

Independent Auditor's Report

To the Members of Aequs Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Aequs Private Limited (hereinafter referred to as the "Holding Company") its Aequs Stock Option Plan Trust, and its subsidiaries (Holding Company, its Aequs Stock Option Plan Trust and its subsidiaries together referred to as "the Group"), its joint ventures, which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended 31 March 2024, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint ventures as at 31 March 2024, of its consolidated loss and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 9(i) to the consolidated financial statements in relation to a guarantee issued by the Holding Company's subsidiary and certain payments made by the Holding Company's subsidiary under such guarantees on behalf of a foreign subsidiary in respect of which the Holding Company's subsidiary is in discussions with the Authorised Dealer to evaluate the compliance requirements under Foreign Exchange Management Act, 1999 and regulations thereunder (FEMA Regulations), if any. Pending such evaluation, no adjustments have been made to the financial statements.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors'/Board of Trustees' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Independent Auditor's Report (Continued)

Aequus Private Limited

a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group, of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group, of its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group, and of its joint ventures are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going

Independent Auditor's Report (Continued)

Aequs Private Limited

concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (b)&(c) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

- a. The consolidated financial statements of the Group, its associate and joint ventures for the year ended 31 March 2023 were audited by the predecessor auditor who had expressed an unmodified opinion on 23 September 2023.
- b. We did not audit the financial statements of 7 subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 3,186 millions as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 941 millions and net cash outflows (before consolidation adjustments) amounting to Rs. 6 millions for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial statements certified by the Management.



Independent Auditor's Report (Continued)

Aequs Private Limited

- c. The financial information of 5 subsidiaries incorporated outside India and 1 subsidiary incorporated in India, whose financial information reflects total assets (before consolidation adjustments) of Rs. 3,277 millions as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. Nil and net cash outflows (before consolidation adjustments) amounting to Rs. 68 millions for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. This unaudited financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, this financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to the financial information certified by the Management.

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 Section 143(11) 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 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies, incorporated in India, none of the directors of the Group companies and joint venture companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other

Independent Auditor's Report (Continued)

Aequs Private Limited

auditors on separate financial statements of the subsidiaries, joint ventures as noted in the "Other Matters" paragraph:

- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 35 to the consolidated financial statements.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
- c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2024.
- d (i) The respective management of the Holding Company and its subsidiary companies, joint venture companies incorporated in India whose financial statements have been audited under the Act represented to us and the other auditors of such subsidiary companies respectively that, to the best of its knowledge and belief, as disclosed in the Note 47(vi)(a) to the consolidated financial statements, 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 by the Holding Company or any of such subsidiary companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the by the Holding Company or any of such subsidiary companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The respective management of the Holding Company and its subsidiary companies, joint venture companies incorporated in India whose financial statements have been audited under the Act represented to us and the other auditors of such subsidiary companies respectively that, to the best of its knowledge and belief, as disclosed in the Note 47(vi)(b) to the consolidated financial statements, no funds have been received by the by the Holding Company or any of such subsidiary companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the by the Holding Company or any of such subsidiary companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) 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 (i) and (ii) above, contain any material misstatement.
- e. The Holding Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks and that performed by the auditors of subsidiary companies incorporated in India whose financial statements have been audited under the Act,
 - the Holding Company, 4 subsidiary companies and 2 joint venture companies, have used accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we are unable to comment on audit trail feature of the said software.
 - 5 subsidiaries companies have 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. Further, during the course of their

Independent Auditor's Report (Continued)

Aequs Private Limited

audit, the other auditors did not come across any instance of audit trail feature being tampered with.

- 1 subsidiary company has not maintained books of account in electronic mode. Accordingly, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the provisions of Section 197 of the Act are not applicable to the Holding Company, its subsidiary companies and joint venture companies incorporated in India since none of these companies is a public company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022



Sampad Guha Thakurta

Partner

Place: Chennai

Date: 04 October 2024

Membership No.: 060573

ICAI UDIN: 24060573BKFGQC5489

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Aequs Private Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Aequs Private Limited	U80302KA2000 PTC026760	Holding Company	(ii) (b), iii (c), iii (d), iii (f), (xiv) (a) and (xvii)
2	AeroStructures Manufacturing India Private Limited	U29253KA2013 PTC067763	Subsidiary	(ii) (b), iii (c), iii (d), iii (f) and (xiv) (a)
3	Aequs Engineered Plastics Private Limited	U22209KA2015 PTC078777	Subsidiary	(ii) (b), (xiv) (a), and (xvii)
4	Aequs Force Consumer Products Private Limited	U28191KA2018 PTC114901	Subsidiary	(ii) (b), iii (c), iii (f), (xiv) (a) and (xvii)
5	Aequs Consumer Products Private Limited	U28995KA2019 PTC129087	Subsidiary	(ii) (b), (xiv) (a) and (xvii)
6	SQuAD Forging India Private Limited	U28910KA2011 PTC056681	Joint Venture	(ii) (b)
7	Aequs Toys Private Limited	U26400KA2021 PTC150503	Subsidiary	vii(a) and xvii
8	Koppal Toys Molding COE Private Limited	U36999KA2021 PTC150753	Subsidiary	xvii
9	Aerostructures Assemblies	U29253KA2013 PTC067804	Subsidiary	(ii) (b)

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Aequs Private Limited for the year ended 31 March 2024 (Continued)

Sr. No.	Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
	India Private Limited			
10	Aequs Home Appliances Private Limited	U31904KA2021 PTC150511	Subsidiary	vii(a) and xvii

According to the information and explanations given to us, and based on our examination, in respect of the following subsidiary companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their respective auditors till the date of this principal auditors' report.

Name of the entities	CIN	Holding Company/Subsidiary/ JV/ Associate
Koppal Toys Tooling COE Private Limited	U36990KA2021PTC151211	Subsidiary

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Sampad Guha Thakurta

Partner

Place: Chennai

Date: 04 October 2024

Membership No.: 060573

ICAI UDIN:24060573BKFGQC5489

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Aequs Private Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Aequs Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

**Annexure B to the Independent Auditor's Report on the consolidated financial statements of Aequs Private Limited for the year ended 31 March 2024
(Continued)**

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Sampad Guha Thakurta

Partner

Place: Chennai

Date: 04 October 2024

Membership No.: 060573

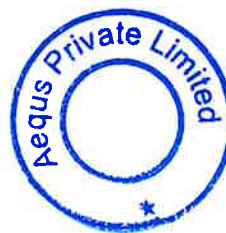
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Consolidated balance sheet as at March 31, 2024

(All amounts are in INR Millions, except share data, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,749	1,815
Right of use assets	5	4,113	4,169
Capital work in progress	4A	1,754	16
Investment property	4B	-	64
Goodwill	6	655	655
Other intangible assets	6	85	134
Intangible assets under development	6A	0	4
Investments accounted for using equity method	7	622	575
Financial assets			
Investments	8(i)	1	1
Loans	9 (i)	-	-
Other financial assets	9 (v)	395	337
Other non-current assets	10	159	79
Deferred tax assets	11	324	309
Current tax assets	11A	14	27
Total non-current assets		9,871	8,185
Current assets			
Inventories	12	3,541	2,985
Financial assets			
Investments	8(ii)	297	-
Trade receivables	9 (ii)	1,369	1,071
Cash and cash equivalents	9 (iii)	793	513
Bank balances other than above	9 (iv)	1,727	61
Loans	9 (i)	-	-
Other financial assets	9 (v)	15	33
Contract assets	13	25	1
Other current assets	10	588	318
Assets classified as held for sale		4	50
Total current assets		8,359	5,032
Total assets		18,230	13,217
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	4,248	4,248
Instruments entirely equity in nature	14A	4,071	-
Other equity	15	(154)	(1,462)
Equity attributable to owners of Aequs Private Limited		8,165	2,786
Non controlling interests	15	(9)	(113)
Total equity		8,156	2,673

Continued...



Consolidated balance sheet as at March 31, 2024

(All amounts are in INR Millions, except share data, unless otherwise stated)

Liabilities

Non-current liabilities

Financial liabilities

Borrowings

Lease liabilities

Other financial liabilities

Employee benefit obligations

Other non-current liabilities

Total non current liabilities

Current liabilities

Financial liabilities

Borrowings

Lease liabilities

Trade payables

a. Total outstanding dues of micro and small enterprises

b. Total outstanding dues other than (a) above

Other financial liabilities

Employee benefit obligations

Other current liabilities

Current tax liabilities

Contract liabilities

Liabilities directly associated with assets classified as held for sale

Total current liabilities

Total liabilities

Total equity and liabilities

	As at March 31, 2024	As at March 31, 2023
16 (i)	855	1,253
16 (ii)	3,507	3,378
16 (iii)	6	7
18	127	110
17	-	29
	4,495	4,777
16 (i)	2,064	2,208
16 (ii)	564	520
16 (iv)	10	2
16 (iv)	2,015	2,256
16 (iii)	496	265
18	55	45
17	192	295
17(i)	61	-
13	122	165
	0	11
	5,579	5,767
	10,074	10,544
	18,230	13,217

Summary of material accounting policies

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

This is the consolidated balance sheet referred to in our report of even date.

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For B S R & Co LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022


For and on behalf of the Board of Directors


Sampad Guha Thakurta
Partner

Membership No.: 060573

Place: Chennai

Date: October 04, 2024


Rajeev Kaul
Managing Director & Chief Operating Officer (COO)

DIN-01468590

Place: Belagavi

Date: October 04, 2024

Address: 9, Parjat Lane, Mango Meadows
Udyambag, Khanapur Road, Belagavi -
590008, Karnataka, India

Ajay Prabhu
Director

DIN-00477195

Place: Faro, Portugal

Date: October 04, 2024

Address: 67, Purva Parkridge,
Garudacharpalya, Mahadevapura,
Bengaluru - 560048, Karnataka,
India

Dinesh Iyer
Chief Financial Officer

Place: Belagavi

Date: October 04, 2024

Address: B-304, Adarsh Palm Retreat,
Tower 2, Devara Beesana Halli,
Bengaluru, 560103, Karnataka

Ravi Hugar
Company Secretary

M. No. - A20823

Place: Belagavi

Date: October 04, 2024

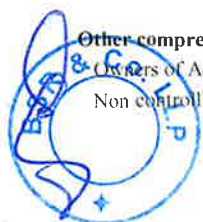
Address: Plot No. 17, Shruti Park,
Scholar Academy School, Behind
Little, Belgaum, Karnataka - 590016

Consolidated statement of profit and loss for the year ended March 31, 2024

(All amounts are in INR Millions, except share data, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023 (Restated*)
Continuing operations			
Revenue from operations	19	9,651	8,121
Other income	20	232	284
Total income (A)		9,883	8,405
Expenses			
Cost of materials consumed	21	4,391	4,169
Purchase of traded goods	22	-	21
Changes in inventories of work-in-progress and finished goods	23	(225)	(349)
Employee benefit expense	24	1,434	1,446
Impairment losses on financial assets	25	15	9
Other expenses	26	2,812	2,479
Total expenses (B)		8,427	7,775
Earnings before interest, tax, depreciation and amortisation (A-B)		1,456	630
Depreciation and amortisation expense	27	1,077	995
Finance costs	28	638	646
Loss before exceptional items, share in loss of associate and joint ventures, and tax		(259)	(1,011)
Share of net profit/(loss) of associate and joint ventures accounted for using the equity method, net of tax		52	(9)
Exceptional gain / (loss)	29	186	(7)
Loss before tax from continuing operations		(21)	(1,027)
Tax expense			
- Current tax	30	115	12
- Deferred tax	11	(15)	48
Total tax expense		100	60
Loss from continuing operations		(121)	(1,087)
Discontinued operations			
Loss from discontinued operations before tax		(21)	(8)
Loss from discontinued operations		(21)	(8)
Loss for the year		(142)	(1,095)
Other comprehensive income / (loss)			
Items that will be reclassified to profit or loss			
- Exchange difference on translation of foreign operation	15	(42)	(66)
Items that will not be reclassified to profit or loss			
- Remeasurements of post-employment benefit obligations		3	13
- Share of other comprehensive income of joint ventures and associate accounted for using equity method		-	(1)
- Income tax relating to these items		-	(2)
Other comprehensive loss for the year, net of tax		(39)	(56)
Total comprehensive loss for the year		(181)	(1,151)
Loss attributable to:			
Owners of Aequs Private Limited		(108)	(988)
Non controlling interests		(34)	(107)
Other comprehensive loss attributable to:		(142)	(1,095)
Owners of Aequs Private Limited		(40)	(52)
Non controlling interests		(0)	(4)
		(40)	(56)

Continued...



Consolidated statement of profit and loss for the year ended March 31, 2024*(All amounts are in INR Millions, except share data, unless otherwise stated)*

		Year ended March 31, 2024	Year ended March 31, 2023 (Restated*)
Total comprehensive loss attributable to:			
Owners of Aequs Private Limited		(147)	(1,040)
Non controlling interests		(34)	(111)
		(181)	(1,151)
Total comprehensive loss attributable to owners of Aequs Private Limited arising from:			
Continuing operation		(160)	(1,143)
Discontinued operations		(21)	(8)
		(181)	(1,151)
Earnings per equity share for profit from continuing operation attributable to owners of Aequs Private Limited (Basic and Diluted - in INR.) (Nominal value per share: ₹ 10)	37	(0.16)	(2.68)
Earnings per equity share for profit from discontinuing operation attributable to owners of Aequs Private Limited (Basic and Diluted - in INR.)	37	(0.04)	(0.00)
Earnings per equity share for profit from discontinuing & continuing operation attributable to owners of Aequs Private Limited (Basic and Diluted - in INR.)	37	(0.20)	(2.42)

*Refer Note 20 for details of restatement.

Summary of material accounting policies

2

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

This is the consolidated statement of profit and loss referred to in our report of even date.

For B S R & Co LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022


Sampad Guha Thakurta
Partner

Membership No.: 060573

Place: Chennai

Date: October 04, 2024

For and on behalf of the Board of Directors

Rajeev Kaul**Managing Director & Chief Operating Officer (COO)**

DIN-01468590

Place: Belagavi

Date: October 04, 2024

Address: 9, Parjat Lane, Mango
Meadows Udyambag, Khanapur
Road, Belagavi - 590008,
Karnataka, India

Ajay Prabhu**Director**

DIN-00477195

Place: Faro, Portugal

Date: October 04, 2024

Address: 67, Purva Parkridge,
Garudacharpalya, Mahadevapura,
Bengaluru - 560048, Karnataka,
India

Dinesh Iyer**Chief Financial Officer**

Place: Belagavi

Date: October 04, 2024

Address: B-304, Adarsh Palm
Retreat, Tower 2, Devara Beesana
Halli, Bengaluru, 560103,
Karnataka

Ravi Hugar**Company Secretary**

M. No. - A20823

Place: Belagavi

Date: October 04, 2024

Address: Plot No. 17, Shruti Park,
Scholar Academy School, Behind
Little, Belgaum, Karnataka -
590016

A. Equity share capital

	Note	Amount
Balance as at April 01, 2022	15	3,960
Changes during the year		288
Balance as at March 31, 2023	15	4,248
Changes during the year		0
Balance as at March 31, 2024	15	4,248

B. Instruments entirely equity in nature (CCPS)

	Note	Amount
Balance as at March 31, 2023		-
Changes during the year	15A	4,071
Balance as at March 31, 2024		4,071

C. Other equity and non-controlling interests

	Reserves and surplus			Revaluation reserve	Statutory reserve	Other equity				Treasury shares	Other reserves	Total other equity	Non controlling interest
	Retained earnings	Securities premium	Share option outstanding account			Foreign currency translation reserve	Common control reserve						
Balance as at April 01, 2022	(6,141)	5,137	30	173	11	(179)	94	(265)	96	(1,044)	(2)		
Profit / (loss) for the year	(988)	-	-	-	-	-	-	-	-	(988)	(107)		
Other comprehensive income / (loss) for the year	12	-	-	-	-	-	-	-	-	12	(4)		
Translation of foreign operations	-	-	-	-	-	(66)	-	-	-	(66)	-		
Total comprehensive income/(loss) for the year	(976)	-	-	-	-	(66)	-	-	-	(1,042)	(111)		
Transactions with owners of the Company	-	551	-	-	-	-	-	-	-	551	-		
Premium on shares issued during the year	-	551	-	-	-	-	-	-	-	551	-		
Total contributions and distributions	-	(2)	-	-	-	-	-	-	-	(2)	-		
Share issue expenses	-	-	22	-	-	-	-	-	-	22	-		
Employee stock option expense	-	-	-	-	-	-	-	-	53	53	-		
Financial guarantee received during the year	-	-	-	-	-	-	-	-	-	-	-		
Transfer of reserve relating to lapse of vested option	2	-	(2)	-	-	-	-	-	-	(0)	-		
Sub total	2	(2)	20	-	-	-	-	-	53	73	-		
Balance as at March 31, 2023	(7,115)	5,686	50	173	11	(245)	94	(265)	149	(1,462)	(113)		

Continued...

Continued...



Consolidated Statement of changes in equity for the year ended March 31, 2024*(All amounts are in INR Millions, except share data, unless otherwise stated)*

Balance as at April 01, 2023	(7,115)	5,686	50	173	11	(245)	94	(265)	149	(1,461)	(113)
Profit / (loss) for the year	(108)	-	-	-	-	-	-	-	-	(108)	(34)
Other comprehensive income / (loss) for the year	2	-	-	-	-	-	-	-	-	2	-
Translation of foreign operations	-	-	-	-	0	(42)	-	-	-	(42)	-
Total comprehensive profit/(loss) for the year	(106)	-	-	-	0	(42)	-	-	-	(148)	(34)
Transactions with owners of the Company											
Premium on shares issued during the year	-	1,788	-	-	-	-	-	-	-	1,788	-
Share issue expenses	-	(180)	-	-	-	-	-	-	-	(180)	-
Total contributions and distributions	-	1,608	-	-	-	-	-	-	-	1,608	-
Employee stock option expense	-	-	20	-	-	-	-	-	-	20	-
Non controlling interests acquired during the year	(238)	-	-	-	-	-	-	-	-	(238)	138
Financial guarantee received during the year	-	-	-	-	-	-	-	-	66	66	-
Transfer from revaluation reserve	173	-	-	(173)	-	-	-	-	-	-	-
Transfer of reserve relating to lapse of vested option	10	-	(10)	-	-	-	-	-	-	0	-
Sub total	(55)	-	10	(173)	-	-	-	-	66	(152)	138
Balance as at March 31, 2024	(7,276)	7,294	60	-	11	(287)	94	(265)	215	(154)	(9)

Refer note 2 for summary of material accounting policies.

The accompanying notes are an integral part of these consolidated Ind AS financial statements.

This is the consolidated statement of changes in equity referred to in our report of even date.

For B S R & Co LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022



Sampad Guha Thakurta
Partner

Membership No.: 060573

Place: Chennai

Date: October 04, 2024

For and on behalf of the Board of Directors


Rajeev Kapil
Managing Director & Chief Operating Officer (COO)

DIN-01468590

Place: Belagavi

Date: October 04, 2024

Address: 9, Parjat Lane, Mango
Meadows Udyambag, Kharapur Road,
Belagavi - 590008, Karnataka, India

Ajay Prabhu

Director

DIN-00477195

Place: Faro, Portugal

Date: October 04, 2024

Address: 67, Purva Pakridge,
Garudachurapalya,
Mhaladevapura, Bengaluru -
560048, Karnataka, India

Dinesh Iyer

Chief Financial Officer

Place: Belagavi

Date: October 04, 2024

Address: B-304, Adarsh Palm Resort,
Tower 2, Devara Beesama Halli,
Bengaluru, 560103, Karnataka

Ravi Hugar

Company Secretary

M. No. - A20823

Place: Belagavi

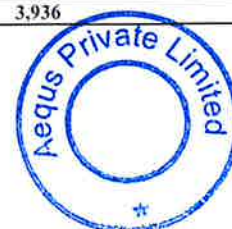
Date: October 04, 2024

Address: Plot No. 17, Shrutti
Park, Scholar Academy School,
Behind Little, Belgium,
Karnataka - 590016

Consolidated statement of cash flows for the year ended March 31, 2024*(All amounts are in INR Millions, except share data, unless otherwise stated)*

	Year ended March 31, 2024	Year ended March 31, 2023
Cash flow from operating activities:		
Loss before tax from continuing operations	(21)	(1,027)
Profit / (loss) before tax from discontinuing operations	(21)	(8)
Profit / (loss) before tax	(42)	(1,035)
Adjustments for :		
Depreciation and amortisation expense	1,081	995
Employee stock compensation expense	21	24
(Profit) / loss on disposal of property, plant and equipment / investment property (net)	(186)	5
Interest income from financial asset at amortised cost	(82)	(13)
Gain on mutual funds	(4)	-
Liabilities no longer required written back	(30)	(58)
Loss allowance on trade receivables	15	9
Provision for slow moving inventory	-	32
Finance cost	637	479
Finance guarantee income	(6)	(10)
Unwinding of discount on security deposits	(17)	(20)
Finance guarantee expense	-	20
Unrealised exchange (gain) or loss	(31)	95
Share of (gain)/loss from associate and joint ventures	(52)	9
Impairment loss on loans and receivable from related parties	-	7
Dividend Income	-	(12)
(Gain) / loss on derecognition of right-of-use assets	-	(19)
Change in operating assets and liabilities		
(Increase) / decrease in		
- trade receivables	(309)	(6)
- inventories	(556)	(870)
- other financial assets	(23)	(65)
- non current assets	(3)	(15)
- other current assets	(208)	(26)
- Contract assets	(20)	8
Increase / (decrease) in		
- trade payables	(194)	491
- employee benefit obligations	29	16
- other non-current liabilities	(29)	29
- other financial liabilities	2	22
- other liabilities	(101)	(108)
- contract liabilities	(43)	123
Cash generated from / (used in) operations	(151)	107
Income taxes (paid) / refund received	(41)	(9)
Net cash generated from / (used in) operating activities (A)	(192)	98
Cash flow from investing activities:		
Payments for purchase of property, plant and equipment	(1,818)	(856)
Proceeds from sale of investment property	262	-
Proceeds from disposal of assets held for sale, net	-	(45)
Loans given to related parties	-	(1)
Repayment of loans given to related parties	-	60
Investments in associate and joint ventures	-	(72)
Investment in mutual funds	(294)	-
Investment in bank deposits	(1,663)	-
Interest received	79	13
Dividend income received	-	12
Net cash generated from / (used in) investing activities (B)	(3,434)	(889)
Cash flow from financing activities		
Proceeds from issue of equity shares	0	-
Proceeds from issue of compulsorily convertible	5,219	641
Proceeds from issue of compulsorily convertible	-	839
Share issue expenses	(115)	(68)
Proceeds from long term borrowing	904	258
Repayment of Long term borrowing	(797)	(283)
Proceeds from related party borrowing	76	-
Principal payment of lease liabilities	(468)	(362)
Acquisition of non controlling interests	(100)	-
Proceeds from /(repayment of) short term	(155)	(32)
Interest paid	(628)	(449)
Net cash generated from / (used in) financing activities (C)	3,936	544

Continued...



Consolidated statement of cash flows for the year ended March 31, 2024*(All amounts are in INR Millions, except share data, unless otherwise stated)*

Net increase/ (decrease) in cash and cash equivalents (A + B + C)	310	(247)
Cash and cash equivalents at the beginning of the year	513	826
Effects of exchange rate changes on cash and cash equivalents	12	0
Foreign currency translation difference	(42)	(66)
Cash and cash equivalents at the end of the year	793	513

Cash and cash equivalents comprise the following: [refer note 9 (iii)]

Balances with banks		
- current accounts	291	362
- deposits with maturity of three months or less	502	151
Cash on hand	0	0
	793	513

Summary of material accounting policies

2

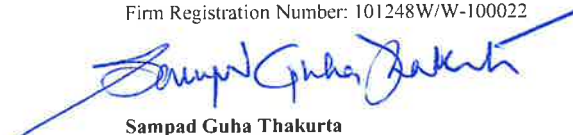
The accompanying notes are an integral part of these consolidated Ind AS financial statements.

This is the consolidated statement of cash flows referred to in our report of even date.

For B S R & Co LLP

Chartered Accountants

Firm Registration Number: 101248W/W-100022


Sampad Guha Thakurta**Partner**

Membership No.: 060573

Place: Chennai

Date: October 04, 2024

For and on behalf of the Board of Directors

Rajeev Kaul**Managing Director & Chief Operating Officer (COO)**

DIN-01468590

Place: Belagavi

Date: October 04, 2024

Address: 9, Parjat Lane, Mango
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Ajay Prabhu**Director**

DIN-00477195

Place: Faro, Portugal

Date: October 04, 2024

Address: 67, Purva Parkridge, Garudacharpalya,
Mahadevapura, Bengaluru - 560048,
Karnataka, India

Dinesh Iyer**Chief Financial Officer**

Place: Belagavi

Date: October 04, 2024

Address: B-304, Adarsh Palm Retreat,
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Bengaluru - 560103, Karnataka

Ravi Hugar**Company Secretary**

M. No. - A20823

Place: Belagavi

Date: October 04, 2024

Address: Plot No. 17, Shruti Park, Scholar
Academy School, Behind Little, Belgaum,
Karnataka - 590016

(All amounts are in INR Millions, except share data, unless otherwise stated)

1. Background:

Aequus Private Limited ('the Parent Company') was incorporated on March 27, 2000 under provisions of the Companies Act, 1956 and is located at Special Economic Zone ('SEZ') Belagavi, Karnataka, India. It has its registered office at Whitefield, Bengaluru. The Parent Company, along with its subsidiaries, joint ventures and associates (hereinafter collectively referred to as 'the Group'), is engaged in the business of contract manufacturing catering to various industries. These units are registered to carry on the operations relating to manufacture of machined parts used in aerospace, engineered plastic products and kitchen and home appliances.

2. Material accounting policies:

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

a. Basis of preparation and presentation

These Consolidated Financial Statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Consolidated Financial Statements have been prepared on accrual basis under the historical cost convention, except for the following assets and liabilities, which have been measured at fair value as required by relevant Ind AS:

- Certain financial assets and liabilities are measured at fair value;
- Share-based payments
- Defined employee benefit plans; and
- Assets held for sale measured at lower of cost and fair value less cost to sell.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III (Division II) to the Act. Based on the nature of products and the time between the acquisition of asset for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

Presentation currency

The Consolidated Financial Statements of the Group are presented in Indian Rupees (INR / ₹), which is the functional currency of the Parent Company and the presentation currency for the consolidated financial statements. All amounts disclosed in the consolidated financial statements and notes have been rounded to nearest millions (Mn) as per the requirement of Schedule III of Companies Act, 2013, unless otherwise stated. Amounts mentioned as "0" in the financial statements denote amounts rounded off being less than ₹ 0.5 Mn.

Accounting policy on EBITDA

As permitted by the Guidance Note on Division II - Ind AS Schedule III to the Companies Act 2013, the Group 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 Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include depreciation and amortization expense, finance costs and income tax expense.

Recent pronouncements

The Ministry of Corporate Affairs had vide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and were effective April 1, 2023. The Rules predominantly amended Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

b. Principles of consolidation and equity accounting

The Consolidated Financial Statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company i.e., its subsidiaries. It also includes the Group's share of profits/(loss), net assets and retained post acquisition reserves of joint ventures and associates that are consolidated using the equity method of consolidation.

Control is achieved when the Company is exposed to or has rights to the variable returns of the entity and the ability to affect those returns through its power to direct the relevant activities of the entity.

The results of subsidiaries, joint ventures and associates acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint ventures and associates to bring their accounting policies in line with those used by other entities of the Group.

(i) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

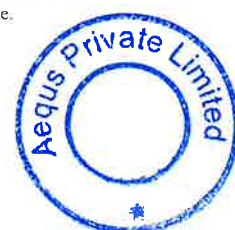
Items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries are combined like to like basis. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(ii) Non-controlling interests (NCI)

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying value of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interests having a deficit balance.

c. Business combination

A common control business combination, involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where the control is not transitory, is accounted for using the pooling of interest method in accordance with Ind AS 103 'Business Combinations'. Other business combinations, involving entities or businesses are accounted for using acquisition method. Consideration transferred in such business combinations is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Goodwill is recognised and is measured as the excess of the sum of the (i) consideration transferred, (ii) the amount of any non-controlling interests in the acquiree, and (iii) the fair value of the acquirer's previously held equity interest in the acquiree, over the net of the consideration date amounts of the identifiable assets acquired and the liabilities assumed. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.



(All amounts are in INR Millions, except share data, unless otherwise stated)

d. Goodwill

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or Groups of cash generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired.

e. Investment in associates

Associates are those enterprises over which the Group has significant influence but does not have control or joint control. Investments in associates are accounted for using the equity method and are initially recognised at cost from the date significant influence commences until the date that significant influence ceases. Subsequent changes in the carrying value reflect the post-acquisition changes in the Group's share of net assets of the associate and impairment charges, if any. When the Group's share of losses exceeds the carrying value of the associate, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the associate. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates, unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of associates are modified to conform to the Group's accounting policies.

f. Investment in joint ventures

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Joint arrangements that involve the establishment of a separate entity in which each co venturer has an interest are referred to as joint ventures. The Group reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group's share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group's share of the results of operations of the joint venture.

When the Group's share of losses exceeds the carrying value of the joint venture, the carrying value is reduced to nil and recognition of further losses is discontinued, except to the extent that the Group has incurred obligations in respect of the joint venture. Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint venture, unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred and where material, the results of joint ventures are modified to confirm to the Group's accounting policies.

g. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM).

The Group's CODM is identified to be the Director of the Parent Company, who plans the allocation of resources and assess the performance of the segments. The Group has two reportable segments 'Aerospace' and 'Consumer' to be reported in its financial statements.

h. Foreign currency transactions

In preparing the Consolidated Financial Statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

For the purpose of presenting the Consolidated Financial Statements, the assets and liabilities of the Parent Company's foreign subsidiaries, associates and joint ventures are expressed in using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operations, all of the accumulated exchange differences in respect of that operations attributable to the Company are reclassified to the consolidated statement of profit and loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operations and translated at the closing rate.

i. Revenue recognition

The Group earns its revenue from sale of manufactured goods and rendering of services. The Group has determined that it is a principal in all its arrangements with its customers.

The Group recognises revenue when control of goods has transferred to customers and there are no unfulfilled obligations that could affect the customer's acceptance of the products. Control of goods is considered to be transferred at a point-in-time when goods have been despatched or delivered, as per the terms agreed with the customer as that is when the legal title, physical possession and risks and rewards of goods transfers to the customers

Revenue from services is recognised in the accounting period in which services are rendered.

The Group does not 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 Group does not adjust any of the transaction prices for time value of money

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. As a practical expedient, the Group has opted not to disclose the information in respect of performance obligations that are part of contracts that has an original expected duration of one year or less.

A contract asset is recognised when the Parent 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 customers) is recognised.

j. Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions. Government grants relating to income are deferred and recognized in the profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

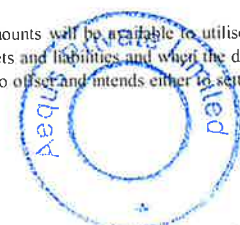
k. Income tax

The income tax expense or credit for the period is the tax payable on the current period'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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the parent company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). 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 and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Deferred tax assets are reviewed at each reporting date



(All amounts are in INR Millions, except share data, unless otherwise stated)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

I. Leases

As a lessee

Leases are recognised as a right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

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 Group under residual value guarantees
- * The exercise price of a purchase option if the Group is reasonably certain to exercise that option.
- * Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extensions options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, as in the case of lease of buildings, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain the asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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.

Right of use assets are measured at cost comprising of the following:

- * The amount of the initial measurement of lease liability
- * Any lease payments made on or before the commencement date less any lease incentives received
- * Any initial direct cost
- * Restoration cost

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. Where the Group is reasonably certain to exercise the purchase option, the right of use asset is depreciated over the underlying asset's useful life.

Payment associated with short-term lease of equipment and all leases of low-value assets are recognised on a straight line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less.

m. Impairment of assets

At each balance sheet date, the Group reviews the carrying value of its property, plant and equipment, intangible assets and right of use assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the consolidated statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the consolidated statement of profit and loss immediately.

n. 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.

o. Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The group 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.

p. Inventories

Inventories include raw materials (including stores, spares and packing material), work in progress and finished goods. Inventories are stated at the lower of cost and net realizable value. Cost of raw materials comprise of cost of purchases, freight and other expenses incurred in bringing the raw materials to the manufacturing location, excluding rebates and Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate portion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items on weighted average cost basis which is calculated on the basis of total cost of raw materials divided by the quantities purchased. Net realizable 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.

q. Investments and other financial assets

Classification

The Group 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. For investments in equity instruments (not held for trading purpose), this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

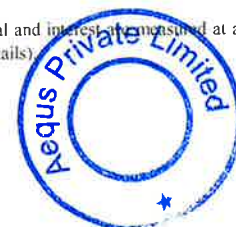
Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sale the financial assets.

Measurement

At initial recognition, the Group measures a financial asset (other than trade receivables) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(a) Amortized 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 amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (refer note 32 for asset details).



(All amounts are in INR Millions, except share data, unless otherwise stated)

(b) 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 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 derecognized, 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.

Impairment of financial asset

The Group 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 33 details how the Group determines whether there has been a significant increase in credit risk. For trade receivables only, the Group 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.

Derecognition of financial assets

A financial asset is derecognized only when

- The Group 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 Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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 derecognized if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition

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

r. Property, plant and equipment

All items of property, plant and equipment are stated at historical cost or deemed cost applied on transition to Ind AS less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items, net of refundable taxes. 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 Group 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.

Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use. 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 income/(expenses). 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.

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 or, in case of certain leased machineries, the shorter lease term as follows:

The estimated useful lives of assets are as follows:

Asset	Useful life (in years)
Leasehold improvements	10 or lease period, whichever is lower
Plant and machinery	1.5 to 10
Computers	3 to 6
Furniture and fittings	1.5 to 5
Vehicles	10
Office and other equipment	1.5 to 5

The useful lives have been determined based on technical evaluation done by the management which are higher 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 and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Assets in the course of development or construction are not depreciated.

s. Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment property (building) is depreciated over the estimated remaining useful life of 7 years. The useful life has been determined based on technical evaluation performed by the management's expert.

t. Intangible assets

Intangible assets include Computer software and Technical knowhow. Costs associated with maintaining software programs are recognised as an expense as incurred. Technical knowhow comprises of capitalized product developed costs, being an internally generated intangible asset.

The Parent Company amortizes intangible assets with finite useful life using the straight-line method over the following estimated useful lives:

Asset	Useful life (in years)
Computer software	2 - 10 years
Technical knowhow	5 years

u. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured. 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 amortized cost using the effective interest method.



(All amounts are in INR Millions, except share data, unless otherwise stated)

v. 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 Group 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.

w. 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 capitalization. Other borrowing costs are expensed in the period in which they are incurred.

x. Employee benefits

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 current employee benefit obligations in the Balance Sheet.

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.

Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity, pension obligations (France); and
- (b) defined contribution plans such as provident fund and ESI.

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.

The present value of the defined benefit obligation denominated in INR 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 Remeasurement 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.

Pension obligations (France):

The French pension system is operated on a "pay as you go" basis. Each employee is entitled to receive a basic pension from the Social Security plus a complementary pension from defined contribution schemes ARRCO and AGIRC (solely for management for AGIRC). Moreover, retiring allowances (lump sums) must by law be paid by the employer when employees retire. The defined benefit obligation is calculated annually by actuaries using appropriate criteria applicable in France.

Defined contribution plans (India):

The Group pays provident fund contributions to Employees' Provident Fund Organization and ESI contributions to Employees' State Insurance Corporation as per local regulations. The Group 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. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Defined contribution plans (United States of America):

Eligible employees of the Group in the United States participate in an employee retirement savings plan (the "401K Plan") under section 401 (K) of the United States Internal Revenue Code. The 401K plan allows for the employees to defer a portion of their annual earnings on a pre-tax basis through voluntary contributions to the 401K plan. The Group's contribution to the plan is discretionary and no contribution has been made on this account during the current and previous reporting periods.

Share-based payments

Share-based compensation benefits are provided to employees through the Aequus Stock Option Plan. The fair value of options granted under the Aequus Private Limited Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity.

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.

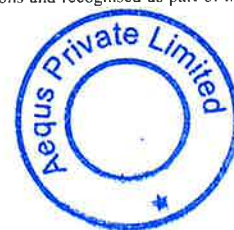
y. Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the (i) amount determined in accordance with the expected credit loss model as per Ind AS 109 and the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of Ind AS 115. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligation.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investments.

z. Contributed equity

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from securities premium.



(All amounts are in INR Millions, except share data, unless otherwise stated)

aa. Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying value and fair value less costs to sell. Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Parent Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operations. The post-tax profit or loss of the discontinued operations together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

ab. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- 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.

ac. Provisions and onerous contracts

Provisions are recognised when the Parent 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 reliably estimated. Provisions are not recognised for future operating losses. Provisions 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 pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in provision due to the passage of time is recognised as an expense.

A provision for onerous contract is recognised when the expected benefits to be derived by the Parent Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associate with the contract.

3. Critical estimates and judgements

The preparation of financial statements in conformity with Ind AS requires estimates and judgements that affect the reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent liabilities in the financial statements and accompanying notes. Estimates are used for, but not limited to useful lives of property, plant and equipment, accounting for right-of-use assets, impairment of goodwill and investments in associate and joint ventures, and estimation of and recoverability of deferred tax balances.

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Note 4 - Property, Plant and Equipment

	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2024	
	As at April 1, 2023	Additions	Disposals	Transfer from Right of Use asset	Exchange differences	As at March 31, 2024	Charge for the year	Disposals	Transfer from Right of Use assets	Exchange differences		As at March 31, 2024
Leasehold improvements	58	(0)	(1)	-	1	58	28	(1)	-	0	33	25
Plant and machinery	3,205	262	(161)	180	(1)	3,485	1,483	(161)	131	12	1,810	1,675
Computer equipment	122	7	(4)	-	0	125	79	(3)	-	(2)	92	33
Office equipment	60	3	(4)	-	2	61	40	(4)	-	(0)	45	16
Furniture and fittings	1	1	(3)	-	2	1	1	(3)	-	1	1	0
Vehicles	2	-	-	-	(0)	2	2	-	-	(1)	1	1
Total	3,448	273	(173)	180	4	3,732	1,633	(171)	131	10	1,983	1,749

	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2023	
	As at April 1, 2022	Additions	Disposals	Transfer from Right of Use asset	Exchange differences	As at March 31, 2023	Charge for the year	Disposals	Transfer from Right of Use assets	Exchange differences		As at March 31, 2023
Leasehold improvements	50	8	-	-	-	58	21	-	-	-	28	30
Plant and machinery	2,426	808	(51)	-	22	3,205	1,196	(31)	-	9	1,483	1,722
Computer equipment	95	28	(1)	-	-	122	68	(1)	-	(2)	79	43
Office equipment	50	9	-	-	1	60	32	-	-	1	40	20
Furniture and fittings	1	-	-	-	-	1	1	-	-	-	1	-
Vehicles	2	-	-	-	-	2	2	-	-	-	2	-
Total	2,624	853	(52)	-	23	3,448	1,320	(32)	-	8	1,633	1,815

a. Refer note 41 for information on property, plant and equipment pledged as security.

b. Refer note 36 disclosure of contractual commitments for the acquisition of property, plant and equipment.

c. Additions in Plant and machinery include assets transferred from Right-of-use assets with gross carrying amount of ₹ 180 (March 31, 2023: ₹ Nil) and accumulated depreciation of ₹ 131 (March 31, 2023: ₹ Nil) on settlement of contractual payments.

Note 4A - Capital Work-in-progress

Particulars	As at April 1, 2023	Additions	Capitalized during the year	Asset held for sale	As at March 31, 2024
Capital work in progress	16	1,754	(16)	-	1,754
Total	16	1,754	(16)	-	1,754

Aging of CWIP as at March 31, 2024

	Amounts in Capital work in progress			
	Less than 1 year	1-2 years	2-3 years	Total
Projects in progress	1,723	31	-	1,754
Total	1,723	31	-	1,754

Aging of CWIP as at March 31, 2023

	Amounts in Capital work in progress			
	Less than 1 year	1-2 years	2-3 years	Total
Projects in progress	16	0	-	16
Total	16	0	-	16



Note 4B - Investment property

Particulars	Gross carrying amount			Accumulated depreciation		Net carrying amount as at March 31, 2024
	As at April 1, 2023	Additions	Disposals	Exchange differences	As at April 1, 2023	As at March 31, 2024
Land and building	197	0	(197)	-	133	-
Total	197	0	(197)	-	133	-

Particulars	Gross carrying amount			Accumulated depreciation		Net carrying amount as at March 31, 2023
	As at April 1, 2022	Additions	Disposals	Exchange differences	As at April 1, 2022	As at March 31, 2023
Land and building	185	12	-	-	108	133
Total	185	12	-	-	108	133

Notes

(a) Additions in investment property includes exchange difference with gross carrying amount of ₹ 0 (March 31, 2023: ₹ 12) and accumulated depreciation of ₹ 0 (March 31, 2023: ₹ 8).

(b) Amounts recognised in profit or loss for investment properties.

	Year ended	
	March 31, 2024	March 31, 2023
Rental income from operating leases	2	12
Depreciation	0	25
Gain on sale of property	186	-

(b) Leasing arrangements

The investment properties are leased to tenant under operating lease with rentals payable monthly. Lease payments include increase to compensate for inflation, but there are no other variable lease payments that depend on an index or rate.

Minimum lease payments receivable on leases of investment properties are as follows:

	As at	
	March 31, 2024	March 31, 2023
Within 1 year	-	2
Between 1 and 5 years	-	-
	2	2

(c) Fair value of investment property

	As at	
	March 31, 2024	March 31, 2023
	-	246

The Group undertakes independent valuation for its investment property from independent valuator at reasonable intervals. Management considers information such as current prices in the market or recent prices of similar properties in less active markets, adjusted to reflect differences, if any to evaluate the fair value of investment property as at each year-end.

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Note 5 - Right of use assets

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2024
	As at April 1, 2023	Additions	Disposals/Transfer to PPE	Exchange differences	As at March 31, 2024	As at April 1, 2023	Additions	Disposals/Transfer to PPE	Exchange differences	As at March 31, 2024	
Building plant and machinery	3,380	657	(58)	1	3,980	899	381	(59)	10	1,231	2,749
	3,008	1	(180)	2	2,831	1,320	263	(131)	15	1,467	1,364
Total	6,388	658	(238)	3	6,811	2,219	644	(191)	25	2,698	4,113

Particulars	Gross carrying amount					Accumulated depreciation					Net carrying amount as at March 31, 2024
	As at April 1, 2022	Additions	Disposals/Transfer to PPE	Exchange differences	As at March 31, 2023	As at April 1, 2022	Additions	Disposals/Transfer to PPE	Exchange differences	As at March 31, 2023	
Building plant and machinery	2,132	1,450	(205)	3	3,380	705	310	(111)	(5)	899	2,481
	2,895	63	-	50	3,008	1,026	279	-	15	1,320	1,688
Total	5,027	1,513	(205)	53	6,388	1,731	589	(111)	10	2,219	4,169

(a) Lease liability

Particulars	March 31, 2024	March 31, 2023
Current	564	520
Non-current	3,507	3,378
Total	4,071	3,898

(b) Company's lease liabilities, by maturity, are as follows:

Particulars	March 31, 2024	March 31, 2023
Less than one year	721	622
Between one and five years	2,881	2,861
After five years	1,172	1,327
Total minimum lease payments	4,774	4,810
Less: imputed interest	703	912
Present value of lease payments	4,071	3,898

(c) The following are the amounts recognized in the statement of profit and loss :

Particulars	March 31, 2024	March 31, 2023
Depreciation of right-of-use assets	644	589
Interest expense on lease liabilities	304	240
Expense relating to leases of low-value assets (included in other expenses)	36	42
Cash outflow for leases (principal and interest)	520	272

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Note 6 - Intangible assets

Particulars	Gross carrying amount				Accumulated amortisation				Net carrying amount as at March 31, 2024		
	As at April 1, 2023	Additions	Disposals	Exchange differences	As at March 31, 2024	As at April 1, 2023	Additions for the year	Disposals		Exchange differences	As at March 31, 2024
Software	154	10	(3)	1	162	99	19	(2)	(3)	113	49
Technical knowhow	163	1	(36)	0	128	84	32	(25)	1	92	36
Total	316	11	(39)	1	290	183	51	(27)	(2)	205	85
Goodwill	655	-	-	-	655	-	-	-	-	-	655

As at March 31, 2023

	Gross carrying amount					Accumulated amortisation					Net carrying amount as at March 31, 2023
	As at April 1, 2022	Additions	Disposals	Exchange differences	As at March 31, 2023	As at April 1, 2022	Additions for the year	Disposals	Exchange differences	As at March 31, 2023	
Software	148	9	-	(3)	154	87	14	-	(2)	99	55
Technical knowhow	166	14	(17)	-	163	74	30	(17)	(3)	84	79
Customer rights and others	101	-	(101)	-	-	101	-	(101)	0	0	-0
Total	414	23	(118)	(3)	317	262	44	(118)	(5)	183	134
Goodwill	653	-	-	2	655	-	-	-	-	-	655

a. Technical knowhow comprises of capitalised product development costs being an internally generated intangible asset.

b. Refer note 36 for disclosure of contractual commitments for intangible assets.

c. Depreciation on software amounting to ₹1 (March 31, 2023: ₹0) has been capitalised towards contract assets.

d. Impairment tests for goodwill

Goodwill is monitored at the level of the subsidiaries to which the goodwill has been allocated. The Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates.

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Goodwill has been allocated to the CGUs as below:

Particulars	March 31, 2024	March 31, 2023
Aequus Force Consumer Private Limited	483	483
Aerostructures Assemblies India Private Limited	148	148
Aequus Aeromachine Inc	24	24
Total	655	655

The assumptions used in the impairment testing is as below:

Particulars	March 31, 2024	March 31, 2023
Discount rate range	13.5%- 17.4%	15.1%-17.2%
Terminal value growth rate	2 to 5%	2 to 5%

The discount rate is a measure estimated based on the historical industry averaged weighted-average cost of capital. Debt leveraging as applicable to the region has been considered with relevant region's applicable interest rate.

Revenue growth has been projected taking into account the average growth levels experienced over the past years and the estimated sales volume and price growth for the next foreseeable period. The terminal growth rate has been determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

An analysis of the calculation's sensitivity to a change in the key parameters (revenue growth, discount rate and terminal value growth rate) based on reasonably probable assumptions did not identify any probable scenarios where the CGU's/group of CGU's recoverable amount would fall below its carrying amount.

Note 6A - Intangible assets under development

	As at April 1, 2022	Additions	Transfer	Effect of exchange differences	As at March 31, 2023	As at April 1, 2023	Additions	Transfers	Effect of exchange differences	As at March 31, 2024
Software	1	0	(1)	-	0	0	-	-	(0)	0
Technical knowhow	3	4	(3)	-	4	4	5	(4)	(5)	-
Total	4	4	(4)	-	4	4	5	(4)	(5)	0

Ageing as of March 31, 2024

	Amount in intangible assets under			Total
	Less than 1 year	1 - 2 Years	2 - 3 Years More than 3 Years	
Projects in progress	0	-	-	0
Total	0	-	-	0

Ageing as of March 31, 2023

	Amount in intangible assets under			Total
	Less than 1 year	1 - 2 Years	2 - 3 Years More than 3 Years	
Projects in progress	4	-	-	4
Total	4	-	-	4



Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 7 - Investments accounted for under equity method

	As at March 31, 2024	As at March 31, 2023
Investment in equity instruments of associate, unquoted, fully paid-up		
- Aequus Foundation	-	0
Investment in equity instruments of joint ventures, unquoted, fully paid-up		
- Aerospace Processing India Private Limited	178	139
- SQuAD Forging India Private Limited	444	436
Total	622	575
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	622	575
Aggregate amount of impairment in the value of investments	-	-

Notes:

i. Investment in Aerospace Processing India Private Limited includes ₹ 11 (March 31, 2023: ₹5) towards fair value of financial guarantee extended.

ii. Investment in SQUAD Forging India Private Limited includes ₹ 53 (March 31, 2023: ₹52) towards fair value of financial guarantee extended.

iii. Investment in the following entities includes cost of shared based compensation cost :

SQuAD Forging India Private Limited	0	1
Aerospace Processing India Private Limited	(0)	0

iv. Investment in the following entities includes share of profit/ (loss) of joint ventures accounted under the equity method:

SQuAD Forging India Private Limited	18	(18)
Aerospace Processing India Private Limited	34	9

Note 8(i) - Non-current investments

Unquoted

Investment in government securities

Total

	1	1
Total	1	1

Aggregate market value of quoted investments

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

	-	-
	1	1
	-	-

Note 8(ii) - Current investments

Unquoted

Investment in equity instruments (Fully paid up)

- Aequus Foundation

200 (March 31, 2023: 1,000) equity shares of ₹ 10 each fully paid-up.

Less: Impairment in the value of investment

	0	-
	(0)	-
	-	-

Note:

During the year ended 31 March 2024, the Parent Company sold 800 equity shares of Aequus Foundation. Additionally, subsequent to the year end, the remaining holding has also been sold. The carrying value of the investment has been impaired basis its net asset value as at March 31, 2024.

Quoted

Investment in mutual funds

Investment in mutual funds

Total

	297	-
Total	297	-

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

	297	-
	0	-
	0	-

Note 9 (i) - Loans

Non current (unsecured, considered)

Loans to related party

Less: Loss allowance

	-	6
	-	(6)
	-	-

The Holding Company's subsidiary had issued a guarantee to a Bank in India to enable Aequus Aerospace BV, a foreign associate of the Company, to drawdown loans in earlier years. In respect of the loan availed in 2016, certain installments amounting to ₹ 119 was directly paid by the Subsidiary to the bank over a period of five years to meet its ongoing repayment obligations. The subsidiary is in discussions with its Authorised Dealer to evaluate the compliance requirements under Foreign Exchange Management Act, 1999 and regulations thereunder (FEMA Regulations) in respect of these transactions, if any. Pending such evaluation, there is uncertainty whether penalty may be levied under the FEMA Regulations and accordingly, no adjustments have been made to these financial statements.

Note 9 (ii) - Trade receivables (unsecured, considered good)

Trade receivables from other than related parties

Receivables from related parties (refer note 39)

Less: Loss allowance

Total receivables



	1,388	1,071
	7	41
	(26)	(41)
Total receivables	1,369	1,071

Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Ageing as on March 31, 2024

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	1,185	121	11	38	13	1	1,369
Which have significant increase in credit risk	-	2	2	20	2	-	26
Sub-total	1,185	123	13	58	15	1	1,395
Less Loss allowance	-	(2)	(2)	(20)	(2)	-	(26)
Total trade receivables	1,185	121	11	38	13	1	1,369

Ageing as on March 31, 2023

Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	882	159	28	1	1	0	1,071
Which have significant increase in credit risk	2	2	13	18	6	0	41
Sub-total	884	161	41	19	7	0	1,112
Less Loss allowance	(2)	(2)	(13)	(18)	(6)	(0)	(41)
Total trade receivables	882	159	28	1	1	0	1,071

Note:

Refer note 41 for information on lien/charge against trade receivables.

Note 9 (iii) - Cash and cash equivalents

Cash on hand	
Balances with banks:	
- In current accounts	
- Deposits with original maturity of 3 months or less	
Total	

As at March 31, 2024	As at March 31, 2023
0	0
291	362
502	151
793	513

Note 9 (iv) - Bank balances other than above

Margin money deposits	38
Deposits with original maturity of more than 3 months but less than 12 months	1,689
Total	1,727

53	8
61	

Note:

a. Margin money deposits are against letter of credit issued in favour of domestic and foreign vendors

Note 9 (v) - Other financial assets (unsecured, considered good, unless otherwise specified)

Non current	
Deposits with banks	-
Security deposits	395
Total	395
Current	
Recoverable from related parties	32
MEIS receivable	-
Security deposits	0
Other financial assets	12
Less: Expected credit loss	(29)
Total	15

As at March 31, 2024	As at March 31, 2023
2	335
337	
51	14
-	-
9	(41)
33	

Note 10 - Other assets

Non current	
Capital advances	128
Prepaid expenses	42
Balance with statutory authorities	0
Provision for doubtful advances with	(11)
Total	159
Current	
Advance to suppliers	105
Advances to employees	4
Prepaid expenses	75
Unamortized financial guarantee expense	63
Balance with statutory authorities	341
Provision for doubtful balances	(0)
Total	588

51	28
1	
(1)	
79	
59	4
72	3
181	(1)
318	

Note 11 - Deferred tax assets

MAT credit entitlement	95
Other deferred tax assets (net)	229
Total	324

95	214
309	

Note 11A - Income tax assets

Income tax assets	14
Total	14

27	27
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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 12 - Inventories

	As at March 31, 2024	As at March 31, 2023
Raw materials	1,684	1,392
[Goods in transit: ₹ 230 (March 31, 2023: ₹ 142)]		
Work-in-progress	1,140	920
Finished goods	857	842
Stores and spares	151	135
[Goods in transit: ₹ 10 (March 31, 2023: ₹ 2)]		
Less: Provision for slow moving inventory	(291)	(304)
Total	3,541	2,985

Note:

a. For lien/charge against inventories refer note 41

b. Write-down of inventories to net realizable value amounted to ₹ 103 (March 31, 2023: ₹ 127). These were recognized as an expense during the year and included in 'changes in inventories of work-in-progress and finished goods' in the statement of profit and loss.

c. Provision for slow moving inventory includes provision in respect of:

Raw materials	(170)	(135)
Finished goods	(41)	(58)
Work-in-progress	(41)	(62)
Stores and spares	(39)	(49)
	(291)	(304)

Note 13 - Contract assets and contract liabilities

Current

Contract assets

Total

25	1
25	1

Contract liabilities

Advance from customers

Unearned revenue

Total

80	161
42	4
122	165

Note:

Revenue recognised that was included in unearned revenue balance as at the beginning of the period:

- Sale of goods

4

42

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(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 14 - Equity share capital

(i) Authorised equity share capital

As at April 01, 2022

Increase during the year

As at March 31, 2023

Increase during the year

As at March 31, 2024

	No of shares	Amount
As at April 01, 2022	431,460,000	4,315
Increase during the year	-	-
As at March 31, 2023	431,460,000	4,315
Increase during the year	-	-
As at March 31, 2024	431,460,000	4,315

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

Issued, subscribed and fully paid up equity share capital

424,759,003 (March 31, 2023: 424,758,026) equity shares of ₹ 10/- each fully paid up [Refer Note: v(c) below]

Total

	As at March 31, 2024	As at March 31, 2023
Issued, subscribed and fully paid up equity share capital	4,248	4,248
Total	4,248	4,248

(iii) Movement in equity share capital

	As at March 31, 2024		As at March 31, 2023	
	In Numbers	Amount	In Numbers	Amount
At the beginning of the year	424,758,026	4,248	395,958,100	3,960
Preferential issue during the year	977	0	28,799,926	288
Outstanding at the end of the year	424,759,003	4,248	424,758,026	4,248

(iv) Terms and rights attached to equity shares

a. The Parent 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 by the Board of Directors if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

b. In the event of liquidation of the Parent Company, equity share holders are eligible to receive remaining assets of the Parent Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. The issued, subscribed and fully paid-up equity share capital includes ₹977 (March 31, 2023: ₹150) equity shares of ₹ 10/- each fully paid up issued to private equity investors who carry certain exit rights as per Shareholders Agreement dated March 24, 2023.

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

	Number of equity shares	% holding
As at March 31, 2024		
Aequis Manufacturing Investments Private Limited	263,837,003	62.11%
Melligeri Private Family Foundation	114,431,505	26.94%
As at March 31, 2023		
Aequis Manufacturing Investments Private Limited	263,837,003	62.11%
Melligeri Private Family Foundation	114,431,505	26.94%

(vi) Details of shareholding of Promoters

As on March 31, 2024

Name of the Promoter	Number of shares	Percentage of total number of shares	Percentage of change during the year
Aequis Manufacturing Investments Private Limited	263,837,003	62.11%	0.00%
Melligeri Private Family Foundation	114,431,505	26.94%	0.00%

As on March 31, 2023

Name of the Promoter	Number of shares	Percentage of total number of shares	Percentage of change during the year
Aequis Manufacturing Investments Private Limited	263,837,003	62.11%	2.33%
Melligeri Private Family Foundation	114,431,505	26.94%	-1.96%

(vii) Aggregate number of shares issued for consideration other than cash

	As at March 31, 2024	As at March 31, 2023
Number of equity shares	-	28,799,776
Shares allotted through the conversion of Compulsorily Convertible Debentures	-	-

(viii) During the year ended March 31, 2024 the Company issued Nil (March 31, 2023: 18,961,938) equity shares of ₹10 each fully paid up at premium of ₹Nil (March 31, 2023: ₹ 18.90) per share and during the year ended March 31, 2024 the Company issued Nil (March 31, 2023: 9,837,838) equity shares of ₹10 each fully paid up at premium of ₹ Nil (March 31, 2023: ₹ 19.60) per share through conversion of compulsorily convertible debentures.

(ix) There are no shares which are reserved for issuance and there are no securities issued/ outstanding which are convertible into equity shares, except Compulsorily Convertible Preference Shares and ESOP.

(x) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, refer note 14B.

ESOP Trust was created for the welfare and benefit of employees, consultants and directors of the Company. The Board of Directors has approved the employee stock option plan of the Company. On October 25, 2013, July 25, 2016, December 15, 2021 and December 22, 2021 the trust purchased 5,500,000, 2,900,000, 3,000,000 and 3,000,000 equity shares respectively of the Company using the proceeds from interest free loan of ₹ 235 obtained from the Company.

(xi) There are no instances of shares allotted as fully paid by way of bonus shares and shares bought back during the period of five years immediately preceding the year end.



(All amounts are in INR Millions, except share data, unless otherwise stated)

14A Instruments entirely equity in nature

(i) Authorised Preference Share Capital

As at April 01, 2022

Increase during the year

As at March 31, 2023*

Increase during the year

As at March 31, 2024

No of shares	Amount
-	-
160,000,000	1,600
160,000,000	1,600
248,900,000	2,489
408,900,000	4,089

(ii) Issued, subscribed and paid up Compulsorily Convertible Preference Share Capital (CCPS)

Issued, subscribed and paid up Compulsorily Convertible Preference Share Capital (CCPS)

407,115,771 (March 31, 2023: 57,206,340) Convertible Preference Shares of ₹ 10/- each

Less: Re-classified to borrowing*

Total

4,071	572
-	(572)
4,071	-

(iii) Movement in CCPS

	As at March 31, 2024		As at March 31, 2023	
	In Numbers	Amount	In Numbers	Amount
At the beginning of the year	57,206,340	572	-	-
Add: Preferential issue during the year	349,909,431	3,499	57,206,340	572
Outstanding at the end of the year	407,115,771	4,071	57,206,340	572
Less: Re-classified to borrowing*	-	-	57,206,340	572
At the end of the year	407,115,771	4,071	-	-

* These CCPS were classified as a liability instrument as at 31 March 2023 as it did not meet the fixed for fixed conversion ratio as of the last balance sheet date. Refer note (v) below.

(iv) Shareholders holding more than 5 % of the aggregate CCPS in the Company

Name of Holder	As on March 31, 2024				As on March 31, 2023			
	No. of CCPS	Value of CCPS	% holding		No. of CCPS	Value of CCPS	% holding	
Amicus Capital Private Equity I LLP	51,966,240	520	13%		51,966,240	520	91%	
Amicus Capital Partners India Fund I	5,240,100	52	1%		5,240,100	52	9%	
Amicus Capital Partners India Fund II	66,007,260	660	16%		-	-	-	
Catamaran Ekam AIF	47,528,416	475	12%		-	-	-	
Steadview Capital Mauritius Limited	52,597,824	526	13%		-	-	-	
Sparta Group LLC	40,557,366	406	10%		-	-	-	
Amansa Investments Ltd	124,207,157	1,242	31%		-	-	-	
Others	19,011,408	190	5%		-	-	-	

(v) Terms and rights attached to Compulsorily Convertible Preference Shares

As per the Shareholders Agreement ("SHA") dated March 24, 2023 and October 12, 2023 the Company is required to provide an exit to investors by way of Qualified IPO or through a sale to a financial investor on or before January 31, 2026, the failure of which will provide the investor the right to require the Company and/or the Promoters to take reasonable efforts to provide an exit to Investors in any other manner. A successful Qualified IPO or sale to a financial investor is not in control of the company, hence it does not have unconditional right to defer the settlement of CCPS beyond January 31, 2026. In the SHA entered during the year, it is stated that the Company has no obligation to buy back the investor securities.

As per the SHA, the Conversion ratio is to be calculated based on EBITDA of the Company and its Subsidiaries on a consolidated basis achieved in FY 2023-2024 ("FY24 EBITDA"), computed as per the formula defined in Shareholder's agreement. Since the Conversion ratio has been as 31 March 2024, it met the criteria to be classified as a equity instrument.

(A) CCPS (Round 1)

(i) As per the shareholders agreement dated March 24, 2023, the Company has issued first tranche cumulative compulsorily convertible preference shares (CCPS) which are held by investors (i.e. other than promoters). If declared by the Board, each holder of such CCPS, shall be entitled to receive a preferential cumulative dividend at the rate of 0.1% per annum. Each CCPS holder would be entitled to participate pari-passu in any cash or non-cash dividends paid to the holders of shares of all other classes, on As If Converted Basis.

(ii) CCPS is compulsorily convertible into Equity Shares of the Company upon the occurrence of any of the following events:-

- (a) Listing of the Equity Shares of the Company under a QIPO (as defined in the SHA) or IPO (as defined in the SHA) ("Public Offering"); or
- (b) Expiry of 19 (nineteen) years and 11 (eleven) months from the date of the issuance and allotment.

(iii) The investors are entitled to convert all or part of the CCPS into equity shares any time prior to the expiry of 19 years and 11 months from the date of issuance and allotment or an IPO.

(iv) The investors are entitled to attend all general meetings of the Company and vote thereat along with the Shareholders. The voting rights of investors are to determined on an As If Converted Basis determined as per the applicable Conversion Ratio at such time.

(v) Per the SHA, the Conversion Ratio is to be calculated based on EBITDA of the Company and its Subsidiaries on a consolidated basis achieved in FY 2023-2024 ("FY24 EBITDA") as per the formula defined in Shareholder's agreement. Since the Conversion ratio has been as 31 March 2024, it met the criteria to be classified as a equity instrument. Accordingly, the CCPS has been reclassified from financial liability to "Instrument entirely Equity in nature" in current financial year.

(B) CCPS (Round 2)

(i) As per the shareholders agreement dated October 12, 2023, the Company has further issued second tranche Cumulative Compulsorily Convertible Participating Preference Shares (CCPS) which are held by investors (i.e. other than promoters). If declared by the Board, each holder of such CCPS, shall be entitled to receive a preferential cumulative dividend at the rate of 0.1% per annum. Each CCPS holder would be entitled to participate pari-passu in any cash or non-cash dividends paid to the holders of shares of all other classes, on As If Converted Basis.

(ii) CCPS is compulsorily convertible into Equity Shares of the Company upon the occurrence of any of the following events:-

- (a) Listing of the Equity Shares of the Company under a QIPO (as defined in the SHA) or IPO (as defined in the SHA) ("Public Offering"); or
- (b) Expiry of 19 (nineteen) years and 11 (eleven) months from the date of the issuance and allotment

(iii) The investors are entitled to convert all or part of the CCPS into equity shares any time prior to the expiry of 19 years and 11 months from the date of issuance and allotment or an IPO.

(iv) The investors are entitled to attend all general meetings of the Company and vote thereat along with the Shareholders. The voting rights of investors are determined on an As If Converted Basis determined as per the applicable Conversion Ratio at such time.

(v) Per the SHA, the Conversion Ratio is to be calculated based on EBITDA of the Company and its Subsidiaries on a consolidated basis achieved in FY 2023-2024 ("FY24 EBITDA") as per the formula defined in Shareholder's agreement. Since the Conversion ratio has been as 31 March 2024, it met the criteria to be classified as a equity instrument.



Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

14B - Stock option plan

The Parent Company grants stock options to the employees of the Parent Company and its operating subsidiaries and other group entities.

During the year ended March 31, 2024 four stock option plans (ESOP) viz., ESOP scheme 2013, ESOP scheme 2016, ESOP scheme 2020 and ESOP scheme 2022 were in existence. ESOP scheme is administered through and ESOP trust called as "Aequs Stock Option Plan Trust" ('ESOP Trust') that has been constituted on May 14, 2013. The object of the ESOP Trust is to manage schemes made available for the benefit of the employees. The relevant details of the schemes and the grants are listed separately below.

ESOP Scheme 2013

On July 4, 2013, the Board of Directors approved the equity settled ESOP scheme 2013 for issue of stock options to the key employees, consultants and directors of the Company and its subsidiaries, joint ventures and associates. According to the ESOP scheme 2013, the employee selected by the ESOP committee from time to time will be entitled to stock options, subject to satisfaction of the prescribed vesting conditions.

The details of activity under the ESOP scheme 2013 are summarised below:

Particulars	March 31, 2024			March 31, 2023	
	Exercise price range	Number	Weighted average exercise price (WAEP)	Number	WAEP
Options outstanding at beginning of year	10 - 26	3,834,813	18.61	4,243,126	18.83
Add:					
Options granted during the year	10 - 26	-	-	-	-
Less:					
Options exercised during the year	10 - 26	-	-	-	-
Options forfeited during the year	10 - 26	(163,750)	17.58	(408,313)	10.00
Options outstanding at the end of year	10 - 26	3,671,063	18.83	3,834,813	19.77
Option exercisable at the end of year		2,363,563		2,269,544	

ESOP Scheme 2016

The Board of Directors approved the Employee Share Option Plan 2016 structured to reward employees. Accordingly, the Parent Company has created 2,900,000 share option pool to be allocated and granted from time to time to employees. As Employee Stock Option Plan (ESOP) committee has been formed with powers delegated from the Board of Directors to manage the ESOP scheme.

The details of activity under the ESOP scheme 2016 are summarised below:

Particulars	March 31, 2024			March 31, 2023	
	Exercise price range	Number	Weighted average exercise price	Number	Weighted average exercise price
Options outstanding at beginning of year	24 - 40	2,542,227	28.24	2,776,852	28.00
Add:					
Options granted during the year	24 - 40	-	-	-	-
Less:					
Options exercised during the year	24 - 40	(10,000)	23.78	(7,000)	24
Options forfeited during the year	24 - 40	(601,813)	26.89	(227,625)	11.83
Options outstanding at the end of year	24 - 40	1,930,414	28.00	2,542,227	29.46
Option exercisable at the end of year		1,065,914		1,415,775	

ESOP Scheme 2020

The Board of Directors approved the Employee Share Option Plan 2020 structured to reward employees. Accordingly, the Parent Company has created 3,000,000 share option pool to be allocated and granted from time to time to employees. As Employee Stock Option Plan (ESOP) committee has been formed with powers delegated from the Board of Directors to manage the ESOP scheme.

The details of activity under the ESOP scheme 2020 are summarised below:

Particulars	March 31, 2024			March 31, 2023	
	Exercise price	Number	Weighted average exercise price	Number	Weighted average exercise price
Options outstanding at beginning of year	26 - 26	3,000,000	26.10	3,000,000	26.10
Add:					
Options granted during the year	26 - 26	-	-	-	-
Less:					
Options exercised during the year	26 - 26	-	-	-	-
Options forfeited during the year	26 - 26	(1,250,000)	26.10	-	-
Options outstanding at the end of year	26 - 26	1,750,000	26.10	3,000,000	26.10
Option exercisable at the end of year		175,000		268,548	



14B - Stock option plan**ESOP Scheme 2022**

The Board of Directors approved the Employee Share Option Plan 2022 structured to reward employees. Accordingly, the Parent Company has created 6,000,000 share option pool to be allocated and granted from time to time to employees. As Employee Stock Option Plan (ESOP) committee has been formed with powers delegated from the Board of Directors to manage the ESOP scheme.

The details of activity under the ESOP scheme 2022 are summarised below :

Particulars	March 31, 2024			March 31, 2023	
	Exercise price	Number	Weighted average exercise price	Number	Weighted average exercise price
Options outstanding at beginning of year	26 - 30	2,045,000	26.54	1,805,000	26.10
Add:					
Options granted during the year	26 - 30	-	-	275,000	29.35
Less:					
Options exercised during the year	26 - 30	-	-	-	-
Options forfeited during the year	26 - 30	(150,000)	28.02	(35,000)	26.10
Options outstanding at the end of year	26 - 30	1,895,000	26.10	2,045,000	22.59
Option exercisable at the end of year		201,500		171,290	

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Note 15 - Other equity

	As at March 31, 2024	As at March 31, 2023
Retained earnings	(7,276)	(7,115)
Securities premium reserve	7,294	5,686
Share options outstanding account	60	50
Foreign currency translation reserve	(287)	(245)
Statutory reserve	11	11
Revaluation reserve	-	173
Common control capital reserve	94	94
Treasury shares	(265)	(265)
Other reserves	215	149
Non Controlling Interest	(9)	(113)
	(163)	(1,575)

(i) Reserves and Surplus

Retained earnings	(7,276)	(7,115)
Securities premium reserve	7,294	5,686
Share options outstanding account	60	50
	77	(1,379)

(ii) Capital Reserve

Foreign Currency translation Reserve	(287)	(245)
Statutory Reserve	11	11
Revaluation Reserve	-	173
Common control capital reserve	94	94
Treasury shares	(265)	(265)
Other reserves	215	149
	(232)	(83)

Total Reserves and surplus

Non Controlling Interest

Total Other Equity

	(154)	(1,462)
	(9)	(113)
	(163)	(1,575)

(i) Retained earnings

Opening Balance	(7,115)	(6,141)
Opening reserves of acquired entity	-	-
Net profit/(loss) for the year	(147)	(988)
Transfer of deficit/(surplus) pertaining to subsidiary on loss of control	-	-
Transfer from revaluation reserve	173	-
Reduction due to merger	33	-
DCO Entities	-0	-
NCI movement	-238	-
Transfer of reserve relating to lapse of vested option	10	2
Investment elimination	-	-
SCI sale	-	-
Transfer from other reserves	-	-
Acquisition accounting	-	-
Transferred from 'Foreign currency translation reserve'*	-	-
Items of other comprehensive income recognised directly in retained earnings :		
- Share of OCI of associates and joint ventures	-	1
- Gain on fair value measurement of previously held interest in AAI and AFCPPL	-	-
- Remeasurement of post employment benefit obligations	2	11
Closing balance	(7,281)	(7,115)
	(154)	(1,462)

Non controlling interest

(ii) Securities premium reserve

Opening balance	5,686	5,137
Opening premium of Acquired Entity	-	-
Add: Premium received during the year	1,787	551
Exercised options proceeds received	-	-
DCO Entities	-	-
Unidentified movement	-	-
Less: Utilisation towards share issue expenses	(180)	(2)
Closing balance	7,292	5,686

(iii) Share options outstanding account

Opening balance	50	30
Employee stock option expense	20	22
Transfer relating to lapse of vested option to Retained Earnings	(10)	(2)
NCI movement	-	-
Closing balance	61	50



Notes to consolidated financial statements*(All amounts are in INR Millions, except share data, unless otherwise stated)***(iv) Foreign currency translation reserve**

Opening balance	(245)	(179)
Reclassification from Reserves	-	-
DCO Entities	-	-
Exchange Difference due to Creditor Debtor Elimination	-	-
Currency Translation Reserve for the period	(42)	(66)
Transfer to reserves	-	-
Transfer to retained earnings	-	-
Transfer to reserves pertaining to subsidiary on loss of control	-	-
Closing balance	(287)	(245)

(v) Statutory Reserve

Opening balance	11	11
Movement for the year	-0	-
Closing balance	11	11

(vi) Revaluation Reserve

Opening balance	173	173
Reversal of net carrying value of investment property	-	-
Transfer to reserves	(173)	-
Closing balance	-	173

(vii) Common control capital reserve

Opening balance	94	94
Movement for the year	0	-
Closing balance	94	94

(viii) Treasury Shares

Opening Balance	(265)	(265)
Additions during the year	-	-
Closing balance	(265)	(265)

(ix) Acquisition of NCI portion

Opening Balance	-	-
Additions during the year	-	-
Closing balance	-	-

(x) Investment elimination of NCI portion acquisition

Opening Balance	-	-
Additions during the year	-	-
Closing balance	-	-

(xi) Other Reserves

Opening balance	149	96
Addition during the period	-	-
Cross charge to other group entities- ESOP	-	-
Financial guarantee received during the year	66	53
Reclassification of compulsory convertible debentures to equity	-	-
Utilisation towards share issue expenses	-	-
Opening reserves of Acquired Entity	-	-
DCO entities	-	-
Closing balance	216	149

(xii) Non Controlling Interest

Opening balance	(113)	(2)
Amount reclassified to general reserves	-	-
Movement for the year	104	(111)
Closing balance	(9)	(113)

Nature and purpose of reserves**a. Securities premium**

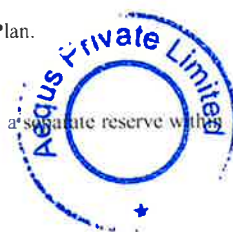
Securities premium is used to record the premium on issue of shares and is utilized in accordance with the provisions of the Act. During the year, the Company has utilized ₹ 180 (March 31, 2023: ₹3) for share issue expenses.

b. Share options outstanding account

The share options outstanding account is used to recognise the fair value of options issued to employees under Aequus Stock Option Plan.

c. Foreign currency translation reserve

Exchange difference arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.



d. Statutory reserve

Statutory reserve represents the reserve that Aequus Aerospace France SAS is maintaining in accordance with the French Commercial Code (the Code). It is not a free reserve and there are certain restrictions with respect to its utilisation under the Code.

e. Revaluation reserve

Revaluation reserve was created in the prior years to record surplus arising out of revaluation of Property, plant and equipment held by an overseas subsidiary of the Group. This item of property, plant and equipment was re-classified to Investment property based on change of use during the year ended March 31, 2021. The carrying value of the investment property was considered to be deemed cost of transition to Ind AS and hence the revaluation reserve was transferred to retained earnings.

f. Common control capital reserve

Common control capital reserve represents the reserve created on acquisition of AEPPL and ACPPL under common control approach as per Ind AS 103-Business Combinations. Refer Note 37(C).

g. Treasury shares

This represents amount of loan outstanding given to ESOP trust for purchase of the equity shares of the Company. This balance has been regrouped as compared to previous year for better presentation.

h. Other reserve

Other reserves includes fair value of financial guarantee and any other adjustments as may be required under Ind AS.

Note: For movement in reserves, please refer 'Statement of changes in equity'.

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 16 (i) - Borrowings

	As at March 31, 2024	As at March 31, 2023
Non current:		
Term loans from banks (secured)	1,074	978
Compulsorily Convertible Preference Shares (CCPS) (refer note 14)	-	575
Sub-total	1,074	1,553
Less: Current maturities of long-term borrowings	211	291
Less: Interest accrued but not due on borrowings	8	9
Total non-current borrowings	855	1,253
Current:		
Working capital facilities from banks (secured)	1,573	1,715
Loans from related parties (unsecured)	264	188
Current maturities of term long-term borrowings	211	291
Interest accrued but not due on borrowings	16	14
Total current borrowings	2,064	2,208

The Group has various secured and unsecured borrowing denominated in INR, USD and Euro from banks and others. While the working capital facilities are repayable on demand, the term loans are repayable over 36 to 90 months. The Group's facilities carry variable interest rates based on benchmarks such as the repo, MCLR, treasury bills with incremental spread. The average borrowing rate of the Group ranges from 2% to 13% p.a.

Note 16 (ii) - Lease liabilities

	As at March 31, 2024	As at March 31, 2023
Non current:		
Lease liabilities	3,507	3,378
Total	3,507	3,378
Current:		
Lease liabilities	564	520
Total	564	520

The Group has entered into agreements with lessors for lease of building (factory premises) and plant and machinery. The lease term ranges from 6 to 10 years. Also Refer Note 5.

Note 16 (iii) - Other financial liabilities

Non current:		
Guarantee liability	6	7
Total	6	7
Current:		
Capital creditors	356	129
Guarantee liability	6	5
Employees related liabilities	134	130
Total	496	265

Note 16 (iv) - Trade payables

Current:		
Trade payables		
- Dues to micro and small enterprises (refer Note 42)	10	2
- Other trade payables (refer note 39 for trade payables to related parties)	2,015	2,256
Total	2,025	2,258

Ageing of Trade payables as on March 31, 2024

	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed dues -MSME	0	10	-	-	-	10
(ii) Undisputed dues -Others	548	1,168	49	67	34	1,866
Unbilled	149	-	-	-	-	149
Total	697	1,178	49	67	34	2,025

Ageing of Trade payables as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed dues -MSME	1	1	-	-	-	2
(ii) Undisputed dues -Others	168	1,489	150	49	141	1,997
Unbilled	259	-	-	-	-	259
Total	428	1,490	150	49	141	2,258

Note 17 - Other liabilities

Non current		
Statutory dues payable	-	29
Total	-	29
Current		
Statutory dues payable	189	241
Provision for income tax	-	9
Deferred income	2	1
Other current liabilities	1	44
Total	192	295

Note 17(i) - Current tax liabilities

Current tax liabilities	61	-
Total	61	-



(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 18 - Employee benefit obligations	As at March 31, 2024	As at March 31, 2023
Non-Current		
Provision for gratuity	96	79
Provision for other retirement benefits	31	31
Total	127	110
Current		
Provision for gratuity	5	5
Provision for leave obligation	50	40
Total	55	45

(i) Leave obligation

The leave obligations cover the Group's liability for earned leave.

The amount of the provision of ₹50 (March 31, 2023: ₹40) is presented as current. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

	As at March 31, 2024	As at March 31, 2023
Leave obligation not expected to settled within next 12 months	33	24

(ii) Defined contribution plans

India

The Group in India has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹143 (March 31, 2023: ₹122).

United States of America

The Group maintains a defined contribution employee retirement plan through its PEO Insperity, pursuant to Section 401(a) of the Internal Revenue Code, which includes a 401(k) feature which enables the employee to make a pre-tax or post-tax(ROTH) salary reduction contribution to the plan. The Company has a match of employee contributions of 25% of employee contribution up to 1% of eligible compensation. Substantially all employees who have completed six months of service are eligible to participate in the plan. The Company did not make a discretionary contribution for the years ended March 31, 2024.

(ii) Defined benefit obligations

Gratuity

India

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of Gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the no.of years of service. The Gratuity plan is a funded plan and Group makes contribution to recognise funds in India.

The Group makes annual contribution for the Gratuity plan to an Insurance Company. Such contributions are recognised as plan assets. The Group make contribution to the planned assets based on the expected expected payout. Final liability is actuarially valued and recognised in the books as at the end of each year by the Group. Upon actuarial valuation at the year end, any resultant difference between the liability and fair value of the fund is recognised in the books of accounts as liability.

France

The French pension system is operated on a "pay as you go" basis. Each employee is entitled to receive a basic pension from the Social Security plus a complementary pension from defined contribution schemes ARRCO and AGIRC. Moreover, retiring allowances (lump sums) must, by law be paid by the employer when employees retire.

The allowances to be paid to Group's employees are defined by the Collective Bargaining Agreement of the Metallurgical Industry.

All permanent employees are being covered on this scheme. Normal Retirement Age in France is 62 but 41.50 years of employment is required. Benefit rights are not vested before Normal Retirement Age.

The pensionable salary is equal to the average over the last 12 months of the gross paid salaries. Should an employee wants to retire at his/her own initiative the allowance is subject to social charges.

This retiring allowances scheme is not externally funded through an insurance contract.

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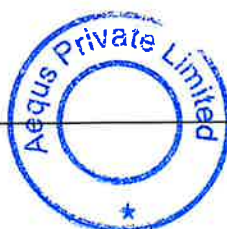


Note 18 - Employee benefit obligations

	March 31, 2024	March 31, 2023
(a) Total amount recognised in statement of profit or loss		
Current service cost	18	17
Interest on defined obligation	6	3
Shared service cost recovered	(2)	(2)
Net actuarial (gain) / loss recognized during the period	(1)	(0)
Total amount recognised in statement of profit or loss (A)	21	18
(b) Total amount recognised in other comprehensive income		
(Gains)/losses arising from changes in		
return on plan assets	(0)	(0)
demographic assumptions	3	(0)
financial assumptions	3	(3)
experience adjustments	(5)	(6)
Total amount recognised in other comprehensive income (B)	1	(9)
Total amount recognised in statement of profit and loss and other comprehensive income (A+B)	22	9
(c) Changes in the defined benefit obligation during the year Obligations at the beginning of the year		
	March 31, 2024	March 31, 2023
Obligations as at the beginning of the year	84	80
a. Current service cost	18	16
Interest cost	8	5
Benefits paid	(10)	(5)
Settlements	(1)	(2)
Liabilities assumed	1	1
Acquisition / divestiture	(0)	(1)
Remeasurement (gains)/ losses	(1)	(2)
- arising from changes in demographic assumptions.	3	(1)
- arising from changes in financial assumptions.	3	(1)
- arising from changes in experience adjustments.	(5)	(6)
Defined benefit obligation as of current year end	100	84
(d) Change in fair value of plan assets		
	March 31, 2024	March 31, 2023
Fair value of plan assets at the beginning of the year	0	0
Expected return on plan assets	0	(0)
Contributions	2	3
Benefit payments from plan assets	(2)	(3)
Actuarial Gain / (Loss) on plan assets	0	0
Fair value of plan assets at the end of the year	0	0
(e) Net (asset) / liability		
Present value of unfunded defined benefit obligation	102	84
Fair value of plan assets	0	0
Net defined benefit liability/(asset) recognized in balance sheet	102	84
(f) Classification		
Current	5	5
Non current	96	79
Total	101	84
(g) Investment details of plan assets		
Pooled asset with an insurance company	1	0
Total	1	0
(h) Actual return on plan assets	0	0
(i) Expected contribution in next year	2	2

Actuarial assumptions

Significant actuarial assumptions			
Discount rate per annum		7.15%-7.5%	7.45%-7.5%
Salary escalation rate per annum		10.0%	10%
Other actuarial assumptions			
Attrition rate		9% to 18% at 21 to 30 years age and reducing to 0% to 8% at older ages according to graduated scale.	0%-18% on a graduated scale.
Retirement age		58	58



Note 18 - Employee benefit obligations**Sensitivity analysis**

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

Changes in assumption	March 31, 2024	March 31, 2023
Discount rate		
Defined benefit obligation (DBO) on increase in 50 bps	96	81
Discount rate +50 basis points impact (%)	-4.43%	-3.87%
Defined benefit obligation (DBO) on decrease in 50 bps	108	89
Discount rate -50 basis points impact (%)	7.89%	5.94%
Salary increase rate		
Defined benefit obligation (DBO) on increase in 50 bps	107	89
Impact of increase in 50 bps on DBO	7.30%	5.57%
Defined benefit obligation (DBO) on decrease in 50 bps	96	81
Impact of decrease in 50 bps on DBO	-4%	-3.67%

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

Maturity profile of the defined benefit obligations.**Expected future cashflows (in million) | Undiscounted |**

	March 31, 2024	March 31, 2023
Less than one year	5	6
Between one and five year	23	25
After five year	267	199
Total	295	230
Weighted average duration of the defined benefit obligation in years	11	11

Risk exposure

Through its defined benefit plans, the Group 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.



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(All amounts are in INR Millions, except share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023 (Restated*)
Note 19 - Revenue from operations		
Revenue from contracts with customers		
Sale of manufactured goods	9,401	7,901
Rendering of services	11	13
	9,412	7,914
Other operating income		
Scrap sales	237	195
Others	2	12
	239	207
Total	9,651	8,121

Note:

(i) Aggregate amount of transaction price allocated towards performance obligations unfulfilled as at reporting date.

42

49

(ii) Refer note 38 for geographical disaggregation of revenue.

Note 20 - Other income (restated)

Government grant (MEIS)	-	2
Liabilities no longer required written back	30	58
Dividend income	-	12
Gain on derecognition of lease	-	19
Net gain on disposal of property, plant and equipment	10	0
Exchange difference (other than borrowings)	33	96
Interest income*	82	13
Unwinding of discount on security deposit*	17	20
Financial guarantee income*	6	10
Gain on mutual funds	4	-
Miscellaneous Income	50	54
Total	232	284

*The Group, discloses Earnings Before Interest, Tax, Depreciation and amortization ("EBITDA") in its Statement of Profit and Loss. Till the previous year ended 31 March 2023, finance income was presented in its Consolidated statement of profit and loss as an item after EBITDA. As a result, Total income amounting to ₹ 8,362 was reported without including the finance income.

During the current year, the Group concluded that Schedule III to the Companies Act, 2013 requires companies to include all items of income within Total Income. Consequently, the Group has corrected its presentation by restating its corresponding figures as presented in these financial statements by reclassifying finance income within "Other income". As a result, the balance of Other income has increased from ₹ 241 to ₹ 284 with a corresponding increase in Total income and reported EBITDA. This change in presentation does not have any impact on Group's reported [Profit / Loss after tax] for the year ended March 31, 2023 nor does it affect the balance sheet as at that date.

Note 21 - Cost of materials consumed

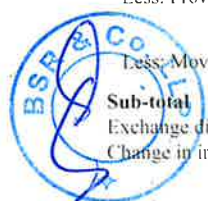
Raw material consumed		
Opening stock	1,392	942
Less: Movement in provision for slow moving inventory	(135)	
Add: Purchases during the year	4,649	4,612
Less: Closing stock	1,684	1,392
Less: Movement in provision for slow moving inventory	(170)	(7)
Total cost of materials consumed	4,391	4,169

Note 22 - Purchase of traded goods

Purchase of traded goods	-	21
Total	-	21

Note 23 - Change in inventories of work-in-progress and finished goods

Inventory at the end of the year (a)		
Work-in-progress	1,140	920
Finished goods	857	842
Less: Provision for slow moving inventory	(82)	
	1,915	1,762
Add: Inventories pertaining to entities acquired		85
Inventory at the beginning of the year (b)		
Work-in-progress	920	662
Finished goods	842	622
Less: Provision for slow moving inventory	(120)	
	1,642	1,284
Less: Movement in provision for slow moving inventory	-	(26)
Sub-total	(273)	(367)
Exchange difference	48	18
Change in inventories of work -in-progress and finished goods(b-a)	(225)	(349)



(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 24 - Employee benefit expenses

Salaries, wages and bonus
Contribution to provident and other funds
Employee stock option expense
Staff welfare expenses
Total

Year ended March 31, 2024	Year ended March 31, 2023 (Restated*)
1,200	1,224
143	122
21	24
70	76
1,434	1,446

Note 25 - Impairment losses on financial assets

Loss allowance on trade receivables
Total

15	9
15	9

Note 26 - Other Expenses

(a) Cost of spares and components

Opening stock
Provision for slow moving inventory
Add: Purchases during the year
Less: Closing stock
Provision for slow moving inventory
Cost of spares and components
Subcontracting expenses
Insurance
Power and fuel
Repairs and maintenance
Machinery
Building
Others
Legal and professional fees
Payment to auditors
Rental charges
Printing and stationery
Freight & forwarding
Rates and taxes
Travelling and conveyance
Communication
Advertising and sales promotion
Royalty fee
Bank charges
Loss on sale / disposal of property, plant and equipment
Net foreign exchange loss (other than borrowings)
Share issue expenses of subsidiaries
Provision for doubtful advances & advances written off
Miscellaneous expenses
Total

86	200
-	-
468	283
112	86
-	-
442	348
1,186	1,024
59	59
294	255
106	113
74	66
85	103
133	108
9	8
36	42
6	6
115	91
54	33
29	48
38	12
32	12
-	70
54	40
10	5
-	1
-	13
22	-
28	22
2,812	2,479

Note 27 - Depreciation and amortisation expense

Depreciation of property, plant and equipment*
Amortisation of intangible assets**
Depreciation on investment property
Depreciation on right-of-use assets***
Total

382	337
51	44
0	25
644	589
1,077	995

* Refer Note 4 for further details on property, plant and equipment

** Refer Note 6 for further details on intangible assets

*** Refer Note 5 for further details on right-of-use assets

Note 28 - Finance cost

Interest expense on borrowings
Exchange differences (on borrowings)
Financial guarantee expense
Interest on lease liabilities
Total

276	240
43	146
15	20
304	240
638	646

Note 29 - Exceptional items

Impairment loss on receivable from related parties
Impairment loss on loans receivable from related parties
Gain on sale of investment property
Total

-	1
-	6
(186)	-
(186)	7

Note 30 - Income tax expense

Current tax
Total

115	-
115	-



Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 31 - Fair value measurement

Financial instruments by category

	Fair value hierarchy	Classification	As at March 31, 2024	As at March 31, 2023
Financial assets				
Non current investments	Level 1	Refer Note 8	1	1
Current investments	Level 1	FVTPL	297	297
Trade receivables	Level 3	Amortised cost	1,369	1,071
Cash and cash equivalents and other bank balances	Level 3	Amortised cost	2,520	513
Other financial assets [Includes financial guarantee liability measured at fair value ₹ 63 (March 31, 2023: ₹ 3)]	Level 3	Amortised cost	410	431
Total financial assets			4,597	2,016
Financial liabilities				
Borrowings (including current maturities)	Level 3	Amortised cost	2,919	3,461
Lease liabilities	Level 3	Amortised cost	4,070	3,898
Trade payables	Level 3	Amortised cost	2,025	2,258
Other financial liabilities [Includes financial guarantee liability measured at fair value ₹ 11 (March 31, 2023: ₹ 12)]	Level 3	Amortised cost	503	272
Total financial liabilities			9,517	9,889

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

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

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 maximise 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.

(ii) Valuation process

The finance department of the Group includes a team that performs the valuations 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 financial assets and liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for 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 the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

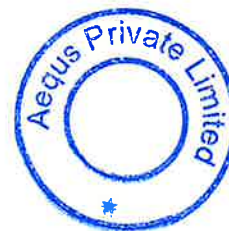
The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and financial liabilities that are measured at amortised cost, the carrying amounts are equal to fair values.

(iv) Significant estimates

The fair value of financial instruments that are not traded in an active market is determined using valuation technique. The Group 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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Note 32 - Financial risk management

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

Financial risk management

	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables and financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits. Customers credit analysis and monitoring of credit limits
Liquidity risk	Borrowings, security deposits received and other liabilities.	Rolling cash flow forecasts	Availability of borrowings facilities
Market risk - Foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in Indian rupee.	Cash flow forecasting sensitivity analysis	Natural hedging for receivables and payables.
Market risk -Interest rate risk	Long-term and short-term 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 cash equivalents and deposits with banks, as well as credit exposures to customers including outstanding receivables, other receivables and loans and deposits.

(i) Credit risk management

Credit risk refers to a risk that a counterparty will default on its contractual obligations resulting in financial loss to the group. The group usually deals with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

(ii) Provision for expected credit loss

The group's financial assets mainly comprise of investments, deposits with banks, loans & lease deposits.

1) Loans and Deposits :

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

2) Deposits with bank :

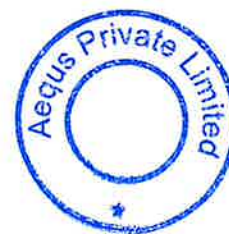
They are considered to be having negligible risk or nil risk, as they are maintained with high rated banks and the period of such deposits is not exceeding one year.

3) Trade receivables and other dues from related parties

No significant expected credit loss provision has been created for trade receivables. Further, receivables are expected to be collected considering the past trend of no defaults and that the balances are not significantly aged. Full provision is made for balances that management believes are credit impaired.

Reconciliation of loss allowance provision - Trade receivables

	Amount
As at April 01, 2022	36
Charged to profit and loss	9
Utilisation/ reversal in loss allowance	(4)
As at March 31, 2023	41
Charged to profit and loss	15
Utilisation/ reversal in loss allowance	(30)
As at March 31, 2024	26



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, Group's treasury maintains flexibility in funding by maintaining availability of required funds.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

- A. Expiring within one year
B. Expiring beyond one year (bank loans)

	As at March 31, 2024	As at March 31, 2023
	753	707
	2,363	308
	3,116	1,015

(ii) Maturities of financial liabilities

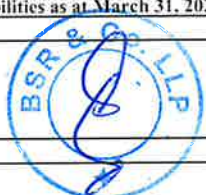
The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not

Contractual maturities of financial liabilities as at March 31, 2024

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	2,047	837	18	2,903
Trade payables	1,874	151	-	2,025
Lease liabilities	721	2,881	1,172	4,774
Other financial liability	496	6	-	502
Total non derivative liabilities	5,138	3,876	1,190	10,204

Contractual maturities of financial liabilities as at March 31, 2023

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	4,131	1,690	230	6,051
Trade payables	2,860	-	-	2,860
Lease liabilities	622	2,861	1,327	4,810
Other financial liability	626	87	-	713
	8,239	4,638	1,557	14,434



Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

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.

(i) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR). The risk is measured through sensitivity analysis of probable movement in exchange rate as at the reporting period.

The Group primarily imports materials which are denominated in foreign currency which exposes it to foreign currency risk. The Group has a natural hedge in terms of its receivables and payables being in USD. The Group also has risk in terms of translation of its foreign operations. Further, any additional exposure is continuously monitored and hedging options like forward contracts are taken whenever they are expected to be cost effective.

(a) Foreign currency risk exposure

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as against respective foreign currency are as follows as at March 31, 2024

	GBP	USD	EUR	HKD
Financial asset				
Trade receivable	-	1,760	2	-
Other financial assets	-	59	194	-
Other current assets	5	21	9	-
Other non current assets	-	24	-	-
Net exposure to foreign currency risk (assets)	5	1,864	205	-
Financial liability				
Trade payables	11	856	48	20
Borrowings	-	1,323	-	-
Lease liabilities	-	-	923	-
Other current liabilities	-	177	-	-
Contract Liabilities	-	49	-	-
Net exposure to foreign currency risk (liabilities)	11	2,405	971	20

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR as against respective foreign currency are as follows as at March 31, 2023

	GBP	USD	EUR	HKD
Financial asset				
Trade receivable	1	1,121	1	-
Loans (unsecured)	-	255	563	-
Other financial assets	-	0	253	-
Other current assets	4	7	1	-
Other non current assets	-	0	-	-
Net exposure to foreign currency risk (assets)	5	1,383	818	-
Financial liability				
Trade payables	2	360	8	20
Bank Borrowings	-	684	-	-
Other Loans	-	786	-	-
Lease liabilities	-	-	1,099	-
Other current liabilities	-	49	219	-
Contract liabilities	-	47	-	-
Net exposure to foreign currency risk (liabilities)	2	1,926	1,326	20

(b) Sensitivity

The sensitivity of profit or loss to changes in exchange rates arising from foreign currency denominated financial instruments is given below.

	Impact on profit after tax	
	As at March 31, 2024	As at March 31, 2023
USD Sensitivity		
INR/USD - Increase by 5%	(20)	(20)
INR/USD - decrease by 5%	20	20
GBP Sensitivity		
INR/GBP - Increase by 5%	(0)	0
INR/GBP - decrease by 5%	0	(0)
EUR Sensitivity		
INR/EUR - Increase by 5%	(28)	(18)
INR/EUR - decrease by 5%	28	18
HKD Sensitivity		
INR/HKD - Increase by 5%	(1)	(1)
INR/HKD - decrease by 5%	1	1

(iii) Interest rate risk

(a) The exposure of Group's borrowings to interest rate changes at the end of the reporting period

Variable rate borrowings	2,428	1,729
Fixed rate borrowings	4,335	5,630
Total borrowings	6,763	7,359

(b) Profit & loss is sensitive to higher/lower interest expense from borrowings as a result of change in

Impact on profit after tax

Interest rates - increase by 50 basis points	(9)	(6)
Interest rates - decrease by 50 basis points	9	6

(iii) Price risk

Price risk is the risk of a decline in the value of a security or an investment portfolio. The Group has invested in mutual funds.



Notes to consolidated financial statements*(All amounts are in INR Millions, except share data, unless otherwise stated)***Note 34 - Capital management****Risk management**

For the purpose of Group's capital management, capital includes issued equity capital and all other reserves attributable to the equity holders of the Group.

The Group's objectives when managing capital are to:

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

(ii) Maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using gearing ratio and is measured by Net debt (total borrowings net of cash and cash equivalents) to equity.

(i) Net Debt to Equity Ratio

	As at March 31, 2024	As at March 31, 2023
Net debt	4,470	5,061
Total Equity	8,156	2,914
Net debt to equity ratio	0.55	1.74

Note 35 - Contingent liabilities

	As at March 31, 2024	As at March 31, 2023
Labour related matters (Refer Note i)	60	52
Tax matters	844	844

(i) A few cases have been filed against the Company in District Labour court, Belagavi. If the Labour Court passes an award against the Company, the probable compensation would amount to ₹ 22 (March 31, 2023: ₹ 19). The Company is however confident of winning this case based on the counsel advice and hence the same is not provided in the standalone financial statements.

(ii) It is not practicable to estimate for the Company to estimate the timing of cash outflows, if any, in respect of the above matters pending resolution of the above matters.

(iii) The Company does not expect any reimbursement in respect of the above contingent liabilities.

Other than the matter disclosed above, the Group is involved in claims relating to various matters that arise from time to time in the ordinary course of business. Some of these demands are disputed by the Group, and matters are presently under litigation with the counter parties. Management is of the view that above matters will not have any material adverse effect on the Group's financial position and results of operations.

Note 36 - Commitments**Capital commitments**

Estimated amount of contracts remaining to be executed on capital account net of advances and not provided for.

Particulars

	As at March 31, 2024	As at March 31, 2023
(i) Property, plant and equipment	154	207
	154	207

Note 37 - Earnings per share

	As at March 31, 2024	As at March 31, 2023
(a) Earnings per share (basic and diluted)		
-From continuing operations	(0.16)	(2.42)
-From discontinued operations	(0.04)	(0.02)
Total basic and diluted earnings per share attributable to the equity holders of the company	(0.20)	(2.44)
(b) Profit attributable to the equity share holders used in calculating basic and diluted earnings per share	(108)	(988)
-From continuing operations	(88)	(980)
-From discontinued operations	(20)	(8)
(c) Weighted Average number of Equity shares of ₹10 each	544,522,820	405,347,665

Diluted Earning per share

ESOP's outstanding have an impact of reducing the loss per share on dilution and hence has an anti dilutive impact on the earnings per share.



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Note 38 - Segment information

Description of segments and principal activities

The Group's Chief Operating Decision Maker (CODM) is identified to be the Director of the Parent Company, who plans the allocation of resources and assess the performance of the segments. From the year ended 31 March 2024, the Group has two reportable segments 'Aerospace' and 'Consumer'.

Particulars	For the year ended March 31, 2024					For the year ended March 31, 2023				
	Aerospace	Consumer	Total Segment	Eliminations	Total	Aero	Consumer	Total Segment	Eliminations	Total
Revenue										
Gross revenue	8,316 (746)	2,186 (1,055)	10,502 (851)	-	10,502 (851)	6,260 (408)	2,540 (271)	8,800 (679)	-	8,800 (679)
Intra segment revenue										
Net external revenue	7,570	2,081	9,651	0	9,651	5,852	2,269	8,121	-	8,121
Result										
Segment result	1,744	(156)	1,588	(132)	1,456	785	(155)	630	-	630
Add / (Less)										
Finance costs	(388)	(358)	(746)	108	(638)	(466)	(220)	(686)	40	(646)
Depreciation and amortisation expense	(616)	(460)	(1,076)	(11)	(1,077)	(646)	(350)	(995)	-	(995)
Segment Result before exceptional items and Tax expenses.	740	(974)	(234)	(25)	(259)	(327)	(725)	(1,051)	40	(1,011)
Exceptional item allocated to segment.	186	-	186	-	186	(7)	-	(7)	-	(7)
Share of profit (loss) in associates and joint venture	52	-	52	-	52	(9)	-	(9)	-	(9)
Income taxes	-	-	-	-	(100)	-	-	-	-	(60)
Profit after tax	978	(974)	4	(25)	(121)	(343)	(725)	(1,067)	40	(1,087)
Unallocated corporate income net of unallocated expenses	-	-	-	-	-	-	-	-	-	-
Exceptional items unallowable to segments.	-	-	-	-	-	-	-	-	-	-
Profit after tax	978	(974)	4	(25)	(121)	(343)	(725)	(1,067)	40	(1,087)

Other information

Particulars	As at March 31, 2024				As at March 31, 2023			
	Aerospace	Consumer	Total Segment	Eliminations	Total	Aero	Consumer	Total Segment
Segment assets	10,631	7,343	17,975	(85)	17,890	8,083	4,849	12,932
Unallocated corporate assets								
Deferred tax assets					324			
Current tax assets					14			
Total assets	10,631	7,343	17,975	(85)	18,228	8,083	4,849	12,932
Segment liabilities	6,633	4,020	10,653	(579)	10,074	7,653	3,110	10,764
Unallocated corporate liabilities								
Total liabilities	6,633	4,020	10,653	(579)	10,074	7,653	3,110	10,764



Geographical information

Revenue	Year ended March 31, 2024		Year ended March 31, 2023	
	Amount	%	Amount	%
Geography				
India	1,223	13%	948	12%
United States of America	1,863	19%	1,644	20%
France	1,710	18%	1,517	19%
Hong Kong	1,606	17%	978	12%
Sweden	1,044	11%	649	8%
Others	2,205	23%	2,385	29%

Non-current assets

	As at March 31, 2024	As at March 31, 2023
Geography		
India	8,750	7,026
Overseas	1,272	1,210
Elimination	(149)	(51)
Total	9,873	8,185

Information about major customers

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Revenue	% of total revenue	Revenue	% of total revenue
Customer 1	1,812	19%	1,311	16%
Customer 2	1,653	17%	1,415	17%
Customer 3	1,167	12%	1,440	18%
Customer 4	1,045	11%	720	10%



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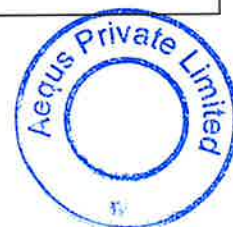
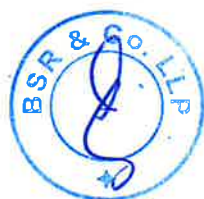
Note 39 - Related Party Transactions

Names of related parties and related party relationship

Relationship	Name of the related party
Related parties where control exists	
Ultimate holding company	Aequs Inc, Cayman Islands*
Holding company	Aequs Manufacturing Investments Private Limited, Mauritius (AMIPL)
Related parties with whom transactions have taken place during the year	
Associates	Aequs Foundation, India (ceased to be associate w.e.f February 25, 2024).
Joint ventures	Aerospace Processing India Private Limited ('API') SQuAD Forging India Private Limited ('SQuAD')
Subsidiaries	AeroStructures Manufacturing India Private Limited, India (ASMIPL) Aequs Stock Option Plan Trust ('ESOP Trust') Aequs Aerospace BV, Netherlands (AABV) Aerospace Manufacturing Holdings Private Limited, India (AMHPL) Aequs Oil and Gas LLC, USA (AOGLLC) Aequs Engineered Plastics Private Limited, India (AEPPL) Aequs Force Consumer Products Private Limited, India (AFCPPL) Aequs Consumer Products Private Limited, India (ACPPL) Aequs Material Management Private Limited, India (AMMPL) Aequs Toys Private Limited, India (ATPL) Aerostructures Assemblies India Private Limited, India (AAI) Subsidiary of ASMIPL Aequs Aerospace LLC, USA ('AALLC') Subsidiary of Aequs Aerospace LLC, USA ('AALLC') Aequs Aero Machine Inc, USA ('AAM') Subsidiary of AABV SCI Du champ De pivoinies, France (SCI Du) (Merged w.e.f April 01, 2023) Aequs Holdings France SAS, France ('AHF') Subsidiary of AHF Aequs Aerospace France SAS ('AAF SAS') Subsidiaries of AAF SAS Bernar SAS, France ('Bernar') (Merged w.e.f April 01, 2023) Subsidiaries of Aequs Engineered Plastics Private Limited ('AEPPL') Aequs Toys Hong kong Private Limited, Hong Kong ('ATHKPL') Subsidiaries of Aequs Force Consumer Products Private Limited (AFCPPL) Aequs Force Technology company Ltd, Hong kong(AFTCL) The application for its closure/de-registration has been filed on July 25, 2023 Subsidiaries of Aequs Consumer Products Private Limited Aequs Home Appliances Private Limited (AHAPL) Subsidiaries of Aequs Toys Private Limited., India Koppal Toys Molding COE private Limited, India (KTMCPPL) Koppal Toys Tooling COE Private Limited, India(KTTCPPL) Aequs Rajas Extrusion Private Limited, India (AREPL) w.e.f June 19, 2023
Key management personnel	Mr. Rajeev Kaul, Managing Director & Chief Operating Officer (COO) Mr. Aravind Melligeri, Director Dr. Ajay Prabhu, Director Dr. Klaus Richter, Director Dr. Shubhada Rao, Director Mr. Mahesh Parasuraman, Director (Ceased to be Director w.e.f September 11, 2023) Mr. Dinesh Iyer, Chief Financial Officer Mr. Ravi Hugar, Company Secretary
Enterprises in which individuals owning interest in the Group, or their relatives have control, joint control or significant influence	Aequs SEZ Private Limited ('ASEZ') Automotive End Solution Private Limited('AESPL') Industrial Knowledge Centre Private Limited ('IKC') Hubballi Durable Goods Cluster Private Limited ('HDGCPL')

*Aequs Inc. is 100% beneficially owned and controlled by the Melligiri Foundation.

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(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 39 - Related party disclosures- Transactions	Year ended March 31, 2024	Year ended March 31, 2023
Holding Company - AMIPL		
Issue of shares - for consideration other than cash	-	839
Expenses incurred on behalf of related entity	-	0
Unsecured loan taken during the year	248	-
Associates		
Aequs Foundation		
Expenses incurred on behalf of related entity	0	0
Sale of PPE	0	0
Joint Ventures - Transactions		
SQuAD		
Employee stock option expense cross charge	0	1
Expenses incurred on behalf of related entity	9	8
Fair value of financial guarantee issued during the year	1	9
Financial guarantee income	5	8
Investments in equity shares	155	72
Sale of goods	43	23
Services provided	2	11
Purchase of goods and consumables	35	2
Services received	0	-
Impairment of investments	-	19
API		
Employee stock option expense cross charge	0	-
Expenses incurred on behalf of related entity	14	13
Services received	267	211
Services provided	5	5
Financial guarantee income	1	0
Fair value of financial guarantee issued	6	-
Aequs Rajas		
Unsecured loan given during the year	-	1
Interest income on unsecured loan given	-	1
Expenses incurred on behalf of related entity	-	1
Key managerial personnel and their relatives		
Managerial remuneration		
Mr. Aravind Melligeri	41	44
Mr. Rajeev Kaul	15	12
Mr. Ravi Hugar	5	5
Mr. Dinesh Iyer	14	12
Ms. Shubhada Rao	1	1
Enterprises in which individuals owning interest in the Group, or their relatives have control, joint control or significant influence - Transactions		
IKC		
Expenses incurred on behalf of related entity	1	3
Services received	61	79

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

	Year ended March 31, 2024	Year ended March 31, 2023
ASEZ		
Deposit given	5	0
Expenses incurred on behalf of related entity	20	31
Expense incurred by related party	1	-
Financial guarantee expense	44	17
Interest income on unsecured loan	-	4
Interest expense on lease liability	220	192
Repayment of lease liability	-	189
Services received	702	386
Services provided	5	4
Repayment of loan by ASEZ	-	60
Interest expense on unsecured loan taken	-	17
Repayment of unsecured loan taken	-	285
Sale of PPE	-	2
Sale of scrap	-	0
Fair value of financial guarantee received during the year	73	11
Aequus, Inc.		
Expenses incurred by related entity	-	0
Interest expenses on Loan taken	-	21
MILLC		
Expenses incurred by related entity	-	0
Interest on loan taken	2	2
QGEPL		
Services received	3	3
MFRE Private Trust		
Expenses incurred on behalf of related entity	1	0
Fair value of the guarantee taken	1	-
Financial guarantee expense	2	-
MFREEPL		
Expenses incurred on behalf of related entity	-	0
Financial guarantee expense	1	0
AESPL		
Expenses incurred on behalf of related entity	-	0
ALM		
Royalty expenses	-	70
Branding expenses	6	-
HDGCPL		
Deposit given	45	54
Services received	231	9
Repayment of lease liability	-	1
Interest expenses on lease liability	13	9
Expenses incurred on behalf of related entity	1	0
MFRE Taris, LLC		
Repayment of lease liability	13	10
Interest expenses on lease liability	0	1

Note: All transactions were made on commercial terms and conditions.

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 40 - Related party disclosures- Balances as at year-end	As at March 31, 2024	As at March 31, 2023
Holding Company - AMIPL		
Unsecured Borrowings	248	-
Associates		
AF		
Dues from related parties	0	0
Investment in share capital	0	0
Joint Ventures - Balances		
SQuAD		
Investment in share capital	746	773
Fair value of financial guarantee issued	39	57
Fair value of ESOP cost	1	1
Trade receivables	3	40
Dues from related parties	1	8
Trade Payables	11	2
Dues to related parties	-	0
API		
Investment in share capital	90	90
Fair value of ESOP cost	0	0
Trade receivables	0	0
Dues from related parties	1	3
Trade Payables	71	54
Aequs Rajas		
Unsecured loan given	-	6
Dues from related parties	-	1
Impairment of loan and interest thereon	-	6
Enterprises in which individuals owning interest in the Group, or their relatives have control - Balances		
IKC		
Dues from related parties	0	2
Trade Payables	2	1
Aequs, Inc.		
Unsecured Borrowings	-	172
Dues from related parties	0	0
MILLC		
Dues from related parties	0	0
Unsecured Borrowings	16	16
Interest Payable	7	4
ESOPT		
Unsecured loan given	265	265
ASEZ		
Fair value of financial guarantee received	131	39
Interest accrued and due on above loan	-	0
Security deposit (Undiscounted)	316	443
Dues from related parties	1	7
Dues to related parties	1	0
Trade Payables	35	177
Advance to suppliers	-	0
Trade receivables	4	1
AESPL		
Trade Payables	0	0
Dues to related parties	0	0
Dues from related parties	26	26
Impairment on dues from related parties	26	26
QGEPL		
Trade Payables	0	-

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
Altum		
Dues from related parties	0	0
MFREEPL		
Dues from related parties	0	0
Fair value of financial guarantee received	0	19
MFRE Private Trust		
Dues from related parties	2	2
Fair value of financial guarantee received	3	-
ALM		
Trade Payables	6	67
AMIPL		
Dues from related parties	-	0
HDGCPL		
Dues from related parties	1	0
Dues to related parties	-	0
Security deposit	99	54
Trade Payables	31	10

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 40 - Net debt reconciliation

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Cash and cash equivalents	793	513
Bank balances other than above	1,727	-
Lease liabilities	(4,070)	(3,898)
Non-current borrowings	(1,074)	(978)
Current borrowings	(1,582)	(1,715)
Current borrowings (related party loans)	(264)	(188)
Compulsory Convertible Preference Shares	-	(575)
Net debt	(4,470)	(6,846)

Net debt reconciliation:

	Liabilities from financing activities					Total
	Lease obligations	Non-current borrowings	Compulsory Convertible Preference Shares	Current borrowings (Working Capital Loans)	Current borrowings (Related Party Loans)	
Net debt as at April 01, 2022	(2,880)	(1,067)	-	(1,499)	(441)	(5,887)
Cashflows	-	-	-	-	-	-
Acquisition of leases/ new borrowings	(1,311)	(258)	(641)	(254)	-	(2,464)
Foreign exchange adjustments	(69)	(15)	-	3	(12)	(93)
Repayments	362	283	-	-	286	931
Interest expense	(240)	(83)	-	(115)	(41)	(479)
Interest paid	240	77	-	115	17	449
Transaction cost	-	-	66	-	-	66
Reclassification during the year	-	32	-	-	2	34
Transferred to asset held for sale or liabilities pertaining to assets held for sale	-	9	-	-	-	9
Other non-cash adjustments	-	44	-	37	-	82
Net debt as at March 31, 2023	(3,898)	(978)	(575)	(1,713)	(188)	(7,353)
Cashflows	-	-	-	-	-	-
Acquisition of leases/ new borrowings	(658)	(904)	-	-	(76)	(1,638)
Foreign exchange adjustments	17	-	-	(7)	-	10
Repayments	468	797	-	155	-	1,420
Interest expense	(304)	(111)	-	(216)	-	(631)
Interest paid	304	111	-	213	-	628
Other non-cash adjustments	-	11	575	(14)	-	572
As at March 31, 2024	(4,071)	(1,074)	-	(1,582)	(264)	(6,992)

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 41 - Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings as below. The amounts are as disclosed in the standalone financial statements of the entities included in consolidation without adjusting for inter-company eliminations.

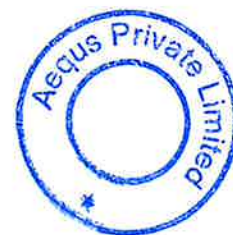
	As at March 31, 2024	As at March 31, 2023
Current		
A. Financial assets:		
- Trade receivables	1,579	1,269
- Cash and cash equivalents	2,025	96
- Other bank balances	44	34
- Other assets	7	21
B. Non financial assets:		
- Inventories	3,039	2,599
- Other assets	89	166
Total current assets pledged as security	6,783	4,185
Non current		
- Other financial assets	-	112
A. Non financial assets:		
- Property plant and equipment	4,018	2,968
- Other non-current assets	-	31
Total Non-current assets pledged as security	4,018	3,111
Total assets pledged as security	10,801	7,296

Note 42 - Dues to micro, small and medium enterprises

The Group has a process of identifying Micro, Small and Medium Enterprises (MSME), as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), by requesting vendor confirmation to the letters circulated by the Group. Disclosures of dues/payments to Micro, Small and Medium Enterprises to the extent such enterprises are identified by the Group, based on the responses received from vendors against request for confirmations.

Particulars	March 31, 2024	March 31, 2023
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	10	2
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0	0
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	16	48
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	0	1
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	0
(vii) Further interest remaining due and payable for earlier years	0	-

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43 Income tax expense

Particulars	March 31, 2024	March 31, 2023
Current tax		
Current tax on profits of the year	115	12
Total current tax expense (A)	115	12
Deferred tax		
Decrease/(increase) in deferred tax asset	(7)	59
(Decrease)/increase in deferred tax liability	(8)	(11)
Total deferred tax expense/(benefit) (B)	(15)	48
Income tax expense/ (benefit) (A+B)	100	60

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate

Particulars	March 31, 2024	March 31, 2023
Tax expenses under general provision of income tax		
Profit from continuing operations before income tax expense	(42)	(1,011)
Tax rate	27.82%	27.82%
Tax at the above rate	(12)	(281)
Tax impact of permanent differences	20	17
Tax impact of income not chargeable to tax	42	(4)
Tax impact related to prior year adjustments	-	(9)
Tax impact of entities in tax holidays	(91)	17
Tax impact of unabsorbed depreciation on which no deferred tax has been recognized	(1)	25
Tax impact of business loss and other items on which no deferred tax has been recognized*	195	343
Tax impact due to differential tax rates applicable to subsidiaries	(40)	-
Others	(13)	(48)
Total tax expense/(benefit)	100	60

* The Group has recognised deferred tax asset on carried forward losses and unabsorbed tax losses during the year and previous year with respect to Aequs Private Limited and Aerostructure Manufacturing India Private Limited on the basis of projections to the extent it is probable that sufficient taxable profit will be available against which the unused tax losses can be utilized by the respective entities. In respect of other entities, the Group 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.

Deferred tax assets (net)

Particulars	March 31, 2024	March 31, 2023
Deferred tax liabilities		
Depreciation and amortisation	(62)	(127)
	(62)	(127)
Deferred tax assets		
Carry forward losses and unabsorbed depreciation	122	141
MAT credit entitlement	95	95
Others	168	200
	385	436
Deferred tax assets (net)	323	309

(a) Transfer pricing:

For the year ended March 31, 2024, the Company would be carrying out a study to comply with transfer pricing regulations for which the prescribed certificate of accountant will be obtained. In the opinion of management, no adjustment is expected to arise based on completion of Transfer Pricing Study.

The tax impact for the above purpose has been arrived at by applying tax rate of 27.82% (2023:27.82%) being the substantively enacted prevailing tax rate for Indian Companies under Income the Tax Act, 1961.

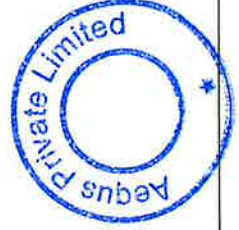
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44. Interest in other entities**(a) Subsidiaries**

The Group's subsidiaries at March 31, 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	Place of business	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal activities
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	
Aequus Aerospace BV (AABV)	Netherlands	100%	100%	0%	0%	Investment holding
Aequus Aerospace LLC (AAILLC)	USA	100%	100%	0%	0%	Investment holding
Aequus Aero Machine Inc. (AAM)	USA	100%	100%	0%	0%	Contract manufacturing
Aequus Oil and Gas LLC (AOGILLC)	USA	95%	95%	5%	5%	Discontinued operations
Aerospace Manufacturing Holdings Private Limited (AMHPL)	India	100%	100%	0%	0%	Investment holding
AeroStructures Manufacturing India Private Limited (ASMIPL)	India	100%	100%	0%	0%	Contract manufacturing
Aequus Holdings France SAS (AHFSAS)	France	100%	100%	0%	0%	Investment holding
Aequus Aerospace France SAS (AAF SAS)	France	100%	100%	0%	0%	Contract manufacturing
Bernar SAS (Bernar)	France	0%	100%	0%	0%	Contract manufacturing
SCI Du Champ De Pivoines	France	0%	100%	0%	0%	Contract manufacturing
Aequus Force Consumer Products Pvt. Ltd. (AFCPPL)	India	100%	74%	0%	26%	Rental of investment property
Aequus Force Technology Private Limited (India)	India	100%	74%	0%	26%	Contract manufacturing
Aequus Force Technology Company limited (AFTCL)	Hong Kong	100%	74%	0%	26%	Inactive company
Aequus Engineered Plastics Private Limited (AEPPL)	India	100%	100%	0%	0%	Discontinued operations
Aequus Toys Hong Kong Private Ltd.(ATHIPL)	Hong Kong	100%	100%	0%	0%	Contract manufacturing
Aequus Consumer Products Private Limited (ACPPPL)	India	100%	100%	0%	0%	Discontinued operations
Aequus Home Appliances Private Limited (AHAPL)	India	100%	100%	0%	0%	Contract manufacturing
Aequus Toys private limited (ATPL)	India	100%	100%	0%	0%	Contract manufacturing
Koppal Toys Moulding COE Private Limited (KTMCPPL)	India	100%	100%	0%	0%	Contract manufacturing
Koppal Toys Tooling COE Private Limited (KTTCPPL)	India	100%	100%	0%	0%	Contract manufacturing
Aerostructures Assemblies India Private Limited (AAIPL)	India	100%	100%	0%	0%	Contract manufacturing
Aequus Rajas Extrusion Private Limited (AREPL)	India	100%	26%	0%	74%	Contract manufacturing
Aequus Material Management Private Limited (AMMPPL)	India	100%	100%	0%	0%	Inactive company



(b) Non-controlling interests (NCI)

Set out below is summarized financial information of each subsidiary that has non-controlling interests that are material to the Group. The amount disclosed for each subsidiary are before inter-company eliminations. The non controlling interest pertaining to Aequus Oil and Gas LLC of ₹ (1) (March 31, 2023 ₹ (1)) is not disclosed as the same is pertaining to discontinued operations.

The Parent Company has acquired the entire NCI in AFCPPL during the year for a consideration of ₹100. Hence, disclosure for the year ended 31 March 2024 under this note would not be applicable. The loss pertaining to NCI portion till the date of acquisition is ₹ (34).

Summarised balance sheet	AFCPPL		AFTCL (HONG KONG)		Total	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Current assets	NA	339	NA	42	NA	381
Current liabilities		339		40		379
Net current assets		-		3		2
Non-current assets		828		-		828
Non-current liabilities		574		-		574
Net non-current assets		254		-		254
Net assets		254		3		(252)
Accumulated non-controlling interest		(104)		1		(103)

Summarised statement of profit and loss	AFCPPL		AFTCL (HONG KONG)		Total	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue	NA	752	NA	20	NA	772
Profit/(loss) for the year		(298)		20		(278)
(Other comprehensive income/(loss))		-		0		0
Total comprehensive income/(loss)		(298)		20		(277)
Profit/(loss) allocated to Non-controlling interest		(155)		8		(107)

Summarised cash flow	AFCPPL		AFTPL (HONG KONG)		Total	
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flow from operating activities	NA	(82)	NA	(0)	NA	(82)
Cash flow from investing activities		(18)		-		(18)
Cash flow from financing activities		130		-		130
Net increases/(decrease) in cash and cash equivalents		30		(0)		30



(e) Interests in associate and joint ventures

Set out below are the associates and the joint ventures of the Group as at March 31, 2024 which, in opinion of the directors, are material to the Group. The entities listed below have share capital consisting solely to equity shares, which are held directly by the Group. The country of incorporation or registration is also their financial place of business, and the proportion of ownership interests is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount	
					March 31, 2024	March 31, 2023
SQuAD Forging India Private Limited (SQuAD)	India	50%	Joint Venture	Equity Method	444	436
Aerospace Processing India Private Limited (API)	India	50%	Joint Venture	Equity Method	178	139
Total					622	575

All the above mentioned entities are unlisted and hence, no quoted prices are available.

As at 31 March 2024, Aequus Rajas Extrusion Private Limited (AREPL) is a wholly owned subsidiary of the Group. As at 31 March 2023, the entity was an associate. Hence, the disclosures for the year ended 31 March 2024 do not apply.

ii) Commitments and abilities in respect of associates and joint ventures

Particulars	API		SQuAD		AREPL	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Commitments of JVs and Associates,	111	29	2	1	NA	-

iii) Summarized financial information of associates and joint ventures

The table below provides summarized financial information for those joint ventures that are material to the Group. The information disclosed reflects the amount presented in the financial statements of the relevant joint ventures.

Summarised balance sheet	API		SQuAD		AREPL	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Current assets						
Cash and cash equivalents	45	29	41	27	NA	0
Trade receivables	138	101	101	51	-	-
Other financial assets	-	0	0	0	-	0
Other assets (including inventories)	74	43	335	283	-	-
Total current assets	257	173	477	361		0
Total non-current assets	364	369	796	830		5
Current liabilities						
Trade payables	31	26	90	153		2
Financial liabilities (excluding trade payables)	83	61	137	120		7
Other liabilities	19	9	6	14		0
Total current liabilities	133	96	233	287		9
Total non-current liabilities	172	203	61	99		
Financial liabilities (excluding trade payables)	140	169	53	93		-
Other liabilities	32	34	8	6		-
Total non current liabilities	172	203	61	99		
Net assets	316	243	979	805		(4)



Summarised statement of profit and loss

	API		SQuAD		AREPL	
	For the year ended		For the year ended		For the year ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue	518	407	619	484	NA	-
Interest income /Other income	28	4	8	27		(0)
Operating expenses	(380)	(313)	(507)	(460)		(2)
Depreciation and amortisation	(53)	(52)	(53)	(56)		-
Finance cost/(Income)	(21)	(28)	(28)	(29)		(1)
Income tax expense	(27)	(1)	-	-		-
Profit/(loss) for the year	65	17	39	(34)		(3)
Other comprehensive income/(loss)	0	1	(1)	(0)		-
Total comprehensive income/(loss)	65	18	38	(34)		(3)

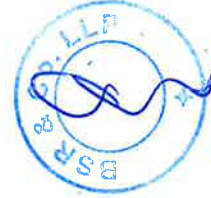
iv) Individually immaterial associates

In addition to the interests in associates disclosed above, the Group also had interests in an individually immaterial associate that is accounted for using the equity method.

	March 31, 2024	March 31, 2023
Aggregate carrying amount of individually immaterial associates		
Equity share capital	-	0
Reserves and surplus	-	(4)
Aggregate amounts of the Group's share of:		
Profit/(loss) from continuing operations	-	(3)
Other comprehensive income	-	-
Group's share of total comprehensive income from individually immaterial associates	-	(2)

During the year ended 31 March 2024, the Parent Company sold 800 equity shares of Aequus Foundation. Additionally, subsequent to the year end, the remaining holding has also been sold. The carrying value of the investment has been impaired basis its net asset value as at March 31, 2024.

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Notes to consolidated financial statements

(All amounts are in INR Millions, except share data, unless otherwise stated)

Note 45 - Additional information required by Schedule III

Note 45 - Additional information required by Schedule 11															
	As at March 31, 2024		As at March 31, 2023		For the year ended March 31, 2024			For the year ended March 31, 2023			For the year ended March 31, 2024			For the year ended March 31, 2023	
	Net Assets As %	Net Assets Amount	Net Assets As %	Net Assets Amount	Share in (TCL) As %	Share in (TCL) Amount	Share in (TCL) / (TCL) As %	Share in (TCL) / (TCL) Amount	Share in (OCI) / (OCI) - As %	Share in (OCI) / (OCI) - Amount	Share in profit / (loss) - As %	Share in profit / (loss) - Amount	Share in profit / (loss) - As %	Share in profit / (loss) - Amount	
Consolidated Parent Company															
Aequus Private Limited	100%	8,155	100%	2,673	100%	(182)	100%	(1,151)	100%	(40)	100%	(143)	100%	(1,095)	
	120%	9,793	184%	4,914	715%	(1,304)	38%	(435)	5%	(2)	911%	(1,302)	40%	(436)	
Indian Subsidiaries															
AeroStructures Manufacturing India Private Limited	26%	2,102	58%	1,552	-286%	521	14%	(156)	2%	(1)	-9%	522	15%	(161)	
Aerospace Manufacturing Holdings Private Limited(AAPL)	0%	(1)	-3%	(70)	18%	(33)	1%	(6)	0%	-	0%	(33)	1%	(6)	
Aequus Force Consumer Products Pvt. Ltd. (AFCPPL)	5%	416	13%	358	138%	(252)	26%	(299)	0%	0	-1%	(252)	27%	(299)	
Aequus Force Technology Private limited (India)	0%	-	0%	0	0%	-	0%	-	0%	-	0%	-	0%	-	
Aequus Engineered Plastics Private Limited (AEPPL)	4%	296	11%	288	53%	(96)	17%	(197)	-1%	1	2%	(97)	18%	(198)	
Aequus Consumer Products Private Limited (ACPPL)	23%	1,877	10%	260	143%	(261)	15%	(178)	1%	(1)	1%	(260)	16%	(177)	
Aequus Home Appliances Private Limited (AHAPL)	0%	40	1%	37	2%	(4)	1%	(11)	0%	-	0%	(4)	1%	(11)	
Aequus Toys private limited (ATPL)	9%	748	21%	556	217%	(396)	10%	(114)	-2%	1	0%	(396)	10%	(114)	
Koppal Toys Moulding COE Private Limited (KTMCPPL)	4%	329	8%	217	82%	(149)	5%	(59)	0%	(0)	0%	(149)	5%	(59)	
Koppal Toys Tooling COE Private Limited (KTTCPPL)	0%	35	1%	37	1%	(2)	0%	(4)	0%	-	1%	(2)	0%	(4)	
Aerostructures Assemblies India Private Limited (AAIPL)	3%	229	4%	113	-62%	113	0%	2	0%	0	-1%	113	0%	2	
Aequus Material Management Private Limited (AMMPL)	0%	-	0%	(1)	0%	-	0%	(1)	0%	-	0%	-	0%	(1)	
Aequus Rajas Extrusion Private Limited (AREPL)	0%	(4)	0%	(4)	1%	(2)	0%	(2)	0%	-	1%	(2)	0%	(2)	
Foreign Subsidiaries															
Aequus Aerospace France SAS, France	-1%	(94)	-15%	(401)	-33%	59	12%	(133)	-45%	18	72%	(40)	-29%	(92)	
Aequus Aerospace BV (AABV)	-1%	(104)	0%	6	66%	(121)	13%	(155)	25%	(10)	130%	(73)	8%	(82)	
Aequus Aerospace LLC (AALLC)	11%	889	33%	872	-1%	1	1%	(14)	8%	(3)	30%	(17)	4	3	
Aequus Aerospace Besancon, France	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	
Aequus Holdings France, SAS (AHHF)	-18%	(1,449)	-51%	(1,376)	40%	(73)	12%	(138)	28%	(11)	145%	(81)	44%	(62)	
Aequus Aero Machine Inc. (AAM)	4%	360	12%	320	-19%	34	-2%	23	-2%	1	14%	(8)	-23%	31	
Aequus Oil and Gas LLC (AOGLLC)	-1%	(113)	-4%	(102)	9%	(16)	8%	(90)	41%	(16)	165%	(92)	0	(6)	
Aequus Aerospace Aubigny, France	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	
Aequus Aerospace Cholet, France	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	
Bernar SAS (Bernar)	0%	-	-16%	(436)	-30%	54	4%	(50)	-137%	54	58%	(32)	0%	(17)	
SCT Du Champ De Pivoines	0%	-	2%	49	3%	(5)	-1%	8	13%	(5)	-5%	3	0%	6	
Aequus Force Technology Company limited (Hk)	0%	1	0%	3	0%	(0)	-2%	21	-1%	0	0%	(0)	-2%	21	
Aequus Toys Hongkong Private Limited	0%	1	0%	1	0%	(0)	0%	3	0%	(0)	-1%	1	0%	2	
Minority Interests															
Aequus Oil and Gas LLC (AOGLLC)	0%	1	0%	(10)	0%	(1)	0%	0	2%	(1)	-8%	4	0%	4	
Aequus Force Consumer Products Pvt. Ltd. (AFCPPL)	0%	-	-4%	(104)	0%	-	0%	-	0%	-	0%	-	0%	-	
Aequus Force Technology Private limited (India)	0%	-	0%	0	0%	-	0%	-	0%	-	0%	-	0%	-	
Aequus Force Technology Company limited (Hk)	0%	-	0%	1	0%	-	0%	-	0%	-	0%	-	0%	-	
Joint Ventures (Investment as per the equity method)															
Indian															
SQUAD Forging India Private Limited (SQUAD)	5%	444	16%	436	-10%	19	2%	(21)	1%	(1)	0%	-	-13%	(21)	
Aequus Processing India Private Limited (API)	2%	178	5%	139	-19%	34	-1%	13	0%	0	0%	-	-24%	13	
Associates (Investments as per the equity method)															
Aequus Foundation	-	-	0%	-	0%	-	0%	-	0%	-	0%	-	0%	-	
Add/ (Less): Effect of intercompany and consolidation adjustments/eliminations		(7,822)	0%	(4,986)	0%	1,698	0%	839	0%	(65)	0%	1,761	0%	563	

Note 46 - Discontinued operations**(a) Description**

On March 31, 2021, the Group announced its intention to liquidate its subsidiary Aequs Oil and Gas LLC (AOG LLC), USA. The associated loss on business are therefore shown separately as discontinuing operations in statement of profit and loss and assets and liabilities are presented as held for sale in financial statements for the years ended March 2022 and March 2021.

The Group announced its intention to liquidate its step-down subsidiaries Aequs Toys Hongkong Private Limited (ATHPL), Hongkong and Aequs Force Technology Company Limited (AFTCL), Hongkong. The associated loss on business are therefore shown separately as discontinuing operations in statement of profit and loss and assets and liabilities are presented as held for sale in financial statements for the years ended 31 March 2024.

(b) Financial performance and cash flow information

The financial performance and cash flow information of discontinuing operations presented as follows:

	For the year ended March 31, 2024				For the year ended March 31, 2023		
	AOG LLC	ATHPL	AFTCL	Total	AOG LLC	KTTPL	AFTPL (INDIA)
Revenue	-	19	-	19	-	-	-
Other income	-	0	-	-	-	0	-
Expenses	(0)	(40)	-	(40)	(2)	(6)	-
Profit/(Loss) before Income tax during the year	(0)	(21)	-	(21)	(2)	(6)	-
Income tax expense	-	-	-	-	-	-	-
Profit/(Loss) after Income tax during the year	(0)	(21)	-	(21)	(2)	(6)	-

Cash flows

Net Cash Inflow/(Outflow) from Operating Activities	0	0	1	1	(2)	(2)	-
Net Cash Inflow/(Outflow) from Investing Activities	-	-	-	-	-	(28)	-
Net Cash Inflow/(Outflow) from Financing Activities	(0)	-	-	(0)	0	9	-
Net increase in cash generated from discontinued operation	(0)	0	1	1	(2)	(21)	-

(C) Assets and liabilities of disposal group classified as held for sale

	31-Mar-24				31-Mar-23		
	AOG LLC	ATHPL	AFTCL	Total	AOG LLC	KTTPL	AFTPL (INDIA)
Assets classified as Held for Sale:							
Property, Plant and Equipment	-	-	-	-	-	29	-
Trade receivables	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Other current assets	1	1	2	4	1	20	-
Total assets of disposal group held for sale	1	1	2	4	1	49	-
Liabilities directly associated with Assets classified as held for sale:							
Borrowings	(0)	-	-	(0)	(0)	(9)	-
Trade Payables	-	(0)	-	(0)	-	(2)	-
Other current liabilities	0	-	-	0	0	(0)	-
Total liabilities of disposal group held for sale	0	-	-	(0)	0	(11)	-
Net Assets	1	1	2	4	1	38	-

(This space is intentionally left blank)



Notes to consolidated financial statements*(All amounts are in INR Millions, except share data, unless otherwise stated)***Note 47 - Additional regulatory information required by Schedule III**

- (i) Details of benami property held: No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) Wilful defaulter: The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (iii) Relationship with struck off companies: The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (iv) Compliance with number of layers of companies: The Group has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) Compliance with approved scheme(s) of arrangements: The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year. (Refer note 50 for further details).
- (vi)(a) The Group has not advanced or loaned or invested the funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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 or security or the like on behalf of the Ultimate Beneficiaries.
- (vi)(b) The Group has not receive any funds from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) of the company shall:
- 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 or security or the like on behalf of the Ultimate Beneficiaries.
- (vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (viii) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (ix) The Group has not revalued its Property, plant and equipment or intangible assets during the current or previous year.
- (x) The Group does not own any immovable properties in India.
- (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 Group from bank have been applied for the purposes for which such loans were taken.
- (xiii) The Group was not required to recognise any provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group did not have any derivative contracts as at March 31, 2024.
- (xiv) The Group has one Core Investment Group (CIC) as part of the Group, viz., Aerospace Manufacturing Holdings Private Limited, India which is not required to be registered with the Reserve Bank of India.

Note 48 - Subsequent events

1. a) The Parent Company, vide its board resolution dated 24 June 2024, has approved the Scheme of Amalgamation of certain wholly owned subsidiaries i.e. AeroStructures Manufacturing India Private Limited, Aequs Engineered Plastics Private Limited, Aequs Force Consumer Products Private Limited and Aequs Toys Private Limited with itself. As of the date of adoption of these financial statements, the Scheme and the related petition are yet to be filed with requisite authorities, and necessary approvals are still pending.

Upon receiving the requisite approvals and completing all formalities associated with the merger, the Parent Company will account for the transaction in accordance with the applicable accounting principles prescribed under Appendix C of the Indian Accounting Standard (Ind AS) 103, 'Business Combinations' notified under Section 133 of the Act and/ or any other applicable Ind AS, as amended from time to time as this will be a transaction between entities under common control. Following the merger, these companies will be subsumed into the Parent Company and will cease to exist as separate legal entities.

This merger will not have an impact on the consolidated financial statements of the Group.

2. The Company has approved a slump sale of its business of contract manufacturing of kitchen and home appliances to a newly formed Company namely "Aequs Cookware Private Limited" vide an agreement dated July 11, 2024. As on the date of the financial statements, the transactions has not yet been consummated.
3. In April 2024, Aequs Material Management Private Limited (AMMPL), a wholly owned subsidiary of the Parent Company, filed for closure effective March 30, 2024. The entity stands dissolved with effect from June 29, 2024.

Note 49 - The financial statements were approved for issue by the Board of Directors on October 04, 2024.

For BSR & Co LLP**Chartered Accountants**

Firm Registration Number: 101248W/W-100022


Sampad Guha Thakurta
Partner

Membership No.: 060573

Place: Chennai

Date: October 04, 2024

For and on behalf of the Board of Directors

Rajeev Kaul
Managing Director & Chief Operating Officer (COO)

DIN-01468590

Place: Belagavi

Date: October 04, 2024

Address: 9, Parjai Lane, Mango Meadows Ldyambag,
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Dinesh Iyer
Chief Financial Officer

Place: Belagavi

Date: October 04, 2024

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Ajay Prabhu
Director

DIN-00477195

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Date: October 04, 2024

Address: 67, Purva Parkridge, Garudacharpalya,
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Ravi Hugar
Company Secretary

M. No. - A20823

Place: Belagavi

Date: October 04, 2024

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