	**2,63,839**	**2,533**	**2,70,399**
Accumulated depreciation					
As at March 31, 2023	**153**	**32**	**4,833**	**129**	**5,147**
Depreciation charge for the year	885	162	28,420	762	30,231
Disposals	-	-	54	-	54
As at March 31, 2024	**1,038**	**194**	**33,200**	**891**	**35,324**
Depreciation charge for the year	495	162	30,130	799	31,586
Disposals	-	-		-	-
As at March 31, 2025	**1,533**	**357**	**63,330**	**1,691**	**66,911**
Net carrying amount					
As at March 31, 2024	**1,279**	**1,516**	**2,23,247**	**1,641**	**2,27,683**
As at March 31, 2025	**784**	**1,353**	**2,00,508**	**842**	**2,03,487**

Refer Note 28 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4(ii) Capital work-in-progress

	Capital work-in-progress	Total
As at March 31, 2023	**5,865**	**5,865**
Additions	379	379
Transfers	(5,865)	(5,865)
As at March 31, 2024	**379**	**379**
Additions	**(0)**	**(0)**
Transfers	(379)	(379)
As at March 31, 2025	-	-

Capital work-in-progress includes plant and machinery and tools and instruments.

Aging of CWIP for balances as on March 31, 2025

	Amounts in Capital work in progress for a period of				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-

Aging of CWIP for balances as on March 31, 2024

	Amounts in Capital work in progress for a period of				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	379	-	-	-	379

a. There are no CWIP whose completion is overdue or has exceeded its cost compared to its original plan as on March 31, 2025 and March 31, 2024.
b. There are no intangible assets under development as on March 31, 2025 and March 31, 2024.

5(i) Intangible assets

	Computer Software
Gross carrying amount	
At March 31, 2023	**345**
Additions	355
Disposals	-
At March 31, 2024	**700**
Additions	-
Disposals	-
As at March 31, 2025	**700**
Accumulated amortisation	
At March 31, 2023	28
Charge for the year	131
Disposals	-
At March 31, 2024	**159**
Charge for the year	234
Disposals	-
As at March 31, 2025	**392**
Net carrying amount	
As at March 31, 2024	**541**
As at March 31, 2025	**308**

Note:
There are no contractual commitment for intangible assets as at March 31, 2025 and March 31, 2024. .

5(ii) Right of use assets

Particulars	Buildings
Gross carrying amount	
As at March 31, 2023	4,36,318
Additions	1,64,313
Disposals	-
As at March 31, 2024	**6,00,631**
Additions	39,002
Disposals	-
As at March 31, 2025	**6,39,633**
Accumulated depreciation	
As at March 31, 2023	17,982
Charge for the Year	50,419
Disposals	-
As at March 31, 2024	68,401
Charge for the year	66,493
Disposals	
As at March 31, 2025	**1,34,894**
Net carrying amount	
As at March 31, 2024	**5,32,230**
As at March 31, 2025	**5,04,738**

(a) Amounts recognised in the statement of profit and loss:

	Note	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of right-of-use assets	22	66,493	50,419

K.G. ACHARYA & CO. Bangalore Chartered Accountants

AEQUS TOYS PRIVATE LIMITED

	As at March 31, 2025	As at March 31, 2024
6 Financial assets		
(i) Investments		
Investments in equity instruments (fully paid-up)		
Unquoted		
(A) Investments in subsidaries		
47,617,622 (March 31, 2024: 42,617,622) equity shares of face value ₹ 10 per share of Koppal Toys Molding COE Private Limited	4,85,001	4,35,001
Nil (March 31, 2024: 4,009,999) equity shares of face value ₹ 10 per share of Koppal Toys Tooling COE Private Limited	-	40,100
28,399 (March 31, 2024: 28,399) equity shares of face value ₹ 10 per share of Aequs Rajas Extrusion Private Limited	74	74
Total non-current investments	**4,85,075**	**4,75,175**
Aggregate amount of unquoted investments	4,85,075	4,75,175
Aggregate amount of impairment in the value of investments (Refer note 21A)	(2,13,200)	(1,43,975)
Net Value of Non-current Investments	**2,71,875**	**3,31,200**

Notes:

a Pursuant to the share purchase agreement dated May 26, 2023, the Company had purchased 21,016 equity shares of Aequs Rajas Extrusion Private Limited (AREPL) from Mrs. Sheetal Sanjay Wagh (Co-Venturer) for a consideration of ₹0.1 . Further, the Company has also executed an agreement dated May 26, 2023 to terminate the original Joint Venture agreement dated May 8, 2021, resulting in AREPL becoming a wholly owned subsidiary of the Company.

b. Pursuant to the MCA strike off order - STK -7 dated 30th November 2024, Koppal Toys Tooling COE Private Limited name has been struck off from the register of companies and hence, the company has written off it's investment made in Koppal Toys Tooling COE Private Limited.

c. Breakup of total impairment		
i. Koppal Toys Molding COE Private Limited	2,13,126	1,38,701
ii. Koppal Toys Tooling COE Private Limited	-	5,200
iii. Aequs Rajas Extrusion Private Limited	74	74
	2,13,200	**1,43,975**

Current:		
(ii) Trade receivables		
Trade receivables from contract with customers - others	17,185	39,076
Trade receivables from contract with customers - unbilled	6,147	410
Trade receivables from contract with customer - related parties (refer Note 29)	4,237	468
Total receivables	**27,569**	**39,954**
Less: Loss allowance	(159)	(2,233)
Total trade receivables	**27,410**	**37,721**
Break-up of security details		
Trade receivables, considered good - unsecured	27,569	39,954
Trade Receivables', considered doubtful - secured	-	-
Trade receivable which have significant increase in credit risk	-	-
Trade receivable - credit impaired	-	-
Total	**27,569**	**39,954**
Less: Loss allowance	(159)	(2,233)
Total trade receivables	**27,410**	**37,721**

Aging of Trade Receivables as at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from the due date of payment					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
considered good		15,777	9,924	1,709	0	-	-	27,410
which have significant increase in credit risk	-	-	-	-	159	-	-	159
credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	-	15,777	9,924	1,709	159	-	-	27,569
Less: Loss Allowance	-	-	-	-	(159)	-	-	(159)
Total Trade Receivables	-	**15,777**	**9,924**	**1,709**	**0**	-	-	**27,410**

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AEQUS TOYS PRIVATE LIMITED

	As at March 31, 2025	As at March 31, 2024

6 Financial assets (continued)

(ii) Trade receivables (continued)

Aging of Trade Receivables as at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables								
considered good	(257)	20,331	17,461	2,420	-	-	-	39,954
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Undisputed Trade Receivables	-	-	-	-	-	-	-	
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	(257)	20,331	17,461	2,420	-	-	-	39,954
Less: Loss Allowance	-	-	-	(2,233)	-	-	-	(2,233)
Total Trade Receivables	**(257)**	**20,331**	**17,461**	**187**	**-**	**-**	**-**	**37,721**

	As at March 31, 2025	As at March 31, 2024
(iii) Cash and cash equivalents		
Cash on hand	-	-
Balances with banks:		
- In current accounts	2,917	4,514
Deposit with maturity of less than 3 months	20,000	37,000
Total cash and cash equivalents	**22,917**	**41,514**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year and prior periods. reporting year and prior periods.

	As at March 31, 2025	As at March 31, 2024
(iv) Other financial assets		
Non current		
(Unsecured considered good)		
Security Deposits (refer Note a below)	44,817	41,886
Total other non-current financial assets	**44,817**	**41,886**
Current		
(Unsecured considered good)		
Interest accrued on deposits with banks	4	180
Security Deposits	20	20
Dues from related parties (refer Note 29)	519	-
Government Grant Receivable*	38,432	-
Total other current financial assets	**38,975**	**200**

*Government grant receivable includes capital subsidy receivable of Rs 10,179 as at March 31, 2025 (Rs. nil as at March 31, 2024) towards investment in property, plant, and equipment made in financial year 2023 and subsidy receivable towards reimbursement of rental expenses incurred of Rs. 19,308 for year ended 31st March 2025, of Rs 7,161 for ended 31st March 2024 and Rs1,783 for year ended 31st March 2023 under "Special Incentive Packege for investment in Toy Cluster" scheme.

Note:

a. Security deposit includes deposit given to Aequs SEZ Private Limited against leasehold building having gross value of ₹ 74,845 (March 31, 2024: ₹ 74,845). The above amount has been discounted to its fair value.

	As at March 31, 2025	As at March 31, 2024
7 Income tax assets		
Advance tax [net of provision for tax: ₹ Nil (March 31, 2024: ₹ Nil)]	164	401
	164	**401**
8 Other assets		
Non current		
(Unsecured, considered good)		
Capital advances	12,611	13,349
Prepaid expenses	3,966	4,955
	16,577	**18,304**
Less : Provision for doubtful advances	(7,458)	-
Total other non-current assets	**9,119**	**18,304**
Current		
(Unsecured, considered good)		
Advance to suppliers	1,254	6,814
Prepaid expenses	1,686	1,857
Balances with statutory authorities (Goods and Services tax)	63,560	53,499
Total other current assets	**66,500**	**62,170**
9 Inventories		
Raw materials [includes goods in transit ₹ 155 (March 31, 2024: ₹ 40)]	18,086	18,466
Work-in-progress	492	720
Finished goods	1,578	8,566
Stores and spares [includes goods in transit ₹ 0 (March 31, 2024: ₹ 177)]	2,292	2,012
	22,448	**29,764**
Less: Provision for slow moving inventories (refer note (iii) below)	(1,339)	(29)
Total inventories	**21,108**	**29,735**

Notes:

(i) Raw materials include packing material amounting to ₹ 7,403 (March 31, 2024: ₹ 6,740)

(ii) The following is the break-up for amount of provision for slow-moving inventories:

Raw materials	1,339	29
	1,339	29

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AEQUS TOYS PRIVATE LIMITED

10 Equity Share Capital

(i) Authorised equity share capital

	Number of Shares	Amount
As at March 31, 2023	6,40,00,000	6,40,000
Increase during the year	5,50,00,000	5,50,000
As at March 31, 2024	**11,90,00,000**	**11,90,000**
Increase during the year	70,00,000	70,000
As at March 31, 2025	**12,60,00,000**	**12,60,000**

(ii) Issued, subscribed and fully paid up equity share capital

	As at March 31, 2025	As at March 31, 2024
12,59,59,800 (March 31, 2024: 11,59,59,800) equity shares of ₹10 each fully paid up.	12,59,598	11,59,598
	12,59,598	**11,59,598**

(a) Movement in Equity Shares

	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount (₹)	Number of shares	Amount (₹)
At the beginning of the year	11,59,59,800	11,59,598	6,32,02,800	6,32,028
Add: Issued during the year/period	1,00,00,000	1,00,000	5,27,57,000	5,27,570
	12,59,59,800	**12,59,598**	**11,59,59,800**	**11,59,598**

(b) Terms & rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, equity share holders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding/ ultimate holding Company

	As at March 31, 2025	As at March 31, 2024
Aequs Limited (formerly known as Aequs Private Limited) (Holding company) 125,959,800 (March 31, 2024: 115,959,800) equity shares of ₹10 each fully paid up	12,59,598	11,59,598

(d) Details of share holders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% of holding	Number of shares	% of holding
Aequs Limited (formerly known as Aequs Private Limited) (Holding company)*	12,59,59,800	100%	11,59,59,800	100%

* Includes 1 equity share held by Rajeev Kaul as nominee shareholder of Aequs Limited (formerly known as Aequs Private Limited).

(e) Details of shareholding of promoters:

March 31, 2025

Name of the promoter	Number of shares	Percentage of total number of shares	Percentage of change during the year
Aequs Limited (formerly known as Aequs Private Limited)*	12,59,59,800	100%	0%

* Includes 1 equity share held by Rajeev Kaul as nominee shareholder of Aequs Limited (formerly known as Aequs Private Limited).

March 31, 2024

Name of the promoter	Number of shares	Percentage of total number of shares	Percentage of change during the year
Aequs Limited (formerly known as Aequs Private Limited)*	11,59,59,800	100%	0%

* Includes 1 equity share held by Rajeev Kaul as nominee shareholder of Aequs Limited (formerly known as Aequs Private Limited).

(f) There are no shares issued for consideration other than cash during the current year and prior year.
(g) There are no shares reserved for issue under options, contracts or commitments.
(h) There are no bonus shares issued during the current year and prior year.
(i) There are no shares bought back and forfeited during the current year and prior year.

K.G. ACHARYA & CO. Bangalore Chartered Accountants

AEQUS TOYS PRIVATE LIMITED

	As at March 31, 2025	As at March 31, 2024
11 Other equity		
(i) Reserves and surplus		
(a) Retained Earnings	(8,32,149)	(5,15,708)
(b) Securities premium	5,249	6,124
(c) Stock option outstanding account	1,571	599
	(8,25,328)	**(5,08,984)**
(ii) Other reserves		
Other reserves	1,27,804	98,427
	1,27,804	**98,427**
	(6,97,524)	**(4,10,557)**
(a) Retained Earnings		
Opening Balance	(5,15,708)	(1,20,179)
Add: Loss for the year	(3,17,168)	(3,96,445)
- Remeasurement of post employment benefit obligations	727	916
Closing Balance	**(8,32,149)**	**(5,15,708)**
(b) Securities premium		
Opening Balance	**6,124**	**5,582**
Add: Premium on rights issue of equity shares		5,430
Less: Utilisation towards share issue expenses	(875)	(4,888)
Closing Balance	**5,249**	**6,124**
(c) (i)Share option oustanding account		
Opening Balance	599	-
Add: Employee stock option expense	972	599
Closing Balance	**1,571**	**599**

Note: Represents the fair value of share options granted to the employees of the Company by Aequs Limited (formerly known as Aequs Private Limited) ('AL') ,Parent Company, which will be settled by allotting the shares of the AL. There is no cross charge from AL with respect to the employee stock option expense during the current and previous year. Based on the assessment carried out by the Management, the impact of the stock options issued to the employee of the Company is not material, hence the disclosures as envisaged under Ind AS 102 have not been given in the financial statements.

	As at March 31, 2025	As at March 31, 2024
(ii) Other reserves		
Opening Balance	98,427	38,220
Add: Receipt of financial guarantee	29,377	60,207
Closing Balance	1,27,804	98,427

(d) Nature and purpose of reserves:

(I) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(II) Other reserves

Other reserve represents fair value of financial guarantee received from Aequs Limited (formerly known as Aequs Private Limited), MFRE Private Trust and Aerostructures Manufacturing India Private Limited towards the term loan. (refer Note 29),and from AL towards lease liabilities.

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AEQUS TOYS PRIVATE LIMITED

	As at March 31, 2025	As at March 31, 2024
12 Financial liabilities		
(i) Borrowings		
Current		
Secured:		
Loans from related party (unsecured)	1,00,000	-
Interest accrued but not due on borrowings	1,016	-
Total current borrowings	**1,01,016**	-

The Company has borrowed unsecured loan of ₹10,00,00,000 from Aequs Limited (formerly known as Aequs Private Limited), which is repayable on demand and carries an interest rate of 12% per annum.

a. Refer Note 33 for net debt reconciliation.

(ii) Lease Liabilities

(a) Lease commitments as lessee

Measurement of right-of-use assets and lease liabilities are calculated based on the fixed lease rentals payable under the lease agreements.

	As at March 31, 2025	As at March 31, 2024
(b) Amounts recognised on the balance sheet		
Lease Liabilities		
Non-current	4,56,957	4,71,844
Current	26,975	20,780
	4,83,932	**4,92,624**

Note:

The above lease liabilities are recognized for the lease rentals payable on the factory buildings that the Company has taken on lease from Aequs SEZ Private Limited. The term of the lease is 10 years which is not cancellable.

The Company can extend the lease term by two terms of 5 years by informing the Lessor Ten (10) months in advance.

(c) Amounts recognised in the statement of profit and loss:			
Depreciation of right-of-use assets	22	66,493	50,419
Interest expense (included in finance costs)	24	58,034	45,003
Expenses relating to short-term leases (included under rent in other expenses)	21	406	610
Expenses relating the leases of low-value assets that are not shown above as short-term leases (included uner rent in other expenses)	21	312	165
Expense relating to variable lease payments not included in lease liabilities (included in other expenses)	21	-	-
Finance guarantee expense on lease liability	24	10,048	6,255

Note:

The total cash outflow for leases, including interest, for the year was ₹86,399 (March 31, 2024: ₹ 60,929).

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	As at March 31, 2025	As at March 31, 2024
(iii) Trade payables		
Trade payables		
- Dues to current micro and small enterprises(MSME)(refer Note 39)	38	-
- Payables to related parties (refer Note 29)	16,693	10,818
- other trade payables	12,105	21,607
	28,836	**32,425**
Total trade payables	**28,836**	**32,425**

Aging of Trade payables as at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following periods from the transaction date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Dues - MSME	-	-	38	-	-	-	38
(ii) Undisputed Dues - Others	-	2,909	20,750	5,138	-	-	28,798
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	2,909	20,789	5,138	-	-	28,836

(iii) Trade payables (continued)

Aging of Trade payables as at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following periods from the transaction date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Dues - MSME	-	-	-	-	-	-	-
(ii) Undisputed Dues - Others	9,190	-	23,234		-	-	32,425
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
Total	9,190	-	23,234	-	-	-	32,425

	As at March 31, 2025	As at March 31, 2024
(iv) Other financial liabilities		
Current:		
Capital creditors	2,912	23,656
Employee benefits payable	2,590	3,824
Payable to related parties (Refer Note 29)	6,162	8,915
Total other financial liabilities	**11,664**	**36,395**

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		As at March 31, 2025	As at March 31, 2024
13(i)	**Employee Benefit Obligations**		
	Non current		
	Gratuity obligations	1,745	712
		1,745	**712**
	Current		
	Gratuity obligations	192	13
	Leave obligation	1,248	890
		1,440	**903**

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave which are classified as other long-term benefits. The amount of provision of ₹ 1,248 (March 31, 2024: ₹ 890) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take full amount of accrued leave or require payment within next 12 months.

	As at March 31, 2025	As at March 31, 2024
Leave obligation not expected to be settled in the next 12 months	879	573

(ii) Defined contribution plans

The Company has certain defined contribution plans in the form of provident fund and employees state insurance scheme for qualifying employees. The contributions are made to provident fund for employees at the rate of 12% and to employees state insurance scheme at the rate of 3.25% of basic salary as per regulations. The contributions are made to a registered provident fund and ESI fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plans is:

	As at March 31, 2025	As at March 31, 2024
Provident Fund	1,407	1,183
Employees State Insurance	6	6
Total	**1,413**	**1189**

(iii) Gratuity

The Company provides for gratuity for employees in India as per Payment of Gratuity Amendment Act, 2018. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on termination/retirement is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is unfunded.

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

A. Reconciliation of the projected benefit obligations	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	725	874
Current service cost	605	871
Expense cross charged to other entities		-
Interest on defined benefit liability	111	65
Actuarial (gains)/losses from changes in demographic assumptions	(172)	(70)
Actuarial (gains)/losses from changes in financial assumptions	45	24
Actuarial (gains)/losses due to experience adjustments	(600)	(871)
Benefits paid	(74)	-
Liabilities assumed/(settled)	1,298	(169)
Defined benefit obligation as of current year end	**1,937**	**725**
Closing defined benefit obligation		
Current	192	13
Non current	1,745	712
B. Total expense recognised in Statement of profit and loss		
Current service cost	605	871
Interest on defined benefit liability	-	-
	605	871
Less: Reimbursements received	-	-
	605	871
C. Amount recognised in other comprehensive income (OCI)		
Actuarial (gains)/losses from changes in demographic assumptions	(172)	(70)
Actuarial (gains)/losses from changes in financial assumptions	45	24
Actuarial (gains)/losses due to experience adjustments	(600)	(871)
	(727)	(916)

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	As at March 31, 2025	As at March 31, 2024

13(i) Employee benefit obligations (continued)

D. Amount recognised in total comprehensive income		
Expenses recognised in statement of profit and loss	716	936
Remeasurements effects recognised in OCI	(727)	(916)
Total expense recognised in total comprehensive income	(12)	20

E. Actuarial assumptions		
Discount rate per annum	6.85%	7.15%
Salary escalation rate per annum	10.00%	10.00%
Demographic assumptions		
Attrition rate		
21 to 30 years	14.00%	10.00%
31 to 40 years	24.00%	13.00%
41 to 50 years	8.00%	5.00%
51 to 57 years	1.00%	1.00%
Retirement age	58 years	58 years
Mortality table	Indian Assured Lives Mortality(2012-14)Ult	Indian Assured Lives Mortality(2012-14)Ult

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority , promotion other relevant factors such as supply and demand in the employment market.

F. Sensitivity analysis

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

Changes in assumption		
Discount rate		
Defined benefit obligation (DBO) on increase in 50 bps	1,863	691
Impact of increase in 50 bps on DBO	-3.86%	-4.73%
Defined benefit obligation (DBO) on decrease in 50 bps	2,017	762
Impact of decrease in 50 bps on DBO	4.11%	5.10%
Salary increase rate		
Defined benefit obligation (DBO) on increase in 50 bps	2,014	761
Impact of increase in 50 bps on DBO	3.97%	4.94%
Defined benefit obligation (DBO) on decrease in 50 bps	1,864	692
Impact of decrease in 50 bps on DBO	-3.76%	4.63%

Sensitivity analysis for each significant actuarial assumptions namely discount rate and salary assumptions have been shown in the table above at the end of the reporting period, showing how the defined benefit obligation would have been affected by the changes. The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except the parameters to be stressed. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.,

The mortality and attrition does not have a significant impact on the liability hence are not considered as significant actuarial assumption for the purpose of sensitivity analysis

G. Expected future cashflows (in million) [Undiscounted]		
Year 1	192	13
Year 2	149	13
Year 3	128	19
Year 4	504	47
Year 5	112	312
Year 6	101	33
Year 7	74	30
Year 8	71	30
Year 9	71	29
10 years and above	2,298	1,191
Weighted average duration of the defined benefit obligation in years	7.96 years	9.82 years

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	As at March 31, 2025	As at March 31, 2024

13(i) Employee Benefit Obligations (continued)

Risk exposure

Through its defined benefit plans, the company is exposed to number of risks, the most significant of which are detailed below:

(i) Market risk (discount rate)

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits and vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(ii) Longevity risk

The impact of longevity risk will depend on whether the benefits are paid before retirement age or after. Typically for the benefits paid on or before the retirement age, the longevity risk is not very material.

(iii) Annual risk

Salary increase assumption

Actual Salary increase that are higher than the assumed salary escalation, will result in increase to the obligation at a rate that is higher than expected.

Attrition/withdrawal assumption

If actual withdrawal rates are higher than assumed withdrawal rate assumption, then the benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

13 (ii) Deffered government grant

	As at March 31, 2025	As at March 31, 2024
Non-Current	10,762	-
Current	2,354	-
Total contract liabilities	**13,116**	**-**

Deferred government grant includes deferment of income related to capital subsidy of Rs 13,116 as at March 31, 2025 (Rs. Nil as at March 31, 2024) towards investment in property, plant, and equipment made in financial year 2023.

14 Contract liabilities

	As at March 31, 2025	As at March 31, 2024
Advance from customers	5,811	9,453
Total contract liabilities	**5,811**	**9,453**

Note:

	As at March 31, 2025	As at March 31, 2024
a. Revenue recognised that was included in contract liability balance as at the beginning of the period.	9,453	2,828

15 Other liabilities

	As at March 31, 2025	As at March 31, 2024
Current:		
Statutory dues payable	1,783	2,410
	1,783	**2,410**

	Period ended March 31, 2025	Year ended March 31, 2024
16 Revenue from operations		
Revenue from contracts with customers		
- Sale of finished products	81,518	88,534
- Sale of raw materials	4,484	2,239
- Sale of services	4,885	13,265
	90,887	**1,04,038**
Other operating income		
- Scrap sales	517	216
	517	**216**
Total revenue from operations	**91,404**	**1,04,254**
17 Other gains/(losses) - net		
Liabilities no longer required written back	137	245
Reversal of Loss allowance on trade receivables (net)	2,074	
Net gain on disposal of property, plant and equipment	-	2
Income from government grant*	44,623	-
Net foreign exchange (loss)/gain	(311)	3
Miscellaneous income	23	6
Total other gains/(losses) - net	**46,545**	**257**

*Government grant income includes income which has been recognised on account of capital subsidy of Rs 7,062 (Rs. Nil for year ended March 31, 2024) towards investment made in property, plant, and equipment in financial year 2023 and income of Rs.37,560 (Rs. Nil for year ended March 31 2024) recognised on account of reimbursement of rental expenses incurrent of Rs.19,308 for the year ended 31st March 2025, Rs 14,223 for year ended 31st March 2024 and Rs 4,028 for year ended 31st March 2023 under "Special Incentive Packege for investment in Toy Cluster" scheme.

	Period ended March 31, 2025	Year ended March 31, 2024
18 Cost of materials consumed		
Opening stock	18,437	13,856
Add: Purchases	48,161	66,166
	66,599	**80,022**
Less: Closing stock (net of provision for slow moving inventories)	16,747	18,437
Total cost of raw materials consumed*	**49,852**	**61,584**

* Includes provision for slow moving inventory of INR 512 [March 31,2024: INR (496)]

	Period ended March 31, 2025	Year ended March 31, 2024
19 Changes in inventories of work in progress and finished goods		
Inventory at the end of the year (a)		
Work-in-progress	492	720
Finished goods	1,578	8,566
	2,070	**9,286**
Inventory at the beginning of the year (b)		
Work-in-progress	720	778
Finished goods	8,566	1,495
	9,286	**2,273**
Change in inventories of work in progress and finished goods (b-a)	**7,217**	**(7,013)**
20 Employee benefit expenses		
Salaries, wages and bonus	31,616	34,582
Leave Compensation	812	(228)
Contribution to provident and other funds (refer Note 13)	1,413	1,189
Gratuity (refer Note 13)	738	831
Staff welfare expenses	2,139	1,799
Employee stock option scheme [Refer Note 11(i) (c)]	972	599
Total	**37,690**	**38,772**

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	Period ended March 31, 2025	Year ended March 31, 2024
21 Other expenses		
Consumption of stores and spares	4,458	6,379
Outsourced manpower cost	16,594	18,105
Subcontracting expenses	4,027	5,276
Mould development cost	4,526	7,443
Testing charges	111	502
Insurance	1,170	1,108
Power and fuel	13,057	15,465
Repairs and maintenance :		
Plant and machinery	537	470
Building	17,449	14,428
Others	762	965
Legal and professional fees	1,795	6,187
Management Fees	-	-
Payment to auditors [refer note (i) below]	300	300
Rent [refer Note 12 (ii)]	961	883
Printing and stationery	345	81
Freight & forwarding	2,970	1,932
Rates and taxes	1,405	1,479
Travelling and conveyance	1,303	747
Communication expenses	-	1,357
Advertising and sales promotion	3,449	3,121
Provision for doubtful advances/ balances (net)	7,458	-
Loss allowance on trade receivables (net)	-	2,233
Bank Charges	52	(259)
Advances written off	815	56
Miscellaneous expenses	751	959
Total other expenses	**84,295**	**89,217**

(i) Payments to auditors

As auditor:		
Audit fee	300	300
	300	**300**

21A Impairment loss on assets

Impairment loss on investments in subsidairies	74,425	1,43,975
	74,425	**1,43,975**

Note: The Company has recognized impairment loss on investment in the following entities considering diminution in value of respective investments.

	March 31, 2025	March 31, 2024
Koppal Toys Molding COE Private Limited	74,425	1,38,701
Koppal Toys Tooling COE Private Limited	-	5,200
Aequs Rajas Extrusion Private Limited	-	74
	74,425	**1,43,975**

21B Write Off of investments

Write Off of investments in subsidairies		
Koppal Toys Tooling COE Private Limited	34,900	-
	34,900	-

Note: Pursuant to the MCA Strike off order - STK -7 dated 30th November 2024, Koppal Toys Tooling COE Private Limited name has been struck off from the register of companies and hence, the company has written off it's investment made in Koppal Toys Tooling COE Private Limited.

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	Period ended March 31, 2025	Year ended March 31, 2024
22 Depreciation and amortisation expense		
Depreciation of property, plant and equipment [refer Note 4(i)]	31,586	30,231
Depreciation of right of use assets [refer Note 5(ii)]	66,493	50,419
Amortisation of intangible assets [refer Note 5(i)]	233	131
Total depreciation and amortisation expense	**98,312**	**80,781**
23 Finance income		
Interest income from bank deposits	368	3,241
Unwinding of discount on security deposits	2,931	2,746
Total finance income	**3,299**	**5,987**
24 Finance cost		
Interest expense on long-term borrowings	-	9,703
Interest expense on delayed payment to micro enterprises and small enterprises	19	15
Interest expense on intercompany loans (refer note 29)	3,625	982
Interest expense on short-term borrowings	-	1,971
Interest expense on lease liabilities [refer Note 12(ii)]	58,034	45,003
Financial guarantee expense	10,048	41,951
Total finance cost	**71,726**	**99,626**

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25 Fair value measurements

Financial instruments by category:

Particulars	Category	March 31, 2025	March 31, 2024
Financial assets			
Investments	Refer note (iv) below	2,71,875	3,31,200
Trade Receivables	Amortised Cost	27,410	37,721
Cash and cash equivalents	Amortised Cost	22,917	41,514
Other financial assets	Amortised Cost	83,792	42,086
Total financial assets		**4,05,994**	**4,52,521**
Financial liabilities			
Borrowings (including current maturities)	Amortised Cost	1,01,016	-
Trade Payables	Amortised Cost	28,836	32,425
Lease liabilities	Amortised Cost	4,83,932	4,92,624
Other financial liabilities	Amortised Cost	11,664	36,395
Total financial liabilities		**6,25,448**	**5,61,444**

There are no financial instruments which are measured at FVOCI.

(i) Fair Value 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

(b) recognized and measured at amortised cost and for which fair values are disclosed in financial statements.

To provide an indication of the reliability of the inputs used in determining the fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard.

An explanation of each level follows underneath the table:

Financial assets and liabilities which are measured at amortized cost for which fair values are disclosed

	Notes	Level	March 31, 2025	March 31, 2024
Financial assets				
Investments	6 (i)	3	2,71,875	3,31,200
Trade Receivables	6 (ii)	3	27,410	37,721
Cash and cash equivalents	6 (iii)	3	22,917	41,514
Other financial assets	6 (iv)	3	83,792	42,086
Total financial assets			**4,05,994**	**4,52,521**
Financial liabilities				
Borrowings (including current maturities)	12 (i)	3	1,01,016	-
Trade Payables	12 (iii)	3	28,836	32,425
Lease liabilities	12 (ii)	3	4,83,932	4,92,624
Other financial liabilities	12 (iv)	3	11,664	36,395
Total financial liabilities			**6,25,448**	**5,61,444**

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25 Fair value measurements (continued)

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market (derivative mainly forward contract) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers of financial instruments between Level 1,Level 2 and Level 3 during the year.

(ii) Valuation Process
The finance department of the Company includes a team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

(iii) Fair value of financial assets and liabilities measured at amortised cost
The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, other bank balances, other financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair value of interest free security deposits were calculated based on cash flows discounted using a risk free rate of interest. They are classified as level 3 fair values in fair value hierarchy due to the inclusion of unobservable inputs including counter-party credit risk.

The fair value of non-current borrowings are based on discounted cashflows using current borrowing rate. They are classified as level 3 fair value in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that measured at fair value, the carrying amounts are equal to fair value.

(iv) Investments
The Company accounts the investments in equity shares of subsidiaries and joint venture at cost, in accordance with Ind AS 27, other investments are recorded at fair values. Investments in subsidiaries and joint venture are tested for impairment annually, accordingly, these investments are not considered for categorisation.

(v) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation technique. The Company uses its judgement to select a variety of methods and makes assumptions that are mainly based on market conditions existing at the end of each reporting period.

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26 Financial risk management

The Company's business activities exposes it to a variety of financial risks such as liquidity risk, credit risk and market risk. The Company's senior management under the supervision of the Board of Directors has the overall responsibility for establishing and governing the Company's risk management and have established policies to identify and analyse the risks faced by the Company. They help in identification, measurement, mitigation and reporting all risks joint ventured with the activities of the Company. These risks are identified on a continuous basis and assesses for the impact on the financial performance. The below table largely summarizes the sources of financial risk to which the entity is exposed to and which entity manages the risk.

This table below explains the sources of risk which the Company is exposed to and the Company manages the risk:

		Exposure arising from	Measurement	Management
	Credit Risk	Cash and cash equivalents, other bank balances, trade receivables and financial assets measured at amortized cost	Aging analysis Credit ratings	Diversification of bank deposits, Customers credit analysis, monitoring of credit limits and bank guarantee
	Liquidity Risk	Borrowings and other liabilities.	Rolling cash flow forecast	Availability of borrowing facilities
	Market Risk - Foreign Exchange	Future commercial transactions, recognized financial assets and liabilities not denominated in Indian Rupee	Cash flow forecasting, sensitivity analysis	Natural hedging for receivables and payables
	Market Risk - Interest Risk	Borrowings at variable rates	Sensitivity analysis	Maintaining a judicious mix of variable and fixed rate debt.

A Credit risk

Credit risk is a risk where the counterparty will not meet its obligations under a financial instrument leading to a financial loss. Credit risk arises from cash and bank balances, other bank balances including deposits with banks, as well as credit exposures to customers including outstanding receivables, other receivables and deposits.

The Company's financial assets mainly comprise of investments, cash and bank balances, other bank balances, trade receivables and other receivables.

(i) Credit risk management

Credit risk is managed and assessed on an on-going basis. Only high rated banks/financial institutions are accepted for banking transactions and placement of deposits. For other financial assets, the Company assesses and manages credit risk based on internal credit rating system. The finance function assesses and maintains the internal credit rating system. The internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to that class of financial assets.

A: High quality assets, negligible credit risk.
B: Low quality assets, high credit risk
C: Doubtful assets, credit- impaired

The Company considers the probability of defaults upon initial recognition of the asset and whether there has been any significant increase in the credit risk on an on-going basis throughout each reporting period. To assess whether there is a significant increase in the credit risk, the entity compares the risk of the default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward looking information especially:

1. Internal credit rating
2. External credit rating (to extent available)
3. Any significant change in business, financial or economic conditions that are expected to cause significant change in the payer's ability to meet it's obligations, including changes in operating results and payment status.

Macro economic information (such as regulatory changes, legal changes, interest rate changes) are incorporated as a part of internal rating model. Default of a financial asset is when the counterparty fails to make contractual payments within 180 days of when they fall due or when the debtor's environment in which the entity operates and other macro-economic factors.

The Company continuously monitors the credit worthiness of the customers and reassess the credit limits on an ongoing basis.

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26 Financial risk management (continued)

(ii) Provision for expected credit losses

The Company provides for expected credit losses based on the following:

Internal Rating	Category	Description of Category	Basis of recognition of expected credit loss provision	
			Deposits with bank and Security Deposits	Trade Receivables(other than dues from related parties & Government Agencies)
A	High-quality assets, negligible credit risk	Asset where the counter party has strong capacity to meet the obligations and where the risk of default is negligible or nil.	12-month expected credit losses	Life-time expected credit losses
B	Low-quality assets, high credit risk	Asset where there is moderate probability of default. In general, assets where contractual payments are more days than past due are categorized as low quality assets. Also includes assets where the credit risk of counter party has increased significantly though payments may not be more than past due.	Life-time expected credit losses	
C	Doubtful asset, credit impaired	The assets are written-off where there is no reasonable expectation of recovery. Where loans and receivables are written-off, the Company continues to engage in enforcement activity to attempt or recover the receivable due. Where recoveries are made, they are recognized in Statement of Profit and Loss.	Asset is fully provided for or written-off	

The Company's financial assets mainly comprise of investments, security deposits, trade receivables, deposits with banks.

1) Security deposits:

Deposits are classified as assets with nil risk based on past history of defaults and reasonable forward looking information. Deposits comprises of mainly refundable security deposits made on buildings (leased premises) taken under operating lease. Since these are assets with nil risk, the expected probability of default is "0%" and hence no provision for expected credit losses are made in the financial statements.

2) Deposits with banks:

They are considered to be having negligible risk or nil risk, as they are maintained with high rated banks and the period of such deposits are generally less than one year.

3) Investments:

It consists of investments in subsidiaries and joint venture company. For investments in subsidiaries and joint venture, management undertakes impairment assessment on an annual basis and based on the recoverable value of the investments, impairment if any, will be provided for.

4) Trade receivables and other dues from related parties

No significant expected credit loss provision has been created for trade receivables and other dues since the Company considers the life time credit risk of these financial assets to be very low. Further, receivables are expected to be collected considering the past trend of no defaults and that the balances are not significantly aged. For balances that management believes are credit impaired, full provision is made immediately.

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26 Financial risk management (continued)

B Liquidity risk

Liquidity risk is a risk where an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the dynamic nature of the underlying businesses, Company's treasury maintains flexibility in funding by maintaining availability of required funds.
Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

Maturities of financial liabilities
The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Contractual maturities of financial liabilities	Less than 12 Months	More than 12 months	Total
As at March 31, 2025			
Borrowings*	1,00,000	-	1,00,000
Trade payables	28,836	-	28,836
Other financial liabilities	11,664	-	11,664
Lease liabilities (including interest)	91,316	7,25,964	8,17,280
Interest accrued but not due on borrowings	1,016	-	1,016
Total non derivative liabilities	**2,32,832**	**7,25,964**	**9,58,796**

Contractual maturities of financial liabilities	Less than 12 Months	More than 12 months	Total
As at March 31, 2024			
Trade payables	32,425	-	32,425
Other financial liabilities	36,395	-	36,395
Lease liabilities	80,906	7,60,370	8,41,276
Interest accrued but not due on borrowings	-	-	-
Total non derivative liabilities	**1,49,726**	**7,60,370**	**9,10,096**

*Borrowings excludes interest accrued, unamortized portion of financial guarantee and loan processing fees.

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AEQUS TOYS PRIVATE LIMITED

26 Financial risk management (continued)

C Market risk

Market risk is a risk where the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk primarily comprises of foreign currency risk and interest rate risk as applicable to the Company.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk primarily due to operating activities arising from foreign currency transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The risk is measured through sensitivity analysis of probable movement in exchange rate as at the reporting period.

The Company primarily imports and exports materials which are denominated in foreign currency which exposes it to foreign currency risk. The Company has a natural hedge in terms of its receivables and payables being in USD.

(a) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in USD / HKD ('000)

	March 31, 2025 USD	March 31, 2024 USD
Financial assets		
Trade receivables	61	90
Advances to Vendors	1	32
Advances to Capital Creditors	7	-
Exposure to foreign currency risk (assets)	**69**	**123**
Financial liabilities		
Trade payables		-
USD	2	
HKD	75	
Capital creditors	15	73
Advance from customers	56	62
Exposure to foreign currency risk (liabilities)	**148**	**134**
Net exposure to foreign currency risk (assets - liabilities)	**(79)**	**(11)**

(b) The sensitivity of profit or loss to changes in exchange rates arising from foreign currency denominated in USD on financial instruments is given below. Impact on account of USD is immaterial.

Impact on loss before tax	March 31, 2025	March 31, 2024
USD Sensitivity		
INR/USD - Increase by 5%	4	1
INR/USD - decrease by 5%	(4)	(1)

(ii) Interest rate risk

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 Company's exposure to the risk of changes in market interest rates relates primarily to the debt obligations with floating interest rates.

(iii) Price Risk

Price risk is the risk of a decline in the value of security or an investment portfolio. The Company is not exposed to such risks.

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27 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital 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 value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio minimum. The Company includes within net debt, interest bearing borrowings less cash and bank balances.

The Company's objectives while managing capital are to:

(i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders;

(ii) Maintain optimal capital structure to reduce the cost of capital.
The company monitors capital using gearing ratio and is measured by net debt (total borrowings net of cash and cash equivalents).

(i) The below table depicts the Company's net debt to equity ratio.

	March 31, 2025	March 31, 2024
Borrowings	1,01,016	-
Lease Liabilities	4,83,932	4,92,624
Cash and cash equivalents	(22,917)	(41,514)
Net debt	**5,62,031**	**4,51,110**
Total equity	5,62,074	7,49,041
Net debt to equity ratio	**1.00**	**0.60**

Note:

(a) The above ratio is calculated by considering the amount of net debt (including cash and cash equivalents). This is resulting in a deviation between the above ratio and the debt equity ratio calculated in Note 33.

28 Commitments and contingent liabilities

	As at March 31, 2025	As at March 31, 2024
(a) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for:		
(i) Property, plant and equipment	-	14
	-	14

(b) Contingent liabilities

(i) Contingent liabilities does not include performance bank guarantees given to customers.

(ii) The Company has not deposited gratuity amounts with an approved gratuity trust nor obtained the compulsory gratuity insurance as mandated under Section 4A of the Payment of Gratuity Act, 1972, read with the Karnataka Compulsory Gratuity Insurance Rules, 2024.
Accordingly, the following contingent penalties could apply:
•As per Section 4A of the Gratuity Act:
- Fine up to ₹10,000
- Continuing default penalty of up to ₹1,000 per day.

•Under the Karnataka Gratuity Insurance Rules, 2024:
- Additional penalty up to ₹20,000
- Potential imprisonment ranging from 3 months to 1 year, depending on breach.

The actual liability will depend on future remedial actions, regulatory interpretations, and possible judicial outcomes.

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29 Related party disclosures

(A) Name of related parties and their relationship

	Relationship	Name of the related party
(i)	**Name of related parties who exercise control**	
	Ultimate holding company	: Aequs Inc., Cayman Islands***
	Holding company	:Aequs Limited (formerly known as Aequs Private Limited) (AL), India
(ii)	**Enterprises on which, Holding company exercise joint control**	: Aerospace Processing India Private Limited ('API')* : SQuAD Forging India Private Limited, ('Squad')* :Aequs Cookware Private Limited ('ACPL')
(iii)	**Subsidiary company**	: Koppal Toys Tooling COE Private Limited (KTTPL) (Struck off w.e.f. 30-11-2024) : Koppal Toys Molding COE Private Limited (KTMPL) : Aequs Rajas Extrusion Private Limited (AREPL)
(iv)	**Fellow Subsidiaries**	: AeroStructures Manufacturing India Private Limited ('ASMIPL') : Aerospace Manufacturing Holdings Private Limited ('AMHPL') : Aequs Force Consumer Products Private Limited ('AFCPPL') : Aequs Consumer Products Private Limited ('ACPPL') : Aequs Aero Machine ('AAM'), United States of America* : Aequs Engineered Plastics Private Limited ('AEPPL') : Aerostructures Assemblies India Private Limited (AAI) : Aequs Oil & Gas LLC, USA ('AOGL')* : Aequs Aerospace BV, Netherlands* : Aequs Aerospace LLC, USA* : Aequs Holdings France SAS* : Aequs Aerospace France SAS* : Aequs Toys Hong Kong Private Limited* : Aequs Home Appliances Private Limited*
(v)	**Key Management Personel:**	Harish Bang, Director Suraj Hukkeri, Director Ravi D Kulkarni, Additional Director (w.e.f. 16-04-2025) Smita Harish Bang, Company Secretary
(vi)	**Company in which Director is interested**	
	a. Harish Bang	: Aequs Rajas Extrusion Private Limited (AREPL) : Koppal Toys Molding COE Private Limited (KTMPL) : Automotive End Solution Private Limited (AESPL)* : Aerospace Manufacturing Holdings Private Limited (AMHPL)
	b. Suraj Hukkeri	: Aequs Rajas Extrusion Private Limited (AREPL) : Koppal Toys Molding COE Private Limited (KTMPL) : Aequs Consumer Products Private Limited (ACPPL) : Aequs Engineered Plastics Private Limited (AEPPL) : Aequs Force Consumer Products Private Limited (AFCPPL)
(vii)	**Enterprises in which individuals owing interest in the holding/ultimate holding company or their relatives have control or significant influence:**	: Aequs SEZ Private Limited (ASEZ) : MFRE Private Trust (MFRE) : Indusrial Knowledge Centre (IKC)

*** Aequs Inc. is 100% beneficially owned and controlled by the Melligiri Foundation.
* There were no transactions during the current period and previous year.

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(All amounts are in ₹ thousand, except share data, unless otherwise stated)

B. Transactions with related parties

Name	Nature of transactions	Year ended March 31, 2025	Year ended March 31, 2024
Suraj Hukkeri	Remuneration paid	8,004	6,054
Smita Harish Bang	Remuneration paid	158	-
AREPL	Investment in Equity Instruments	-	0
AEPPL	Expense incurred by related parties	-	10,469
	Expense incurred on behalf of related party	490	-
	Purchase of tangible asset	136	152
	Purchase of raw materials	3,988	764
	Sale of goods	4,380	833
AFCPPL	Purchase of tangible asset	699	702
	Purchase of raw materials	2,275	7,307
	Sale of manufactured goods	-	7,002
	Sale of Asset	-	59
	Expenses incurred on behalf of related party	-	8
	Expenses incurred by related party	-	61
AMHPL	Expense incurred by related parties	-	331
AL	Expense incurred on behalf of the company	6	8,232
	Expense incurred on behalf of the related party	819	-
	Service Received	-	1,357
	Financial guarantee received	-	59,966
	Equity share capital issued	1,00,000	5,27,570
	Interest expense	3,625	982
	Loan received	1,00,000	83,000
	Loan Converted to Equity	-	83,000
ASEZ	Service Received	42,077	40,695
	Lease rentals paid	86,399	60,929
	Security deposit paid	-	20
	Expense incurred on behalf of the related party	369.62	
	Financial guarantee received		
ASMIPL	Expense incurred by related parties	53	1,203
	Financial guarantee received	-	120
KTMPL	Expense incurred by related parties	-	115
	Expense incurred on behalf of related parties	341	9,037
	Purchase of raw materials	1,140	155
	Investment in Equity Instruments	50,000	1,60,000
	Subcontracting Expenses	4,027	5,168
	Sale of manufactured goods	3,128	509
ACPPL	Sale of manufactured goods	129	-
IKC	Expense incurred on behalf of related parties	9	-
	Service Received	104	
AAI	Expense incurred by related parties	23	
ACPL	Expense incurred by related parties	19	
MFRE	Financial guarantee received	-	120

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C Balance as at the year end

Name	Nature of balances	As at March 31, 2025	As at March 31, 2024
KTTPL	Investment in Equity Instruments	-	40,100
KTMPL	Investment in Equity Instruments	4,85,001	4,35,001
AREPL	Investment in Equity Instruments	74	74
AEPPL	Dues from related parties	149	-
	Dues to related parties	-	2,778
	Trade payables	3,287	211
	Trade receivables	4,237	-
AFCPPL	Trade payables	9,735	7,597
	Trade receivables from related parties	-	377
	Dues to related parties	65	61
AL	Dues to related parties	6,055	6,049
	Trade payables	1,222	1,222
	Financial Guarantee on lease	72,921	53,592
	Loan received	1,00,000	-
	Interest accrued but not due on borrowings	1,016	-
ASEZ	Dues from related parties	370	-
	Trade payables	1,059	1,684
	Security Deposit	74,865	74,845
	Lease Liability	5,56,853	5,46,220
ASMIPL	Dues to related parties	-	26
KTMPL	Trade payable	1,390	1,017
	Trade receivables from related parties	-	91
AAI	Dues to related parties	23	-
ACPL	Dues to related parties	19	-

Notes:

a. All transactions were made on normal commercial terms and conditions and are at arms length price.
b. Please refer Note 12 (i) for the corporate guarantees extended to the Company by the related parties against the borrowings taken by the Company.
c. All outstanding balances are unsecured and repayable in cash.
d. A letter of continuing financial support has been received from Aequs Limited (formerly known as Aequs Private Limited).
e. There is no loss allowance for recievables in relation to any outstanding balances, and no loss allowances has been recognised during the year in respect of receivables due from related parties.
f. Remuneration paid to KMP includes perquisites evaluated as per Income tax rules and excludes provision for/contribution to gratuity and compensated absences, which are based on actuarial valuation done on an overall company basis.

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AEQUS TOYS PRIVATE LIMITED

30 Segment information

(a) Description of segments and principal activities:

The Executive Chairman & Chief Executive officer of the Holding Company is the Chief Operating Decision Maker ("CODM") as defined by Ind AS 108, Operating Segments. The CODM evaluates the Company's performance as a whole. Accordingly, the entire Company has been identified as one segment. Hence, no separate segment information has been presented.

The Company is primarily engaged in contract manufacturing of plastic toys, and toys products which comprise the primary segment, hence no separate primary segment information is deemed necessary. Secondary segment reporting is performed on the basis of the geographical location of customers.

The company is domiciled and principally operates in India. The amount of its revenue from external customers specified by location of customers are presented in the below table:

Particulars	March 31, 2025	March 31, 2024
Outside India		
Hong Kong	-	8
Saudi Arabia	4,561	-
The United States of America	21,672	24,119
In India	65,171	80,128
Total	**91,404**	**1,04,254**

The Company recognizes revenue from transfer of goods and services at a point of time and there are no contracts where revenue to be recognized over a period of time.

The CODM primarily uses the following measure to assess to performance of the operating segments.

	March 31, 2025	March 31, 2024
EBITDA	(41,105)	(78,050)

The CODM reviews the Company as one reportable segment and hence no further segregation has been made.

Revenue from major customers are as follows:

Customer	March 31, 2025		March 31, 2024	
	Revenue	%	Revenue	%
Customer 1	29,619	32.40%	23,851	22.88%
Customer 2	21,552	23.58%	10,572	10.14%

There are no non-current assets which are outside India, hence no separate disclosures given.

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31 Earnings per share

	March 31, 2025	March 31, 2024
Earnings per share attributable to equity share holders of the company	**(2.55)**	**(4.59)**
Loss attributable to the equity share holders	(3,16,441)	(3,95,528)
	(3,16,441)	**(3,95,528)**
Loss attributable to the equity share holders from continuing operations (a)	(3,16,441)	(3,95,528)
Loss attributable to the equity share holders from dis-continuing operations (a)	-	-
	(3,16,441)	**(3,95,528)**
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	**12,41,78,978**	**8,62,32,540**
Share held at the beginning of the year	11,59,59,800	6,32,02,800
Weighted average number of equity shares issued during the period	82,19,178	2,30,29,740
Adjustments for diluted earnings per share	-	-
(The company does not hold any potential equity shares for dilution)		
Weighted average number of equity shares and potential equity shares used as denominator in calculating diluted earnings per share	**12,41,78,978**	**8,62,32,540**
Earnings per share (basic and diluted)	(2.55)	(4.59)
(a) Nominal value of equity share	10	10
(b) Weighted average number of equity shares outstanding	12,41,78,978	8,62,32,540
(c) Loss attributable to the equity share holders used in calculating basic earnings per share	(3,16,441)	(3,95,528)
(d) Earnings per share - Basic	(2.55)	(4.59)

Diluted earning per share

In the view of losses during the current period and previous year, dilutive earnings per share and basic earnings per share are same being anti-dilutive in nature.

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32. Financial Ratios

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance (%)	Reasons for variance > 25%
Current Ratio	Current Assets	Current Liabilities	0.98	1.68	-41%	Note 1
Debt-Equity Ratio	Total Debt	Shareholders' Equity	1.04	0.66	58%	Note 2
Debt Service Coverage Ratio (DSCR)	Earnings available for Debt Service	Debt Service	(0.28)	(1.02)	73%	Note 3
Return on Equity (ROE)	Profit/(Loss) after tax	Average Shareholders' Equity	-48%	-61%	20%	NA
Inventory Turnover Ratio	Revenue from operations	Average Inventory	3.60	4.42	-19%	NA
Trade Receivables Turnover Ratio	Credit Sales	Average Accounts Receivables	2.81	2.99	-6%	NA
Trade Payables Turnover Ratio	Credit Purchases	Average Trade Payables	1.73	1.56	11%	NA
Net Capital Turnover ratio	Revenue from operations	Working Capital	(32.58)	1.50	-2268%	Note 1
Net Profit Ratio	Loss after tax	Revenue from operations	-230%	-379%	39%	Note 3
Return on Capital Employed (RoCE)	Earnings before interest and tax	Capital Employed	-21%	-24%	11%	NA
Return on Investment	Income from investment	Weighted Average Investments	-14%	-40%	65%	Note 4

Notes:

1. Current Ratio and Net Capital Turnover ratio has reduced due to inefficient working capital management.
2. Increase in Debt Equity ratio due to borrowings made during the reporting Year.
3. Debt Service Coverage Ratio (DSCR) & Net Profit Ratio has increase due receipt of Government garnt during the Year **(Refer Note No. 17).**
4. Return on Investment has increased due to write off of subsidiary investment leading to lower closing value of investments **(Refer Note No. 21A&21B).**

AEQUS TOYS PRIVATE LIMITED

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33 Net Debt Reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	22,917	41,514
Current borrowings (Inter-company loans)	(1,01,016)	-
Borrowings (including current maturities and accrued interest)	-	-
Lease liabilities	(4,83,932)	(4,92,624)
Net debt	**(5,62,031)**	**(4,51,110)**

Particulars	Other assets	Liabilities from financing activities			Total
	Cash and cash equivalents	Lease liabilities	Non-current borrowings	Current borrowings (Working capital loans)	
Net debt as at March 31, 2023	**41,744**	**(3,97,830)**	**(72,766)**	**-**	**(4,28,852)**
Cashflows	(230)	-	-		(230)
Acquisition of new borrowings/ leases	-	(1,64,312)	(23,906)	(20,001)	(2,08,220)
Repayments	-	16,637	1,33,466	20,001	1,70,103
Interest expense	-	(45,003)	(7,047)	(1,971)	(54,021)
Interest paid	-	44,293	7,047	1,971	53,311
Non-cash adjustments:					
Unamortized loan processing fees	-	-	(1,457)	-	(1,457)
Unamortized financial guarantee expense	-	53,592	(35,336)	-	18,256
Net debt as at March 31, 2024	**41,514**	**(4,92,624)**	**-**	**-**	**(4,51,110)**
Cashflows	(18,597)	-	-	-	(18,597)
Acquisition of new borrowings/ leases	-	(39,003)	-	(1,00,000)	(1,39,003)
Foreign exchange adjustments	-	-	-	-	-
Repayments	-	28,365	-	-	28,365
Interest expense	-	(58,034)	-	(1,016)	(59,050)
Interest paid	-	58,034	-	-	58,034
Non-cash adjustments:					
Financial guarantee on New Lease	-	29,377	-	-	29,377
Amortized financial guarantee expense during the Period	-	(10,048)	-	-	(10,048)
Net debt as at December 31, 2024	**22,917**	**(4,83,932)**	**-**	**(1,01,016)**	**(5,62,030)**

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AEQUS TOYS PRIVATE LIMITED

34 Deferred Tax Assets (Net)

A. Deferred tax recognition

Deferred tax asset on timing differences and on unabsorbed depreciation and business loss carried forward has not been recognised in these accounts in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set-off. However, this position will be reassessed at every year end and the deferred tax asset will be accounted for, if appropriate. Deferred tax asset as at March 31, 2025 has been arrived at as follows:

Movement in the deferred tax asset / (liabilities) - Not Recognised

Particulars	As at March 31, 2023	Charge/(credit) to the statement of profit and loss	Charge/(credit) to the statement of other comprehensive income	As at March 31, 2024	Charge/(credit) to the statement of profit and loss	Charge/(credit) to the statement of other comprehensive income	As at March 31, 2025
Deferred Tax Asset/(Liabilities) :							
Property, plant & equipment , Intangible Asset	(2,047)	(921)	-	(2,967)	(2,854)	-	(5,822)
Right of use assets (net of lease liabilities)	(3,519)	(3,278)	-	(6,796)	3,226	-	(3,570)
Employment Benefit Obligation - Gratuity	150	(26)	-	124	208	-	332
Investments	-	24,706	-	24,706	11,879	-	36,585
Employee Benefit Obligation - Leave Encashment	226	(74)	-	153	61	-	214
Bonus	454	(117)	-	337	104	-	441
Unabsorbed Depreciation	2,935	6,130	-	9,065	4,881	-	13,945
Unabsorbed business loss	14,773	27,317	-	42,090	23,761	-	65,851
Long term capital loss	-	-	-	-	5,213	-	5,213
Other Items	395	6,852	-	7,246	(5,779)	-	1,467
Net Deferred Tax Asset	**13,368**	**60,590**	-	**73,957**	**40,700**	-	**1,14,658**
Deferred tax (Credit)/Charge for the year		60,590	-		-	-	

B. Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	Amount	Amount
Profit/(Loss) before income tax expense	(3,17,168)	(3,96,445)
Tax at the rate of 17.16% for December 2024 and 17.16% for March 2024	(54,426)	(68,030)
Expenses not allowed as deduction in computation of current tax	17,370	22,667
Income not chargeable to tax	(503)	(471)
Expenses on which DT not recognished in the current year	11,683	14,921
Deferred tax not recognized on unabsorbed business loss and unabsorbed depreciation for current year	25,876	30,912
Others	-	-
Total tax expense/(income)	(0)	(0)

Company has not recognised the deferred tax asset in the absence of reasonable certainty supported by convincing evidence that sufficient future taxable income will be available for set-off.

Out of the deferred tax asset on account of carry forward unabsorbed depreciation and business loss as disclosed in (A), deferred tax from business losses will reverse in the absence of the future taxable income, in future years, as mentioned below:

Tax losses in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below:

	March 31, 2025	March 31, 2024
Within five years	2,889	-
Later than five years but less than ten years	4,28,022	2,61,317
No expiry	81,267	52,906

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35 Additional regulatory information required by Schedule III

(i) Details of benami property held: No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Willful defaulter: The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies: The details of transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956. The details as follows:-

Name of the Struck Off company	Nature of transaction	Relationship with Struck Off Company	Balance outstanding as at 31 March 2025	Balance outstanding as at 31 March 2024
Koppal Toys Tooling COE Pvt Ltd***	Investment in security.	Subsidiary	Nil	40,100

(iv) Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(v) Compliance with approved scheme(s) of arrangements: The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous financial period.

(vi) Utilisation of borrowed funds and share premium
(A) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Company has received the following funds from other entities (Funding Parties) during the year with the understanding (whether recorded in writing or otherwise) that the Company shall lend or invest in other entities (Ultimate Benefeciaries) during the period ended March 31, 2025 for the purposes stated below:

Nature of amount	Funding Party	Amount	Ultimate Beneficiary	Purpose of further investment or lending
Investment	Aequs Limited (formerly known as Aequs Private Limited)	50,000	Koppal Toys Molding COE Private Limited	Business operations

(vii) There is no income surrendered or disclosed as income during the current year or previous period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) The Company has not traded or invested in crypto currency or virtual currency during the current year or previous period.

(ix) The Company has not revalued its Property, plant and equipment or intangible assets during the current year or previous period.

(x) All the title deeds of the Immovable properties which are classified under Right of Use Assets (ROU) schedule are held in the name of the Company.

(xi) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xii) The borrowings obtained by the Company from bank have been applied for the purposes for which such loans were was taken.

(xiii) The Company was not required to recognise any provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2025.

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36 Interests in other entities

Name of entity	Place of business	Ownership held by	Nature of relationship	% of Holding and voting power either directly or indirectly through		Nature of business
				March 31, 2025	March 31, 2024	
Koppal Toys Tooling COE Pvt Ltd***	India	Aequs Toys Private Limited	Subsidiary	0%	100%	Manufacture of Tooling
Koppal Toys Molding COE Pvt Ltd	India	Aequs Toys Private Limited	Subsidiary	100%	100%	Manufacture of Molding
Aequs Rajas Extrusion Pvt Ltd	India	Aequs Toys Private Limited	Subsidiary	100%	100%	Manufacture of Toys

These financial statements are the separate financial statements. The Company has opted for exemption from preparing the consolidated financial statements as per the applicable accounting standards, as the consolidated financial statements shall be prepared by the holding company, Aequs Limited (formerly known as Aequs Private Limited).

***Pursuant to the MCA strike off order - STK -7 dated 30th November 2024, Koppal Toys Tooling COE Private Limited name has been struck off from the register of companies and hence, the company has written off it's investment made in Koppal Toys Tooling COE Private Limited.

37 Disclosure as required under section 186(4) of Companies Act, 2013.

Particulars	March 31, 2025	March 31, 2024
i. Investments in subsidiaries for their business operations	4,85,075	4,75,175

AEQUS TOYS PRIVATE LIMITED

K.G. ACHARYA & CO. Bangalore Chartered Accountants

38 The provisions of Section 135 of the Companies Act, 2013 with respect to the Corporate Social Responsibility are not applicable to the Company.

39 **Dues to micro and small enterprises**

The details of dues to micro enterprises and small enterprises (MSME) as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') and disclosures pursuant to the MSMED Act are as follows:

		March 31, 2025	March 31, 2024
A.	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	38	
B.	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5	-
C.	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,081	-
D.	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
E.	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	5	15
F.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	9	-
G.	Interest accrued and remaining unpaid at the end of the accounting year	-	-
H.	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

40 The financials statements were approved for issue by the Board of Directors on 11th August 2025

For M/s K G Acharya & Co.,
Chartered Accountants
Firm Registration Number: 008019S

Harshith T P
Partner
Membership No.:256698
Place: Bengaluru
Date: 11/08/2025

K.G. ACHARYA & CO. Bangalore Chartered Accountants

For and on behalf of the Board of Directors
Aequs Toys Private Limited

Suraj Hukkeri
Director
DIN-09536262
Place: Belagavi
Date: 11/08/2025

Harish Bang
Director
DIN-08383723
Place: Belagavi
Date: 11/08/2025

Smita Harish Bang
Company Secretary
M No- A45081
Place: Belagavi
Date: 11/08/2025

AEQUS TOYS PRIVATE LIMITED