

January 29, 2026

To,

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
NSE Scrip Symbol: AEQUS

BSE Limited

20th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400001.
BSE Scrip Code: 544634

Subject: Monitoring Agency Report for the quarter ended December 31, 2025

Dear Sir/ Ma'am,

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, we hereby submit the Monitoring Agency Report issued by CARE Ratings Limited, for the quarter ended December 31, 2025, in respect of utilisation of proceeds of the Pre-Initial Public Offer Placement and Initial Public Offer of the Company.

The Monitoring Agency has confirmed in its report that there is no deviation in utilisation of proceeds for the funds raised through IPO as stated in the object of the Issue.

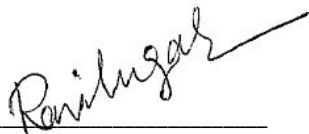
This Monitoring agency report will also be made available on the website of the Company and can be accessed using the link i.e. <https://www.aequs.com/investor/>.

Kindly take the same on record.

Thanking You,

For Aequs Limited

(Formerly known as Aequs Private Limited)



Ravi Hugar

Company Secretary and Compliance Officer

Membership Number: A20823

Encl.: as above

Aequs Limited (formerly known as Aequs Private Limited)

Corporate Identity Number: L80302KA2000PLC026760

Registered Office: Aequs Tower, No. 55, Whitefield Main Road, Mahadevapura Post, Bengaluru - 560048, Karnataka, India

T: + 91 080 61348000

Corporate Office: Aequs SEZ, No. 437/A, Hattargi Village, Hukkeri Taluk, Belagavi – 591243, Karnataka, India

T: +91 0831 4222500

www.aequs.com



No. CARE/BRO/GEN/2026-26/1026

**The Board of Directors
Aequs Limited
Aequs SEZ No. 437/A,
Hattargi Village Hukkeri Taluk,
Belagavi 591 243 Karnataka, India**

January 29, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2025 - in relation to the Pre Initial Public Offer of Equity Shares of Aequs Limited ("the Company")

We write in our capacity of Monitoring Agency for the Pre Initial Public Offer of 11,615,713 for the amount aggregating to ₹ 144.0 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended December 31, 2025, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated November 12, 2025.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Himanshu Jain

Associate Director

Himanshu.Jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: Aequus Limited

For quarter ended: December 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Himanshu Jain

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Aequs Limited
Name of the promoter : Aravind Shivaputrappa Melligeri, Aequs Manufacturing Investments Private Limited, Melligeri Private Family Foundation, The Melligeri Foundation
Industry/sector to which it belongs : Capital goods- Aerospace & Defense

2) Issue Details

Issue Period : November 05, 2025, to November 10, 2025
Type of issue (public/rights) : Pre - Initial Public offer
Type of specified securities : Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : ₹ 144.0 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	No	Chartered accountant certificate* Management certificate, Final prospectus, Bank statements, Board resolution dated January 29, 2026	The company has utilized general corporate purpose (GCP) proceeds of ₹0.074 crore towards the repayment of borrowings for its subsidiary, Aerostructures Manufacturing India Private Limited (ASMIPL). The Board has ratified the above transaction post-facto.	Ratified by Board and shared the Board resolution.
Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the Offer Document?	Not applicable	Final prospectus, Chartered accountant certificate*, Management certificate	No material deviations observed.	Noted
Whether the means of finance for the disclosed objects of the issue have changed?	Yes	Final prospectus, Chartered accountant certificate*, Management certificate, Bank statements	The company has utilized general corporate purpose (GCP) proceeds of ₹0.074 crore towards the repayment of borrowings for its subsidiary, Aerostructures Manufacturing India Private Limited (ASMIPL).	Noted
Is there any major deviation observed over the earlier monitoring agency reports?	No	Chartered accountant certificate*, Management certificate	This is the first monitoring agency report.	Noted
Whether all Government/statutory approvals related to the object(s) have been obtained?	Unascertainable	Final prospectus, Chartered accountant certificate*, Management certificate, Discussion with management	For the object -funding inorganic growth through unidentified acquisitions- certain approvals may be required depending on the nature of the target entity or investment. Any such approvals, if applicable, is expected to be obtained at the appropriate stage once the target has been identified.	Noted
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	Unascertainable	Final prospectus, Chartered accountant certificate*	For the object -funding inorganic growth through unidentified acquisitions, other strategic initiatives- certain collaborations may	Noted

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Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
		Management certificate, Discussion with management	be required depending on the nature of the target entity or investment. Any such arrangement is expected to be in place at the appropriate stage once the target/ initiative has been identified.	
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered accountant certificate* Management certificate	None	Noted
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered accountant certificate* Management certificate	None	Noted

* Chartered Accountant certificate from peer reviewed internal auditor Guru and Jana LLP, dated January 22, 2026.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost (₹ Crore)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
1	Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	Chartered Accountant certificate, Bank statements, Final Prospectus, Board resolution dated January 29, 2026	20.254	20.328	Board has ratified the cost revision post facto.	Certified Board resolution provided	No comments	No comments
	(a) our Company	Chartered Accountant certificate, Bank statements, Final Prospectus	7.00	7.00	None	No comments	No comments	No comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant certificate, Bank statements, Final Prospectus	13.254	13.328	None	No comments	No comments	No comments
	i. AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate, Bank statements, Final Prospectus	13.254	13.328		No comments	No comments	No comments
	ii. Aequs Consumer Products Private Limited	Chartered Accountant certificate, Bank statements, Final Prospectus	-	-	None	No comments	No comments	No comments

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Sr. No	Item Head	Source of information/ certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost (₹ Crore)	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of -firm arrangements made
	iii. Aequs Engineered Plastics Private Limited	Chartered Accountant certificate, Bank statements, Final Prospectus	-	-	None	No comments	No comments	No comments
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant certificate, Bank statements, Final Prospectus	16.642	16.642	None	No comments	No comments	No comments
	(a) our Company	Chartered Accountant certificate, Bank statements, Final Prospectus	-	-	None	No comments	No comments	No comments
	(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	Chartered Accountant certificate, Bank statements, Final Prospectus	16.642	16.642	None	No comments	No comments	No comments
3	Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	Chartered Accountant certificate, Bank statements, Final Prospectus	103.864	103.790	Board approval is not in place for revision in the amount.	No comments	No comments	No comments
4	Issue Expense	Chartered Accountant certificate, Bank statements, Final Prospectus	3.240	3.240	None	No comments	No comments	No comments
Total			144.00	144.00				

*Chartered Accountant certificate from peer reviewed internal auditor Guru & Jana LLP, dated January 22, 2026.

(ii) Progress in the objects – *hj*

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised Cost in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
1.	Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	Chartered Accountant Bank Final Prospectus	20.254	20.328	0.00	20.328	20.328	0.00	The company utilized additional ₹0.074 crore from the GCP proceeds towards repayment of borrowings of its subsidiary, ASMIPL.	No comments	No comments
	(a) our Company	Chartered Accountant Bank Final Prospectus	7.00	7.00	0.00	7.00	7.00	0.00	Company utilized ₹7 crore towards repayment of cash credit balance.	No comments	No comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant Bank Final Prospectus	13.254	13.328	0.00	13.328	13.328	0.00	The company transferred ₹29.970 crore from its MA Account to the cash credit account (CC) of its subsidiary, ASMIPL, on November 18, 2025. Subsequently, on November 21, 2025, the company utilized ₹13.318 crore for the repayment of ASMIPL's term loan and the remaining ₹0.009 crore towards reducing the ASMIPL's cash credit balance.	No comments	No comments
	(i) AeroStructures Manufacturing India Private Limited	Chartered Accountant Bank Final Prospectus	13.254	13.328	0.00	13.328	13.328	0.00		No comments	No comments
	(ii) Aequs Consumer Products Private Limited	Chartered Accountant Bank Final Prospectus	0.00	0.00	0.00	0.00	0.00	0.00	None	No comments	No comments
	(iii) Aequs Engineered Plastics Private Limited	Chartered Accountant Bank	0.00	0.00	0.00	0.00	0.00	0.00	None	No comments	No comments

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Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised Cost in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
		statements, Final Prospectus									
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant Bank Final Prospectus	16.642	16.642	0.00	16.642	16.642	0.00	The company utilized the proceeds for purchase of machinery	No comments	No comments
	(a) our Company	Chartered Accountant Bank Final Prospectus	0.00	0.00	0.00	0.00	0.00	0.00	-	No comments	No comments
	(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	Chartered Accountant Bank Final Prospectus	16.642	16.642	0.00	16.642	16.642	0.00	The company transferred ₹29.97 crore from its MA Account to the cash credit account (CC) of its subsidiary, ASMIPL, on November 18, 2025. Subsequently, on November 19, 2025, an amount of ₹16.642 crore was paid from ASMIPL's CC account towards the purchase of machinery. Company has shared invoice copy in this regard.	No comments	No comments
3	Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	Chartered Accountant Bank Final Prospectus	103.864	103.790	0.00	75.00	75.00	28.790	The company has made an equity investment of ₹ 11.0 crore in one of its subsidiaries, viz. Aequs Engineered Plastics Private Limited. The remaining amount has been invested as	No comments	No comments

by

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Revised Cost in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
					As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
									unsecured loans to three of its subsidiaries, viz Aequus Consumer Products Private Limited (₹ 60 Crore), Aequus Toys Private Limited (₹ 2 crore) and Aequus Force Consumer Products Private Limited (₹ 2 crore)		
4	Issue Expense	Chartered Accountant certificate, Bank Final statements, Prospectus	3.240	0.00	0.00	1.940	1.940	1.300	None	No comments	No comments
Total			144.00	144.00	0.00	113.910	113.910	30.09			

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026,

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (₹ Crore)	Maturity date	Earning (₹ Crore)	Return on Investment (%)	Market Value as at the end of quarter (₹ Crore)
1	Fixed deposit 50301254531319 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
2	Fixed deposit 50301254531220 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
3	Fixed deposit 50301254531230 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
4	Fixed deposit 50301254531269 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
5	Fixed deposit 50301254531282 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
6	Fixed deposit 50301254531306 HDFC Bank	5.00	05-Jan-2026	0.02	4%	5.02
7	Balance lying in the monitoring account of the company maintained with HDFC Bank	0.09	-	-	-	0.09
	Total	30.09				30.21

(iv) Delay in implementation of the object(s) –

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Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	By March 31, 2026	Completed	None	No comments	No comments
(a) Our Company	By March 31, 2026	Completed as on November 18, 2025	None	No comments	No comments
(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	By March 31, 2026	Completed	None	No comments	No comments
(i) AeroStructures Manufacturing India Private Limited	By March 31, 2026	Completed as on November 21, 2025	None	No comments	No comments
(ii) Aequs Consumer Products Private Limited	By March 31, 2026	Completed	None	No comments	No comments
(iii) Aequs Engineered Plastics Private Limited	By March 31, 2026	Completed	None	No comments	No comments
Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	By March 31, 2026	Completed	None	No comments	No comments
(a) our Company	By March 31, 2026	Completed as on November 19, 2025	None	No comments	No comments
(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	By March 31, 2026	Completed	None	No comments	No comments
Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	₹ 75.0 crore by March 31, 2026 ₹ 28.86 crore by March 31, 2027	Completed for March 31, 2026 on November 20, 2025 Ongoing for March 31, 2027	None	No comments	No comments

The above details were verified from the Information shared by Aequs Limited, final prospectus and the Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^	Amount in ₹ Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	75.000	Chartered Accountant certificate*	The company has made an equity investment of ₹ 11.0 crore in one of its subsidiaries, viz. Aequs Engineered Plastics Private Limited. The remaining amount has been invested as unsecured loans to three of its subsidiaries, viz Aequs Consumer Products Private Limited (₹ 60 Crore), Aequs Toys Private Limited (₹ 2 crore) and Aequs Force Consumer Products Private Limited (₹ 2 crore)	No comments
	Total	75.000			

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026.

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^^ Section from the offer document related to GCP:

"The Net Proceeds will first be utilized for the Objects as set out above. Our Company intends to deploy any balances left out of the Net Proceeds and Net Pre-IPO Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to (i) such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds (including Pre-IPO Proceeds); and (ii) the cumulative amount to be utilized for general corporate purposes and our object of funding inorganic growth through unidentified acquisitions and other strategic initiatives shall not exceed 35% of the Gross Proceeds (including the Pre-IPO Proceeds), in compliance with Regulation 7(2) of the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, the following:

1. Strengthening marketing capabilities and brand building exercises;
2. funding working capital requirements of our Company and Subsidiaries including by way of investments in the Subsidiaries; and/or
3. meeting ongoing general corporate purposes or contingencies.

The allocation or quantum of utilization of funds towards the specific purposes described above will also be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any. In the event that our Company is unable to utilise the entire amount that our Company has currently estimated for use out of Net Proceeds in a Fiscal, our Company will utilise such unutilised amount in the next Fiscal."

hj

Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
- b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.
- c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.
- d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.
- e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.

A handwritten signature in blue ink, appearing to be "hj".

No. CARE/BRO/GEN/2025-26/1025

**The Board of Directors
Aequs Limited
Aequs SEZ No. 437/A,
Hattargi Village Hukkeri Taluk,
Belagavi 591 243 Karnataka, India**

January 29, 2026

Dear Sir,

Monitoring Agency Report for the quarter ended December 31, 2025 - in relation to the Initial Public Offer of Equity Shares of Aequs Limited ("the Company")

We write in our capacity of Monitoring Agency for the Initial Public Offer of 54,047,958 for the amount aggregating to ₹ 670.0 crore of the Company and refer to our duties cast under 41 of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended December 31, 2025, as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated November 12, 2025.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Himanshu Jain

Associate Director

Himanshu.Jain@careedge.in

Report of the Monitoring Agency

Name of the issuer: Aegus Limited

For quarter ended: December 31, 2025

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: None

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.



Signature:

Name and designation of the Authorized Signatory: Himanshu Jain

Designation of Authorized person/Signing Authority: Associate Director

1) Issuer Details:

Name of the issuer : Aequs Limited
Name of the promoter : Aravind Shivaputrappa Melligeri, Aequs Manufacturing Investments Private Limited, Melligeri Private Family Foundation, The Melligeri Foundation
Industry/sector to which it belongs : Capital goods- Aerospace & Defense

2) Issue Details

Issue Period : December 03, 2025, to December 05, 2025
Type of issue (public/rights) : Initial Public offer
Type of specified securities : Equity Shares
IPO Grading, if any : Not Applicable
Issue size (in crore) : ₹ 670.0 crore

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Chartered accountant certificate* Management certificate, Final prospectus, Bank statements	Company did not spend any amount from IPO proceeds during Q3FY26. Unutilized amount is parked in FDs, public issue account and monitoring agency account.	Noted
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Not applicable	Final prospectus, Chartered accountant certificate* Management certificate	No material deviation observed.	Noted
Whether the means of finance for the disclosed objects of the issue have changed?	No	Final prospectus, Chartered accountant certificate* Management certificate	No changes in the means of finance.	Noted
Is there any major deviation observed over the earlier monitoring agency reports?	Not applicable	Chartered accountant certificate*, Management certificate	This is the first monitoring agency report.	Noted
Whether all Government/statutory approvals related to the object(s) have been obtained?	Unascertainable	Final prospectus, Chartered accountant certificate* Management certificate, Discussion with management	For the object -funding inorganic growth through unidentified acquisitions- certain approvals may be required depending on the nature of the target entity or investment. Any such approvals, if applicable, is expected to be obtained at the appropriate stage once the target has been identified.	Noted
Whether all arrangements pertaining to technical assistance/ collaboration are in operation?	Unascertainable	Final prospectus, Chartered accountant certificate*, Management certificate, Discussion with management	For the object -funding inorganic growth through unidentified acquisitions, other strategic initiatives- certain collaborations may be required depending on the nature of the target entity or investment. Any such arrangement	Noted

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
			is expected to be in place at the appropriate stage once the target/ initiative has been identified.	
Are there any favorable/unfavorable events affecting the viability of these object(s)?	No	Chartered accountant certificate*, Management certificate	None	Noted
Is there any other relevant information that may materially affect the decision making of the investors?	No	Chartered accountant certificate*, Management certificate	None	Noted

* Chartered Accountant certificate from peer reviewed internal auditor Guru and Jana LLP, dated January 22, 2026.

4) Details of objects to be monitored:

(i) Cost of objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost in ₹ Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
1	Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	Chartered Accountant certificate*, Bank statements, Final Prospectus	433.167	None	No revision	No comments	No comments	No comments
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	17.552	None	No revision	No comments	No comments	No comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant certificate*, Bank statements, Final Prospectus	415.615	None	No revision	No comments	No comments	No comments
	i. AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	174.824	None	No revision	No comments	No comments	No comments
	ii. Aequus Consumer Products Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	231.159	None	No revision	No comments	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Original cost (as per the Offer Document) in ₹ Crore	Revised Cost in ₹ Crore	Comments of the Monitoring Agency	Comments of the Board of Directors		
						Reason for cost revision	Proposed financing option	Particulars of - firm arrangements made
	iii. Aequs Engineered Plastics Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	9.632	None	No revision	No comments	No comments	No comments
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant certificate*, Bank statements, Final Prospectus	64.002	None	No revision	No comments	No comments	No comments
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	8.114	None	No revision	No comments	No comments	No comments
	(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	Chartered Accountant certificate*, Bank statements, Final Prospectus	55.888	None	No revision	No comments	No comments	No comments
3	Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	Chartered Accountant certificate*, Bank statements, Final Prospectus	125.209	None	No revision	No comments	No comments	No comments
Total			622.378	622.378				

*Chartered Accountant certificate from peer reviewed internal auditor Guru & Jana LLP, dated January 22, 2026.

(ii) Progress in the objects –

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
1.	Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	Chartered Accountant certificate*, Bank statements, Final Prospectus	433.167	0.00	0.00	0.00	433.167	No utilization during the quarter	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	17.552	0.00	0.00	0.00	17.552	No utilization during the quarter	No comments	No comments
	(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	Chartered Accountant certificate*, Bank statements, Final Prospectus	415.615	0.00	0.00	0.00	415.615	No utilization during the quarter	No comments	No comments
	(i) AeroStructures Manufacturing India Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	174.824	0.00	0.00	0.00	174.824	No utilization during the quarter	No comments	No comments
	(ii) Aequs Consumer Products Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	231.159	0.00	0.00	0.00	231.159	No utilization during the quarter	No comments	No comments
	(iii) Aequs Engineered Plastics Private Limited	Chartered Accountant certificate*, Bank statements, Final Prospectus	9.632	0.00	0.00	0.00	9.632	No utilization during the quarter	No comments	No comments
2	Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	Chartered Accountant certificate*, Bank statements, Final Prospectus	64.002	0.00	0.00	0.00	64.002	No utilization during the quarter	No comments	No comments
	(a) our Company	Chartered Accountant certificate*, Bank statements, Final Prospectus	8.114	0.00	0.00	0.00	8.114	No utilization during the quarter	No comments	No comments
	(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	Chartered Accountant certificate*, Bank statements, Final Prospectus	55.888	0.00	0.00	0.00	55.888	No utilization during the quarter	No comments	No comments
3	Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	Chartered Accountant certificate*, Bank statements, Final Prospectus	125.209	0.00	0.00	0.00	125.209	No utilization during the quarter	No comments	No comments

Sr. No	Item Head	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document in ₹ Crore	Amount utilised in ₹ Crore			Total unutilised amount in ₹ crore	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter in ₹ Crore	During the quarter in ₹ Crore	At the end of the quarter in ₹ Crore			Reasons for idle funds	Proposed course of action
4	Issue Expense	Chartered Accountant certificate*, Bank statements, Final Prospectus	47.622	0.00	0.00	0.00	47.622	No utilization during the quarter	No comments	No comments
Total			670.00	0.00	0.00	0.00	670.00			

* Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026,

(iii) Deployment of unutilized proceeds:

Sr. No.	Type of instrument and name of the entity invested in	Amount invested (₹ Crore)	Maturity date	Earning (₹ Crore)	Return on Investment (%)	Market Value as at the end of quarter (₹ Crore)
1	Fixed deposit 50301264449549 HDFC Bank	162.00	16-Jan-26	0.32	4.75%	162.32
2	Fixed deposit 50301264450767 HDFC Bank	435.00	01-Jan-26	0.72	4.00%	435.72
3	Fixed deposit 50301264451820 HDFC Bank	25.00	16-Jan-26	0.05	4.75%	25.05
4	Balance lying in the monitoring account of the company maintained with HDFC bank	0.38	NA	NA	NA	0.38
5	Sub – Total	622.38	-	-	-	623.46
6	Unutilized balance lying in IPO bank account of the company maintained with HDFC bank proposed to be used for offer expenses of fresh Issue	47.62	-	-	-	47.62
Total		670.00		1.08		671.08

(iv) Delay in implementation of the object(s) –

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
Repayment and/ or prepayment, in full or in part, of certain outstanding borrowings and prepayment penalties, as applicable, availed by:	By March 31, 2026	Ongoing	None	No comments	No comments
(a) Our Company	By March 31, 2026	Ongoing	None	No comments	No comments
(b) three of our wholly-owned Subsidiaries, through investment in the below Subsidiaries	By March 31, 2026	Ongoing	None	No comments	No comments
(i) AeroStructures Manufacturing India Private Limited	By March 31, 2026	Ongoing	None	No comments	No comments
(ii) Aequs Consumer Products Private Limited	By March 31, 2026	Ongoing	None	No comments	No comments

Objects	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the offer document	Actual		Reason of delay	Proposed course of action
(iii) Aequs Engineered Plastics Private Limited	By March 31, 2026	Ongoing	None	No comments	No comments
Funding capital expenditure to be incurred on account of purchase of machinery and equipment by:	₹ 48.15 crore by March 31, 2026 ₹ 15.852 crore by March 31, 2027	Ongoing	None	No comments	No comments
(a) our Company	₹ 5.879 crore by March 31, 2026 ₹ 2.235 crore by March 31, 2027	Ongoing	None	No comments	No comments
(b) one of our wholly-owned Subsidiaries, AeroStructures Manufacturing India Private Limited, through investment in such Subsidiary	₹ 42.271 crore by March 31, 2026 ₹ 13.617 crore by March 31, 2027	Ongoing	None	No comments	No comments
Funding inorganic growth through unidentified acquisitions, other strategic initiatives and general corporate purposes	By March 31, 2027	Ongoing	None	No comments	No comments

The above details were verified from the Information shared by Aequs Limited, final prospectus and the Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Sr. No	Item Head^^	Amount in ₹ Crore	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of Monitoring Agency	Comments of the Board of Directors
1	General Corporate Purposes	0.00	Chartered Accountant certificate*	No utilization during the quarter.	No comments
	Total	0.00			

** Chartered Accountant certificate from peer reviewed internal audit firm Guru & Jana LLP, dated January 22, 2026.*

^^ Section from the offer document related to GCP:

"The Net Proceeds will first be utilized for the Objects as set out above. Our Company intends to deploy any balances left out of the Net Proceeds and Net Pre-IPO Proceeds towards general corporate purposes, as approved by our management, from time to time, subject to (i) such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds (including Pre-IPO Proceeds); and (ii) the cumulative amount to be utilized for general corporate purposes and our object of funding inorganic growth through unidentified acquisitions and other strategic initiatives shall not exceed 35% of the Gross Proceeds (including the Pre-IPO Proceeds), in compliance with Regulation 7(2) of the SEBI ICDR Regulations. Such general corporate purposes may include, but are not restricted to, the following:

1. Strengthening marketing capabilities and brand building exercises;
2. funding working capital requirements of our Company and Subsidiaries including by way of investments in the Subsidiaries; and/or
3. meeting ongoing general corporate purposes or contingencies.

The allocation or quantum of utilization of funds towards the specific purposes described above will also be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilising surplus amounts, if any. In the event that our Company is unable to utilise the entire amount that our Company has currently estimated for use out of Net Proceeds in a Fiscal, our Company will utilise such unutilised amount in the next Fiscal."



Disclaimers to MA report:

- a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.
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A small, handwritten signature in blue ink, appearing to be the initials "HJ".